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Sustainability Communicator is a quarterly publication about population, consumption, and conservation issues. Its purpose is to promote dialogue and action among League members and others interested in building a sustainable future.

SUSTAINABILITY COMMUNICATOR

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wetlands

American Wetlands Month 2005

Sustainable communities are those that strive to build economic, environmental, and social capital simultaneously. Wetlands are community assets that provide a host of benefits involving all three types of capital. However, their benefits can often be overlooked when land-use decisions are made.

American Wetlands Month, which the League coordinates every May, is a wonderful opportunity to educate people in your community about the importance of wetland conservation. You can do this by sponsoring or participating in on-

the-ground projects, activities, and events that highlight wetlands. This year's American Wetlands Month theme is "It Pays to Save Wetlands," emphasizing their economic value to communities.

To support the wetlands theme this year, Sustainability Communicator is providing the following excerpt from the Wisconsin Department of Natural Resources Web site on wetlands, as well as a link to a Natural Resources Conservation Service tool for conducting economic valuation studies.

Wetlands, Wonderlands: What's a Wetland Worth?

*by Mary Kay Judd and Mary Ellen Vollbrecht,
Wisconsin Department of Natural Resources
<http://www.dnr.state.wi.us/>*

In this fast-paced, computerized, dual-income, test-tube, fast-food, consultant-laden, brave new world, everything seems to have a price tag on it: products, time, land, ideas, knowledge. So, to talk of something like wetlands in terms of intrinsic, intangible values—beauty, serenity, enchantment, rarity—doesn't quite hit home these days. Of course, a few die-hard romantics are tucked away in various corners of the earth, clinging to the intangibles and singing their praises. Unfortunately, the songs often fall on deaf ears.

For those individuals who have become slightly tone deaf over the years, we offer this attempt at price-tagging wetlands.

Just what is a wetland worth? That depends on

A Tool for Determining a Wetland's Value

<http://cbl.umces.edu/~mattia/NRCS/index.htm>

The Natural Resources Conservation Service (NRCS) provides leadership in a partnership effort to help people conserve, maintain, and improve our natural resources and environment. This online tool created by the NRCS and hosted by the University of Maryland is for non-economists who need answers to questions about the environmental and economic benefits of conservation practices. Although it's not wetlands-specific, it does provide a step-by-step format for users to estimate the benefits of conservation in terms of absolute dollars. It also offers advice when providing dollar estimates may be inappropriate. It's a useful tool for anyone trying to determine the real value of a wetland to his or her community.

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Wetlands, Wonderlands

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the perspective you choose. Talk to a subdivision developer, a farmer, a highway department official, a wildlife biologist, or an environmentalist and you'll get five very different answers.

From an individual owner's perspective, a wetland may be worth as much or as little as the product one can obtain from the land: the price of a condo, a year's supply of dried cranberries, a season's crop of corn. For the rest of us, the presence or absence of wetlands may mean a difference in our tax bill, a few cents more or less for produce at the market, or a dollar or two more for fishing or hunting licenses. Bills for the loss of plant or animal

Economic Values of Wetlands

- Each year, 100,000 waterfowl hunters in Wisconsin spend about \$46 million to pursue their sport on the state's wetlands.
- A U.S. Army Corps of Engineers study showed that loss of wetlands in the watershed of the Charles River near Boston would have caused \$17 million in annual flood damage. Therefore, the Corps chose to purchase and preserve these wetlands instead of building expensive flood control structures.
- Wetlands filter water more thoroughly

and cost-effectively than man-made treatment plants. It would cost \$5 million (in 1991 dollars) just to construct a water treatment plant to replace the water filtration capability of the Congaree Bottomland Hardwood Swamp in South Carolina.

- Fur from wetland-dependent animals such as mink, nutria, beavers, otters, and raccoons provides approximately \$1 million per year to Maryland's economy.

SOURCE: USEPA AND WISCONSIN DNR

species and the lack of attractive open space don't come due as quickly—but they eventually are paid by all of us.

As you can see from the sidebar, there are some very concrete costs and benefits associated with wetlands in Wisconsin and

elsewhere. You'll notice there's no "grand total" because it's impossible to put a price on the value of slipping through reeds in a canoe, huddling in a duck blind for the first time with your youngster, or hearing the call of the Canada goose while waiting at a bus stop in the city.

What You Can Do

The Izaak Walton League is offering a unique opportunity for you to experience wetlands through the Internet. Every week in March and April, we will be publishing *Wetland Sights and Sounds*, a series of e-mail newsletters that will help you get ready for American Wetlands Month in May. Each issue will highlight a different wetland function or value. It will also include educational information, pictures, sound bites, conservation project ideas, and links to other resources.

Sign up to receive Wetland Sights and Sounds by sending a blank e-mail to join-friends@list.iwla.org. By subscribing to this list, you also will receive periodic updates from the Izaak Walton League on exciting conservation initiatives.

If you are organizing a wetland or watershed event in May (or anytime throughout the year), please take this opportunity to advertise your event on the Izaak Walton League's Web site at <http://www.iwla.org/sos/awm/events>. This is the official site for American Wetlands Month events. As the coordinator of American Wetlands Month, the Izaak Walton League directs volunteers and reporters from across the country to this page to find local events.

corporate responsibility

Investing in Corporate Responsibility: A Good Bet?

In October 2002, Sustainability Communicator ran an article on socially responsible investing—the practice in which people invest their money in ways designed to achieve their financial goals while working to build a better, more just, more sustainable economy. We return to the subject in this issue to report on some new developments that indicate the sector's growing acceptance and influence.

