LSE's Response to "Demands from the Student Voice."

Introduction.

In mid-May, a group of LSE students established an encampment on the ground floor of the Marshall Building, from which they issued ten demands for action by the School. What follows is a detailed response, which we offer in recognition that the protesters put serious time and effort into their demands and were willing to live in tents to make their point. Out of respect for that and for the sincerity we believe underlies their protest—and in recognition of the deep impact the ongoing violence and humanitarian crisis in Israel, Gaza, and Palestine have had and are having on so many people in the region and in our own community—we do not simply set out answers to the various demands. We have also done our best to provide explanations for the conclusions we reach.

We recognize how difficult it has been for many in our community to separate their feelings about the humanitarian crisis, from their feelings about the substance of the students' demands, from their feelings about the right to protest, from their feelings about the Marshall Building encampment in particular. These are, however, separate matters. We believe in and support the right to peaceful protest, and while we were clear that we believed the unsanctioned encampment was also illegal, we took no steps to close it for as long as we could. Enlarging the encampment in a way that forced closure of the upper floors of the Marshall Building required us to end the occupation, but the protesters have many other ways to raise their concerns and voice their demands effectively, so long as they do so in ways that are peaceful and do not overly disrupt the work and study of others at LSE. Our willingness to engage with the protesters' substantive demands has not depended on there being an encampment.

As indicated in prior communications (and reflected in the discussion below), there has been agreement and progress on several of the demands, and we are already following through on these. But major issues have remained unaddressed, and we think it necessary at this point to be fully clear and transparent with both the protesters and the larger LSE community about our positions and the reasons for them, which are presented below. Consistent with values articulated throughout this reply, we offer our answers in the spirit of reasoned argument, and while our negotiations with the protesters have now ended, we hope the discussion below provides a basis for ongoing conversations within and across the LSE community.

Foundational Principles.

An overarching theme running through the protest and demands is that LSE should take formal, institutional positions on controversial political and social issues. For reasons explained below, we believe this contravenes foundational principles on which the School exists. Those principles—which were reviewed by the Academic Board and reaffirmed by the School Council just this past January—are unambiguous:

> Freedom of academic enquiry, thought and speech underpins everything we do at LSE. These freedoms are fundamental to our founding purpose to "understand the causes of things," and we are proud to be a diverse, global community who come together to explore, study and discuss a wide range of issues through our academic research, educational practices and rigorous debate. We want to provide an environment where ideas are discussed and debated freely and openly within the law.
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> The School provides a wide range of fora where free and frank intellectual exchanges take place. Within this both the diverse views of individuals are tolerated, as are the

> voices of those who wish to peacefully protest. This is central to our culture and protected in law.
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> The School, as an institution, does not take a formal position on political or international issues. Instead, it endeavours to provide a platform to facilitate discourse on contemporary matters by encouraging critical debate, within the law, where the views of all parties are treated with respect.[1]

The rationale underlying this commitment is familiar and longstanding. Not taking institutional positions on political and international issues is, in short, indispensable for safeguarding the academic freedom that is foundational to an institution of higher education. Universities are meant to be places where ideas can be freely explored and discussed, without fear of institutional bias or repercussion. Taking official stands on political controversies compromises that purpose. Faculty and students may hesitate to express dissenting views and cannot help but feel pressured to align with the official stance—stifling the open exchange of ideas that is prerequisite to intellectual discovery and growth.

The primary role of universities is research and teaching, not operating as a political actor on divisive issues. Organizations dedicated to advocacy exist in plenitude, but universities are not among them. On the contrary, what makes universities institutionally unique is that their central task and animating reason is to develop and support a community of critical thinkers who can and will, collectively, analyse and understand complex issues from multiple viewpoints. As soon as a university formally or officially adopts a public stance on some controversial matter, it risks inhibiting free inquiry within the university—alienating, and inevitably silencing, students and faculty who hold opposing views, and diminishing the diversity of thought that enriches academic discourse and learning.

We understand the present urge to override this commitment to unfettered discourse. What the commitment does in shaping and bolstering an institutional culture happens slowly and imperceptibly; it is practically invisible at any given moment, and its perceived importance predictably wanes in the face of controversies that evoke anger, suffering, and loss. It is, for this reason, not surprising that pressure to abandon it invariably appears in times of crisis and conflict. Yet it is precisely in those times that it is most important to preserve and protect an environment in which debate can be free, open to participation by all staff and students, and safe for scholarly activity.

