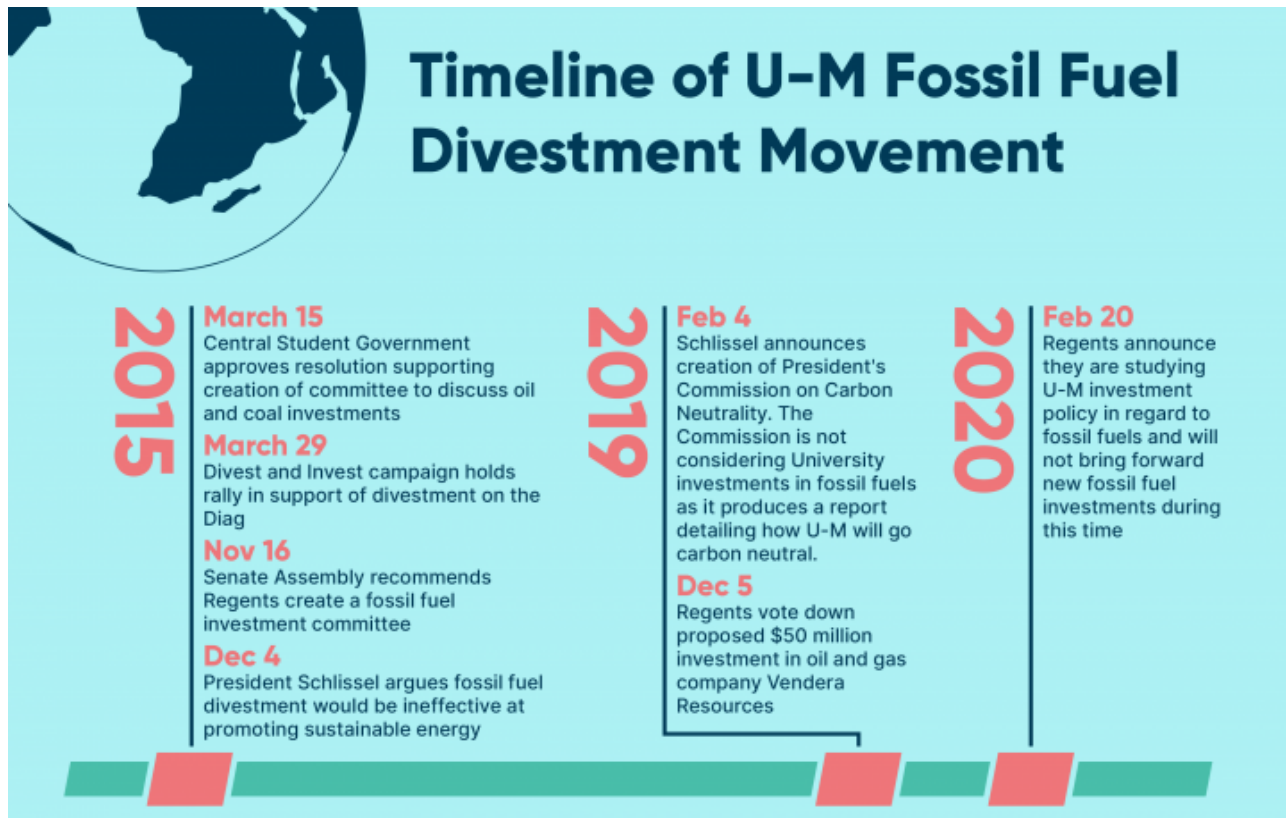


A look back on how college divestment movements have gained traction across the country

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In 2013, journalist and environmental activist Bill McKibben argued in a [Rolling Stone article](https://www.rollingstone.com/politics/politics-news/the-case-for-fossil-fuel-divestment-100243/) (<https://www.rollingstone.com/politics/politics-news/the-case-for-fossil-fuel-divestment-100243/>) that college students would convince their administrations to sell off their investments in fossil fuel stocks, both to shift the political consensus away from the fossil fuel industry and to stop institutions from profiting off of environmental degradation.

“The logic of divestment couldn’t be simpler: if it’s wrong to wreck the climate, it’s wrong to profit from that wreckage,” McKibben wrote. “The hope is that divestment is one way to weaken those companies — financially, but even more politically. If institutions like colleges and churches turn them into pariahs, their two-decade old chokehold on politics in DC and other capitals will start to slip.”

Now, 50 years after the first [Earth Day](https://www.earthday.org/history/) (<https://www.earthday.org/history/>), when students on college campuses organized protests in support of environmental protections, the fossil fuel divestment movement continues to spread across the country. According to [Fossil Free](https://gofossilfree.org/divestment/commitments/) (<https://gofossilfree.org/divestment/commitments/>), a project of 350.org, more than 100 colleges and universities have committed to partially or fully divest their holdings of fossil fuel stock from their endowments.