The Million-Dollar Question

Here is the big question: Is socially responsible investing a sensible investment strategy or simply a statement about the investor's own morals and values? This debate would be solved if there were proof that companies that behave responsibly—vis-à-vis their employees, communities, and the environment—actually perform better financially. Marjorie Kelly, editor of Business Ethics Magazine, has dubbed this the "Holy Grail of SRI." In a recent article, she announced that the question is now solved.

Her evidence comes from two studies pub-

lished in 2004. The first was titled, "Corporate Social and Financial Performance." Researchers from the University of Sydney in Australia and the University of Iowa studied the data from 52 previous studies conducted over the last 30 years. The results showed a statistically significant "highly to modestly positive" association between corporate social performance and financial performance.

The researchers offered two possible theories about why social and financial performance are linked. One is that social responsibility is simply good management that pays off in profits. It is anticipatory and innovative, builds reputations, enhances relations with bankers and investors, and attracts, engages, and retains quality employees. The second possibility is that financially successful firms have more resources for social activities.

Rather than picking one answer over the other, the study supported both theories interacting in a cycle. According to the report, "Financially successful companies

spend more because they can afford it, but [corporate social responsibility] also helps them become a bit more successful.”

The second study, “Corporate Environmental Governance,” was commissioned by the United Kingdom Environment Agency and focused specifically on environmental factors. The analysis looked at 60 research studies over the last six years, finding that 51 of them (85 percent) showed a positive correlation between environmental management and financial performance.

As far as Kelly is concerned, “Statistically speaking, the perennial question has been answered. Corporate social responsibility does indeed go hand-in-hand with financial performance. Thirty years and 112 studies later, the Holy Grail has been found.”

A Primer for Socially Responsible Investing

There are three legs to socially responsible investing—three entry points to achieving competitive returns and improving the social values of companies.

Screening: Including or excluding publicly traded securities from investment portfolios or mutual funds based on social and/or environmental criteria.

Shareholder Activism: Bringing small investors’ voices and votes together to raise issues of concern at companies, as well as filing and voting proxy resolutions aimed at improving performance.

Community Investment: Investing capital in low-income communities through community banks, credit unions, loan funds, and micro-enterprise lending to provide affordable housing, create jobs, and help responsible businesses get started. Promoting and attracting community investment can be an effective alternative for small towns and rural areas.



What You Can Do

Ready to put your money where your values are? For individual investors, it is mainly a case of getting information that you trust and then selecting those investments that suit your goals. Ask for help from an investment professional. Perhaps you can educate them in the process.

Two good sources of information on specific funds, explanations of socially responsible investing, and corporate news and research are:

- The Social Investment Forum,

<http://www.socialinvest.org/>,
(202) 872-5319

- SRI World Group, <http://www.social-funds.com/>, (802) 251-0500

If you want to invest through your employer’s pension plan, first check to see whether the current provider has any options available. Even if the provider has a socially oriented product, it may not be part of the package offered to your company. You may be able to make some headway in negotiating with them. If not, taking the organization’s business elsewhere is an option. Since most

organizations do review their portfolios and fund managers periodically, such moments can provide an opportunity to make the switch.

If you work for a state agency, you may be interested in a new handbook, *Corporate Governance, Social Responsibility and Obligations of Ownership: Background Paper for State Treasurers and Legislators* (http://www.socialinvest.org/areas/research/other/012004_treasurers.pdf). It provides state officials with a practical tool for achieving reform on those issues.

corporate responsibility

Look Who’s Investing

Perhaps the best indicator of the increasing market for socially responsible investing is the market itself. According to the Social Investment Forum’s 2003 Trends Report:

- Of the \$19.2 trillion in professionally managed portfolios in the United States during 2003, \$2.16 trillion (11 percent) were using socially responsible investing strategies. That comes out to more than one out of every nine dollars under professional management in the United States.

- Between 2001 and 2003, these assets rose 7 percent (\$5 billion). All other professionally managed portfolios fell 4 percent during that period.

- In 1999, there were 168 socially responsible funds in the United States; by 2003 there were 200.

The socially responsible investment market was once populated by the “choir,” investment firms who set out to create these products as a means of social change. Today, in response to investor

interest, finance and investment icons including Dreyfus, Morgan Stanley, Smith Barney, Scudder, and Neuberger Berman all carry at least one fund option that specializes in socially responsible investing. Through its Scudder Investment Program, the American Association of Retired Persons has more than a dozen different socially responsible funds to choose from. In addition, the Dow Jones and Financial Times Stock Exchange both have developed socially responsible indexes that provide a way to track the sector overall.

Move Over CNBC

Ethical Marketplace, the first-ever TV show devoted to socially responsible investing, will premiere on March 15 on selected PBS stations. According to Laury Saligman, vice president for marketing at PBS, the show is a weekly half-hour financial lifestyle series that redefines success through a positive look at what is possible.

Real examples of people, companies, and organizations will illustrate the "triple bottom line": respecting people and the environment while earning a profit. The stories will be backed up with solid financial and market data. News, features, interviews, roundtables, and expert com-

mentaries will probe the assumptions behind the issues that affect every consumer and investor globally. The target audience for the show is the 50 percent of all U.S. adults invested in the stock market, either directly or through pension funds. These viewers are baby boomers, "cultural creatives," and concerned citizens wanting to make their money count, rather than just counting their money.

Visit www.ethicalmarketplace.com or check your TV guide for listings. If your local PBS affiliate is not carrying the show, contact them and let them know you're interested.

E-Communicator

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Founded in 1922, the Izaak Walton League of America is dedicated to common sense conservation that protects America's hunting, fishing, and outdoor heritage relying on solution-oriented conservation, education, and the promotion of outdoor recreation for the benefit of our citizens. The League has more than 40,000 members and supporters in 21 state divisions and more than 300 local chapters in 32 states.

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