Nor can we overlook a very real slippery slope problem. Taking a position on a critical social or political controversy invites further demands to follow suit on other controversies that other groups deem important. LSE has, for the most part, avoided taking such positions in the past, though our message at the outset of the Russia-Ukraine war used ambiguous language that some have read as doing so. The current request seems motivated partly by this, which highlights the need to be careful in our language, and underscores—as experience has repeatedly shown—how taking positions on controversial public and political disputes feeds directly into the demand for more. It is for precisely this reason that our Code of Practice on Free Speech was revised to make clear that we would not do so going forward. To do otherwise is to invite endless conflict and controversy—not over ideas, but over pressuring the School to take sides.

Consider the many political and human rights controversies happening globally right now. Not just in Gaza or Ukraine, but also in Syria, Sudan, Ethiopia, Iran, China, Afghanistan, Myanmar, the DRC, Yemen, Haiti, and the Sahel. Even that list is incomplete. Or possibly overinclusive, depending on who one asks. Which is the point: Each of these crises—some with hundreds of thousands or even millions of victims—has people who are affected on both sides represented in our community. The students and faculty calling upon us to repudiate Israel say the war in Gaza is unique. But while they

[1] LSE Code of Practice on Free Speech, ¶¶ 3.3-3.5, https://info.lse.ac.uk/staff/services/Policies-and-procedures/Assets/Documents/Code-of-Practice-on-Free-Speech.pdf

may not prioritize other conflicts, what are we to say to the people who do? How do we explain a decision to take a stance on Israel while ignoring their claims, which are to them every bit as compelling and important? Opening this door is an invitation to endless politicking and lobbying by students, faculty, donors, trustees, politicians, and media for institutional affirmation of their side—a process that must necessarily erode the ability of the School to serve its primary mission.

Bear in mind that such an institutional stance does not mean discouraging advocacy or civic engagement by students and faculty. To the contrary, the concern for academic freedom that requires the institution not to take positions is the very thing that enables students and faculty to do so: leaving them free to take different positions and debate and disagree, so long as they do so lawfully. To be sure, faculty are expected in their classroom teaching to exercise restraint, so as not to create an atmosphere in which students who hold different views feel isolated or unwelcome: to do otherwise is just bad teaching. And we seek to foster a culture in which even people who disagree vehemently will do so civilly and respectfully. But every student and every faculty member retains the freedom to hold and lawfully present their own views—a freedom secured by the institution's not doing so.

Efforts to invoke university support for someone's political agenda have been with us for as long as universities have been recognizably important institutions. During one of the most fiercely contested periods, the Vietnam War, a committee at the University of Chicago, chaired by Law Professor Harry Kalven, published a well-known "Report on the University's Role in Political and Social Action." The report has been deservedly influential, for no one has much improved on its lucid explication, which we quote here at length:

> A university has a great and unique role to play in fostering the development of social and political values in a society. The role is defined by the distinctive mission of the university and defined too by the distinctive characteristics of the university as a community. It is a role for the long term.
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> The mission of the university is the discovery, improvement, and dissemination of knowledge. Its domain of inquiry and scrutiny includes all aspects and all values of society. A university faithful to its mission will provide enduring challenges to social values, policies, practices, and institutions. By design and by effect, it is the institution which creates discontent with the existing social arrangements and proposes new ones. In brief, a good university, like Socrates, will be upsetting.
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> The instrument of dissent and criticism is the individual faculty member or the individual student. The university is the home and sponsor of critics; it is not itself the critic. It is, to go back once again to the classic phrase, a community of scholars. To perform its mission in the society, a university must sustain an extraordinary environment of freedom of inquiry and maintain an independence from political fashions, passions, and pressures. A university, if it is to be true to its faith in intellectual inquiry, must embrace, be hospitable to, and encourage the widest diversity of views within its own community. It is a community but only for the limited, albeit great, purposes of teaching and research. It is not a club, it is not a trade association, it is not a lobby. [To which we might today add, it is not an advocacy NGO.]
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> Since the university is a community only for these limited and distinctive purposes, it is a community which cannot take collective action on the issues of the day without endangering the conditions for its existence and effectiveness. There is no mechanism by which it can reach a collective position without inhibiting that full

> freedom of dissent on which it thrives. It cannot insist that all of its members favor a given view of social policy; if it takes collective action, therefore, it does so at the price of censuring any minority who do not agree with the view adopted. In brief, it is a community which cannot resort to majority vote to reach positions on public issues.
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> The neutrality of the university as an institution arises then not from a lack of courage nor out of indifference and insensitivity. It arises out of respect for free inquiry and the obligation to cherish a diversity of viewpoints. And this neutrality as an institution has its complement in the fullest freedom for its faculty and students as individuals to participate in political action and social protest. It finds its complement, too, in the obligation of the university to provide a forum for the most searching and candid discussion of public issues.

