Resolution Calling on The Ivy League to Commit to Full Fossil Fuel Divestment

April 22, 2021

Sponsor: Ivy League Student Body Presidents

Whereas climate change is a global crisis that is a paramount threat to the lives and livelihoods of current and future generations necessitating bold, immediate action;

Whereas the Intergovernmental Panel on Climate Change stated that global greenhouse gas emissions, which are products of the combustion of fossil fuels, must be reduced to net zero by 2050 to avoid the worst impacts of climate change. Beyond simply exacerbating natural disasters and creating unprecedented displacement of vulnerable people, climate change poses substantial threat to global food supplies, to world peace, and to the global economy;

Whereas disease pandemics, like that of COVID-19 which we are currently living through, will likely happen not only more frequently, but also with more severity as a result of climate change. These two types of catastrophe will inevitably compound and collectively hinder effective response to either of them;

Whereas historically, institutions of higher education, and particularly the nation's most visible and influential institutions, have been effective conduits for social change on issues of moral uncertainty. This is exemplified through rejection of the tobacco industry (for which the discourse closely parallels that of the fossil fuel industry) in the 1990's, and South African apartheid before that. Experts acknowledge that divestment at scale is an effective way to combat climate change;

Whereas investing in the fossil fuel industry exacerbates the extreme social and racial inequalities our institutions strive to help solve. Climate change perpetuates inequality between developed and developing nations by placing most of its consequence on nations that have contributed the least. Even within developed nations, climate change aggravates existing class and racial inequities, as evidenced in part through respiratory illnesses and cancers succeeding the building of refineries and power plants;

Whereas the fossil fuel industry is uniquely responsible for climate change; merely 100 companies are responsible for the emission of roughly 71% of the world's carbon dioxide, the most prevalent greenhouse gas, since anthropogenic climate change was officially recognized;

Whereas the fossil fuel industry is using COVID-19 panic to successfully lobby for environmental regulation rollbacks and multi-billion dollar government bailouts, on top of the trillions of dollars in taxpayer money they already receive. While the fossil fuel industry continues profiteering in the midst of this unprecedented crisis, there has been less stimulus offered for renewable energy sources;

Whereas despite these immense harms, the fossil fuel industry has led a concerted, multi-decadal campaign to misinform the public and spread doubt about the realities around climate change. These disinformation campaigns mimic those of the tobacco industry (which saw widespread divestment on moral grounds), and are in direct opposition to our institutions' values of the propagation of knowledge, the betterment of society, and 'veritas';

Whereas student body presidents from the Big 10 Conference passed a unanimous resolution to endorse divestment of their universities' endowment funds from fossil fuels in response to the tremendous harms that these companies pose to student and alumni wellbeing;

Whereas the Ivy League makes up roughly 25% of all American university endowment funds, is an influential thought leader, and has tremendous social influence, giving it the potential, and the responsibility, to lead the global energy transition required to combat the climate crisis;

Whereas Ivy League research universities are among the most powerful and privileged institutions in the world, pioneering global thought and knowledge creation, while also holding a collective endowment sum of more than $135 billion, a number larger than that of the entire GDP of many nations;

Whereas historically, the Ivy League has propelled environmentalism, with the first Earth Day pioneered in part by University of Pennsylvania students and faculty. Yet, despite ample financial and intellectual resources to be champions of environmental stewardship, among Princeton Review's Top 50 Green Universities, Cornell University (#8) is the only ranking Ivy League school;

Whereas though administrators have begun to concretely recognize the importance of climate action, the pledges made thus far are commensurate to neither the scale of the problem at hand nor to the level of impact of which these institutions are capable. The several Ivy League institutions that have committed to achieving carbon neutrality 29 years from now cannot truly claim to be acting with environmental interests in mind while simultaneously investing billions in the fossil fuel industry;

Whereas in addition to the clear moral imperative upon which the Ivy League must act, it is increasingly financially irresponsible to invest in the fossil fuel energy sector. Investment experts, from academics to BlackRock to CNBC's Jim Cramer, emphasize that fossil fuel investments are "in the death knell phase" and are becoming increasingly unappealing as an asset, in part because of social movements like the push for divestment;

