December 3, 2012

Dear President Knetter and the UW Foundation,

We respectfully request that you divest the University of Wisconsin Foundation from fossil fuels and reinvest in socially and environmentally responsible funds. As you are well aware, our health, environment and future are threatened by increasing global temperatures, biodiversity loss and sea level rise – all consequences of climate change, to which the burning of fossil fuels significantly contributes. Our University should therefore not invest in corporations that extract, produce, or distribute fossil fuels.

The UW Foundation’s mission statement “guarantees ethical stewardship” of invested funds, but there is nothing ethical about dirty energy investments. As an industry with no future, there is a compelling economic argument against investment in the carbon bubble. But even the overwhelmingly logical financial reasons pale in comparison to our moral and humanistic imperative to divest. Climate change has arrived, and it is already affecting human populations in the form of drought and natural disaster.

Universities, more so than other institutions invested in fossil fuel companies, have a distinct role and responsibility to represent the interests of future generations. As an institution focused on educating the next generation of leaders, our University’s business practices must reflect its values. University endowments currently invest hundreds of millions of dollars in fossil fuel companies, and students across the nation – at Harvard, University of North Carolina at Chapel Hill, Tufts, Brown, Cornell and Swarthmore, to name a few – are uniting in the fossil fuel divestment campaign. Hampshire College and Unity College have just agreed to divest their endowment from fossil fuels. As was the case with the campaign to divest from the apartheid regime in South Africa, we are confident that with time all major universities will divest. Whether our own University seizes this opportunity to lead rather than follow remains to be seen. Now is the University of Wisconsin’s chance to take a stand on the right side of history.

We wish to emphasize our appreciation of the UW Foundation’s role in making possible such indispensable university functions as research and financial aid. We also acknowledge the Foundation’s commitment and fiduciary responsibility to its donors. However, there is no doubt that part of that fiduciary responsibility is to plan for the long term. To manage risk without considering the tremendous risks posed by climate change is the epitome of short sighted financial policy. As governments take more and more steps to transition energy production away from fossil fuels, these industries will become increasingly less profitable. On the other hand, if governments and financial planners do not take scientific realities into account, the negative externalities of climate change will have an exponentially devastating effect on the world economy. We are confident in the skill of the UW Foundation’s fund managers to find profitable ways to invest globally in funds and ventures that are not part of the fossil fuel industry. There is a wealth of opportunity, for example, to be found in the global renewable energy sector as the world transitions away from dirty, traditional sources. Phillips, Hager & North Investment Management recently published a document with evidence to challenge the misconception that socially responsible investments lower long-term returns.
Regardless, financing our education is not worth selling our future. In keeping with UW’s long campus tradition of striving for a more just world, let us take a place at the vanguard of this national movement, and show by action that we believe in what we proclaim. The petition delivery today is only the first step. We are mobilizing as a campus and community, reaching out to all potential allies in this fight. We will continue to collect petition signatures, raise awareness, speak with the public and press and conduct peaceful sit-ins as we educate and advocate for this campaign.

The responsible investment of endowment funds is not an activist, political, or partisan cause. It is a humanist obligation. We concerned students and alumni hold the conservative, cautionary stance, whereas the fossil fuel companies occupy the radical position: they are so audacious in their disrespect for the established order that they would seek profit even from drastically changing the chemical composition of the atmosphere. The UW Foundation is in the unique situation of being able to make a direct and positively influential move in the struggle against climate change. We urge you to divest. It won’t be easy, but it is possible, and most importantly, it is the right thing to do.

We would like to schedule a meeting with you to discuss the numbers and logistics of divestment in greater detail. We hope you will be open to working with us. Please contact us at 350.wisc@gmail.com with any questions, comments or information.

Thank you for your consideration,

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