The Kalven Report has sometimes been read to denigrate protest in favor of reasoned dialogue as the paradigm of free speech in a university: as if the only thing we are trying to protect and preserve is calm, debate-style discourse. We do not read the report this way, and it certainly is not our position. Reasoned discussion is absolutely something we encourage and promote, and we embrace it as a model for people to engage. But passion and performance and other forms of lawful expression are likewise integral to a healthy, intellectually open environment. Protest is an age-old, well-established form of political expression, and in no way do we mean to disparage it—so long as it remains lawful and respectful of the rights of others.

What we take from the Kalven Report is that all these forms of advocacy are for the students and staff to use, not the institution itself, which must remain outside the fray (not above, outside) to preserve its ability to serve a mission that no other institution in society does or can serve as well. We thus resist pressure to harness the university for political ends at the expense of its indispensable long-term mission.

Calls for Political Statements and Statements Condemning Individuals.

It follows from these principles that we cannot accept the protester's calls for us to sever academic and cultural ties with Israeli institutions and people, including businesses and other entities that do business with them (demand 2), or to make "an immediate public statement . . . expressing unwavering solidarity with Palestinian liberation" (demand 3). These are requests to do exactly the thing that the university as an institution should not and cannot do without eroding the culture and capacity needed to maintain its primary mission.

Several other demands likewise urge the School to publicly take an institutional position, but differ in calling for us to condemn particular individuals. Demand 8 says we should denounce former Vice Chancellor and President Minouche Shafik for a 2021 event involving a talk at LSE by Israel's ambassador to the U.K., to which it adds a call for a public apology condemning Law School Dean David Kershaw for having invited Israeli historian Benny Morris to speak. Demand 7 says we must disavow Paul Marshall and "disassociate LSE entirely" from his contributions to the School (including renaming the building he helped fund and abolishing the Marshall Institute, presumably making its 17 employees redundant) for liking and sharing offensive tweets and being a significant shareholder in a conservative news outlet.

We believe the same reasons the School should not take institutional positions on political issues apply to demands that we denounce particular individuals for their political views or lawful speech or conduct, and even more to demands that we denounce those who invited them. What could be more chilling of academic freedom and free inquiry than creating fear that if one agitates or upsets, the School will denounce you personally? What could be more corrosive of—to quote the

School's Code of Free Speech—"an environment where ideas are discussed and debated freely and openly within the law" than demanding that the School condemn people whose lawful speech or lawful conduct has offended someone? And then there is the same slippery slope problem, which is, if anything, steeper and slipperier in this context.

While this explains why the School does not engage in denouncing individuals for lawful political speech or conduct, some further observations are appropriate as regards the reasons for singling out these particular people. With respect to former Vice-Chancellor and President Shafik, there may be some who feel the School acted inappropriately in its handling of protests surrounding the Israeli ambassador's talk (which was an LSE Students' Union society event). We do not agree. Vice Chancellor Shafik went to great lengths at the time to defend students protesting the Israeli ambassador, supporting their free speech rights from attacks by the Home Secretary, the Education Secretary, and the Chair of the Office for Students.

But that is beside the point. Those who feel otherwise are entitled to say so, as they did when the event occurred; that is part of their free speech, which we will diligently protect. But we must reject the idea that the School, as an institution, should take a side and three years after the fact condemn someone who served LSE and its people faithfully and to the best of her ability.

Dean Kershaw's invitation to Israeli historian Benny Morris raises a different issue: who gets to decide who can speak at the School? It has become increasingly common at many universities for people who dislike what a speaker has to say, or what they have said in the past, to insist therefore that no one should be allowed to hear them at the university. Yet it is difficult to think of anything more at odds with the spirit and purpose of a university, at least when it comes to lawful speech.

