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The Trustees of Columbia University have issued a report adopting three recommendations to augment Columbia's continuing efforts in opposition to the apartheid policies in South Africa.

The report, issued July 17, 1985, recommends that:

- o Columbia take a leading role in organizing other universities and similar institutions for a coordinated policy against apartheid,
- o The president and Trustees establish a broad-based committee to report regularly on University policy toward South Africa, and
- o The University initiate a major program, supported by substantial resources, to study the political and social problems of Southern Africa and to promote education for change there.

The recommendations were ones made by the University Senate's ad hoc committee on investments, headed by Columbia College Dean Robert E. Pollack, adopted by the Senate on November 30, 1984. The Trustees reserved decision on a fourth Senate recommendation that Columbia make permanent its current temporary freeze on

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purchases of stock in companies doing business in South Africa; they said they would defer action until a joint Trustee-faculty-student committee appointed in May to study the economic consequences for Columbia of various approaches to investments in companies in South Africa completes its work and reports this fall.

On the subject of total divestment, the Trustees said in their report that they were not prepared to make a recommendation at this time.

"On balance," they said, "we still believe the policy of selective divestment, which the University has been pursuing, to be preferable to a policy of total withdrawal. We have doubts as to the value of the moral statement which divestment implies when weighed against the risk that its likely consequences will be injurious to the victims of apartheid, as well as to the University. Finally, we are not yet persuaded that progress in South Africa can best be achieved by eliminating American corporate initiatives in that country which are consonant with the Sullivan Principles, as they exist, and as they may be extended.

"In declining to recommend total divestment now, we adhere to this University's long-standing public opposition to apartheid. Time has not dimmed the strength of our opposition."

The trustees report, which was a response to the Senate's, was prepared by the Trustees' Ad Hoc Committee Regarding Investments in Companies with Operations in South Africa and was approved unanimously by the full board. It makes these ten recommendations:

1. A special provost's study should be made for improvements and expansion of current activities related to the study of South

Africa.

2. A President's academic panel should be appointed to recommend programs to study the political and social problems of South Africa. The panel should consider the possible establishment of a formal relationship with a racially integrated South African university for exchange of faculty, students and ideas.

3. A program to increase support for the education and training of black South Africans at Columbia should be established.

4. Additional efforts, through campus publications and the public press, should be undertaken to make the University's opposition to apartheid known to others.

5. Members of the University community should be urged to express their views to elected officials on proposed legislation regarding U.S. policy toward South Africa.

6. The University should take a leading role in organizing other institutions for a coordinated policy against apartheid.

7. The University should encourage other institutions to adopt Columbia's principle requiring divestment of holdings and withdrawal of deposits in financial institutions that provide new or continuing access to capital markets for the government of South Africa.

8. TIAA/CREF should be invited to participate in the formulation of policy revisions and a study should be made of the effect on the value of faculty and staff retirement accounts if the University were to shift its plan to another company with an investment program free of equities in companies operating in South Africa. Columbia currently contributes or transfers more than \$23 million a year to TIAA/CREF.

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9. The Trustees should establish an Advisory Committee on South African Matters, a broad-based committee representing all parts of the University community, to assist the Trustees as issues affecting South Africa arise. The Trustees should consult with the Advisory Committee about the value of sending a delegation from the committee to South Africa to ascertain first hand the views and attitudes of employees of United States corporations doing business there and of political, religious, labor and academic leaders, so that the Columbia community can be better informed about the implications and effectiveness of its policies and programs.

10. The University's investment principles, adopted in 1978, should be re-examined in light of subsequent events in South Africa. In particular, additional attention should be given the larger questions of corporate-government relations in South Africa and corporate policy toward workers from homelands, issues not specifically addressed in the 1978 principles.

The Trustees noted that "no definitive analysis has yet been undertaken which quantifies and cogently analyzes the costs of total or partial divestment for an endowment of the size and character of Columbia's. Rather than hold up the rest of our report, we requested the Trustees at their May meeting to appoint a Joint Committee to inquire into the probable economic consequences for Columbia of various approaches to investments in companies with operations in South Africa. The Joint Committee is composed of the Trustees Ad Hoc Committee together with three tenured faculty, one non-tenured faculty, and two students.

"The Joint Committee is undertaking a sustained study of the available literature on this subject, consulting experts, and

commissioning additional analyses with respect to Columbia's portfolio. We expect it to report its findings and conclusions this fall.

"Keeping in mind the Trustees' fiduciary responsibilities, and recognizing the substantial change in the composition of the University's portfolio with the recent sale of the Rockefeller Center land holding, the Committee recommends that for the present the Trustees continue the 'freeze' on stock of companies doing business in South Africa. We recommend this course of action until the Joint Committee has completed its study of the economic impact of alternative investment strategies, unless it appears that prior to the conclusion of the Joint Committee's work such a continuation has or would result in significant costs to the University.

"This freeze, first adopted in response to the Senate Committee's request in the Spring of 1984, provides that when the total value of stock in companies with activities in South Africa purchased by the University equals \$39 million, the University will not purchase additional stock unless it makes offsetting sales. The policy is not intended to preclude gifts of stock, nor is it intended to force sales when the value of the University's holdings appreciate. The freeze is a limit on purchases. It differs from the stricter 'freeze' recently proposed by the University Senate, but the Committee believes that it would not be prudent to impose new and different restrictions on the endowment until the Joint Committee has completed its work."

The Trustees also adopted a modification of their principles to treat media companies with newsgathering staff in South Africa differently from other companies with operations there. Reporters

play a constructive role in informing the world of events in South Africa, the Trustees said, particularly in view of the recent closing of The Rand Daily Mail and the absence of a free press there.

Copies of the Trustees' July 17 report are available  
in the Office of Public Information, 304 Low Library.  
The full text will be published in University Record  
in the first issue of the new school year, September 6.

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