

CHAPTER 4 : FIFTY SHADES OF FOSSIL-FREE: WHAT DIVESTMENT LOOKS LIKE

What does it mean to divest from fossil fuels? Few hard and fast definitions exist. There are almost as many types of divestment as there are divested colleges and universities.

350.org's recommended "ask" is to

- *Immediately freeze any new investment in fossil fuel companies;*
- *Divest from direct ownership and any commingled funds that include fossil fuel public equities and corporate bonds within 5 years.*⁴⁰¹

350.org uses the "Carbon Underground 200" to define what counts as a "fossil fuel" company. The Carbon Tracker Initiative in London draws up an annual list of the top 100 public oil and gas companies and top 100 public coal companies, as ranked by the potential emissions from their reported reserves.⁴⁰²

350.org says "the majority of campaigns" use this metric in their requests for divestment, and most of the student campaigns at the 29 American colleges and universities that have divested did ask for 350.org's model divestment.

But when institutions actually decide to divest, there is no set formula they follow. There are few clear standards of what counts as "divesting from fossil fuels." Divestment is a spectrum. It ranges from policies much looser than 350.org's to some more rigorous.

Shortly after The New School announced in February its decision to divest, the student newspaper titled an article "Fifty Shades of Divestment."⁴⁰³ The tally of divesting decisions had grown so complicated that New School economics Ph.D. candidate Brandt Weathers was trying to develop a weighted scale to measure how thoroughly fossil-free an endowment was. "It's one thing to say 'let's divest,' but it's another thing to say kind of

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401 "About Fossil Free," Go Fossil Free. <http://gofossilfree.org/about-fossil-free/>.

402 *Ibid.*

403 NiQyira Rajhi, "Fifty Shades of Divestment," *The New School Free Press*, February 18, 2015. <http://www.newschoolfreepress.com/2015/02/18/fifty-shades-of-divestment/>.

how much are we and how much does it change year to year,” Weathers explained. The New School’s Chief Operating Officer Tokumbo Shobowale commented, “It’s much more nuanced. It’s not a binary. It’s not either good or bad. There are shades of gray.”

Divesting institutions have interpreted “fossil fuels” as the top 200 coal, oil and gas companies as laid out by Carbon Tracker; coal- and tar sands-extracting companies alone; or just coal. They’ve labeled withdrawing from fossil fuel-exposed commingled funds—investments pooled with other investors and stewarded by an outside manager—as “divestment.” Other “divestments” have left commingled funds intact and sold off only direct investments over which they have sole control. At least three universities—Oxford University, Syracuse University, and the University of Otago in New Zealand—merely exclude future direct investments but have not announced plans to change current investments. All these count as divestment, too.

Activists have played fast and loose with the definition of divestment to suit their purposes. When Stanford University announced in May 2014 that it would divest direct investments in coal, but would leave all mutual and commingled funds intact, and wouldn’t touch oil and gas investments at all, activists sent up a victory cry. “Today, the climate movement won a groundbreaking victory,” announced a press release from the student group Fossil Free Stanford, which had pushed for divestment. “In a striking acknowledgement of the need for a bold and immediate response to climate change, Stanford University is divesting from the coal industry.”⁴⁰⁴ The group called the coal divestment “a clear testament to the power of the student movement for divestment” and “another powerful illustration that America is waking up to the reality that continued large-scale combustion of coal is incompatible with a sustainable future.”

The penultimate paragraph briefly acknowledged that they’d hoped for a fuller divestment—“Fossil Free Stanford, along with over 400 student campaigns across the country, maintains the goal of divesting from all fossil fuels”—but then hurried on to ask other colleges and universities to “follow Stanford’s lead.”⁴⁰⁵

Bill McKibben released a statement at 350.org that recognized Stanford’s place “at the forefront of the 21st century economy.” He expressed confidence that “other forward-looking and internationally-minded institutions will follow” Stanford’s steps.⁴⁰⁶

404 “Fossil Free Stanford Statement on Coal Divestment,” *Fossil Free Stanford*, May 6, 2014. <http://www.fossilfreestanford.org/coal-divestment-may-6-2014.html>.

405 *Ibid.*

406 “Big Win for Divestment Campaign: Stanford to Divest from Coal Companies,” 350.org, May 6, 2014. <http://350.org/press-release/big-win-for-divestment-campaign-stanford-to-divest-from-coal-companies/>.

One year later, when Georgetown University followed Stanford's steps exactly, with an identical divestment pledge, it didn't earn many accolades from activists. By that time the global movement had grown hundreds of campaigns and scores of divestments stronger. The 350.org-affiliated student group GU Fossil Free declared, "GU Fossil Free maintains that this is not a victory." They scolded that "(Georgetown's) decision is morally indefensible." They deduced that by excluding only coal investments, the university "made its decisions for mostly financial and public relations reasons." They called the university's partial divestment "a tiny step" that let the university "continue immoral investments" and finally summed up, "This is unacceptable."⁴⁰⁷

Meanwhile, Bill McKibben was making PR hay out of Georgetown's decision, casting it as a major breakthrough that legitimized the divestment movement. "Oh YES! @Georgetown board votes to divest from coal. Crucial step for the leading Jesuit school!" he tweeted hours after the university's announcement.⁴⁰⁸ The next day, in a *Washington Post* article describing all the ways "mankind blew the fight against climate change" in the past, McKibben credited Georgetown on the positive side of the climate ledger: "Happily, more and more investors are giving up this sham theater. This week, Georgetown University's board voted to sell off its investments in coal."⁴⁰⁹

And in the meantime, Stanford Fossil Free has back-flipped into angry dissatisfaction with the university. Activists "celebrated" the anniversary of the coal divestment with a rally outside the president's office to demand full divestment from all fossil fuels. One activist, Courtney Pal, warned of escalation if the university didn't capitulate: "We haven't had to have a sit-in at Stanford yet, because we are confident that our administration will fully divest by the end of the year."⁴¹⁰ On October 6, 2015, 78 students published a press release vowing "civil disobedience" if Stanford does not fully divest by the end of the fall 2015 semester.⁴¹¹

Both Stanford and Georgetown remain on 350.org's list of divested institutions.

407 "GU Fossil Free Responds to Board's Decision," *GU Fossil Free*, June 4, 2015. <https://georgetownfossilfree.wordpress.com/2015/06/04/gu-fossil-free-responds-to-boards-decision/>.

408 Bill McKibben, @billmckibben, Twitter, June 4, 2015. <https://twitter.com/billmckibben/status/606520443177193473>.

409 Bill McKibben, "How Mankind Blew the Fight Against Climate Change," *Washington Post*, June 9, 2015. https://www.washingtonpost.com/opinions/the-perils-of-engagement/2015/06/05/1d3392ea-094c-11e5-9e39-0db921c47b93_story.html.

410 "Fossil Free Stanford Statement on Coal Divestment."

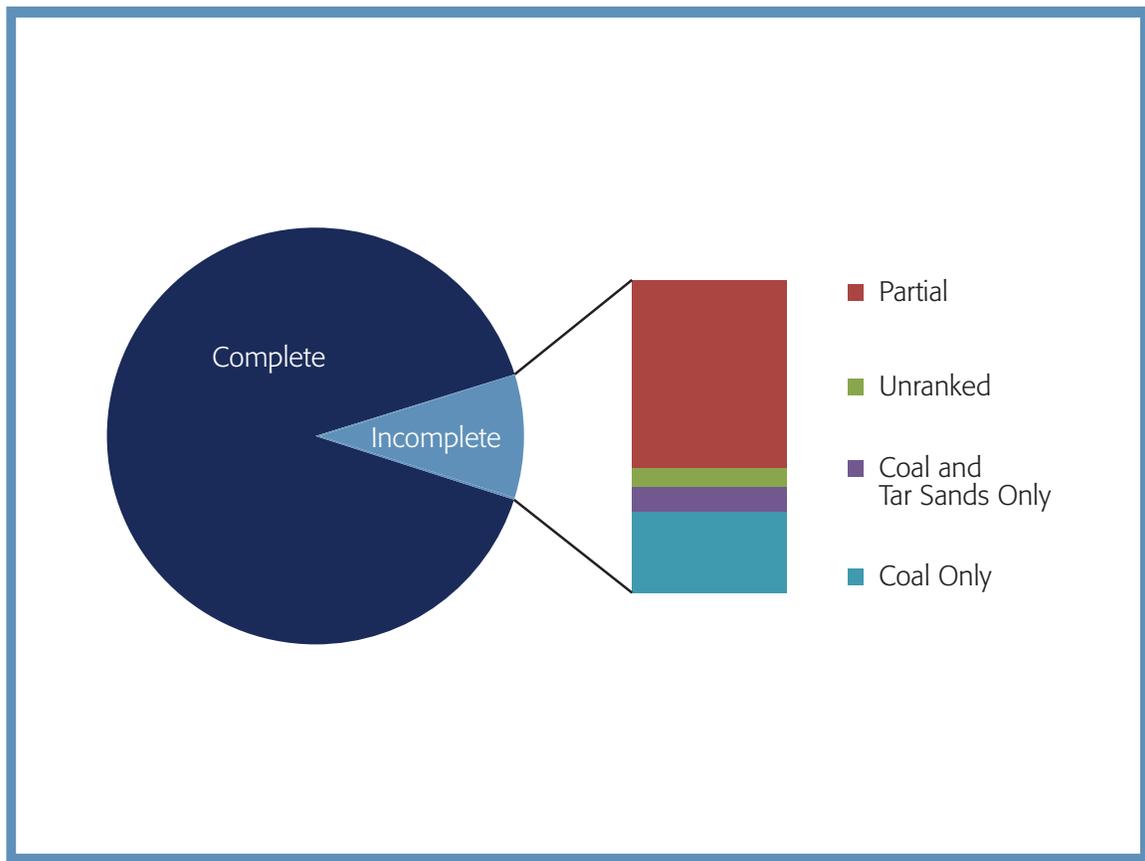
411 "Stanford Students Pledge Civil Disobedience Unless University Divests From Oil and Gas," *Fossil Free Stanford*, October 7, 2015. <http://www.fossilfreestanford.org/press-release-october-7-2015.html>.