Being at a university requires (again quoting the Kalven Report) having a "faith in intellectual inquiry" that is confident enough to "embrace, be hospitable to, and encourage the widest diversity of views within its own community." Consistent with this faith, and committed to the vision of academic and intellectual freedom it embodies, we avoid centralized control over who gets to speak—knowing that sometimes this will result in speakers and ideas that offend.[2]

We expect and strongly encourage faculty at LSE to exercise their license to invite mindfully and with thoughtful consideration for others; we hope and assume no one decides to invite a particular speaker in order to offend or antagonize. But realistically, no matter how much thought or care goes into the selection, there will be speakers invited whom some members of our community find offensive and even reprehensible. This is unavoidable in a university whose students, faculty, and staff hold (and care deeply about) diverse and often conflicting ideas. So it is and will be in any genuinely free intellectual environment.

People who strongly disagree with or are offended by a speaker's views can, if they choose, decline to listen. Or they can come and engage in honest debate and good faith exchange to persuade other listeners why the speaker is wrong or to challenge the speaker on what they have said or written in the past. And they can protest, so long as they do not disrupt the event for the audience that wants to hear (as was done at the Morris event). But so long as the content is lawful, they cannot make themselves censors for the entire community. Nor should they want to, as it does not take a great deal of imagination to see where that leads when others feel similarly about speakers of whom they do approve. Here, again, acting otherwise puts us on an unmanageable slippery slope, one in which the controversies themselves, whatever their resolution, will have the chilling effect we must avoid.

[2] The School does, of course, have rules and procedures for extending invitations that must be followed, but these are content neutral, focused on concerns like space, security, and other factors that might impact our ability to facilitate an event.

A more complicated set of considerations arises when it comes to donors, like Paul Marshall. On the one hand, to preserve the reputation of our institution and the integrity of our research, it is imperative that we not let donors dictate the School's agenda, positions, or policies. On the other hand, we acknowledge the generosity of people who choose to give us their charitable time and money, and it would be churlish and ungrateful to do otherwise. Balancing these considerations requires holding donors at arm's length in some ways and for some purposes, and acknowledging the potentially challenging connection their giving can have to our reputation, while at the same time recognizing them as now part of our community and treating them accordingly. This should include, at the very least, giving them the same grace we (hopefully) give each other when we disagree or make mistakes.

Paul Marshall's support of LSE has been positive and immensely constructive—not just for the School, but for hundreds of individual students, and for countless others who have benefited from the social enterprises his giving has enabled. The Marshall Institute has generously supported students and organizations from across the globe and from every conceivable intellectual tradition—from empowering citizen voices in Tanzania to improving agricultural technology in India to helping low-income youths in Rwanda access higher education to providing training for formerly incarcerated peoples in the U.S, and much more. Nor has he ever sought to control or influence the Institute's scholarly or administrative independence.

Mr. Marshall is a political conservative, and he supports a range of institutions, some of which are conservative. So do others at LSE—something that is not just unobjectionable but a positive necessity in an institution that values intellectual diversity. Mr. Marshall did like and share tweets that, while lawful, are deeply offensive to certain groups. He has, however, disavowed and deleted the tweets and expressed contrition. We do not doubt the sincerity of his expressed regrets and so see no reason to treat this as an unpardonable offense.

Requests for Financial Support and Process Change.

A number of the demands pertaining directly or indirectly to the crisis in Gaza and Palestine make requests that the School can and will support. One cluster seeks various forms of financial support or commitment. Demand 4 asks us to designate money for scholarships for Palestinian students and to expand the Scholars at Risk program to help the Palestinian academic community. Demand 5 adds a request to follow the example of the LSE Ukraine Programme by creating "a fund for and dedicat[ing] resources to an inter-departmental academic working group" to help rebuild the Gazan university and lower education systems, which have been laid waste by the war. The School can and will support both of these.

Based on our conversations with the protesters, we are happy to pledge a further £250,000 to support LSE's Scholars at Risk (SAR) program, which will allow us to support scholars from the Palestinian academic community if and when we receive applications. We will work directly with potential SAR visitors and their LSE sponsors to coordinate arrangements and provide support as needed, as well as collaborating closely with other institutions who work in this arena, to whom we will communicate our interest in scholars from Palestine.

We are likewise willing to commit £250,000 as dedicated scholarship funds open to applicants from Gaza and the West Bank or to other Palestinian applicants directly affected by the conflict, with exact eligibility to be devised. Recognizing the special needs and difficult circumstances these students face, and the corresponding need to signal our support clearly, our admissions office, financial services office, and student welfare services stand ready to assist and help support any applicant, admittee, or student, including with visa support.

