

Why Fossil Fuel Divestment is Back Before the General Assembly

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With assistance from representatives of the Creation Action Network of Presbyterian Young Adults (CANOPY) and Presbyterians for Earth Care (PEC)

With a new overture before the 227th General Assembly, Presbyterians are weighing whether shareholder engagement is enough — or if faithful action requires full divestment.

Introduction

As the impacts of climate change grow more visible around the world, many Presbyterians are asking what faithfulness requires of the church. How should our financial decisions reflect our commitment to care for creation and for our neighbors?

Over the past 12 years, dozens of presbyteries have called on the Presbyterian Foundation and the Board of Pensions to divest from companies whose primary profits come from fossil fuel energy. These calls distinguish fossil fuel energy products from the many other products derived from oil, gas and coal due to the climate-changing emissions released when they are used.

Such actions arise from our biblical covenant to “till and keep” the earth (Genesis 2:15) and the command to love our neighbors (Galatians 5:14). They are informed by the growing scientific consensus about the causes of the climate crisis and by our experience of how climate change is already affecting people and wildlife around the world.

At the 227th General Assembly this summer, another overture will join this call for divestment: [“Changing Course for a Green Future”](#) ([Overture 34](#)), sponsored by Susquehanna Valley Presbytery and developed with the support of Presbyterians for Earth Care (PEC) and the Creation Action Network of Presbyterian Young Adults (CANOPY).

The question now before the Presbyterian Church (U.S.A.) is whether continuing to invest in fossil fuel companies is compatible with our faith commitments.

The moral moment before us

According to the United Nations’ [Intergovernmental Panel on Climate Change](#) 70% of the greenhouse gases driving the climate crisis come from the extraction, production and use of fossil fuels. These findings confirm scientific theories dating back to the Swedish Nobel laureate Dr. Svante Arrhenius in his 1890’s warnings about the cumulative impact of carbon dioxide in the atmosphere.

Global efforts to address this crisis have grown steadily over the past three decades. The United Nations created the Framework Convention on Climate Change in 1992. In 2015, 194 nations

and the European Union committed, through the Paris Climate Agreement, to reduce carbon emissions in order to limit global warming to 1.5 degrees Celsius — a threshold scientists warn must not be exceeded if we hope to avoid catastrophic harm to ecosystems and human communities.

More recently, a campaign for a [Fossil Fuel Non-Proliferation Treaty](#) began in 2022. At the COP28 climate talks in Dubai in 2023, nations committed for the first time to transition the global economy away from fossil fuels. Leaders from more than 80 countries are expected to gather this year in Santa Marta, Colombia, to begin developing a roadmap for a just transition away from fossil fuels.

Faith communities have also taken action. The Church of Sweden completed its fossil fuel divestment in 2014. [As one financial officer explained](#) at the time, it no longer made sense for the church to profit from companies whose products contribute directly to climate-warming emissions.

Since then, faith-based and secular institutions around the world have committed to divesting [more than \\$40 trillion](#) from fossil fuel industries. Recent international climate gatherings have seen dozens more faith communities announce new divestment commitments.

Additional initiatives — such as the World Council of Churches’ [“Churches’ Commitments to Children”](#) and the Green Faith-led [“Faiths for a Fossil Free Future”](#) — are mobilizing religious communities to support a transition away from fossil fuels. Given our church’s long-held commitment to the Paris Climate Accords, we should want to join these efforts. But can we do so with integrity while profiting from fossil fuel investments?

Why the church’s current strategy falls short

The PC(USA)’s Mission Responsibility Through Investment (MRTI) committee has long used shareholder engagement to encourage corporations to adopt more responsible practices. This strategy can be effective when working with companies that *use* fossil fuels — such as airlines, trucking companies or data centers — encouraging them to reduce emissions.

But this strategy cannot address the root problem: the continued production of fossil fuel energy products themselves.

Shareholder engagement focuses on influencing corporate behavior, not eliminating the underlying product. In this case, the product itself — fossil fuels used for energy — remains the primary driver of climate change.

