

OP-ED | State Treasurer's Gun Divestiture Is Sound Policy

by Jeff Leake | Dec 20, 2019 10:30am



The terrible tragedy at Sandy Hook and other recent acts of gun violence in schools and other public venues have prompted a wave of outrage and activism to strengthen gun violence protection in communities across our country.

After one of the darkest days in Connecticut history, one that resulted in the loss of 20 children and six educators in Newtown, state lawmakers did the right thing and passed some of the strongest gun safety laws in the nation. While we applaud that move, not enough has been done on a national level to stem the scourge of mass shootings across the country.

Now, Connecticut is once again taking the lead on gun violence prevention by enacting a comprehensive, responsible gun divestment policy. Earlier this month, State Treasurer Shawn Wooden took a significant step to encourage gun companies to stop promoting the sale of military-style weapons to civilians. As a result, Connecticut is divesting \$30 million of our pension from the civilian gun industry, banning similar, future investments and creating incentives for banks and financial institutions to enact gun-related policies — actions teachers and parents vigorously support.

The move will add to already mounting pressure on Wall Street and investment firms to take action, including reexamining portfolios, dropping gun stocks, and asking weapons manufacturers to take steps to ensure their products are not part of mass shootings.

The state has an ethical and moral responsibility to its residents, and this multi-pronged divestment plan is right for Connecticut. Treasurer Wooden's action to divest from the gun industry is aligned with all his work over the course of the year to not only promote good policy but also minimize investment risks to teachers and taxpayers.

The investment perspective is straightforward — civilian gun manufacturers face increasing legal and financial risks. These risks impact company profitability and, in turn, the long-term value of shares. For retirees, this means the treasurer will move their investments out of an increasingly risky sector and into securities that offer similar or better returns, as well as lower risk and volatility.

While some may disagree with the treasurer's concern about the impact and cost of gun violence on our families and communities, it would be contrary to common sense and state law for him to disregard the social and economic impact of our investments. The right hand (investing by the state) should know what's going on with the left hand (cost and impact to the state).

Every elected public official should be engaged in reducing the terrible costs of gun violence. We see those costs in our cities and towns, our schools and our places of worship. Solving a crisis of this magnitude requires everyone — parents, business leaders, and yes, teachers and state treasurers. We thank Treasurer Wooden for his leadership in moving the state forward with a sensible investment strategy.

Jeff Leake is President of the Connecticut Education Association (CEA), which represents active, retired, and aspiring educators throughout Connecticut, and is included among the sponsors of this website.