Demand 4 adds a specific request to provide “public and practical support” for Amena Al-Akshar, who has been admitted to the Ph.D. program in International Relations but had her visa denied on alleged security grounds. The School has provided, and will continue to provide, as much practical support as it can, and we have committed to continuing to hold open both her position in the program and her scholarship. The Home Office has now admitted to making mistakes in connection with her visa application and reconsideration is underway. We have reached out to her to see what other support she would like to receive from the School, including the possibility of a formal letter to the Home Office expressing our concern for her case.

Demand 5 asks us to support an interdepartmental academic working group to help develop plans for rebuilding the devastated Gazan education system. As we have made clear in our conversations with the protesters, this requires only that a group of faculty or faculty and students develop an initiative. If so, as happened in the case of the Ukraine Programme, the School has various sources of support it can and will make available. The Ukraine Programme, for instance, grew out of a proposal from academic staff, who developed the project and secured the resources to carry it out under the auspices of LSE IDEAS—in their case, from the Foreign, Commonwealth, and Development Office (FCDO), which has provided all of the funding. If a different group of faculty and students want to develop a similar initiative focused on the Gazan education system or related topics, the School will work with them proactively to secure the reasonably necessary resources. We have already been approached by the Middle East Centre with a broad proposal for a Palestine Programme that will run for three to five years, and we are working with its leadership to take it forward.

A second cluster of demands focuses on procedural matters with substantive ramifications. Demand 6 asks us to “disengage from the Prevent framework’s evident prejudices for the sake of students’ general well-being.” We initially misunderstood this demand as a request to ignore or abandon the Prevent guidance and its mandated trainings, which we are statutorily bound to follow. In conversation, the protesters made clear that this was a request to supplement what the government requires with new and different “cultural awareness and anti-bias sensitivity trainings.”

Given our focus on the well-being of students and staff, which everyone shares, we agree that adding such training for relevant LSE staff would be helpful to ensure we remain in line with best practices. What the precise content of the training should be, and by whom and how it should be offered, are already matters of ongoing conversations that will need to continue between representatives of interested student groups, the Student Union, and the School’s EDI team.

Demand 6 also includes a request to reform the Risk Spotters group by changing its makeup and requiring greater transparency “so as to destigmatize events on Palestine.” There are, in fact, two Risk Spotters groups: one that covers school-sponsored events and is run by the School through our Public Lecture Program, and a second that is run by the Student Union in connection with events it holds by and for students. The sole function of both is meant to be facilitating events and supporting event planners by marshalling School services and helping to mitigate health, safety, and security risks. They have no power to block or obstruct events or to decide which events can or cannot take place.

The protesters allege that the Risk Spotters do not treat all events the same and spot more issues and create more difficulties for events about Palestine. We have agreed to investigate, and the Student Union has agreed to cooperate and be part of the same investigation. We agree with the protesters that the investigation should include whether changes are needed in the Risk Spotters’ processes, transparency, and makeup. Meanwhile, if there are instances of wrongdoing, or efforts to

prevent an event from going forward on political or inappropriate grounds, we would ask people to share them so we can look into it.

Demand 9, to "Democratize," seems to be about divestment, asking us to "involve the entire student and staff body within LSE's investment decision-making process, not just arbitrarily hand-picked non-representative individuals (i.e., the current Student Union nominee), and make them accountable to the student and staff consensus." But the demand goes on in the next sentence to suggest something broader, calling for "a proper democratic assembly so that LSE students and staff 1) remain transparently informed on LSE's institutional functionings and investments and 2) have a channel for direct input into the University's collective pursuits of knowledge cultivation." We therefore address these as two separate demands.

The question whether or how to involve students and staff in investment decision-making is addressed below, in connection with the demand to divest. As for the broader request for a new School assembly, we think it supererogatory. The School and the LSESU have robust processes for ensuring that students and staff are informed about and can engage in the School's decision-making processes where and as appropriate. The General Secretary and sabbatical officers of the LSESU are democratically elected positions whose roles are to represent the student body on School committees. The four full time sabbatical roles include the General Secretary, the Welfare and Liberation Officer, the Activities and Communities Officer, and the Education Officer. In addition, there are six liberation-based Part-Time Officers, and one Ethics and Sustainability Adviser—all charged with representing student interests and concerns.

In 2022, the LSESU undertook a rigorous democracy review. One outcome was to give the elected LSESU Democracy Committee responsibility for setting the size of the Student Panel and Accountability Board and for running the sortition process through which members of these bodies are selected. And to ensure still wider student voice, we have regular School and LSESU consultative fora and Town Halls, in which students raise issues and consider policy proposals that have been put to all-student vote by the Student Panel.

