

## Reinvesting in God



**With many losing faith in the ethics of the financial world, some are turning to a higher power -- and higher values**

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Reports of fraud and greed in the Wall Street meltdown that led to the recession have North Americans scrutinizing the ethics of the financial world.

One of the latest is a deal by 14 trading firms to pay \$69 million in penalties to U.S. regulators for systematically cheating clients for years.

And yesterday, lawyers for former investment adviser Bernard Madoff said he will plead guilty tomorrow to 11 criminal counts -- including perjury, money laundering and securities fraud -- in the bilking of \$50 billion from clients in one of America's largest ever frauds.

Many who've lost jobs and savings in the downturn feel wronged by the malfeasance and the carnage it's caused. The recession's crushing fallout has led people to search for meaning as they re-adjust their lives.

Religious leaders say public distaste for current corporate values has put new focus on faith-based principles, as trust in the markets slides.

"That system is a crumbling pyramid scheme that rewards those at the top and is devouring everyone and everything below," United Church moderator David Giuliano wrote in an open letter to Canadians last month.

From the U.S. Steel shutdown in Hamilton to the possible GM collapse, questions are flying about integrity and the will of corporations to consider the public good.

U.S. President Barack Obama has called for "a shift in ethics," saying it's time to apply the do-unto-others values of Christianity, Judaism, Islam and other faiths.

Jonathan Wellum, CEO of AIC Ltd., says such values -- already lacking in the cutthroat financial world -- were obliterated in the long run of prosperity that collapsed in 2008.

Selfishness, materialism and a need for instant gratification drove the markets and played out in the economy for years, says Wellum, head of the Burlington-based funds firm with \$3 billion in assets.

"Now, we need men and women with purpose, who think long-term, who draw lines, who stand on fixed principles, unwavering, disciplined, treating each other with the highest respect," he says.

Wellum, who writes about the financial crisis in this month's edition of the evangelical magazine Faith Today, says people are just starting to understand the forces behind the cataclysm last fall.

He says a whole generation -- not just its corporate chieftains -- is to blame.

"In a nutshell, we got to this point as a result of three decades of baby boomers -- those of us born between 1946 and 1964 -- living far beyond our means," he says. "Who took the cruises and bought vacation properties based upon future earnings and stock market returns that were unsustainable?"

Now religious leaders see the need to remind people of their duty to help solve the crisis, give to others and live a life of purpose, not excess.

"We cannot shop our way to prosperity," wrote Giuliano of the United Church.

"This crisis holds the possibility of being a historic turning point energized by renewed human creativity, adaptability and spirit."

Michael Van Pelt, head of a Hamilton-based think-tank called Cardus, says basic values belong in all parts of life.

"We have ignored some of these fundamentals, some of which happen to be deep, important and religious principles," he says.

Faith-based values are often front and centre in times of economic stress.

Queen's University religious studies professor Pamela Dickey Young points out that "popes have been producing encyclicals on the economy for a long, long time."

Pope Leo XIII issued one of the most famous in 1891, writing that a free market must be tempered by moral considerations, including a living wage for workers.

Faith is also a potential source of solace at times of crisis, says Jeffrey Mahan, a specialist in ministry, media and culture at the Iliff School of Theology in Denver.

"People are asking what does life mean, where is my security, what are my own best, deepest values," he says. "That opens them to questions that are often profoundly religious, whether they believe in God or not."

The shared sense of humanity that pervades most faiths can be a balm to those demoralized by hard times. Aiding others gives people a way to feel they are helping to mitigate the recession's damage.

"We see incredible generosity in the midst of these great challenges," Mahan says. "And for many religious people, that is, in fact, an expression of faith."

The crisis has also renewed interest in ethical, faith-based investing, such as Advisors with Purpose. It is a network of independent counsellors loosely connected through Christian beliefs.

"Whenever you go through a period like this, people start to re-evaluate what they're doing in their lives," says Wade Van Bostelen of IPC Investment Corp. in Burlington. "We have a belief system in place that says there's something more we have to answer to than just ourselves."

For Wellum, the AIC executive, any interest in changing the system is good.

"Sometimes, it's easier just to say we're \$2 trillion below equity on homes and we'll try to help these people," he says.

"But the question, to me, is: how did we get here? You have to understand the moral, ethical and social (factors). Because that's what drives the economics."

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