

Ad Hoc Committee on Harvard Divestment

October 24, 2019

Mr. William Lee  
Senior Fellow  
Harvard Corporation  
c/o WilmerHale  
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President Lawrence Bacow  
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Dear Bill and Larry:

As the global climate crisis accelerates at previously unanticipated rates - a fact confirmed by scientific reports of the last twelve months and specially the last six - we are again writing to you to express our alarm about Harvard's policy and deployment of the university's endowment resources.

Our country and the world are changing rapidly, and it is past time for Harvard to change as well, to move beyond the tired, outdated and ineffectual policy established years ago. The entire University of California system, including its pension funds, are divesting. In mid-October yet another institution, Smith College, announced its divestment plans. So has Middlebury College, Cambridge University, and many others. Whether the motivation is ethical or financial, or both, whatever action Harvard takes on this matter will not be leadership but will simply be following. If Harvard continues its present policy, it will entrench itself in a past that is quickly fading.

There is something profoundly discouraging for those connected to Harvard and believing in its potential for leadership, to watch its continuing failure to lead in the transcendent threat to the world that we all face. To apply to Harvard Greta Thunberg's opening words in her recent speech at the UN Climate Summit, "This is all wrong."

The science is not only clear now, it is increasingly urgent about the short time we have to take very significant action. In mid-October Lord Nicholas Stern spoke at Harvard, where he urged all institutions to rapidly develop sustainable portfolios, i.e. without investments in fossil fuels or in any new infrastructure related to them.

We again request a meeting with the Members of the Harvard Corporation, who have ultimate responsibility for policies related to the endowment. We have a series of questions which we believe the Corporation should be able to answer, including the following:

1. We have urged the Corporation to divest the endowment from fossil fuels, suggesting the following pathway. The world is already awash in reserves of fossil fuels, and if we are to have any chance for a sustainable future for life on the planet, it is suicidal to continue to support the exploration for or development of even more fossil fuel reserves. As we previously recommended:
  - The Corporation should instruct the Harvard Management Company to withdraw from, and henceforth not pursue, investments in companies that explore for or develop further reserves of fossil fuels;

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- Over a reasonable period of time, extend those instructions to advisers of investment vehicles used by Harvard's endowment, including commingled funds where Harvard is not the sole investor; and
- Ensure that any adviser who may be unwilling or unable to comply is replaced by one who is willing to carry out these instructions.

Harvard should also pursue alignment of the entire portfolio with a 2-degree or lower future by 2030 in accordance with climate science consensus. Alignment means exclusively endowment assets of any class that directly or indirectly work to create that future, contribute to it or have a neutral effect on its development.

2. In response to our earlier requests, you have replied that a preferable policy is one of "engagement" with the fossil fuel industry. We would like to have clarity about what you mean by "engagement," and a list of the specific benefits and advances Harvard has received from a decade of "engagement."
3. In earlier correspondence you have stated that Harvard wishes to better understand the policies that other major education institutions have undertaken. Has Harvard undertaken such a review, with what results? Have you reviewed the leadership example of the University of California? Cambridge University? Smith College? Middlebury? Others?
4. In our research we have uncovered a number of unpleasant truths which we believe the Corporation must address. For example, in your policy you state that "when, on rare occasions, the University issues investment restrictions, limitations and instructions to HMC, we do not extend these restrictions to investment advisers of commingled funds where Harvard is not the sole adviser." Does this mean that even if Harvard refuses to invest its own funds in firearms manufacture or tobacco, it is permitted for a manager of commingled funds to make this sort of investment? Further, as Harvard's moves from less direct investment to more dependence of commingled funds, what sort of oversight is in place to insure compliance with Harvard policies?
5. A number of recent revelations suggest the need for a University-wide policy of disclosure of outside private funding support for faculty and their projects. How does the Corporation deal with issues of potential influence and conflict of interest, and should such funding always be a matter of public record? Is sunshine always the best antiseptic?
6. In light of research into the Corporation's members, it appears that at least three of the thirteen have major ties to the fossil fuel industry derived from their principal professional activities (two as investment managers and one as a lawyer). These would seem to impair their freedom to act, uninhibited by other duties or interests, in service to their duty of undivided loyalty to Harvard on issues involving fossil fuels. How these and possibly other similar tensions are handled by the Corporation is a matter deserving public disclosure and discussion.
7. Harvard's endowment is a public trust, collected and enabled through the generosity of many individuals, including the American taxpayer. The endowment is not a private

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reserve; its purpose is to support a charitable corporation, not a business. That charitable organization has announced a mission to help society with its most serious challenges, with climate change at the top of the list. While the University pursues its fundamental missions of teaching and research, and while it works to harden its infrastructure in anticipation of growing climate threats, the University also has a public responsibility in the manner that it uses and explains its endowment.

We applaud the tenacity and vision of the growing numbers of students working on the Divest issue; they constantly remind us of the moral dimension of rapidly reducing our dependence on fossil fuels. The foundation of ethical behavior has always depended on striving to improve the human condition for the next generation, and we are reminded daily how intertwined we are with the survival of species. Continuing to pursue fossil fuel exploration, extraction and combustion in the face of vastly superior alternatives violates that ethical foundation.

We are also pleased to be working with Harvard faculty from all Schools and disciplines. Hundreds and hundreds of faculty members are alert to and insistent about the University's responsibilities, and it is hard for us to understand how the Harvard administration - theoretically a creation of the faculty - can continue to ignore the science, analysis and policy recommendations brought forward by its own faculty.

Finally, we are working to engage a broad coalition of alumni who, like us, recognize the urgency of now. We have hired organizers to help us reach and communicate with alumni. We think that the University should use its existing institutional resources such as The Board of Overseers and its range of alumni councils to help the University adjust to and target its financial resources to the growing climate crisis.

As a group of alumni and friends of Harvard, we look forward to bringing these and other suggestions to the Corporation, and we await the scheduling of the date for meeting with you and your members.

Respectfully yours,

**Timothy Wirth '61**, former Overseer and United States Senator

**Todd Gitlin '63**, Professor of Journalism and Sociology, Columbia University

**Stephen Heintz**, President, Rockefeller Brothers Fund

**Joan Hutchins '61**, former Chair of the Board of Overseers

**Bevis Longstreth HLS '61**, former Commissioner of the SEC

**Professor Gina McCarthy**, School of Public Health, former Administrator of EPA

**Bill McKibben '82**, Middlebury Faculty, Author and Climate Organizer

**Kat Taylor, '80**, Banker and former Overseer

**Tom Oliphant '67**, Political Columnist

**Darren Aronofsky '91**, Film Director

**John Harte '61**, Professor of Ecosystem Sciences, Berkeley