Staff are likewise represented across the School. Every member of the academic staff has a vote on Academic Board, and both academic and professional service staff who choose to join have union representatives. Every decision-making committee in the university is made up of academic and/or professional service staff, who also receive information and can offer input at regular Town Halls, not to mention a wide range of less formal channels. Not everyone will like or agree with every decision, but what decisions are made and what disagreements exist are not a product of democratic deficit.

Divestment.

We turn, finally, to the protesters' primary demand, which is a call for LSE to "divest from any and all companies identified as complicit in crimes against the Palestinian people, arms manufacturing and proliferation, fossil fuel production, and the financing of such activities." The demand rests on a 116-page report prepared by members of the LSESU Palestine Society (PalSoc), which has in turn been endorsed by a May 20 petition and a May 24 letter signed by groups of staff and faculty.

For the reasons that follow, addressing these demands cannot be done without following well established procedures. One might conclude, as virtually all other universities have done, that the same rationale for an academic institution to avoid taking sides in political disputes, either explicitly or by boycotting, applies to its investment policy. Whether endowment management raises different or

additional considerations that distinguish it, as well as how to respond to the protesters' requests that are not political in this sense, will be addressed through our process for setting investment policy.

The protesters and their supporters have questioned why we cannot give a quick answer to the call to divest, which we now see itself requires explanation. The task of managing a university endowment is both consequential and complex. It is consequential because the endowment provides critical resources needed to support the School's core operations, including faculty research, student scholarships, and more. Actions that may impair or reduce the value of the endowment thus have significant implications for the work of students and faculty, particularly in the U.K., which has by regulation limited other sources of revenue like tuition.

Importantly, the repercussions of a decision to divest will not be borne by today's students or faculty, as any decline in investment value—a product of reduced worth, increased volatility, and lost compounding—will not happen for some time. Instead, the costs of any action now will be felt by future students and faculty. A decrease in average returns as small as 2%, for instance, will after just a decade mean reduced resources of anywhere from 15-20% less than would otherwise have been the case—a percentage decline that continues to grow over time. The possibility of such outcomes means that today's policy decisions must be made with due care and consideration for these future community members, who are not here to express their views.

Endowment management is also complicated and highly technical. Endowment managers must generate consistent growth equal to a "hurdle rate" of payout (which is 4.5%) plus inflation, while simultaneously controlling for volatility, so payout does not fluctuate too much from year to year. Making appropriate trade-offs between these considerations calls for complex choices about asset allocation among different kinds of investments—equities, bonds, real estate, natural resources, venture and private equity, distressed debt, etc.—that grow or shrink differently as economic conditions change. Making those choices, in turn, depends on understanding both present and likely future market movements in different places and among different classes of assets. On top of this, because all or practically all investments are done through outside managers, it requires the expertise and aptitude to choose the right managers within each asset class, while developing the reputation and relationships needed to be accepted into their funds. Policy decisions that further complicate these already complicated matters thus require careful analysis.

The importance and complexity of endowment management matters to comprehend why we cannot make a quick decision. When it comes to the endowment, "move fast and break things" is a recipe for disaster. The consequences of major policy change must be thoughtfully considered and fully understood, particularly as there are different ways to execute different decisions, with different costs, benefits, and implications. To do otherwise would not only be imprudent and unwise, but it would also violate the School's legal duty to act as a prudent investor.

For these reasons, among others, investment policy and endowment management are not controlled or within the purview of the School Management Committee or Academic Board. Authority rests with the School Council as a legal and fiduciary matter. Council has adopted processes to ensure that investment decisions are made carefully and appropriately, and it acts based on and after receiving carefully considered recommendations from its Finance and Estates Committee (FEC), which, in turn, acts only after consideration by an Investment Subcommittee (ISC). As is common in the industry, the ISC often seeks advice from specialized investment experts. This process is essential in assuring that the endowment is properly managed; typically, major decisions take a year or more.

Council will consider the divestment report prepared by PalSoc following its normal procedures. This would be so even were the demand not in the form of a 116-page document with

many assertions that need to be checked and 24 separate recommendations. Given the complexity of the questions, anything less would be irresponsible and a breach of fiduciary duty.

