

SOCIAL CONCERNS COMMITTEE

Wednesday, January 7, 1998

East Wing Campus Club

1:00 PM

In these minutes:

Investment Review Policy, MN Free Burma Coalition, Focus Groups, University Culture Fair, and the Energy and Environment Conservation Resolution

MINUTES

Present: Eric Bauer (Chair), Lori Clark, Frank Wood, Jean Niemiec, Clint Hewitt, Claudia Wallace-Gardner, Lisa Albrecht, Robert Brown, George French, Arthur Geffen, Joel Nelson, Friedrich Srienc, Mike Davey, Thomas Haakenson, Amy Mertl, Mark Ott, Sheila Warness

Regrets: Chris Kelley

Absent: Carla Maxwell-Monacelli, James Kroger, Neta Jo Scarpari

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

The Social Concerns Committee met at 1:00 PM on Wednesday, January 7, 1998 in the East Wing of the Campus Club on the East Bank of the University of Minnesota.

MEETING MINUTES.

The meeting minutes from December 4, 1997 were approved as written.

FOCUS GROUPS.

A new focus group was assembled to address internal policies and procedures, including the clarification of the committee roles and responsibilities and determining ways to track the outcome of any committee recommendations or decisions. Focus group members include Mark Ott, Mike Davey, Robin Brown, and Eric Bauer. It was also agreed that since most of the already formed focus groups will naturally fall into either national or international issues, the latter two focus groups have been eliminated as individual focus groups.

INVESTMENT REVIEW POLICY.

Professor Eric Bauer, Chair, provided committee members with an update about how investment policies are brought before the committee. A handout was distributed to committee members stating that since a proactive stance on social and environmental issues seems to be desired by the Social Concerns Committee, the following two options could be considered: 1) continue the present policy of proxy voting on IRRC's list of annual corporate resolutions (the reactive approach), or 2) institute a policy of independent and selective committee response to social and environmental issues (the proactive approach). It was suggested that the committee track the performance of committee resolutions after they are passed; another member commented that even if the resolution does not result in action by the company, at least important issues are being brought to the attention of the company. It was also suggested that rather than trying to address separate issues as they arise in resolutions, the committee should pick one to two issues and concentrate heavily on them in order to make a greater impact on social concerns; one example is the unfinished issue of child labor. The Finance and Management Focus Group (Brown, Niemiec, Wallace-Gardner, and Warness) was urged to consider these options and bring a recommendation to the next meeting.

MINNESOTA FREE BURMA COALITION (MFBC).

Since the December meeting, the Minnesota Free Burma Coalition requested that the committee recommend divestment from its stock worth more than \$1 million in Total Oil. Total does business in Burma, a country with a military regime that has apparently devastated the land and murdered thousands of Buddhists since 1988. Jim Niland, Minneapolis Councilman, has introduced a Selective Purchasing Agreement to be voted on by other council members at a January 23 meeting; this agreement would stop the city government from engaging in business with companies that trade or invest in Burma. It was noted that one of the articles written in the Minnesota Daily this week about the Burma issue stated that "...the University currently does not have a committee to look over the stocks and discuss social concerns relating to them ...". Professor Bauer will write a letter to the newspaper replying that a Social Concerns Committee does exist at the university and that the Burma issue is currently on its agenda.

It was reported that the university can give whatever directions it wants to its investment managers. Sheila Warness, Asset Management, stated that the university informed their investment manager that they could not invest in South Africa and provided them lists of companies that they could not invest in; these restrictions are then monitored by the University. She added that typical investment managers will go along with whatever restrictions the University places upon them; if the investment managers do not, they usually ask to be replaced. If the committee chooses Burma as an issue that is significant to the University community, it should identify the situation, how it affects the University committee, and identify options for action. Ms. Warness recommended that the committee not focus on investments and instead consider all other factors, such as purchasing, gifts, interviews of students on campus.

Several options were considered regarding the committee's action to MFBC's request, including: 1) recommend that the University divest from all companies that invest in or support the Burmese government; 2) recommend that the University divest only from Total Oil; or 3) recommend the university divest holdings in Total Oil merely as a symbolic gesture of the lack of support of the companies that are doing socially unacceptable things. The first option could create problems since Northwest Airlines and Carlson also invest in Total Oil (i.e., Curt Carlson has donated millions of dollars to the university). Professor Bauer also distributed a draft resolution that was considered by the committee; agreement regarding the substance of this resolution, however, was not reached at this meeting. A focus group consisting of Thomas Haakenson, Art Geffen, and Eric Bauer will meet to discuss options before the committee regarding this issue.

Later in the meeting, Mick Shommer and Drew Hempel of the Minnesota Free Burma Coalition gave a presentation to committee members and encouraged the committee to recommend divestment from Total Oil. Although committee members agree that divestment in Total Oil would make a statement that the university does not support the suppressive military regime in Burma, they felt they needed to research the issue more thoroughly. Before the next meeting, committee members should read through the informative materials, attend the MFBC symposium on Burma on Friday, January 9, and consider all factors related to this issue and the effect of the committee's recommendation on the university. The committee agreed to vote on a draft statement at the February 5 meeting; if the statement is agreeable to everyone, it will then be forwarded to the Senate and then the Regents.

CULTURE FAIR.

Professor George French suggested that the Culture Fair, an all-University event, first take place on one of the coordinate campuses, such as Duluth. Holding the first Culture Fair at Duluth would be beneficial because it would not have to compete with other similar activities on the Twin Cities campus and it would be held in a city that is already a natural tourist attraction. Kate Stuckert agreed to get the addresses from Eric Bauer and e-mail the international student groups to assess their needs and interests in the Culture Fair. Professor French stated that Mario Prada, Director of the UMC Multicultural and International Program, has already agreed to take a leadership role in organizing the fair. It was recommended that the cultural diversity focus group communicate with one another before the next meeting to begin to define the various aspects of the culture fair that will take place in an informational seminar format. The first fair could be planned as a pilot to define how it should take place as well as being a kickoff for planning the twin cities fair for the next year; the next step would be to evaluate the pilot and decide where to go from there.

ENERGY AND ENVIRONMENT CONSERVATION RESOLUTION.

Clint Hewitt, Office of Master Planning and Analysis, reported that since the committee's Energy and Environment Conservation Resolution had been passed, key representatives from the environment/health/safety, police department, facilities management, and transportation offices were assembled to discuss the implications of this resolution and its supporting statements. He reported that there has been a substantial amount of effort being made in response to the resolution. Clint will draft a summary report on what actions are being taken by each of the units in response to the resolution and distribute it to committee members as soon as possible.

The meeting adjourned at 2:30 PM.