



GOVERNANCE & ACCOUNTABILITY INSTITUTE'S

TO THE POINT™



Timely News, Insights & Perspectives on Corporate Sustainability, Responsibility & Citizenship

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Governance & Accountability Institute shares timely news, insights and perspectives with corporate managers in key topic areas:

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- ⦿ *Corporate Sustainability,*
- ⦿ *Community Affairs, and*
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To the Point! is a fee-based educational resource for corporate executives and managers distributed each month with periodic brief updates for critical items.

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The MacBride Principles Are Still With Us — Also Watch The Holy Land Principles

The MacBride Principles are still with us - but public corporations may not be so closely watching. They should be.

The fair employment guidelines for Northern Ireland (the 6 counties of Ireland that are part of the United Kingdom, created in 1921 as the separate independent Republic Of Ireland was established) were a hot topic for U.S. companies back in the 1980s and 1990s, as the "Troubles" in that region were intense for local residents.

As the protests in the US and around the world increased about discrimination in the workplaces within the North's boundaries, US companies began to sign on to the Principles

Peace was finally achieved in the region, and corporate attention may have waned or not been a deemed to be a priority over time.

The human rights campaign, however, is far from over.

And the issue is bubbling up again. Complications: The Brexit discussions; the North of Ireland is part of the UK which is part of the EU for now...but what happens next? For all of Ireland?

The Irish National Caucus, based in Washington DC created the MacBride Principles in November 1984 when Irish Catholics in **Northern Ireland** were more than two-and-a-half times more likely to be out of work than their Protestant neighbors.



Irish National Caucus, Inc.

The initiative was designed to be a **Fair Employment** code for adoption by the growing number of U.S. companies doing business in Northern Ireland.

Importantly, the Principles did *not* call for boycotts, dis-investment of corporate shares, or "reverse" discrimination in hiring.

The 9 Principles were eventually made part of American law by two Republican-controlled Congresses and signed into law by **President Bill Clinton** in October 1998.

Eighteen American states and many cities and municipalities separately adopted the Principles as policies of their own.

More than **100** U.S. companies have agreed to uphold the policies, reports the Irish National Caucus.



The House of Representatives' Financial Services Committee's in spring 2017 deliberations raised the concerns of the activists about the preservation of the Principles as the **Financial CHOICE Act** was debated by members, said the organizers of the Principles. (There are proposals to scale back investor access to the corporate proxy process.)



This is an example of how movements such as the Principles stay in focus in Washington DC, within the Congress, and among key stakeholders – such as Irish-Americans and their numerous elected representatives.

Certain portions of the proposed House bill threatened the long-term rules “enabling effective shareholder advocacy” (for investors via access to the annual corporate proxy ballot) and that in turn could over time sabotage the MacBride Principles – which the organizers see as an important code of conduct for U.S. companies doing business in Northern Ireland.

Father Sean McManus (a Roman Catholic cleric) is President of the Caucus (founded in 1974).



The Irish National Caucus is considered as the “Irish lobby” on Capitol Hill, organized as a not-for-profit human rights organization.

More than 100 members of Congress have joined the group over the years.

Father McManus regularly communicates far and wide on the Principles and raised the alarm about investor access to the corporate proxy ballot, which he and his colleagues saw as threatened in the *CHOICE Act* deliberations...and by extension, the threat was to the continued shareholder and stakeholder leverage on companies to continue the focus on compliance with the MacBride Principles.

Father McManus is also vocal on such related issues as “**Brexit**,” calling attention to the potential loss to Northern Ireland’s economy as the United Kingdom exits the **European Union**.

As we write this, the governments of the United Kingdom and Republic of Ireland and British political and business interests in Northern Ireland – and the EU negotiators — are wrestling with the question of Irish borders (still not settled after 100 years!) and the support (or not) of the Northern Ireland UK Parliament members for Prime Minister Theresa May’s government.



The “Irish Issues” could sink the May government and bring the Labour Party to power if things don’t go well.

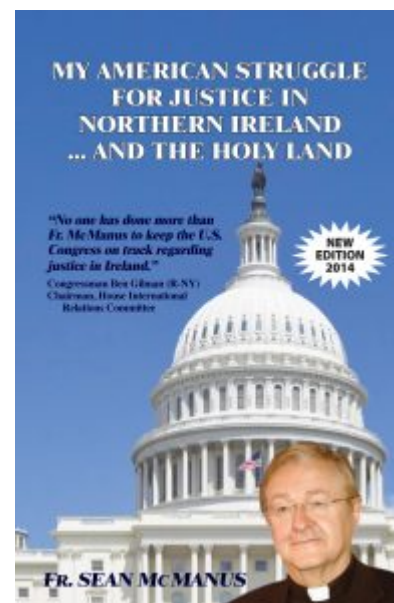
Many ESG issues are perennial!