Community input on the issue has surged in recent years at the University of Michigan as activists have urged University President Mark Schlissel and the Board of Regents to divest the more than [\\$1 billion](https://www.michigandaily.com/section/administration/climate-activists-criticize-%E2%80%98%E2%80%99-fossil-fuel-investments) (<https://www.michigandaily.com/section/administration/climate-activists-criticize-%E2%80%98%E2%80%99-fossil-fuel-investments>) invested in oil and gas companies. The Regents most recently announced at their [February meeting](https://www.michigandaily.com/section/administration/board-regents-announces-freeze-fossil-fuel-investments) (<https://www.michigandaily.com/section/administration/board-regents-announces-freeze-fossil-fuel-investments>) they would not bring forward additional fossil fuel investments while they study current University investment policy.

In an email to The Daily, University spokesman Rick Fitzgerald declined to comment for this article and referred to the Regents's decision to pause new direct investments in fossil fuels.

The Association of Big Ten Students Conference, which included the University's Central Student Government, unanimously [voted](https://www.michigandaily.com/section/news-briefs/csg-passes-resolution-demanding-%E2%80%98%E2%80%99-divest-fossil-fuels) (<https://www.michigandaily.com/section/news-briefs/csg-passes-resolution-demanding-%E2%80%98%E2%80%99-divest-fossil-fuels>) in January for their institutions to cease their investments in oil, gas and coal companies.

At the [December Regents meeting](https://www.michigandaily.com/section/administration/climate-and-1u-protesters-blockade-exit-after-regents-forcibly-moved-police) (<https://www.michigandaily.com/section/administration/climate-and-1u-protesters-blockade-exit-after-regents-forcibly-moved-police>), protesters from the One University Coalition and Climate Action Movement blockaded the exits in response to the lack of action on their demands, including fossil fuel divestment.

Schlissel has claimed students and political influence should not shape the use of endowment funds. In an [interview](https://www.michigandaily.com/section/administration/president-schlissel-allowing-student-voices-dictate-investment-policy-%E2%80%9C) (<https://www.michigandaily.com/section/administration/president-schlissel-allowing-student-voices-dictate-investment-policy-%E2%80%9C>) with The Daily in February, Schlissel argued the symbolic influence of fossil fuel divestment would not compel significant change in investment patterns or the demand for fossil fuels.

“What the divestment movement is working on is the supply of resources that that industry has to meet the demand,” Schlissel said. “But, if the demand for fossil fuels goes up, there'll always be entities that invest in fossil fuels, and the degradation of the environment will continue whether Michigan's heavily invested in it or not. The symbolism I think is important to many people, and I see why. What I would be focusing on is putting pressure on our elected leaders to develop rules that hasten the transition to a low carbon economy.”

The administration has largely directed its efforts towards promoting environmental sustainability on campus. Schlissel [announced](http://sustainability.umich.edu/carbonneutrality) (<http://sustainability.umich.edu/carbonneutrality>) the creation of the President's Commission on Carbon Neutrality in early 2019, a task force of faculty, staff and students charged with delivering a report to Schlissel detailing how the University can achieve carbon neutrality. The issue of fossil fuel divestment is not within the scope of the commission's consideration.

LSA sophomore Luke Dillingham is a member of the Climate Action Movement who focuses on the University's endowment. Dillingham argued against the claim that the endowment is apolitical and students should not have a voice in investment decisions. He cited a recent [report](https://www.michigandaily.com/section/administration/climate-activists-criticize-endowment-investment-fossil-fuels-conservative) (<https://www.michigandaily.com/section/administration/climate-activists-criticize-endowment-investment-fossil-fuels-conservative>) detailing the University's investments in Lime Rock Partners, a company with investments in far-right political action committee Empower Texans.

"Directly the endowment is political, but also all of your spending and what you're promoting with all of these investments in fossil fields or other unjust investments are inherently political because you're choosing to support and spend your money on one thing over another," Dillingham said. "Focusing on preserving the environment is a political action and choosing to not do that or not make that a priority is a political action in just the opposite direction."

Dillingham rejected the claim that a single school's fossil fuel divestment is ineffective at shifting investment patterns at other schools or combatting climate change.

"You cannot think of a single divestment in isolation because a school like the University of Michigan, divesting from fossil fuels, sets the precedent and creates a model for other schools to follow," Dillingham said. "When a large institution makes the decision that says we're going to focus on the planet over profit, that sets an example, so it's not limited just to the endowment per se. This also isn't to say that if you divest, then you have nothing more to do. Divesting from fossil fuels is not mutually exclusive to other environmental actions."

The University's divestment movement's trajectory and engagement with the administration parallels activist movements at other universities across the country.

