

How can Investing in Green Companies Grow the Green Economy?

By Cherie G. DiNoia
Shelby Financial Group

One of the most dynamic ways you can grow the green economy is by investing your savings and retirement assets in green companies, companies that are working to preserve the planet and create a world that works for everyone with no one and nothing left out.

It is obvious how buying directly from a green company makes a big difference in growing the green economy. You are directly supporting that company.

Then how does investing in green companies grow the green economy? Since when we buy stock it is usually in the secondary market, which means it does not go directly to the company. However, when more people buy stock from a green company, the share price is pushed up and creates more value for the company. Another reason to buy from green, progressive and proactive companies, is to avoid profiting from the evils of greed, violating the planet and people, etc. If enough people stop buying stock in companies with “questionable” practices, their stock value will go down. This directly hurts the corporate officers, which usually hold a large amount of the stock. When they are affected in this way, they have a strong incentive to look at their business practices and possibly improve their corporate citizenship.

Another area that we can grow the green economy is to invest directly and locally in small green business. Clients of Shelby Financial Group have created a community in Honduras. The project would not have been possible without them, they are earning handsome returns and they know that they are using their money to make a big difference.

At a time when investors are throwing up their hands at the stock market and investing, many are turning to Angel Investor Networks or Private funds like SJF Ventures (<http://www.sjfund.com/>) this is where investors can invest directly into private, green companies. The risks are greater, but so are the rewards.

I personally believe that it will be the private sector that is going to pull our great United States out of this financial crisis. I also believe that we are experiencing a paradigm shift. My clients ask me when I feel like we are going to get back to “normal” Well, normal is being redefined. And I think that is good. The unsustainable growth and massive consumption was not ensuring a bright future for our children. We now have the opportunity to use this crisis to implement new practices, new systems and shift from “keeping up with the Jones’s” to building a sustainable global society.