Following its normal processes, the ISC met on May 28. It took up the report for discussion, focusing on technical questions regarding the accuracy of the data and feasibility of the demands. The ISC reported to the FEC, which met on June 11 to consider the full set of issues raised in the report. We made the importance of giving the report serious consideration clear to FEC, which held pre-meetings with the report's authors and invited them to send five people to present in person. Based on this meeting, members of FEC agreed to a second meeting with the student representatives, after which FEC will make recommendations to the Council. Council is scheduled to meet on June 25 and will endeavour to reply in full by early July, ideally during the first week. That is as accelerated a pace as we (or any responsible investor) can or should attempt.

While this answers the immediate question of next steps on the demand to divest, we do need to say a few words about the School's compliance with its current ESG policy. The PalSoc report is confusing in this regard, in places seeming to conflate claims about current investment policy with claims about what the report's drafters believe that policy should be. Communications we have received from others at the School evidence this confusion, with some asking based on the report why we have not complied with the School's ESG policy.

LSE's current ESG policy was adopted in 2022, after extensive consultation across the community, including a number of student and staff Town Hall meetings within the School. The policy calls for LSE to avoid investments in "companies engaged in tobacco manufacture" and in "indiscriminate arms manufacture," the latter understood as comprising cluster bombs and land mines. The policy likewise says to avoid making investments "in companies from states that are under sanctions or owned/managed by individuals subject to Magnitsky style sanctions issued under the Global Human Rights Sanctions Regulations 2020," but it provides that "otherwise investment choices will have no political bias." Finally, "recognising the complexities of blind divestment of fossil fuels," the School's policy says we will seek generally "to support companies that are aligned to climate change targets and divest from those that are not." In line with general practice among endowments addressing climate change, the policy does not forbid investments in fossil fuel companies or the fossil fuel economy. Rather, it calls for us to do what we can to influence fund managers and to use the annual manager assessment process to encourage positive changes, with an overall goal of having our portfolio meet a Net Zero target by 2030.

The School is in full compliance with these commitments. Inasmuch as the bulk of our holdings are in intermingled funds with multiple investors, we do not control decisions about particular investments, and investment in different sectors may fluctuate some at any given moment. We have, nevertheless, reduced our tobacco holdings to less than 0.3% of the endowment; we presently have no holdings in indiscriminate arms or companies owned by individuals or in states under Magnitsky-style sanctions, and our fossil fuel investments have declined by more than 80% since the policy was adopted in 2015. They currently sit at approximately 2% of the overall endowment, but the policy aims for completion by 2030, so we are well ahead of the target. We were, in fact, down to about 1% under the original 2015 policy—which included only coal and tar sands—until the School enlarged its scope in 2022 to include oil and gas, which bumped us back up temporarily.

With that clarification, LSE's governing Council can and will focus on the protesters' requests to change and expand our ESG policy. These ask us to incorporate a wide lens that comprises divesting not just from Israel but from a substantially greater range of countries and companies, as well as to expand the weapons screen to include a much wider range of weapons and weapons sales, and to make changes in how we define and reach our fossil fuel target.

The PalSoc report also asks for greater transparency about investments and greater involvement of students and staff in endowment decisions, a request echoed in demand 9. This will be considered alongside the other requests, but we offer two comments here to set appropriate expectations. First, as a matter of law, the Council cannot delegate power or responsibility to make investment decisions, though it can create opportunities to advise and have input. Second, the complex and technical nature of endowment management requires knowledge, expertise, and a time commitment that is at odds with the kind of process the demand seems to envision. That said, there are many ways to share information about the endowment and many ways to provide opportunities for meaningful input. Council will want to look at what has worked at LSE in the past, as well as how other universities handle these matters, in considering these requests.

As explained above, Council will consider the full range of issues relating to divestment following its regular procedures and will endeavor to respond by early July.

Demand for Amnesty.

The protesters' final demand is for "an amnesty for all students, staff, and faculty involved in peaceful pro-Palestinian activism on LSE's campus, including the ongoing occupation inside the Marshall Building."[3] To begin, we note that currently no students, staff, or faculty have been disciplined in any way in relation to pro-Palestinian activism, including in the unsanctioned encampment.

We could not, however, responsibly give anyone or any group a blank cheque to violate whatever School rules they choose while engaging in protest (or any other) activities so long as their actions could be described as peaceful. There are many ways to violate rules that could be described this way but that also significantly disrupt the activities of others, interfere with essential School business, or cause undue upheaval or unrest. The encampment itself is an example. It was mostly peaceful until the dissolution, while still violating many campus rules even before the expanded encampment caused a major disruption by forcing closure of the upper floors. These included blocking use by others of the Beaver's Brew Café and Marshall Building sports facilities; disrupting other students' ability to study and use the space; creating health and safety risks by piling up flammable materials and taping over security cameras, covering walls and windows with posters and flags, and more.