MRTI also lacks a clear metric for reassessing investments in industries whose products have become harmful once [safer and more affordable alternatives](#) are available. A historical parallel might be if we were investors in the whale oil industry in the late 1800s who failed to reconsider our investments even after new energy sources emerged.

This disconnect has left many Presbyterians frustrated. Church leaders acknowledge the seriousness of the climate crisis and the need to transition away from fossil fuels. Yet the primary strategy offered remains incremental engagement with individual companies and very rarely divestment.

For many concerned Presbyterians, the General Assembly has become the only available avenue for addressing this gap between the church's diagnosis of the problem and the actions proposed to address it.

There was a moment of hope at the 226th General Assembly. Commissioners initially approved a divestment overture by a substantial majority. But the decision was later reconsidered and reversed after MRTI representatives argued that full divestment could limit the church's ability to advocate against local environmental harms caused by fossil fuel companies.

Instead, the assembly voted to divest from only ten companies where MRTI determined there was "no promising engagement."

Yet the definition of "promising engagement" remains unclear when the underlying business model of fossil fuel companies – continued extraction and fuel production – remains unchanged.

Even if shareholder engagement were aimed directly at ending fossil fuel production, such efforts rarely compel corporations to act. According to the Securities and Exchange Commission (SEC) rule Rule 14a-8(i)(7), known as the "ordinary business" exclusion, companies are not legally required to follow shareholder resolutions.

Practical limits also exist. According to representatives from the Board of Pensions and MRTI with whom we conferred during the development of our overture, the denomination's two staff members are currently engaging only two of the more than 50 fossil fuel companies in which church funds remain invested.

With the 2030 climate targets established by the Paris Agreement rapidly approaching, the church must ask whether this strategy meaningfully addresses the scale and urgency of the crisis.

Why divestment now is faithful and responsible

Presbyterians have long insisted that faith must shape not only our worship but also our economic life. Within the Reformed tradition, financial decisions should reflect our covenantal commitment to care for the world God loves — the world God seeks to redeem and restore (John 3:16).

When we fall short of these commitments, our tradition calls us to repentance and renewed faithfulness. The Presbyterian Church (U.S.A.) has already acknowledged its own responsibility. Reflecting on more than three decades since the adoption of the 1990 policy "Restoring Creation for Ecology and Justice," the 225th General Assembly confessed the need for denominational repentance regarding climate change in adopting the "Investing In a Green Future" policy document.

Reformed theology often emphasizes engagement — working within systems in hopes of transforming them. Yet it also recognizes moments when faithfulness requires refusing to participate.

The theologian H. Richard Niebuhr described such moments as “[meaningful inactivity](#)”. While Niebuhr’s comments came in the context of the U.S. engagement in Vietnam, the principle of humility in the face of historical events and the sovereignty of God still applies to economic activities as well.

Furthermore, we should not underestimate the significance of our role as a religious institution in providing (or withholding) implicit permission or [implied blessing](#) of particular economic activities. Decision to withdraw from certain economic activities when participation itself communicates approval.

As a church, we should not underestimate the symbolic and moral weight of our financial decisions. Our investments can signal either

A moment for faithful decision

Representatives from the Presbyterian Foundation and the Board of Pensions, contacted as part of our overture development consultation process, inform us that their fossil fuel investments have declined by nearly 50% over the past five to seven years. Yet there is currently no commitment to complete the transition away from these holdings.

By our best estimate, church funds still include roughly \$141 million invested in fossil fuel companies.

The question before this summer’s General Assembly is therefore clear: Will the church continue the slow process of incremental company-by-company engagement, or will we join many ecumenical partners who have concluded that divestment is the most faithful response?

Divestment would express solidarity with communities most vulnerable to climate change and offer moral leadership at a moment when such leadership is urgently needed.

[PEC](#) and [CANOPY](#) urge commissioners and advisory delegates to make the 227th General Assembly a moment of decision. Declaring the continued investment of Presbyterian Church (USA) funds in the production of fossil fuels incompatible with our commitment to a just and sustainable energy future would align the church’s investments with the faith we profess.