Shades of Divestment

Not all divestments are as complete as the Stanford students or the rest of the 350.org activists would like, but according to data collected by 350.org, the majority do follow the group’s model. Of the 393 divestments by colleges, universities, foundations, pension funds, and more, counted by 350.org as of the end of August 2015, about 91 percent meet 350.org’s recommended standard of full divestment.

The deficient ten percent include “partial” divestments (usually involving direct holdings but not commingled or mutual funds); coal and tar sands divestments (leaving oil and gas investments untouched); and “unranked,” a category that 350.org does not explain.⁴¹²

Figure 17 Types of Divestments for All Divested Institutions

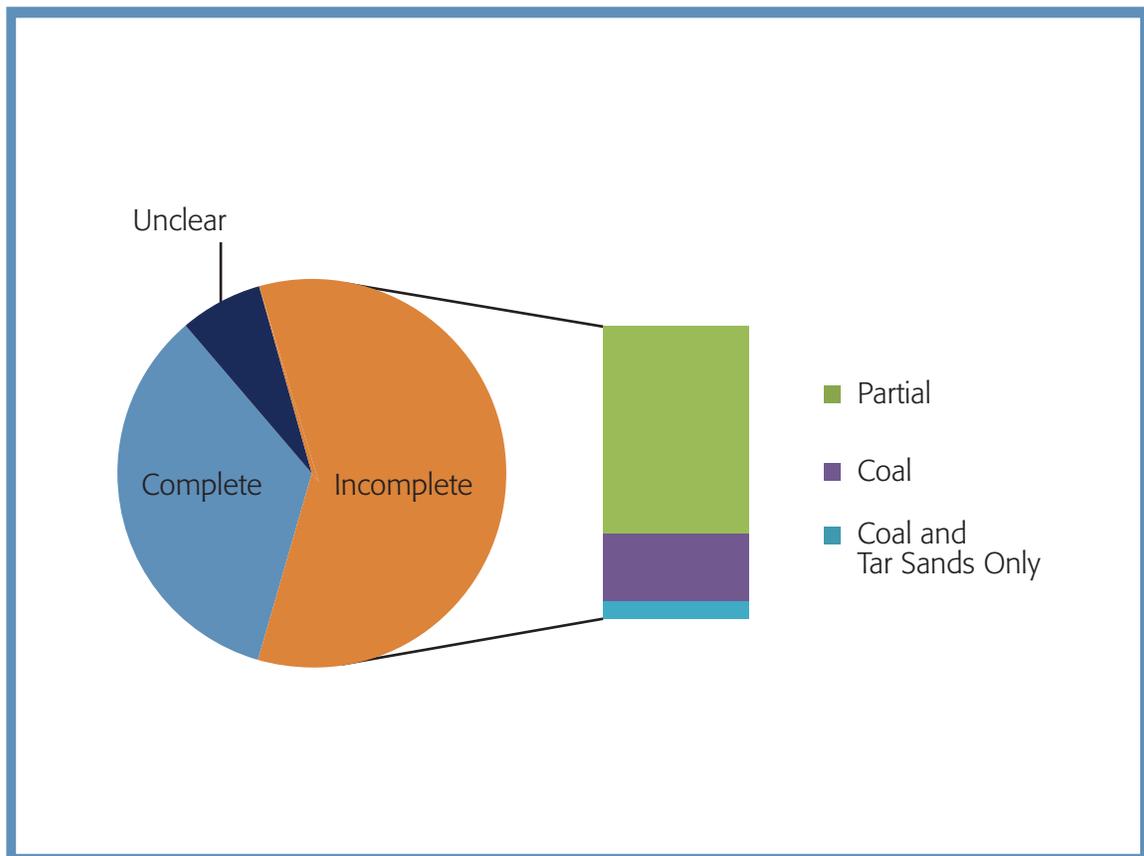


Colleges and universities, by contrast, are significantly less fastidious about divestment than the general constituency of divestors. By our calculation, only 34 percent of divesting American colleges and

412 “Divestment Commitments,” Go Fossil Free.

universities follow 350.org's model by divesting all fossil fuels from all types of investments—a full 56 points fewer than all divesting institutions.

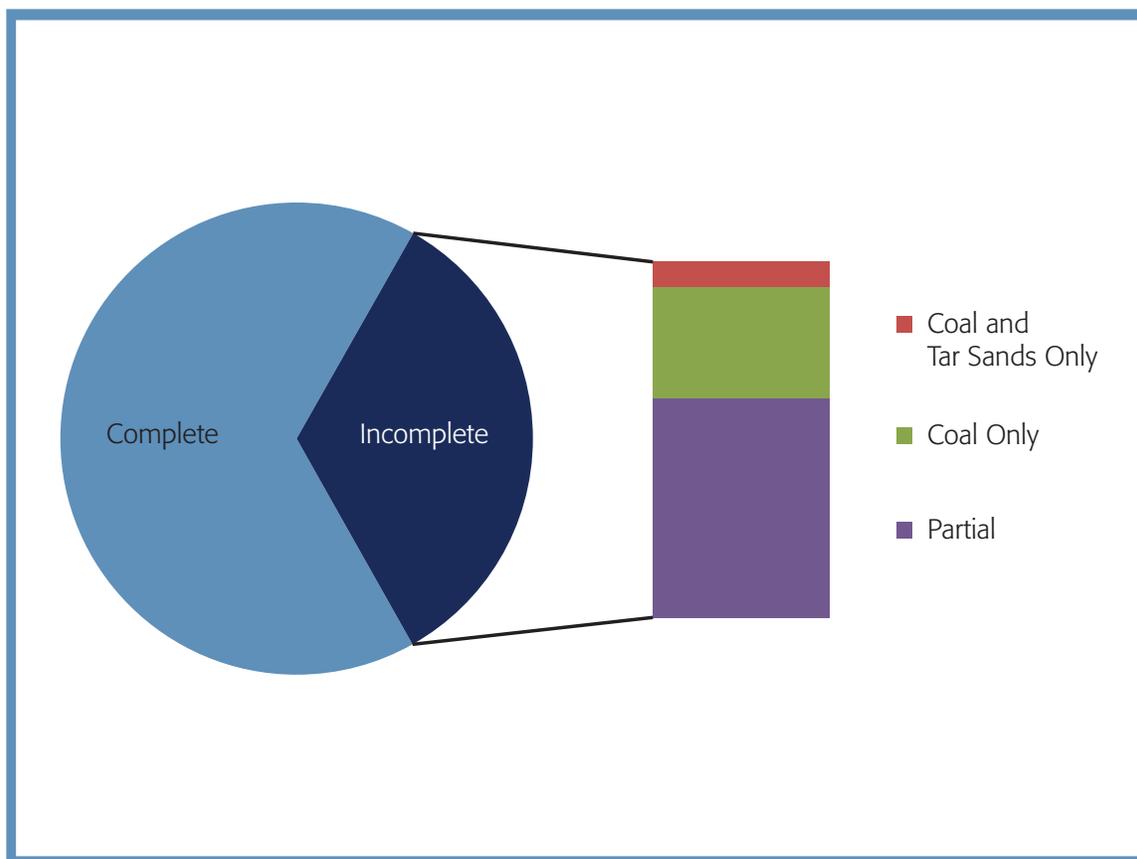
Figure 18 Types of Divestments for American Colleges and Universities



We define “full divestment” by 350.org’s standards: withdrawing from all investments (direct and indirect) from companies whose primary business is extracting any type of fossil fuels (coal, oil, natural gas). By our count, 10 American colleges and universities have divested or have pledged to divest all investments in all fossil fuels. Twelve will partially divest from all fossil fuels (11 by divesting all direct and some indirect investments, and 1 by divesting only direct investments in all fossil fuels). Another 4 have said they will divest only from direct investments in coal, and 1 will divest direct investments in coal and tar sands. Two, Green Mountain College and Prescott College, have committed to screen out all types of fossil fuels but have not disclosed or answered questions regarding what types of investments are affected.

