

Thank you for this privilege to address this 2024 conference of the Church Investors Group.

As Christian Investors, we meet at a time of upheaval. Of a world turning upside down.

Whether it is last week's resignation of the Archbishop of Canterbury; the US Presidential elections of two weeks ago; the existential challenges of the climate crisis, or the inexorable transition to a world underpinned by artificial intelligence, we are faced with developments which are truly unprecedented in our living memory.

These events are not in the data sets of our valuation and risk management models.

They pose challenging questions for the Christian investor. How should we act in this environment? What values should inform our decision making?

Before answering that, it is perhaps important to ask a more fundamental question – what is distinctive about being a Christian Investor?

How would you answer such a question – that you are driven by God rather than the invisible hand of the market?

That investment must ensure that people and planet flourish above the relentless pursuit of profits? That we must take account of intergenerational equity when allocating capital? That we say prayers at the start of our Board meetings? That we read the guiding principles of the Ethical Investment Advisory Group as assiduously as we read the Bible?

Arguably, it is all the above.

Yet, to my mind, there is one overarching distinction of being a Christian Investor – we are long-term investors who must consider time horizons which are longer, in values and in value, and differ from normal market participants.

As a result, for us to be effective investors, the Christian Investor must always be learning from the past, to inform the present, to build a better future through how we invest.

We will not be effective investors if we do not employ this mindset. That is even more important in the world we find ourselves in today – of climate change, of AI, of political upheaval, of upheaval in the Church.

Against that backdrop, I would like to share perspectives from our journey at the Church Commissioners about interrogating the past to build a better future and the lessons we are being taught as a result.

As Christian, faith-based impact investors, around for 320 years and tasked with managing the endowment fund so it lasts in perpetuity, the

Church Commissioners must allocate capital and manage risks in support of the mission of the Church in ways that promote the flourishing of all human beings, and of the planet.

To do so, we must be conscious of connections through time.

In 2019, the Church Commissioners embarked on an exercise to investigate the historical linkages which our endowment fund had to Transatlantic Chattel Enslavement.

I would like to share three ways in which investigating our past involvement with Transatlantic Chattel Slavery helps us to be better Christian investors and risk managers in the age of Artificial Intelligence and Climate Change.

These might also possibly be lessons for you as fellow Christian Investors.

Lesson 1: Good decisions are based on facts, not false narratives. To get to the facts, we need to ask good questions to get the evidence-basis needed for good decision making.

We have learned through this experience to ask better questions.

Let me explain. What was striking about Transatlantic Chattel Slavery was the way the British public was kept in the dark for centuries right up until today - by obfuscations, false narratives, and pseudo-science dished out by a range of actors including corporates, museums, universities – and of course the Church itself.

The disinformation we all complain about today is by no means new.

The British public had no idea of the true nature and scale of the atrocities taking place across the Atlantic. They had no idea that some ostensible acts of benevolence in the form of the Abolition of the Slave Trade and the actions of the Royal Navy concealed the continuation of slave trading and further exploitation under different guises. They had no idea that emancipation itself in the Caribbean ushered in decades of further exploitation in conditions that can only be described as another form of slavery. And of course, the Church helped ensure the British public had no idea that what was taking place across the Atlantic, in the words of the Archbishop of Canterbury, “was and has always been blasphemy”.

And how many of us in this room today were aware that the British public paid vast sums in compensation to the very wealthy perpetrators of this blasphemy, from 1834 when so-called emancipation took place, right up until 2015, only nine years ago?

Immoral spiritual choices led to immoral acts of capital allocation. So, the Church Commissioners is now more sensitised to the issues and will ask the hard question today: how are we and the British public being kept in the dark in our age of Artificial Intelligence and Climate Change, so

that the rich and powerful can avoid transparency and accountability?

Academics and civil society are already sounding the alarm. How many of us know how Artificial Intelligence works, how it is actually constructed? Do we know that the AI economy is powered by a vast army of **human** labour in the Global South – particularly Africa – doing the mind numbing, drudge work of labelling data and monitoring content in inhumane conditions for hours on end? And for a pittance? To maximise the profits of a handful of trillion-dollar tech companies?

And how many of us are aware of the widespread use of so-called ‘bossware’ – algorithmic surveillance forcing workers to work longer and harder in ways many consider inhumane – not only in the Global South, but right here in the West? This prompted Wired Magazine to write an article in May 2024 entitled – [“The Low-Paid Humans Behind AI’s Smarts Asks Biden to Free Them from Modern Day Slavery”](#).

The AI-Big Tech complex runs the risk of echoing colonial exploitation, the slave plantations and the plantation overseers with their whips, with the deskilling and devaluing of human agency.

As Christian Investors, have we factored this into our engagement plans with tech companies? If not, we should.

The same is true of climate change. Dr Keiron Niles at the University of the West Indies in a 2023 article entitled [“Climate Change and Transatlantic Slavery: Uncomfortable Parallels, uncertain futures”](#) outlines six ways in which our current climate transition mirrors the injustices observed in Transatlantic Chattel Slavery – Tragedy of the Commons; Energy Transition; Lack of Representation; Disproportionate distribution of benefits and costs; Loss of culture and identity; Compensation. These injustices are all hidden in plain sight.

