
Got Anger? ShareOwners.Org Cites Investor Indignation

By Editor Test Wed, Jul 8, 2009

ShareOwners.org wants stronger regulation of the securities industry, increased accountability of corporate boards and CEOs, greater financial transparency and protection of the legal rights of investors.

More than three out of four American investors (79%) want to “see strong action taken to correct the problems that exist today” in the financial markets, including over a third (34%) who are “angry” about the debacle on Wall Street and the related failure of regulatory oversight.

Those were among the results, released June 25, of a survey of 1,256 U.S. retail investors conducted by Opinion Research Corporation (ORC) on behalf of ShareOwners.org, a new nonprofit, nonpartisan group formed to organize grassroots support for financial market reforms.

ShareOwners.org’s uses “Ning-based social networking” technology akin to the method used successfully by the Obama campaign during the 2008 presidential election process. The group received its initial funding from a court settlement and the Lens Foundation for Corporate Governance.

According to the survey:

- About three out of five investors (58%) are “less confident in the fairness of the financial markets” today than they were one year ago.
- More than half of American investors (52%) say “more information and online education about your rights and duties as a shareholder” would make them more confident about the fairness of the financial markets.
- Nearly one in five investors (17%) would “consider becoming involved in a group to protect the rights and interests of shareholders or investors like you.”
- About one-third of investors (34%) said they would use a term as strong as ‘angry’ to describe their views about the need for reform.
- Nearly half of other investors (45%) said they want to see strong clean-up action taken.
- Nearly six out of 10 investors (57%) said that strong federal action would help “restore their lost confidence in the fairness of the markets.”

ShareOwners.org said it plans to send citizen comments in support of the group’s agenda to their members of Congress. The agenda includes four goals: stronger regulation (including a beefed-up SEC), increased accountability of corporate boards and chief executives, greater financial transparency and protection of the legal rights of investors.

The group’s chairman is Richard Ferlauto, director of corporate governance and pension investment, American Federation of State, County and Municipal Employees (AFSCME). Advisors include Lynn E. Turner, former chief accountant at the U.S. Securities and Exchange Commission; John Wilcox, chairman, Sodali Ltd., and former senior vice president of corporate governance, TIAA-CREF; and economist Dr. Teresa Ghilarducci of The New School for Social Research.