350.org's data on educational institutions' divestments, however, shows a very different picture:

Figure 19 Types of Divestments for American Colleges and Universities, According to 350.org



According to 350.org's categorization of divestments, 71 percent of American higher education institutions have fully divested—37 percentage points higher than our analysis shows. Why does 350.org show such higher rates of full divestment than ours? The main reason is that 350.org often categorizes as “full” divestments decisions to withdraw from *most* fossil fuel investments.⁴¹³ And a high number of “divestment” decisions turn out, upon examination, to be narrower than they appear, as this chapter demonstrates.⁴¹⁴ If other institutions have adopted divestment plans similar to those in higher education,

413 For instance, 350.org categorizes Syracuse University as fully divested, though Syracuse promised only to “prohibit direct investment of endowment funds” in fossil fuel companies. The university said it would also “direct” its external managers of indirect investments “to take every step possible” to avoid investing in fossil fuel companies. Erin Martin Kane, “University Formalizes Commitment to Prohibit Direct Investment in Coal, Fossil Fuels,” *Syracuse University News*, March 31, 2015. <http://news.syr.edu/university-formalizes-commitment-to-prohibit-direct-investment-in-coal-fossil-fuels-29595/>.

414 As mentioned in chapter 3, the NAS list of divesting colleges and universities differs slightly from 350.org's, in minor ways that do not explain the discrepancy in divestment categorization. For this comparison, we further reduced the dissimilarities by drawing from 350.org's data only higher education institutions in the United States.

it is likely that many others categorized as “full” divestments are actually less complete.

Table 14 summarizes the types of divestments that American colleges and universities have undertaken. We include the official language the university uses to describe the divestment decision. We also contacted each institution to verify its divestment policy.

Table 14: Types of Divestment for American Colleges and Universities

Institution	Type of Fossil Fuels	Type of Investments	Official Language
Adler University	All fossil fuels	All investments	“Adler University has divested fossil fuels from its investment portfolio.” ⁴¹⁵
Brevard College	All fossil fuels	All investments	“Brevard College became the first academic institution in the Southeast to commit to divesting from fossil fuels by 2018.” ⁴¹⁶
California State University-Chico Foundation	All fossil fuels	All investments	The foundation board “approved a resolution to exclude any direct investment in the top 200 fossil fuel companies and liquidate within four years holdings in managed funds that include investments in fossil fuel companies.” ⁴¹⁷
College of the Atlantic	All fossil fuels	All investments	“Trustees accepted a student proposal to divest the college from all fossil fuel-related investments.” ⁴¹⁸
Goddard College	All fossil fuels	All investments	“Goddard College today announced the finalization of its divestment. This month, the College moved its endowment funds out of fossil fuel investments and into fossil fuel free accounts at Trillium Asset Management in Boston.” ⁴¹⁹
Naropa University	All fossil fuels	All investments	“The institution has fully divested from their holdings in companies identified by 350.org as having the highest potential greenhouse gas emissions, based on their carbon reserves.” ⁴²⁰
Pacific School of Religion	All fossil fuels	All investments	The board voted to “adopt a policy to divest the institution from investments in fossil fuels.” ⁴²¹
Peralta Community College District	All fossil fuels	All investments	“The Peralta Community College District Board of Trustees unanimously passed a resolution in 2013 to divest from fossil fuel companies.” ⁴²²
Sterling College	All fossil fuels	All investments	Sterling College “will soon divest its endowment from the two hundred fossil fuel companies identified by 350.org in its effort to move higher education toward fossil free investment.” ⁴²³
University of Maine Presque Isle Foundation	All fossil fuels	All investments	“Officials” from the university foundation “announce that they have completed their efforts to totally divest from all fossil fuels.” ⁴²⁴
Rhode Island School of Design	All fossil fuels	Direct holdings	RISD will “divest our endowment’s direct investments in fossil-fuel extraction company stocks and bonds.” ⁴²⁵

California Institute of the Arts	All fossil fuels	Direct holdings; some commingled funds	"CalArts is decreasing its dependence on fossil fuels by immediately reducing the Institute's investments in fossil fuel stocks by 25 percent, re-allocating approximately \$3.6 million of its funds." The Institute also says it will "continue the approach of not making direct investments in fossil fuel companies." ⁴²⁶
Foothill-De Anza Community College Foundation	All fossil fuels	Direct holdings; some commingled funds	"The Board of Directors of the Foothill-De Anza Foundation has voted to discontinue direct investments in fossil fuel companies and minimize investments in commingled assets that include such companies." ⁴²⁷
Hampshire College	All fossil fuels	Direct holdings; some commingled funds	"Hampshire will not favor investments in businesses that...demonstrate substantially harmful environmental practices." ⁴²⁸
Humboldt State University	All fossil fuels	Direct holdings; some commingled funds	The foundation adopted an "expansive new policy to strictly limit its holdings in a variety of industries, including companies directly or indirectly involved in fossil fuels." It will "continue to abstain from any direct investment" in and "make reasonable attempts to reduce the size of indirect investments" in "concerning sectors," which include fossil fuel companies. ⁴²⁹
Pitzer College	All fossil fuels	Direct holdings; some commingled funds	The board approved a "Fossil Fuel Divestment-Climate Action Model" that "divests virtually all College endowment investments in fossil fuel stocks by December 31, 2014." ⁴³⁰
Syracuse University	All fossil fuels	Direct holdings; some commingled funds	The university "is formalizing its commitment to prohibit direct investment of endowment funds in coal mining and other fossil fuel companies....This commitment means that Syracuse will not directly invest in publicly traded companies whose primary business is extraction of fossil fuels. The University will also direct its external investment managers to take every step possible to prohibit investments in these public companies as well." ⁴³¹
The New School	All fossil fuels	Direct holdings; some commingled funds	"The New School's Board of Trustees approved a motion in late 2014 to divest from all fossil fuels." ⁴³²
Union Theological Seminary	All fossil fuels	Direct holdings; some commingled funds	Trustees will "ask the managers of each of our separately managed accounts to divest of, and not invest in, fossil-fuel companies." It will "screen those commingled funds which are not central to our portfolio, and, if those funds will not divest of fossil-fuel stocks, we will withdraw from those funds and find some which will." For commingled funds managed by "valued, highly regarded managers," the trustees will "ask for the formation of a fossil-fuel free fund and indicate our desire to consider that refashioned fund," but will not threaten to withdraw from the funds. ⁴³³

Unity College	All fossil fuels	Direct holdings; some commingled funds	"The Unity College Board of Trustees unanimously voted to divest our endowment from fossil fuel industries" and is "confident that we can achieve a negligible exposure to fossil fuels." ⁴³⁴
University of Dayton	All fossil fuels	Direct holdings; some commingled funds	The university "will begin divesting coal and fossil fuels from its \$670 million investment pool." It will first "eliminate fossil fuel holdings from its domestic equity accounts"; then "develop plans to eliminate fossil fuel from international holdings"; and finally "restrict future investments in private equity or hedge funds whose investments support fossil fuel or significant carbon-producing holdings." ⁴³⁵
University of Hawaii system	All fossil fuels	Direct holdings; some commingled funds	The board instructs that investment managers should "divest the Fund from companies that produce fossil fuels, and shall maintain a portfolio that is substantially divested of fossil fuels (0-1% holdings)." ⁴³⁶
Green Mountain College	All fossil fuels	Unclear	"The Green Mountain College board of trustees approved divestment from 200 publicly-traded companies which hold most of the world's known coal, oil and gas reserves." ⁴³⁷
Prescott College	All fossil fuels	Unclear	A board-approved "resolution establishes an investment filter to remove the largest 200 fossil fuel corporations listed by the Carbon Tracker Initiative, over the next 3 years." ⁴³⁸
Georgetown University	Coal	Direct holdings	"The university will not make or continue any direct investments of endowment funds in companies whose principal business is mining coal for use in energy production." It also "will encourage its external investment managers, which invest on the university's behalf in funds that own wide ranges of securities, to avoid investments in these companies." ⁴³⁹
University of Maine System	Coal	Direct holdings	The university directs "equity and fixed income separate account Investment Managers to negative screen for coal and to divest of any current directly held investments in coal mining companies." ⁴⁴⁰
University of Washington	Coal	Direct holdings	Regents will now "prohibit direct investment of endowment funds in publicly traded companies whose principal business is the mining of coal for use in energy generation." ⁴⁴¹
Stanford University	Coal	Direct holdings	"Stanford will not make direct investments in coal mining companies." ⁴⁴²

San Francisco State University Foundation	Coal and tar sands	Direct holdings	In April 2014 the board called for “continued divestment from direct ownership of companies with significant exposure to production or use of coal and tar sands” and “careful monitoring of comingled funds to assess approximately the percentage of these investments in companies with significant exposure to production or consumption of coal and tar sands.” ⁴⁴³
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415 “Adler University Divests from Fossil Fuels,” Adler University, May 19, 2015. <http://www.adler.edu/page/news-events/campus-news/adler-university-divests-from-fossil-fuels>.

416 “Brevard College Commits to Fossil Fuel Divestment,” Brevard College. <https://brevard.edu/news-events/news/brevard-college-commits-fossil-fuel-divestment>.