As another example, when in 2023 we at the Church Commissioners were executing our decision to [divest of our fossil fuel holdings](#), in the background I was in discussion with our Responsible Investor team to scenario plan how the various actors might respond. I was pointed by one of the senior leaders in the RI team to the book [“The Interest – How the British Establishment resisted the Abolition of Slavery”](#) by Dr Michael Taylor and advised that if I wanted to get an understanding in the present of the how the vested fossil interests are likely to react, powerful insights would be gained from reading this book.

We as Christian Investors must be more sensitised and better prepared to ask the right questions to get at the truth, informed by what the past is telling us today.

Lesson 2: If we want transparency, if we want to know the truth - follow the money.

How we spend money can peer more deeply into our soul than our other actions.

The decision that our Chief Executive Officer made to open our 300-year-old ledgers to forensic accountants [Grant Thornton to determine the](#)

nature and extent of our involvement with Transatlantic Chattel Slavery was groundbreaking, world-leading - and highly revealing.

Debits and credits reveal truth more accurately than words. Or, to again quote the Archbishop of Canterbury – they are theology in numbers.

Going forward Christian investors must be more conscious to pay particular attention to debits and credits and proper market disclosure. They will tell us more than on the words or actions of seeming benevolence by fossil fuel companies or, the AI and Tech industry. This is essential if we are to invest in equitable and more humane future for all, and if we are to avoid contributing to human misery as in the past.

Lesson 3: Truth matters more than money when it comes to Christian investing. Seeking truth, telling the truth and acting in truth are what bring healing, reconciliation, freedom and justice. Those values will drive value.

One of the actions we at the Church Commissioners decided upon in response to our findings of our linkages to Transatlantic Chattel Enslavement, was to invest £100 million in creating a more equitable, humane future. Other actions involve further research, education, and engagement.

The people of the African and Caribbean diaspora I hear from are not impressed by that. No amount of money can ever repair for the evil done.

What they are very impressed about, almost shocked about is that the Church Commissioners was willing to seek the truth and tell the truth about their involvement in the Transatlantic Chattel Slave Trade.

They never thought that we as Christians had it in us.

But such is the power of truth seeking and truth-telling that we have already seen much good fruit come of this – a new desire for dialogue, understanding, healing, and reconciliation. We see this coming out of Barbados, Jamaica, Tanzania, and Ghana. We see it coming out of the Catholic Church, the Jesuits in America, and the other religious bodies, as well as corporates and other endowments that have engaged with us, wanting to learn from our journey.

We see this right here in the UK among Church of England clergy and laity of Global majority heritage. Some have been inspired by the Church Commissioners' investigation to have community theology discussions at a grassroots level with leading Church of England theologians to seek understanding, healing and reconciliation, and to encourage more clergy and laity to pursue advanced studies in theology.

I have talked about those real-world missional impacts.

I should not however forget the financial dimensions. We Christian Investors are actors with Mammon, if hopefully not its servant.

We are already seeing many other investors, many non-faith based, coming to us quietly, to learn from our journey, as they realise that it is one

which many will have to go through. There is an inevitability that corporations must face their past to maintain their moral and market license to operate, even if the recent political developments and ESG backlash might lull people into a false sense of complacency.

There is also one other story I would share. In 2022, the Church Commissioners, executed its first ever bond issue, in two tranches – of 10 years and 30 years, totally £550 million raised to enable us to invest into the mission of the Church. When we commenced the work to do this, we had completed the underlying analysis of our work investigating our links into slavery. We disclosed it transparently in the risk disclosures of our annual report and accounts; we gave a formal interim public disclosure to the market ahead of the bond issue on the findings of our investigations, underpinned by the forensic analysis we had done; the issue of the implications of the linkages of Transatlantic Chattel Enslavement was included in the due diligence questions asked by the international banks arranging the bond issue; prospective investors also asked the question in our road show.

When we did the sterling bond issue, in arguably what turned out to be unfortunate timing – Boris Johnson resigned just as we were doing our book building, we had received a AA1 credit rating, the bond was oversubscribed by almost a factor of 2, and we were able to raise long term funds to invest at cheap rates.

Of course, there were other factors which would have fed into our rating and the success of the bond issue. However, the rigour, transparency, and accountability of us disclosing our Transatlantic Chattel Enslavement links, was a very important component as us distinguishing ourselves as investors who do the right thing and can be trusted. Trust is everything in investment markets.

So, in summary, to my mind, the thing which distinguishes us as Christian Investors we must always be learning from the past if we are to build a better future through how we allocate capital.

Three things must underpin that – (1) we must ask better questions; (2) we must seek transparency by following the money; and (3) we must be ruthlessly committed to the truth.

These are non-negotiables if, as Christian Investors, we are to discharge our responsibilities more faithfully in support of the mission of the Church in the Age of Climate Change and AI.

Thank You.

Talk by Alan Smith, First Church Estates Commissioner, to the 2024 Christian Investors Group Conference on 20 November, 2024 at the CCLA Offices in London.