Stanford University

In 2014, Stanford University became one of the first large American universities to start divesting from fossil fuels when the Board of Trustees [announced](https://www.stanforddaily.com/2014/05/07/university-divests-from-coal-mining-companies/) (<https://www.stanforddaily.com/2014/05/07/university-divests-from-coal-mining-companies/>) they would pull back their investments in coal companies. This decision followed a [vote](https://www.stanforddaily.com/2014/04/18/fossil-fuel-divestment-discussion-moves-toward-board-of-trustees/) (<https://www.stanforddaily.com/2014/04/18/fossil-fuel-divestment-discussion-moves-toward-board-of-trustees/>) by the Stanford student body pushing for divestment from fossil fuels.

Fossil Free Stanford, an organization that continues to campaign for Stanford's full divestment from fossil fuels, had petitioned the university to divest the year before. Steven Denning, then-chairman of the Board of Trustees, [cited](https://news.stanford.edu/news/2014/may/divest-coal-trustees-050714.html) (<https://news.stanford.edu/news/2014/may/divest-coal-trustees-050714.html>) Fossil Free Stanford for helping to bring about the decision.

"Fossil Free Stanford catalyzed an important discussion, and the university has pursued a careful, research-based evaluation of the issues," Denning said. "We believe this action provides leadership on a critical matter facing our world and is an appropriate application of the university's investment responsibility policy."

Zoe Brownwood, a sophomore at Stanford University in the School of Humanities and Sciences, is an organizer of Fossil Free Stanford. The group is now targeting Stanford's remaining investments in oil and gas companies. Stanford [rejected](https://news.stanford.edu/2016/04/25/stanford-climate-change-statement-board-trustees/) (<https://news.stanford.edu/2016/04/25/stanford-climate-change-statement-board-trustees/>) a proposal to fully divest in 2016.

Brownwood said the lack of transparency in Stanford's investments has made their campaign difficult. According to Brownwood, Stanford administrators pivot from calls to divest by describing on-campus research sustainability and arguing divestment could harm the endowment.

"Their belief is the endowment shouldn't be used for political purposes and that divestment would endanger the endowment's long-term possibility and that through its cutting-edge climate research and on-campus sustainability efforts, Stanford is basically going to be carbon neutral by next year," Brownwood said. "If Stanford is claiming to be a leader in sustainability and is one of the leaders in climate research as well, they need to do a lot more and the research means nothing if the university itself is still profiting from the very industry that is at the root cause of this crisis."

The Board of Trustees released (<https://smc.stanford.edu/wp-content/uploads/2018/12/SMC-Ethical-Investment-Framework.pdf>) a new Ethical Investment Framework in late 2018 stating that the Stanford Management Company, in handling the endowment, does consider ethical and social factors when evaluating an investment.

"Ethical and social factors can alter these prospects, particularly if they involve a public good, such as clean air or water," the statement reads. "For example, climate change alters the risk and return characteristics of conventional energy holdings. As a prudent fiduciary, SMC incorporates the risks associated with carbon when considering conventional energy holdings."

According to Brownwood, Fossil Free Stanford submitted a report to the Board of Trustees proposing full divestment voting from the fossil fuel industry, and a committee is investigating the report before the board makes a decision on divestment in June.

While Fossil Free Stanford was optimistic about the upcoming decision, Brownwood said the COVID-19 outbreak and the subsequent economic downturn has made the outcome more uncertain.

"We were feeling positive about the vote in June," Brownwood said. "But now with the recession, we're a little more concerned, especially since I think that decision-makers like the Board of Trustees are much more resistant to change in a time of economic hardship."

University of California System

Perhaps the most prominent instance of a college or university engaging in fossil fuel divestment occurred (<https://www.sfchronicle.com/bayarea/article/University-of-California-divests-from-fossil-14450987.php>) September 2019 when the University of California system announced it would divest its fossil fuel holdings.

The announcement came in the form of an op-ed (<https://www.latimes.com/opinion/story/2019-09-16/divestment-fossil-fuel-university-of-california-climate-change>) in the Los Angeles Times. Jagdeep Singh Bachher, UC Chief Investment Officer and treasurer, and Richard Sherman, chair of the UC Board of Regents' Investments Committee, explained the administration was divesting its fossil fuel stocks because they believed the investments presented a long-term financial risk.

"While our rationale may not be the moral imperative that many activists embrace, our investment decision-making process leads us to the same result," Bachher and Sherman wrote. "We're in the business of helping to ensure the financial viability of a great university whose stakeholders frequently come at an

issue — even one as terrifyingly consequential as climate change — from different perspectives. The reason we sold some \$150 million in fossil fuel assets from our endowment was the reason we sell other assets: They posed a long-term risk to generating strong returns for UC’s diversified portfolios.”