417 Joe Wills, “University Foundation Board Approves Divestment of Fossil Fuel Holdings,” California State University-Chico, December 12, 2014. <http://www.csuchico.edu/news/current-news/12-12-14-divestment.shtml>.

418 “COA Divests!” College of the Atlantic, June 19, 2015. <http://www.coa.edu/live/news/745-coa-divests>.

419 “Goddard College Divests,” Goddard College, January 14, 2015. <http://www.goddard.edu/2015/01/goddard-college-divests/>.

420 “Naropa University Divests from Fossil Fuels,” Naropa University, October 31, 2013. <http://www.naropa.edu/media/press-releases/press-2013/naropa-divests-from-fossil-fuels.php>.

421 “Pacific School of Religion First Seminary in California to Divest in Fossil Fuels,” Pacific School of Religion, February 25, 2015.

422 “Peralta Trustees Pass Resolution to Divest From Fossil Fuel Companies,” Peralta Community College District, January 31, 2014. <http://web.peralta.edu/blog/peralta-trustees-pass-resolution-to-divest-from-fossil-fuel-companies/>.

423 “Sterling College to Divest from Fossil Fuels,” *Burlington Free Press*, February 5, 2013.

424 “UMPI Foundation Board Completes Total Divestment from Fossil Fuels,” University of Maine-Presque Isle, January 30, 2015. <http://www.umpi.edu/articles/umpi-foundation-board-completes-total-divestment-from-fossil-fuels/>.

425 “Divestment of Direct Fossil-Fuel Investments,” Email from Michael Spalter, chairman of the board of trustees, to students, faculty, and staff of Rhode Island School of Design, June 1, 2015.

426 “CalArts Moves to Divest From Fossil Fuels,” 24700, California Institute of the Arts, December 23, 2014. <http://blog.calarts.edu/2014/12/23/calarts-moves-to-divest-from-fossil-fuels/>.

427 “De Anza Students Move Foundation to Vote for Fossil Fuel Divesture,” De Anza College, 2013. <http://deanza.edu/news/2013fossildivest.html>.

428 “Hampshire College Adopts Environmental, Social and Governance (ESG) Investing Guidelines,” Hampshire College, January 3, 2012.

429 “Humboldt State University Targets Fossil Fuels and More,” Humboldt State University Now, April 30, 2014. <http://now.humboldt.edu/news/humboldt-state-university-targets-fossil-fuels-and-more/>.

Percents of Completion

Fifty-nine percent of college and university divestments pledge only partial divestment. How much money have colleges and universities moved out of the fossil fuel industry? Divestments range from selling 100 percent of all fossil fuel investments to selling none at all.

Most colleges and universities do not disclose endowment holdings by industry. Few have announced what portion of the endowment was invested in fossil fuel companies prior to the divestment decision, or how much of the portfolio was moved as a result of divestment.

Nevertheless we secured estimates for 13 of the 29 American colleges and universities that have committed to divest. By our calculations, these 13 colleges and universities held a total of approximately \$34.2 million in fossil fuel companies, of which \$16.9 million—about 49 percent—was affected by their divestment decisions.

430 "Pitzer College and Robert Redford Announce Breakthrough Fossil Fuel Divestment-Climate Action Model," Pitzer College Office of Communications, April 12, 2014. <http://pitweb.pitzer.edu/communications/2014/04/pitzer-college-robert-redford-announce-breakthrough-fossil-fuel-divestment-climate-action-model/>.

431 Erin Martin Kane, "University Formalizes Commitment to Prohibit Direct Investment in Coal, Fossil Fuels," *Syracuse University News*, March 31, 2015. <http://news.syr.edu/university-formalizes-commitment-to-prohibit-direct-investment-in-coal-fossil-fuels-29595/>.

432 "The New School Unveils Comprehensive Climate Action Plan," *The New School*, February 2, 2015. <http://www.newschool.edu/pressroom/pressreleases/2015/ClimateAction.htm>.

433 "Union Theological Seminary in the City of New York Votes Unanimously to Divest from Fossil Fuels," *Union Theological Seminary*, June 10, 2014. <https://utsnyc.edu/divestment/>.

434 Stephen Mulkey, "An Open Letter to College and University Presidents About Divestment from Fossil Fuels," *Sustainability Monitor*, Unity College, November 13, 2013. <https://sustainabilitymonitor.wordpress.com/2012/11/13/an-open-letter-to-college-and-university-presidents-about-divestment-from-fossil-fuels/>.

435 Dayton Divests," *University of Dayton News*, June 23, 2014. https://www.udayton.edu/news/articles/2014/06/dayton_divests_fossil_fuels.php.

436 "Final Report and Recommendation," Task Group on Divestment and Sustainability, Board of Regents, University of Hawaii, March 23, 2015.

437 "Green Mountain College Board Approves Divestment of Fossil Fuel Holdings," *Green Mountain College*, May 14, 2013.

438 "Prescott College Commits to Fossil Fuel Divestment Resolution," *Prescott College*. <http://www.prescott.edu/experience/news/fossil-fuel-divestment-resolution.html>.

439 "Georgetown Divests from Direct Investments in Coal Companies," *Georgetown University*, June 4, 2015. <https://www.georgetown.edu/news/sustainability-policy-regarding-investments.html>.

440 Meeting Minutes, Board of Trustees Meeting, University of Maine System January 26, 2015. <http://www.maine.edu/wp-content/uploads/2013/06/Board-of-Trustees-Meeting-Jan-26-20151.pdf>.

441 Victor Balta, "UW Regents Vote to Divest from Coal Companies," *UW Today*, May 14, 2015. <http://www.washington.edu/news/2015/05/14/uw-regents-vote-to-divest-from-coal-companies/>.

442 "Stanford to Divest from Coal Companies," *Stanford Report*, May 6, 2014. <http://news.stanford.edu/news/2014/may/divest-coal-trustees-050714.html>.

443 SF State Foundation Strengthens Its Commitment to the Environment," *SF State News*, April 3, 2014. <http://news.sfsu.edu/sf-state-foundation-strengthens-its-commitment-environment>.

Four colleges sold 100 percent of all fossil fuel investments. (Another, Humboldt College, had no fossil fuel investments to sell.) Four sold less than half—including one, San Francisco State University Foundation, that sold about 8 percent of its fossil fuel investments.

Figure 20 Percentage of Fossil Fuel Investments Sold at Divesting Colleges and Universities

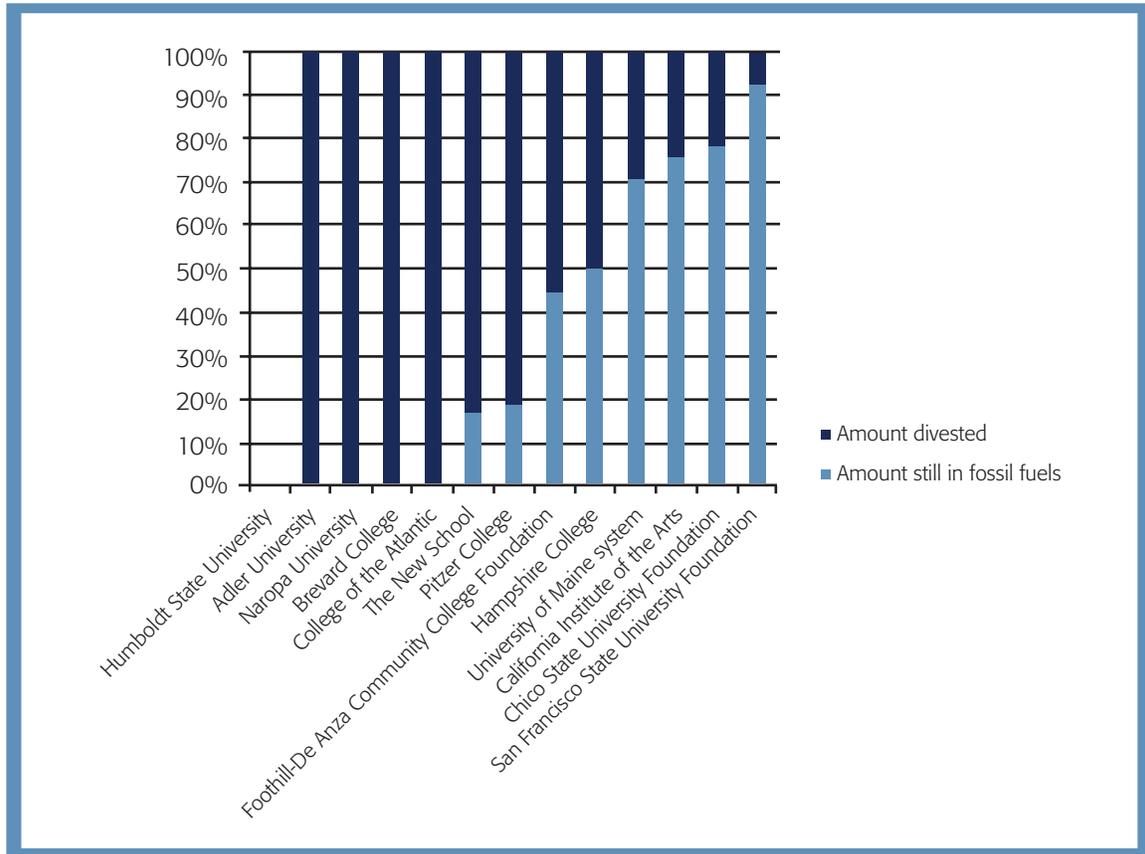


Table 15: Percentage of Fossil Fuel Investments Sold at Divesting Colleges and Universities