Whereas divesting is a crucial component of maintaining sustainable long-term financial growth of endowment funds. In fact, the Ivy League's own Brown University has committed to divestment, asserting "The decision to halt investments in fossil fuel extraction companies reflects the view that, as the world shifts to sustainable energy sources, investments in fossil fuels carry too much long-term financial risk.";

Whereas for reasons both moral and financial, institutions across the world are beginning to act on divestment from fossil fuels. Peer universities like the University of California system, among other schools, have committed to divest on solely financial grounds, while others like Georgetown University have made the same decision as a part of their commitment to sustainability. These universities are among a growing list of institutions acting on divestment, including but not limited to US cities, philanthropies like the Rockefeller Foundation (whose wealth stems from fossil fuels), the Vatican, and even entire countries;

Whereas many members of Ivy League schools' Boards of Trustees have personal investments of undisclosed sums of money in the fossil fuel industry, as well as investments they may be responsible for in their professional lives. Given the tremendous potential impact of this industry exodus, the potential for a conflict of interest regarding how endowments are managed—particularly in the context of a divestment vote—is present, not unprecedented, and warrants proper scrutiny, especially in light of other institutions coming to the conclusion that divestment is in fact a more financially responsible option;

Whereas many of our universities have had referendums wherein students and faculty voted overwhelmingly in support of fossil fuel divestment, yet despite this, the issue continues to stagnate at the Trustee level;

Whereas we, as students, taxpayers, and citizens of the world, whose communities are already feeling the impacts of climate change, and whose future is in jeopardy, feel both a responsibility and a right to demand that our universities do better; To demand that the institutions we constitute are not complicit in the intentional harms of fossil fuel companies. With our peers already suffering the plights of drought-induced forest fires, civil unrest, displacement due to rising sea levels, and urban pollution, we feel compelled to call upon our universities to take responsibility for the well being of their constituents and lead the nation and the world towards a brighter future; **and**

Whereas given the institutional power we wield, the corruption and societal negligence displayed by fossil fuel companies, and the unparalleled havoc that the climate crisis promises to deliver; **now, therefore, be it**

Resolved, that the Ivy League Student Body Presidents, on behalf of their peers, collectively:

1. Acknowledge the severity of climate change, and further, the need for swift action to prevent the earth's average temperatures from warming more than 1.5 °C to ensure a habitable future;

2. Hereby advocate that their respective institutions commit to ceasing all new investments in the fossil fuel industry (as defined below) via a public declaration made in FY2021**;**

3. Call on the leadership of their respective institutions to commit to having executed full divestment of endowment funds from the fossil fuel industry by FY2025 at the latest.

SIGNATORIES:

Mercedes Owens, Student Body President | University of Pennsylvania

Jason Carroll, Student Body President | Brown University

Noah Harris, Student Body President | Harvard University

Aliesa Bahri, Student Body President | Yale University

Joon Baek, Student Body President | Columbia University

Catherine Huang, Student Body President | Cornell University

Cait McGovern, Student Body President | Dartmouth College

Christian Potter, Student Body President | Princeton University

Definition of Fossil Fuel Divestment:

While there is no universally accepted definition for what it means to be divested from fossil fuels, in alignment with guidelines outlined by 350.org, we believe that a fossil fuel free portfolio includes but is not limited to:

- No investments (direct or indirect) in any of the top 200 fossil fuel companies by size of reserves.
- No investments (direct or indirect) in any company that explores for, extracts, processes, refines, or transmits coal, oil, and gas.
- No investments (direct or indirect) in any utilities whose primary business function is to burn fossil fuels to produce electricity.

For more information regarding carbon risk and fossil fuel divestment, explore this comprehensive list of resources compiled by the Intentional Endowments Network and this guide to Fossil-Free Investing by Trillium Asset Management.

For inquiries, reach out to ssap.penn@gmail.com.

Acknowledgements:

This Resolution was authored by the Student Sustainability Association at Penn and the University of Pennsylvania Undergraduate Assembly, with contributions from the above signatories.

This Resolution was inspired by the aforementioned Big 10 Schools Divestment Resolution, which was passed by the student body presidents of the universities that make up the Big 10 Conference.