Those businesses located in the northern counties may find themselves to be “outside” of the EU as the UK exits the Union; companies in the neighboring Republic of Ireland will remain in the EU as that country *is* and *will* remain firmly part of the Union.

Note that Governance & Accountability Institute is the data partner for the Global Reporting Initiative for the United Kingdom *and* Republic of Ireland as well as for the United States of America.

Tune in to: The Holy Land Principles

Father McManus also created the **Holy Land Principles**, a corporate code of conduct for the close to **600** American companies said to be doing business in the **State of Israel** and in **Palestine**, the disputed region outside of the boundaries of the Jewish state.



These Principles were launched in December 2012 on **International Human Rights Day** by Fr McManus and his colleagues.

Following the approach of engaging with or putting public pressure on companies, he is calling on such U.S. companies as **Cisco, Intel, General Electric, Corning** and other high-visibility companies to sign on to the Holy Land Principles.

The purpose: to have U.S. companies formally commit to adhere to Fair Employment practices in the Holy Land. (Whose borders, of course, continue to be in dispute some 50 years after the 1967 war and 70 years after the armed conflict in the post war years to create the free State of Israel and to establish the borders of the homelands of the two peoples.)

Says the Father: “American principles must follow American investment everywhere. No exceptions! Irrespective of how Americans view the problem [in the Holy Land] there is one thing surely right — American investment dollars should not



subsidize anti-Palestine discrimination in the Holy Land.”

As we prepared this brief, a new complication arose: **The Trump Administration** appears ready to designate Jerusalem as the capital of the State of Israel — sure to stir up a frenzy in the Middle East region.

The University of Michigan — To Divest or Not? Students Debate and Vote

In November, students at the **University of Michigan – Ann Arbor** took up the thorny question of the university *dis-investing* in U.S. companies that do business with Israel.



Companies like **Boeing, Hewlett-Packard** and **United Technologies** were prominently mentioned as targets for considering dis-investment.

The university's **Central Student Government** passed the motion to have the school's leaders “investigate” divestment of these and other companies.

This took place at an emotional, 8-hour meeting — longest of the organization in the school's history — with students charging that the three companies (and others) are violating Palestinian human rights.

This was the 10th attempt to gain approval since 2002. This time it was passed.

The activists were members of the **Students Allied for Freedom and Equality (SAFE)**.

In response, the University said that while it appreciates hearing from students, the primary purpose of investments in the endowment is to generate the greatest possible income to support of the school's teaching, research, patient care and various services.

Note there is a separate “**Boycott, Divestment and Sanctions**” (**BDS**) national movement, which is working to increase economic and political pressure on the State of Israel for “violations of international law”.

The University of Michigan students' protests appear to align with BDS's campaign, critics said.



ALL of this is worth watching the coming 2018 corporate proxy voting season.

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Activist NGO Strategies for Companies to Keep in Mind – They Are Familiar

The strategies followed by the Holy Land Principles activists are familiar, as they were created back in the days of the **anti-Apartheid** campaigns by activists and investors to put pressure on the **South African** government with campaigning here in the USA. These are:

- Conducting vigorous shareholder campaigns (beginning with corporate engagement and when that fails using the proxy ballot to exert pressure on board and C-suite and extension the company's investor base).
- Attempting to have continuous, direct engagement with the companies to win support and get them to adopt the Principles over time.
- Conducting public information campaigns to “like-minded” groups — for example, with Irish-Americans (some 45 million in number); with Arab-Americans; collaborating with Faith Communities and Social Justice Communities.
- Media campaigns to focus attention on companies.

There are eight elements of the Holy Land Principles; it would be good for corporate managers to be familiar with the demands / expectations of the activists. There is information for you here: <http://www.holylandprinciples.org/about-hlp/>

The campaign notes that to date, of the **545** companies they've identified as doing business in the Holy Land, *only one* has actually signed up: **Oxygen Biotherapeutics** – now known as **Tenax Therapeutics**.

Back to Ireland for comparison: Some **116** companies have sign the MacBride Principles to date.

References

- The Irish National Caucus: <http://www.irishnationalcaucus.org/>
- The Holy Land Principles: <http://www.holylandprinciples.org/8-holy-land-principles/>
- The Macbride Principles in Essence: <http://www.irishnationalcaucus.org/principle/the-macbride-principles-the-essence/>