Institution	Endowment Size	Amount Previously Invested in Fossil Fuels	Amount Divested from Fossil Fuels	Amount Still Invested in Fossil Fuels	Percentage of Fossil Fuel Investments Remaining
Adler University	\$2,010,508	\$35,931	\$35,931	\$0	0%
Brevard College	\$25,000,000	\$500,000	\$500,000	\$0	0%

California Institute of the Arts	\$137,535,000	\$14,400,000	\$3,600,000	\$10,800,000	75%
Chico State University Foundation	\$52,563,000	\$672,005	\$146,375	\$525,630	78%
College of the Atlantic	\$44,200,000	\$998,293	\$998,293	\$0	0%
Foothill-De Anza Community College Foundation	\$33,700,000	\$674,000.00	\$374,000.00	\$300,000	45%
Georgetown University	\$1,461,276,000	Unknown	"Insubstantial amount"	Unknown	Most
Goddard College	\$1,000,000	Unknown	Unknown	Unknown	Unknown
Green Mountain College	\$3,430,710	Unknown	Unknown	Unknown	Unknown
Hampshire College	\$37,567,000	\$51,131	\$25,566	\$25,566	50%
Humboldt State University	\$27,724,000	\$0	\$0	\$0	0%
Naropa University	\$6,250,000	\$104,000	\$104,000	\$0	0%
Pacific School of Religion	\$30,000,000	Unknown	Unknown	Unknown	Unknown
Peralta Community College District	\$384,958,000	Unknown	Unknown	Unknown	Unknown
Pitzer College	\$134,289,000	\$5,400,000	\$4,400,000	\$1,000,000	19%
Prescott College	\$4,600,000	Unknown	Unknown	Unknown	Unknown
Rhode Island School of Design	\$337,954,000	Unknown	\$5,920,000	Unknown	Unknown
San Francisco State University Foundation	\$65,385,000	\$2,500,000	\$200,000	\$2,300,000	92%
Stanford University	\$21,446,006,000	Unknown	"small fraction"	Unknown	Unknown
Sterling College	\$920,000	Unknown	Unknown	Unknown	Unknown
Syracuse University	\$1,183,244,000	Unknown	\$0	Unknown	Unknown
The New School	\$299,890,000	\$7,197,360	\$5,997,800	\$1,199,560	17%
Union Theological Seminary	\$107,900,000	"A few percent"	Unknown	Unknown	Unknown
Unity College	\$14,085,286	Unknown	Unknown	Unknown	Unknown
University of Dayton	\$510,107,000	\$34,000,000	Unknown	Unknown	Unknown
University of Hawaii System	\$66,000,000	\$3,300,000	Unknown	Unclear. Eventual goal is 1%	Unknown

University of Maine Presque Isle Foundation	\$3,474,000	Unknown	Unknown	Unknown	Unknown
University of Maine System	\$589,000,000	\$1,700,000	\$502,000	\$1,198,000	70%
University of Washington	\$2,832,753,000	Unknown	\$2,832,753	Unknown	Unknown

Divestments in Name Only

Some divestments don't involve selling any investments at all. We call these DINO's, divestments in name only.

Four colleges and universities have DINO's. Two are in the United States, and two are in other nations: Humboldt State University in California, Syracuse University in New York, Oxford University in the United Kingdom, and the University of Otago Foundation Trust in New Zealand. None has transferred or sold any investments in fossil fuel companies. All four appear on 350.org's list of divestments.⁴⁴⁴

We also note four "runner-up DINO's." These are institutional decisions to divest next to nothing (or possibly, but not provably, nothing at all). Our runner-up DINO's are Georgetown University in Washington, D.C., Hampshire College in Maine, Stanford University in California, and Concordia University Foundation in Quebec, Canada. All are listed as divesting institutions on 350.org's master list.

How can a non-divestment count as divestment? Usually it involves pledging to do something that is impossible to do, or was already done years ago.

Some divestments don't involve selling any investments at all.

Humboldt State University says it hasn't held any direct investments in fossil fuel companies "for over a decade." That made it, the university said in an April 2014 press release, "a leader in the more recent fossil fuel divestment movement."⁴⁴⁵ But Humboldt didn't make it on

to 350.org's list of divested institutions until it announced, in the same press release, the "Humboldt Investment Pledge." This was a promise to "continue to abstain from direct investments" and to

444 "Commitments,"Go Fossil Free.

445 "Humboldt State University Targets Fossil Fuels and More," Humboldt State University.

“make reasonable attempts to reduce the size of indirect investments” in companies that fell on a list of “Socially or Environmentally Concerning Sectors.” “Concerning Sectors” included:

*a) Energy – extraction, distribution, refining and marketing (i.e. Oil, natural gas, coal and related/supporting industries); b) Utilities – electricity generation (i.e. Utilities utilizing carbon-based fuels); c) Aerospace/Defense, Alcohol, Tobacco, Gaming and Casino industries.*⁴⁴⁶

In the range of industries affected, Humboldt’s is a broader commitment than many divestments. It includes not only companies that produce fossil fuel-based energy but the utilities companies that bring it to market. But the Investment Pledge vows to “maintain” the screens the university already had in place. Humboldt University declined to specify whether any of the “reasonable attempts to reduce” the indirect investments in fossil fuel companies resulted in further divestments.

Syracuse University, when it announced on March 31, 2015 its “commitment to prohibit direct investment of endowment funds in coal mining and other fossil fuel companies,” had no direct investments in fossil fuel-extracting companies to divest from.⁴⁴⁷ Kevin Quinn, Senior Vice President of Public Affairs, revealed this one day later to a *Pensions and Investors* reporter.⁴⁴⁸

Technically, Syracuse University called its decision a process of “formalizing” a “commitment” to “not directly invest in publicly traded companies whose primary business is extraction of fossil fuels”—not a divestment. Although the university would not pull out of commingled funds that were exposed to fossil fuel companies (which would involve actually moving money out of the fossil fuel industry), it would ask the managers of those funds to “take every step possible” to reduce investments in fossil fuels.⁴⁴⁹ Mr. Quinn and other representatives of the university did not respond to questions about whether any commingled funds managers had agreed to restrict fossil fuel investments.

Oxford University also shunned labeling its similar decision a “divestment” in official documents. But the university titled its press release “Oxford University and Fossil Fuel Divestment.” There, it announced that although the “Oxford Fund” had “no direct holdings in coal and oil sands companies” (or in the energy sector at all), the Council governing the Fund had recently mandated that the investors “maintain this

446 *Ibid.*

447 “University Formalizes Commitment to Prohibit Direct Investment in Coal, Fossil Fuels,” Syracuse University.

448 James Comtois, “Syracuse University Endowment to Divest Coal, Fossil Fuel-Holdings,” *Pensions and Investments*, April 1, 2015. <http://www.pionline.com/article/20150401/ONLINE/150409993/syracuse-university-endowment-to-divest-coal-fossil-fuel-holdings>.

449 “University Formalizes Commitment to Prohibit Direct Investment in Coal, Fossil Fuels,” Syracuse University.

position” and “avoid any future direct investments in coal and oil sands.”⁴⁵⁰

In New Zealand, the University of Otago Foundation Trust decided it “should not invest in companies that are primarily involved in the exploration and extraction of fossil fuels.”⁴⁵¹

The director of the university’s Centre for Sustainability, Janet Stephenson, criticized the decision for being “carefully worded” to maintain the status quo.⁴⁵² John Patrick, the university’s Chief Operating Officer, confirmed via email that “the University does not, and never has, held any investments in fossil fuel companies.”⁴⁵³ He cited New Zealand laws that restricted the university and its foundation only to investments approved by the minister of finance:

*By virtue of Section 203(4) of the Education Act 1989 and Sections 65(1)(1) and (2) of the Public Finance Act 1989 the University of Otago (as distinct from the University of Otago Foundation Trust) can only invest in bank deposits, public securities and other securities approved by the Minister of Finance.*⁴⁵⁴

In three of these four DINO cases, the “divesting” institution touted its “leadership” in taking bold action for the climate. Syracuse University noted that in everything from its “research” to “fiscal matters,” the “University is attuned to its role in leading change that can have a meaningful impact on issues regarding climate disruption.”⁴⁵⁵ Oxford started its announcement with the declaration that “Oxford University is a world leader in the battle against climate change.” It concluded by reflecting on how well its new investment policy “complements” its “wide-reaching” and “ambitious” climate change research and sustainability targets.⁴⁵⁶ Humboldt State University said it had for ten years been a “leader” in the fossil fuel divestment movement, but was now going above and beyond its previous standards. Duncan Robins, one of the board members who helped shape the new investment pledge, commented,

450 “Oxford University and Fossil Fuel Divestment,” Oxford University. <http://www.ox.ac.uk/news-and-events/fossil-fuel-divestment>.