Inasmuch as we respect students' right to protest, and the occupation was for the most part orderly and calm, we have agreed not to pursue disciplinary action against the protesting students for anything that has happened to date (except for physical assaults, as we cannot pardon violence). These were exceptional circumstances, and in the interests of the larger community we feel it warranted to treat them as such. That chapter closed, however, we do not view this as setting a precedent going forward, and subsequent protests—by anyone, for any cause—must comply with the School's rules.

Concluding Thoughts.

While the protesters' demands are motivated by the Israeli-Palestinian conflict, our reply is shaped by our understanding of the nature and scope of free expression and academic freedom and

[3] The amnesty demand also asks us to "guarantee that security staff, cleaners, and café workers will not have their pay, job security, or well-being threatened by Management due to the establishment and continuation of the student occupation and relevant student protest activities." We do not understand the basis for this sentence, as the only risks to staff came from the student occupation, which complicated and interfered with the staff's work in multiple ways. In fact, the School's security and professional staff working in and around the Marshall Building have been positively heroic in their efforts and willingness to deal with complications, work overtime, and generally help keep things running for both the occupiers and everyone else at the School. We have nothing but gratitude and respect for what they have done and do.

what we see as the proper role of a university in securing them on campus. For all the reasons explained above, our understanding of the latter is why LSE should not and will not take a position on the former. This includes our conviction that, in the long run, it is only by avoiding institutional positions on external political controversies that the institution can protect and preserve freedom of thought and expression for everyone in our community.

Concepts like free expression, freedom of thought, and free speech can be challenging because, at their heart, they rest on a radical commitment to intellectual fallibility. All the many justifications for free speech—respecting the capacity of listeners to decide what they believe, enabling people to develop and exercise personal autonomy, promoting democracy, nurturing tolerance for difference in a heterogeneous society, and so on—presuppose the possibility of discovering that we are wrong and changing our minds. John Stuart Mill put this as effectively and succinctly as anyone has ever done in *On Liberty*:

> "Complete liberty of contradicting and disproving our opinion is the very condition which justifies us in assuming its truth for purposes of action; and on no other terms can a being with human faculties have any rational assurance of being right."

Living that paradox as regular practice is difficult, especially in challenging times like these. People who are certain they have "truth for purposes of action" understandably find it tough to countenance contrary views, and seldom have patience for slippery slope arguments or other concerns beyond the "truth" they see before them and the ferocious urgency they feel to act on it. No wonder they want to shut out contrary views or, as here, have official sanction given for the rightness of their position.

Pursuing such efforts may be appropriate outside the university, where political agencies must make decisions, and where acting on those decisions is their purpose for being. At the risk of oversimplifying both sides in what is a complex and nuanced debate, there is a critique of free expression which holds that by failing to recognize longstanding and deeply rooted differences in power and access, the prevailing understanding of free speech becomes a tool for perpetuating them. It can, accordingly—and, in some instances, must—be subordinated to a vital project of uprooting deep structures of domination and rebalancing power to redress historically unfair oppression.

Proponents of the existing conventional wisdom say this is shortsighted and argue that the prevailing concept of free expression is still the best and most likely route for this reparation project to succeed. Critical scholars point to the continued prevalence of inequities based on class, race, gender, and the like; mainstream scholars point to advances made in the years since modern free speech law developed in the mid-20th century. Both sides speak as if their position is purely a matter of principle, when it is, in fact and unavoidably, an empirical question and a matter of judgment and the interpretation of circumstances.

We see this argument played out daily in political fights over the use of particular language, in the efforts of people on the left and the right to "cancel" others for what they have said, and more. But universities are different, and *our* role in society—as the one place whose whole purpose and very reason for being is to develop and challenge ideas and teach young people to think—requires *us* to embrace Mill's paradox. If the critique about speech and power is right, and many inside the university think it is, still we must find ways other than closing down speech to empower everyone in our community to speak freely and equally. To do otherwise is to deprive all our students, including those the proponents of limiting speech want to help, of the opportunity to know and learn and understand ideas—especially the ideas they may decide to oppose after they leave the university.

It is with this understanding and in this spirit that a university creates space for everyone in its community to make their arguments and stake out their positions—even those whose position is to deny that freedom to others—while assiduously refusing to take such positions itself and ensuring that the campus remains a space where full and free expression is secure.