In an [article published in The Nation](https://www.thenation.com/article/archive/california-fossil-fuels/) (<https://www.thenation.com/article/archive/california-fossil-fuels/>), UC Ph.D. students Emily Williams and Theo LeQuesne criticized the administration for neglecting the activism and community response that preceded the decision. Williams and LeQuesne protested as members of Fossil Free UC, which organized in support of divestment.

“If it were merely a financial decision, the UC would have divested years ago,” Williams and LeQuesne wrote. “It took a system-wide movement, coupled with the stark reality of living on the brink of climate catastrophe, to make them act. Yet, instead of uplifting student voices – or even using this platform to bolster the university’s own claims of being a ‘climate leader’—UC investment administrators seemed to shy away from this victory against the industry.”

Each UC school’s student governments passed a resolution in support of fossil fuel divestment, [beginning](https://www.dailycal.org/2013/02/14/asuc-bill-calls-for-divestment-from-fossil-fuels/) (<https://www.dailycal.org/2013/02/14/asuc-bill-calls-for-divestment-from-fossil-fuels/>) with University of California Berkeley in 2013.

Eric Halgren, professor of radiology and neuroscience at the University of California San Diego, primarily worked within the UC Academic Senate in 2019 to vote on issuing a “[memorial](https://senate.universityofcalifornia.edu/_files/reports/rm-jn-fossil-fuel-memorial.pdf)” (https://senate.universityofcalifornia.edu/_files/reports/rm-jn-fossil-fuel-memorial.pdf)” to force an issue before UC Regents. The measure passed by a wide margin.

Halgren told The Daily faculty involvement played a role in giving weight to the demand for divestment. “It’s easier to dismiss students as green and not having judgment and so forth, and it’s much harder when over 70 percent of the voting faculty support it,” Halgren said.

John Foran, professor of sociology and environmental studies at University of California Santa Barbara, said having the Academic Senate gave faculty a channel to support fossil fuel divestment.

“(Shared governance) gives us a lot of leverage,” Foran said. “So whenever there’s a major issue before the University of California, the faculty have mechanisms, formal and informal, to weigh in, and we do.”

Halgren argued divestment would be increasingly profitable for those who do so early.

“There’s a herd mentality in investments,” Halgren said. “When investment bankers realize as a group that fossil fuels are not going to be worth anything 10 years from now, they will very rapidly lose their value. So, if you control an investment portfolio, and you are the first to dump your stock, that is how you make money ... at the University of California we have a very smart Chief Investment Officer ... and I think he realized ahead of other people that these stocks do not have future value.”

History of the fossil fuel divestment movement at U-M

Fossil fuel divestment began to take hold as a movement on campus under the Divest and Invest campaign, which began to push for the University to divest its holdings in 2013 as it had divested from South Africa during apartheid in 1988 and tobacco companies in 2000.

In March 2015, the campaign worked with CSG to pass [A.R. 4-032](#) (<https://www.michigandaily.com/news/csg-assembly-talks-environment-and-sustainability>), a resolution in support of creating a committee to investigate and consider fossil fuel divestment. Divest and Invest also held a [rally](#) (<https://www.michigandaily.com/news/50-years-after-original-teach-students-rally-fossil-fuel-divestment>) on the Diag that same month, 50 years after the Vietnam War teach-in protests.

Nicholas Jansen, then-LSA junior, said in 2015 Divest and Invest sought to mimic the collective activism that preceded the end of the Vietnam War.

“Now that’s what we hope to do with this: start something here, start something big,” Jansen said. “Create some noise that make institutions like the University of Michigan — that have a lot of power and influence on what this country does — say we’re not putting up with this anymore, we’re done with fossil fuels.”

The Faculty Senate Assembly also [passed](#) (<https://www.michigandaily.com/section/news/senate-assembly-votes-endorse-divest-and-invest-proposal>) a [resolution](#) (<https://record.umich.edu/articles/senate-assembly-resolution-divestment-committee/>) in November of that year urging the Regents to form a fossil fuel investment committee.

Schlissel issued a statement the following month crediting the University for addressing climate change through research projects and sustainability efforts. He said the fossil fuel industry did not directly go against University values as South Africa and tobacco investments did because the companies support University operations and are investing in renewable energy.

“I do not think that consideration of divestment from fossil fuels is the right step,” Schlissel said. “We made a commitment to our donors to use income generated from the endowment to support our mission for today and for future generations — academic and research programs, student support and life-saving patient care. The endowment should not be used to further other causes, however noble.”

Dillingham said supporting or opposing the divestment decision with fiduciary responsibility as the sole consideration is insufficient.

“We need to have divestment that also acknowledges that the endowment is political and that investing in fossil fuel companies is harmful and that’s the reason why we’re divesting,” Dillingham said. “... not just because it is no longer financially viable to exploit the environment ... I think it’s a lot more about institutional accountability, and the accountability of saying, ‘we’re going to prioritize people in the planet over profit.’”

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