451 Judith Thompson, Secretary, University of Otago Foundation Trust, email to Rachele Peterson, September 3, 2015.

452 Carla Green, “Divestment Policy Adopted by Trust,” *Otago Daily Times*, July 16, 2015. <http://www.odt.co.nz/news/dunedin/349211/divestment-policy-adopted-trust>.

453 John Patrick, Chief Operating Officer, University of Otago, email to Rachele Peterson, September 8, 2015.

454 *Ibid.*

455 “University Formalizes Commitment to Prohibit Direct Investment in Coal, Fossil Fuels,” Syracuse University News.

456 “Oxford University and Fossil Fuel Divestment,” Oxford University.

*We could have recommended the status quo, continuing our investment practices that are already more socially responsible than most other institutions. But that isn't enough for this Board, our students, or our community... We want to prove that it is possible, even for a relatively small endowment like ours, to do even better.*⁴⁵⁷

Runner-Up DINOs

Our four “runner-up DINOs” have done more than merely talk the talk of divestment. They have, or at least purport to have, actually moved some money around.

Georgetown University in June 2015 said that “Going forward, the University will not make or continue any direct investments of endowment funds” in companies “whose principal business is the mining of coal for use in energy production.” This constituted an “insubstantial amount” of the endowment. (Erik Smulson, Vice President for Public Affairs and Senior Advisor to the President, declined to elaborate further what the “insubstantial amount” added up to.) The university said its consideration of divestment showed its “responsibility” as a “Catholic and Jesuit University” to “lead on issues of justice and the common good such as environmental protection and sustainability.”⁴⁵⁸

Hampshire College is counted on most lists as the first higher education institution to divest. In January 2012, eight months before Bill McKibben introduced divestment to the public, the college adopted an “affirmative” investment policy that favored companies that met at least one of a slate of “environmental, social, and governance” qualities:

1. *Provide beneficial goods and services such as food, clothing, housing, health, education, transportation and energy.*
2. *Pursue research and development programs that hold promise for new products of social benefit and for increased employment prospects.*
3. *Maintain fair labor practices including exemplary management policies in such areas as non-discriminatory hiring and promotion, worker participation and education, and in policies affecting their quality of work life.*
4. *Maintain a safe and healthy work environment including full disclosure to workers of potential work hazards.*
5. *Demonstrate innovation in relation to environmental protection, especially with respect to policies, organizational structures, and/or product development; give evidence of superior performance with respect to waste utilization, pollution control, and efforts to mitigate climate change risk.*

457 “Humboldt State University Targets Fossil Fuels and More,” Humboldt State University.

458 “Georgetown Divests from Direct Investments in Coal Companies,” Georgetown University.

6. *Use their power to enhance the quality of life for the underserved segments of our society and encourage local community reinvestment.*
7. *Have a record of sustained support for higher education.*⁴⁵⁹

In fall 2012, before McKibben hit the road for the “Do the Math” tour, he called Hampshire College president Jonathan Lash, an old acquaintance, to ask him to consider joining the divestment movement at the beginning. Lash said he couldn’t. “I said, well, no,” Lash recalled, “because we don’t hold fossil fuel stocks.”⁴⁶⁰ Soon after students asked him to support divestment and join the movement, and Lash had to explain again that the university had no direct investments to divest from, and about “1-2 percent” of the commingled funds in fossil fuels, which couldn’t be touched. Lash says he doesn’t consider the “affirmative” investment strategy to be a divestment: “Our policy was to invest, not divest.” He said there was “no official screen” on fossil fuels, because the university was “trying to encourage a positive future rather than discourage particular companies.” But, Lash says, “the students felt strongly that this constituted divestment. So they described it as divestment.” He gave them permission to do so.

Stanford University, which initially earned activists’ praise for deciding to avoid “direct investments in coal mining companies,”⁴⁶¹ later revealed that those direct investments amount to a “small fraction” of a percent of the endowment.⁴⁶² The university did not respond to questions seeking more information, though one professor told us he had heard from administrators and from a Stanford divestment activist that the university had no money directly invested in coal companies. In 2014, 83 percent of the endowment was invested in a pooled fund, and 11 percent consisted of property, leaving 6 percent to be “specifically invested for a variety of purposes, including donor wishes.” How much of that 6 percent was held in direct investments, and of that how much was invested in coal companies, the university does not say.⁴⁶³

In Quebec, Concordia College has created a “sustainable investments fund,” none of which will be invested in fossil fuel companies (or in “weapons or tobacco” either). In November, the college

459 “Policy on Environmental, Social and Governance Investing,” Hampshire College. https://www.hampshire.edu/sites/default/files/shared_files/Hampshire_ESG_Policy.pdf.

460 Jonathan Lash, interview with Rachele Peterson, July 21, 2015.

461 “Stanford to Divest from Coal Companies,” *Stanford Report*.

462 Lisa Lapin, Stanford University spokeswoman, quoted in Michael McDonald, “College Divestment Pledges Are Mostly Empty Gestures,” *Bloomberg Business*, June 23, 2015. <http://www.bloomberg.com/news/articles/2015-06-23/for-all-their-talk-colleges-divest-little-after-climate-protest>.

463 *Annual Financial Report*, Stanford University, August 31, 2014 and 2013. http://bondholder-information.stanford.edu/pdf/SU_AnnualFinancialReport_2014.pdf.

transferred \$5 million of its \$100 million endowment into this fund.⁴⁶⁴ It is unclear whether any of the \$5 million transferred had previously been invested in fossil fuel companies.

Depths of Symbolism

Does it matter if the divestment decision actually results in selling stocks? Activists are divided.

At Syracuse University, 11 student activists said in an op-ed that they would “continue to ask that SU fully divest from the fossil fuel industry,” but they still considered the “partial divestment” a victory: “Nonetheless, this is a win for the campaign.”⁴⁶⁵

A spokeswoman for Otago Uni Divests, Annabeth Cohen, said Otago’s faux divestment was “a step in the right direction.”⁴⁶⁶ Dr. Stephenson, the director of the Centre for Sustainability, said the university foundation’s decision was “not the same as the university as a whole committing to divestment as an important moral and ethical decision.” But still, “the amendment of the policy is an incredibly important step in this direction.”⁴⁶⁷

Oxford University activists were less mollified. Five days after the Oxford Fund reaffirmed its commitment to screening out direct investments in fossil fuels, almost 70 alumni symbolically handed back their diplomas in a mass ceremony in downtown Oxford. Jeremy Leggett, green energy entrepreneur, said of his decision to toss a replica diploma in protest, “I don’t think universities should be training young people to craft a viable civilisation with one hand and bankroll its sabotage with the other.”⁴⁶⁸ But others thought Oxford had made an important decision worth celebrating. Go Fossil Free titled its blog post announcement, “Oxford University Takes a Moral Stand on Coal and Tar-sands.”⁴⁶⁹

Contrast this with the activists at Georgetown who declared the coal divestment “immoral” and “not

464 Christine Mota, “Concordia University Foundation Takes a Leadership Role in Sustainable Investment,” *Concordia News*, November 26, 2014. <http://www.concordia.ca/cunews/main/stories/2014/11/26/concordia-university-foundation-takes-leadership-role.html>.

465 Ben Kuebrich, et. al., “Divest SU Responds to University Limiting Fossil Fuel Investments,” *The Daily Orange*, April 1, 2015. <http://dailyorange.com/2015/04/divest-su-responds-to-university-limiting-fossil-fuel-investments/>.

466 Green, “Divestment Policy Adopted by Trust,” *Otago Daily Times*.

467 *Ibid.*

468 “70 Oxford Alumni Hand Back Degrees in Fossil Fuel Protest,” Go Fossil Free, May 23, 2015. <http://gofossilfree.org/uk/press-release/70-oxford-alumni-hand-back-degrees-in-fossil-fuel-protest-2/>.

469 “Oxford University Takes a Moral Stand on Coal and Tar-Sands,” Go Fossil Free, May 18, 2015. <http://gofossilfree.org/uk/press-release/oxford-university-takes-a-moral-stand-on-coal-and-tar-sands/>.

a victory,"⁴⁷⁰ even though Georgetown, unlike the four real DINO's, claimed to have divested a small but real amount of money.

Some universities that are already fossil-free have eschewed retroactively crediting themselves with "divestment." After Stanford divested from direct holdings in the top 100 coal companies, Pomona College president David Oxtoby had his staff look into Pomona's endowment. The college owned no stock in any of the companies Stanford shed. "We could have made the same 'divestment' announcement without making a single change in our endowment—or a dent in climate change," Oxtoby wrote in the *Chronicle of Higher Education*.⁴⁷¹

Oxtoby refrained. He deemed Stanford's decision—and all other divestments with it—a "headline-grabbing" gimmick that offered "nothing but a distraction" from real environmental work. Instead of riling students with a "symbolic" but impotent action, he urged colleges to adopt as "our first goal" educating students "to be skeptical about simple claims." Once decoupled from their naïve optimism, the youth, supported by their colleges, could get down to the real of work of political organizing. He recommended the Freedom Summer of 1964, in which students (mainly white and from the North) flooded the South to register Blacks to vote, and the Vietnam protests as constructive examples of students and their professors working to "mobilize" and "force political change."

