

SENATE COMMITTEE ON SOCIAL CONCERNS
MINUTES OF MEETING
MARCH 3, 2003

[In these minutes: Welcome, Proxy Example and Proxy Distribution, Divestiture from Israel, Iraq/Student Strike Resolution, Energy/Sustainability]

[These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate or Twin Cities Assembly; none of the comments, conclusions or actions reported in these minutes represent the views of, nor are they binding on, the Senate or Assembly, the Administration or the Board of Regents.]

PRESENT: Mark Pedelty, chair, Jennifer Oliphant, Ruth Taylor, Albert Cooper, Susan Von Bank, Greg Schooler, Julie Sweitzer, H. Jeanie Taylor, Susan Craddock, Margaret Kuchenreuther, Ben Senauer, Kara Ferguson, Joel Helfrich, Melissa Williams

REGRETS: Judi Linder, Roger Beck, Karen Holtmeier, Yvonne Redmond-Brown, Sheri Huerd

ABSENT: Kenneth Heller, Robert Blair

OTHER(S): Samir M. Nassar representing Students for Justice in Palestine

I). Professor Pedelty called the meeting to order, welcomed all present and asked that introductions be made.

II). PROXIES – Professor Pedelty provided members with an example of how a proxy (Wal Mart – “Report on Gene-Engineered Food”) should be researched and reported to the committee. The committee voted in favor of this resolution.

Next, members volunteered to research and report on remaining proxies. Proxy information was distributed to members. Greg Schooler of Asset Management requested that members who need an IRRC report for their proxy to email him at schoo024@umn.edu.

III). DIVESTITURE FROM ISRAEL – Melissa Williams distributed and read aloud a divestiture from Israel draft resolution to the committee. Earlier Ms. Williams had distributed documents with supporting rationale for this resolution. Ms. Williams clarified that this resolution is not anti-semitic in nature. Rather, the resolution is directed at the Israeli government and the policies they have that violate international and human rights laws. This resolution is in no way directed at the Israeli people.

Next, Samir Nassar representing Students for Justice in Palestine, addressed the committee. Mr. Nassar made a passionate plea to members to keep in mind that this resolution promotes justice and peace for Israeli citizens.

Ms. Williams made two comments:

- No colleges or universities in the United States have passed a resolution to divest from Israel. However, there are several universities including Harvard, MIT, Princeton, Berkeley, University of Wisconsin – Madison, etc. who are considering doing so. Ms. Williams asked members if they are interested in being at the forefront of this issue and, if so, are they prepared to take action. According to Ms. Williams this issue is very similar to the South African issue of apartheid.
- Divestment would require the University to transfer large sums of money into different investment holdings. Does the University want “blood money” on its hands? The University could send those companies that manage its assets a list of companies not to invest in. Although this may decrease the University’s returns slightly, it is worth doing when violations of international and human rights laws are being violated.

Ms. Williams made a motion to approve this resolution and send it on to the University Senate for action. Professor Pedelty opened the meeting to discussion. Highlights included:

- According to Ms. Williams, the resolution asks that Israel follow the United Nations resolutions and international law. Once this happens, the University would be able to resume investing in companies that do business with Israel.
- A member noted the complexity of this issue and stated that the resolution is somewhat one-sided if the objective is to have a state of Palestine and a state of Israel living together peacefully.
- According to the drafters of the resolution, the resolution is not about a state of Palestine or a state of Israel but rather current international law and Israel’s obligations as a signatory to those international agreements.
- Professor Pedelty noted that he and Ms. Williams met with Stuart Mason, Associate Vice President, Asset Management who indicated it would be possible for the University to dictate to the companies that manage its assets the companies it would and would not want to invest in. A member asked who would be responsible for monitoring and maintaining this list of investments. Professor Pedelty indicated that Stuart Mason does not believe this would be Asset Management’s responsibility. This would be a detail that would need to be resolved before moving ahead with this idea.
- Professor Kuchenreuter quickly calculated that the list of investments that would need to be divested equates to \$37,000,000 to \$38,000,000. What percentage of the University’s total investment portfolio does this represent? Ms. Williams indicated this represents approximately 1/3 of the University’s assets, not including the University Foundation’s holdings because this is a completely separate and private institution. Divestment does not mean this money disappears, but, instead, is reinvested into other companies. In light of the downturn in the economy and the huge budget deficit the University is facing, Professor Kuchenreuter, acting as the devil’s advocate, recommended that before this resolution goes to the Senate, someone should be responsible for calculating

- how much of a loss the University would incur if these investments were divested today because the question is bound to be raised.
- A member noted that the issue of human rights violations should be primary compared to financial issues. The liberty of people should be valued more than money.
 - Ms. Williams stated:
 - Oftentimes companies are profitable because they engage in human right's violations.
 - This is a growing movement, with or without the University of Minnesota. This resolution will be passed at other institutions. Once again, with the Middle East being in the center of international politics, Ms. Williams predicts that those who are invested in Israel will see stock prices go down. Therefore, it is only natural and safe for the University to divest as soon as possible.
 - Many of the stocks being impacted are technology-related because numerous technology companies do business with Israel. Ms. Williams suggests moving the University's money in these companies to other companies that are not on the list.
 - A member indicated not having a problem in sending the resolution to the Senate for further discussion. Professor Pedelty warned that without the committee's support and backing on the resolution, he would question whether it would be able to pass. Ms. Williams asked that a vote on this resolution be postponed until the April 7th meeting with the understanding that an electronic copy of the resolution would be sent to all members and Ms. Williams will be a point of contact for members with questions.

With time running out for this agenda item, Professor Pedelty closed the discussion and went on to the next item, Iraq/student strike resolution.

IV). IRAQ/STUDENT STRIKE RESOLUTION: Professor Pedelty read aloud and put forth the student strike resolution. Discussion highlights:

- How long will the walk-out last? At noon on the day of the attack, students that choose to participate will gather on the mall in front of Northrup Auditorium and disperse to teach-ins. After the teach-ins, students will join a community demonstration in downtown Minneapolis at 4:30. Ms. Williams added that a couple departments have passed this resolution already, indicating wide support.
- Is this just a Twin Cities campus resolution or does it include coordinate campuses? The focus of this resolution was the Twin Cities campus. Professor Pedelty suggested a friendly amendment to remove the "city-wide" language in the resolution.
- Members requested this resolution go before the University Senate. Due to timing logistics the committee believes that there will be a need to request a special expedited e-mail vote on this issue that should probably be written into the resolution.

- A member raised a concern regarding the possibility of medical students leaving patients to participate in the walk-out. The resolution, according to Professor Pedelty, specifies classes, discussions or labs. Students need to take personal responsibility for their actions.

Members unanimously passed the student strike resolution.

V). ENERGY/SUSTAINABILITY RESOLUTION: This item will be presented at the April 7th, 2003 meeting in final draft form according to Professor Pedelty. The resolution suggests the University investigate additional alternative models to waste abatement, energy policy, and restoration projects such as the Sarita Wetland Restoration Project on the St. Paul campus. The goal of the resolution will be to increase sustainability on each campus.

VI). Other business: A member asked that the committee hear from individuals/groups representing the other side of the divestiture issue. Hearing voices on both sides of this issue will be critical to making an informed decision and taking a position. Professor Pedelty volunteered to contact the Friends of Israel to invite representatives from their organization speak in opposition to divestiture from Israel.

VII). Hearing no further business, Professor Pedelty adjourned the meeting.

Renee Dempsey
University Senate