

# [***Pro-Palestinian protesters demand endowment transparency. But it's proving not to be simple***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6C0H-CTD1-JC5B-G3VP-00000-00&context=1516831)

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**Body**

MINNEAPOLIS — On college campuses across the country, a rallying cry of [*pro-Palestinian protesters*](https://apnews.com/article/mit-arizona-pennsylvania-campus-protests-encampment-police-7d9cd0a1f4ac7eaca41b38de798a2217) has been “ [*Disclose, divest*](https://apnews.com/general-news-2ad2caa02e1d4e28873ee0cd99cdc85a)! We will not stop, we will not rest.”

Now some are winning the first of those two demands: Promises to provide information about how much university [*endowment money*](https://apnews.com/article/college-protests-israel-divestment-palestinians-3f37f96f7be8e1124f266842d9caa627) is invested in companies profiting from the [*Israel-Hamas war*](https://apnews.com/hub/israel-hamas-war).

As part of that effort, the University of Minnesota, for one, disclosed this week that about $5 million of its $2.27 billion endowment investments — or less than a quarter of 1% — are tied to Israeli companies or U.S. defense contractors.

To Ali Abu, a 19-year-old University of Minnesota student and member of Students for Justice in Palestine, the disclosure is a first step. He was among more than a dozen students to stand before the university’s Board of Regents on Friday and demand further action.

“That chant isn’t a bluff," he said, adding: "We will truly not stop. And we will truly not rest until this university divests.”

But Jewish leaders have raised concerns, and endowment experts say the potential fallout from disclosure is hard to predict. Transparency, they say, has pros and cons.

“I think the broader trend towards transparency is probably healthy. In response to a very charged situation, I think people get nervous about it. Once the information is there, what’s done with that information?” said Kevin Maloney, a former investment manager who is now chair of the finance department at Bryant University in Rhode Island.

Endowments face little [*federal regulation*](https://apnews.com/general-news-2ad2caa02e1d4e28873ee0cd99cdc85a) compared with other fundraising institutions. And there have long been calls for more transparency.

Maloney said the risk is that portfolio managers might just say they don't want to bother with all the attention.

University endowments have increasingly been targeted for divestment by activists.

Over the last decade, students have pushed universities to cut financial ties with fossil fuel producers, weapons manufacturers, tobacco companies and prison firms. Often it has been done in tandem with students in the Boycott, Divestment and Sanctions movement, which seeks to cut ties with Israel and companies that support it.

Most colleges have held firm, saying their investments provide financial aid for future generations and should be protected from ***politics***.

Neal Stoughton, a professor of finance at the University of Waterloo in Canada, said colleges are wary of releasing information because they don’t want competition from other universities or institutions. He likened it to billionaires’ reticence to share investment tips.

“Those types of people don’t tell you exactly where all their money is,” said Stoughton, the former director of the Endowment Research Center at Vienna University of Economics and Business in Austria. He is currently doing research and consulting at the University of Arizona.

At the University of Michigan, officials responded to recent calls for divestment by saying the institution's decades-old policy “is to shield the endowment from political pressures and to base our investment decisions solely on financial factors such as risk and return.”

Michigan’s policy allows for exceptions — it divested from tobacco companies and apartheid-era South Africa — but the bar “has intentionally been set extremely high.”

Officials disclosed only that there are no direct investments with Israeli companies and that indirect investments through funds amount to less than $15 million, a small fraction of the university’s $18 billion endowment.

Only a few are attempting divestment, among them the Union Theological Seminary in New York City, which made an [*announcement*](https://utsnyc.edu/union-theological-seminary-board-of-trustees-endorses-divestment-and-other-strategies-for-companies-profiting-from-war-in-palestine-israel/) Thursday.

Universities also cite the complexities around divestment. Much of endowments is often held in investment funds that bundle large numbers of assets together. It can be difficult to trace exactly where the money goes, and universities generally can’t pick and choose among a fund’s investments.

Other schools that have opted for the disclosure route include [*Northwestern University*](https://www.northwestern.edu/leadership-notes/2024/agreement-on-deering-meadow.pdf) outside Chicago, which said in an agreement [*posted to its website*](https://www.northwestern.edu/leadership-notes/2024/april-29-agreement-on-deering-meadow.html) last week that it will answer questions from any internal stakeholder about holdings.

The [*University of California, Riverside*](https://documents.ucr.edu/chancellor/May_3_ammended-agreement.pdf), also said it would start posting information online with a goal of "full disclosure of the list of companies in the portfolio and the size of the investments.”

At the University of Minnesota, the decision to provide more endowment details came as part of a deal to end protesters' encampment on the Minneapolis campus.

At one point [*nine*](https://apnews.com/article/columbia-nyu-israel-gaza-protests-2c1f043478570f9206a2ea8470457cf7) students were arrested. Among them was Jasper Nordin, who told regents the university should not support “turning innocent people into refugees.”

Tyler Gregory, CEO of the Jewish Community Relations Council, said disclosure will just lead to calls for divestment and that risks harming Jewish students without actually changing the course of the fighting in Gaza.

“From my experience, unless you give in to all of their demands, they’re not going to relent against the administration,” he said. “And the administrations are not in a position to give in to all their demands. So my advice — not that they’re going to take it — is just not to negotiate on that.”

Charlie Maloney, who is the the incoming president of the school's chapter of the Jewish campus organization Hillel, told the regents the last few months had been “scary” and that “singling out Israel for condemnation feels anti-Semitic.” Earlier, some of the pro-divestment speakers said they were Jewish.

Abu, who is one of the protest leaders, said the students want full disclosure of all investments, but the university has said issues like non-disclosure agreements limit some of what it can provide.

The partial information that has been released names different companies the university has holdings in through investments or through funds. The list includes defense contractor Honeywell, which protesters have singled out during rallies. Honeywell did not immediately return an email message from The Associated Press seeking comment.

“The companies that we are demanding the university divest from profit from genocide,” said Donia Abu, a 22-year-old graduating student who has had family members killed in the fighting. “These companies indiscriminately terrorize and massacre our people and communities.”

The regents took no immediate action, their chair, Janie Mayeron, telling the students, “We have hard work before us.”

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Hollingsworth reported from Mission, Kansas. Collin Binkley in Washington, D.C., contributed to this report.

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