Oxtoby thought "symbolic actions have their place," but the symbolic action of divestment—no matter how much money was involved—didn't do enough fast enough. "Many of those involved in the divestment movement say quite candidly that they do not expect divestment...to have an effect on the policies of the companies involved," Oxtoby wrote. Supporters saw divestment as "one way of getting attention for the issue, to get on the front page of *The New York Times*."

A few months earlier Bill McKibben had said much the same thing in the pages of the *New York Times*. Divestment won't work "by directly affecting share prices," McKibben wrote, but it could "revoke the social license" of erring companies.⁴⁷² McKibben's argument has been routinely repeated by advocates of divestment, including by 350.org co-founder Jamie Henn, who deems divestment a powerful strategy "to weaken the political power" (but not the economic vitality) of the fossil fuel industry.⁴⁷³

470 "GU Fossil Free Responds to Board's Decision," GU Fossil Free, June 4, 2015. <https://georgetownfossilfree.wordpress.com/2015/06/04/gu-fossil-free-responds-to-boards-decision/>.

471 David Oxtoby, "Divestiture is Nothing but a Distraction," *Chronicle of Higher Education*, September 15, 2014. <http://chronicle.com/article/Divestiture-Is-Nothing-but-a/148789/>.

472 McKibben, "Turning Colleges' Partners Into Pariahs."

473 Jamie Henn, "Fossil Fuel Divestment Effort Is a Powerful Strategy," *Boston Globe*, June 15, 2015. <https://www.bostonglobe.com/opinion/editorials/2015/06/14/fossil-fuel-divestment-effort-powerful-strategy/rNx6ukKFOApf7uLUZOltK/story.html>.

If divestment is primarily a “way of getting attention” and not of improving the environment, why should activists care if there’s money behind a divestment decision? Divestment itself is incidental to the larger goal provoking public action. Perhaps that explains why 350.org has been rather forgiving in its treatment of faux divestments. Syracuse University’s mock divestment got it a spot in the *New York Times*⁴⁷⁴ and the *Guardian*,⁴⁷⁵ which is more than, say, Brevard College received for its total divestment of \$500,000 from fossil fuel investments.

It’s not hard to understand why advocates of divestment have rushed to embrace partial or faux divestments by large, well-known colleges and universities. Among well-known colleges, those are the only divestments that exist.

Often, activists seem to rank a divestment’s value to the movement according to how well-known the divesting institution is, rather than how complete its divestment was. Or, in the case of Georgetown and other DINO-like decisions, they react with outrage at the outset and then immediately subside into pacified pleasure at adding another tally to the divestment list. Oxford University, for all the ire it drew from 350.org activists, has become a go-to example of climate leadership among 350.org executives. McKibben praised the university’s “divestment” in the *New York Review of Books*,⁴⁷⁶ *Los Angeles Times*,⁴⁷⁷ *Washington Post*,⁴⁷⁸ and Naomi Klein also praised Oxford in *The Nation*,⁴⁷⁹ and on stage at a September 2015 strategy meeting for 2,000 activists in Brooklyn.

Small, Unknown, but Completely Divested

It’s not hard to understand why advocates of divestment have rushed to embrace partial or faux divestments by large, well-known colleges and universities. Among well-known colleges, those are the only divestments that exist. Not a single large college or university has agreed to divest fully. The richest college in the United States to pledge complete divestment from fossil fuels is the Peralta Community College District in California, which has an endowment of about \$385 million.

474 John Schwarz, “Syracuse to Drop Fossil Fuel Stocks From Endowment,” *New York Times*, April 1, 2015. <http://www.nytimes.com/2015/04/01/science/syracuse-to-drop-fossil-fuel-stocks-from-endowment.html>.

475 Emma Howard, “Syracuse University to Divest \$1.18bn Endowment from Fossil Fuels,” *Guardian*, April 1, 2015. <http://www.theguardian.com/environment/2015/apr/01/syracuse-university-to-divest-800m-endowment-from-fossil-fuels>.

476 Bill McKibben, “Climate Change: A Warning from Islam,” *New York Review of Books*, August 24, 2015. <http://www.nybooks.com/blogs/nyrblog/2015/aug/24/climate-change-warning-islam/>.

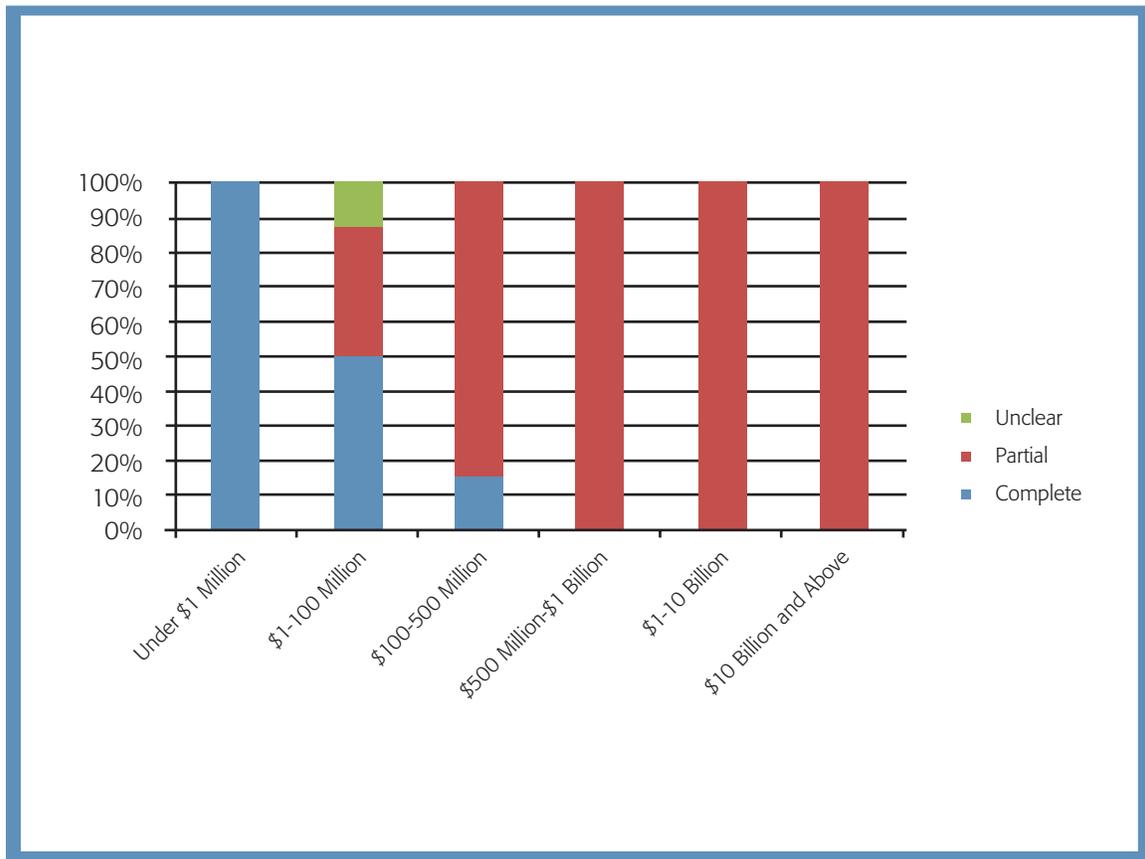
477 Bill McKibben, “Being Carbon-Foolish Cost CalPERS and CalSTRS \$5 Billion,” *Los Angeles Times*, August 18, 2015. <http://www.latimes.com/opinion/op-ed/la-oe-0818-mckibben-calpers-fossil-fuel-investment-20150818-story.html>.

478 McKibben, “How Mankind Blew the Fight Against Climate Change.”

479 Naomi Klein, “Climate Change Is a Crisis We Can Only Solve Together,” *Nation*, June 17, 2015. <http://www.thenation.com/article/we-can-only-do-this-together/>.

To date, the completeness of divestment has been inversely related to the size of the endowment. The larger the endowment, the less complete the divestment. One hundred percent of the institutions with endowments smaller than \$1 million committed to full divestment, along with 50 percent of institutions with endowments of \$1-100 million, and 17 percent of institutions with endowments of \$100-500 million. No American college or university with an endowment above \$385 million (Peralta Community College) has fully divested from fossil fuels.

