Statement by Clark University’s Board of Trustees on Divest Clark Proposal
February 2018

Over the past year, Clark University has been considering a proposal that the University divest from its endowment all investments in fossil fuel companies. The proposal from the student organization Divest Clark has generated across the Clark community a rigorous, evidence-based analysis and discussion about Clark’s investments in fossil fuel companies. After careful consideration, the Board of Trustees has concluded that the activities of the companies referenced in the Divest Clark proposal do not meet the criteria for divestment, established under the Guidelines and Procedures for Review of Shareholder Issues, as being “immoral under broadly shared concepts of human rights and human dignity.” This memo outlines the process followed in considering the Divest Clark proposal, the basis for the Board’s decision, and the ongoing commitment of the University to advocate for robust efforts to lower greenhouse gas emissions.

The Shareholder Responsibility Process

The Board of Trustees at Clark University would like to thank Divest Clark for its thoughtful, well-developed proposal that the University divest from its endowment all investments in fossil fuel companies. Mindful of the historic role of divestment as an act of social change, and of the obligation to invest the resources of the University responsibly, the University maintains specific guidelines and criteria for considering divestment petitions.

The Guidelines and Procedures for Review of Shareholder Issues (the Guidelines), adopted by the Board of Trustees in 2002, identify the core criteria for action as being activities that are judged immoral under broadly shared concepts of human rights and human dignity. According to these guidelines, petitions for divestment are to be
considered by the Community Affairs and Social Responsibility (CASR) committee of the Board of Trustees. The committee, consisting of trustees, faculty, staff, and undergraduate and graduate students, follows a multi-step process to evaluate petitions and make recommendations to the Board of Trustees.

Divest Clark first approached the CASR in October 2016 and then worked closely with the chair of CASR as they developed their full proposal. The CASR committee met with Divest Clark in October 2017 to receive the finalized proposal. The committee met formally in December 2017 and January 2018 to review the proposal, to learn about actions other universities have taken, and to vet the proposal against the criteria established for action. Further input was solicited from Faculty Steering. While not a unanimous decision, the CASR committee recommended to the Board that the Divest Clark proposal did not satisfy the criteria for divestment established under the Guidelines. At their February meeting, the Board of Trustees agreed with the recommendation from CASR that the activities of the companies referenced in the Divest Clark proposal and Clark’s investment in those companies did not meet the criteria established under the Guidelines as being “immoral under broadly shared concepts of human rights.”

Fossil Fuels and Divestment

The Board of Trustees and the University accept the evidence-based conclusion of the scientific community that the consumption of fossil fuels is a cause of global warming. We fully support the science of climate change and the research that links global warming to human activities, including the impact of fossil fuels.

It is another case, however, to agree with Divest Clark’s assertion that “the vast majority of the fossil fuel industry’s activities are immoral.” Given the current reliance of the world’s population on the availability of fossil fuel-supplied energy for survival and life-saving supports, the Board cannot support the petitioner’s claim that these investments are intrinsically immoral. Indeed, the consumption of fossil fuels by our community is not consistent with a finding that the sourcing of fossil fuels is itself immoral.

The heavy dependence on fossil fuels to support life and economic activity is a problem and a challenge, even if it is not in our view intrinsically immoral. Clark University has a mission-based responsibility to support a transition toward a low-carbon economy and is
firmly committed to continue its leadership role on global climate change. This will occur in three areas where Clark has always been at the forefront: teaching, research, and activism. The University supports research and scientific inquiry around issues of climate change and believes that understanding climate change in all its dimensions is important to being an informed graduate of this University. Drawing on the core educational mission of Clark, the University will continue to promote academic and research opportunities that deepen understanding of causes and potential responses to climate change as an essential part of our academic profile.

Clark also reaffirms its commitment to the current Campus Climate Action Plan approved in 2009, which has a goal of net-zero greenhouse gas emissions by 2030. The Climate Action Plan focuses on reducing Clark’s greenhouse gas emissions through energy-efficiency initiatives, innovative co-generation of heat and power, direct production of solar power, and other means. Against a 2005 baseline, the campus greenhouse gas emissions in 2016 (the most recent year available) had declined by 17.2 percent even as the campus footprint, number of students, and use of electronic devices all increased. We focus on reducing our own carbon footprint both as a demonstration of the possible and as a model for others.

Further, the University practices impact-investing by seeking out opportunities to support and benefit from promising alternatives to fossil-fuel-based energy systems with investments in companies such as Solar City and Novus Energy. On this basis, the University supports the transition from a carbon-based economy to one using alternative energy sources and renewables. It is important to note that Clark does not currently own any direct investments in the companies listed in the Carbon Underground 200 and has no plans to do so. Clark does invest through fund managers in alternative energy and renewables and will continue with this strategy.

Public Statement

The Board of Trustees recognizes the value to the Clark community and to external communities of making this public statement regarding actions the University is taking to respond to human-induced climate change. The Board’s decision that the University’s investments in fossil fuel companies does not reach the threshold of immoral activities under the established Guidelines does not diminish Clark’s strongly held belief that
climate change is impacted by human activities and the use of fossil fuels, and that we must seek viable alternative renewable energy sources to support our common good. The University re-commits to this urgent goal of reducing greenhouse gas emissions and to finding ways to mitigate the impacts of climate change on global society in the decades ahead.