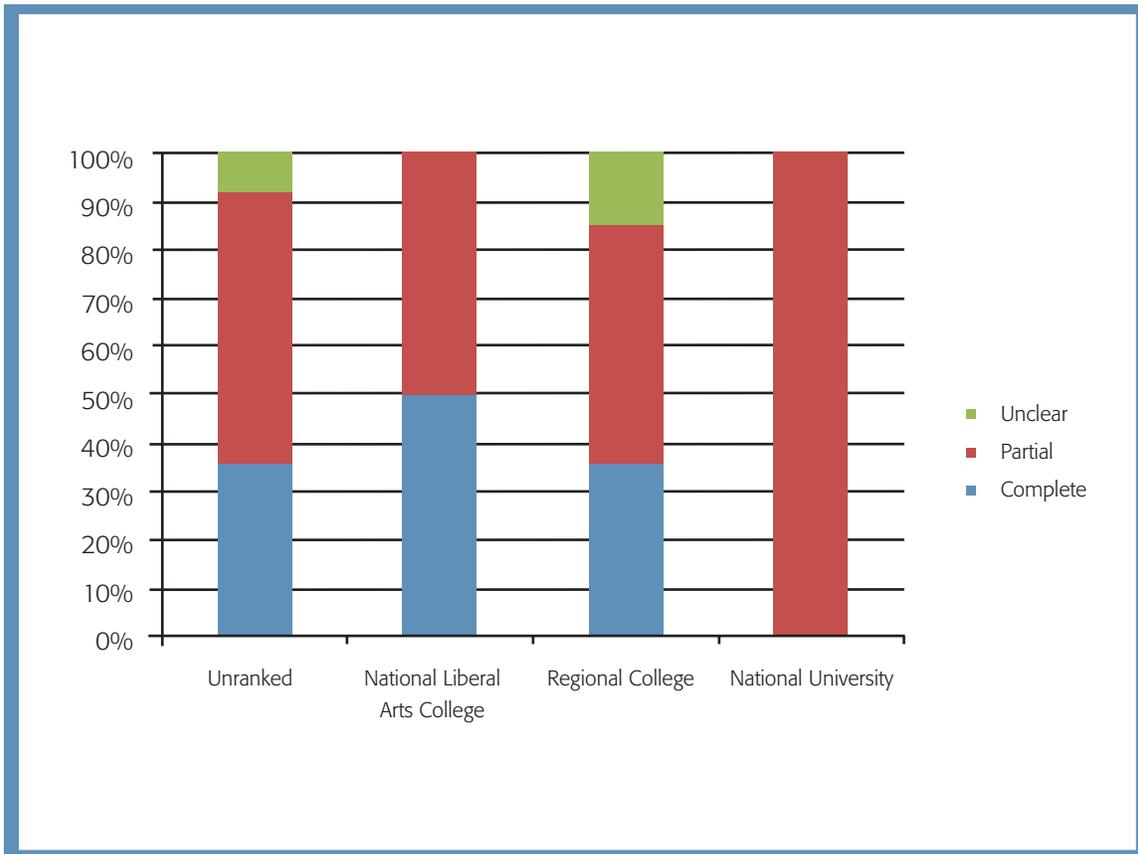
Figure 21 Distribution of Full Divestments by College and University Endowment Size



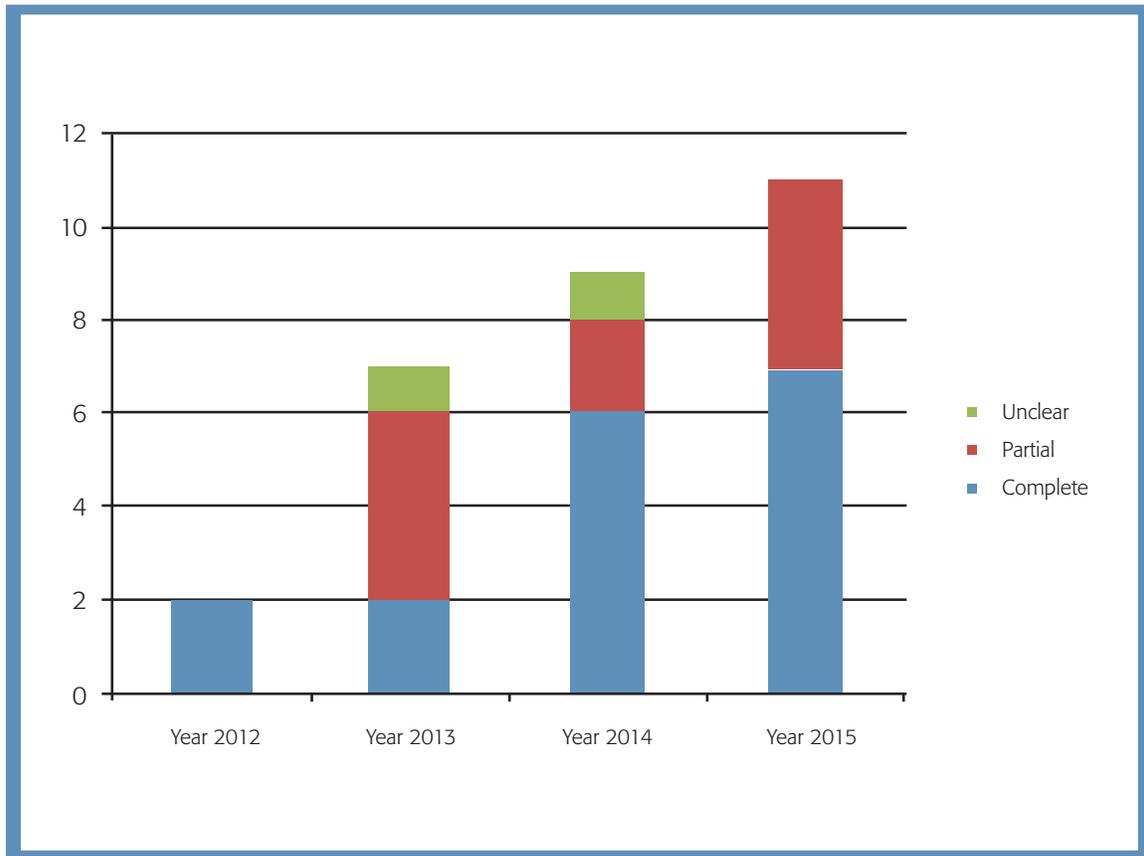
A similar trend holds for college and university rank, as measured by the *U.S. News and World Report* rankings. Unranked colleges and universities are the likeliest to commit to full divestments. They constitute 70 percent of all complete college divestments, though they make up only 45 percent of all divesting colleges.

National universities are the least likely to divest fully. None of the divesting seven will eliminate all fossil fuel investments. And while national universities account for less than a quarter of all college divestments (about 24 percent), they contribute 41 percent of the partial college and university divestments.

Figure 22 Distribution of Full Divestments by College and University Rank



The number of partial divestments has been climbing each year, from 2 in 2012 to 7 in 2015 (as of August). The proportion of partial divestments, however, has varied, from 100 percent in 2012, down to 28 percent in 2013, and then leveling out at 67 percent and 64 percent in 2014 and 2015.

Figure 23 Distribution of Complete College and University Divestments by Year**What's in a Name?**

A divestment decision by any other name would be a political flop. Divestment's main benefit is its label.

Advocates of divestment regularly acknowledge that divesting from fossil fuels won't change the

economics of the industry and won't have any effect on the companies themselves. The main reason to push for divestment is to add a tally mark to the divestment count and thereby build political fervor around climate change. Each additional divestment quantifies and signals political pressure for environmental action. Perhaps that is why advocates are eager to claim as "divestments" even decisions that don't quite add up to divestment.

A divestment decision by any other name would be a political flop. Divestment's main benefit is its label.

Colleges and universities, however, are slightly more circumspect. What does not qualify as divestment, they prudently do not label such—whatever the media and activists claim to the contrary. At least four American colleges and universities credited with divestment have not described their decision as such: two of our DINOs, Humboldt State University and Syracuse University, and two of our runner-up DINOs, Georgetown University and Hampshire College. Our third American runner-up DINO, Stanford, described in its press release its board’s determination that it “will not directly invest in approximately 100 publicly traded companies for which coal extraction is the primary business, and will divest of any current direct holdings in such companies.”⁴⁸⁰

But the remaining 25 American colleges and universities (86 percent) appropriate the term “divestment,” even for decisions that result in incomplete divestments. California Institute of the Arts, when it vowed to reduce its holdings in fossil fuel companies by 25 percent, called its decision “taking steps to divest from companies that use fossil fuels.”⁴⁸¹

Consumption and Production

Brevard College announced its divestment in February 2015. Two months later, on April 1st, the student newspaper reported that in order to “put our money where our mouth is,” the college was now considering “total divestment.” The proposal would end the use of “motor vehicles, all gas and electric power tools and equipment, heat and air conditioning and electricity.” The athletic team would compete only against colleges within walking or biking distance. Students were advised to wear heavy layers to class during the winter. During warm months, the dean of students said, “students will not be punished for wearing bathing suits or under garments to class.” Some worried that computers and cell phones couldn’t be charged on campus, and that all students who took notes would have to use paper—a move one student feared as a “death notice” for trees. The dean of faculty reassured students that the college would discourage note taking of all kinds and would test students orally. To provide students adequate texting time during lectures, the college would bring in solar panels to buoy the college social life. “We acknowledge that this may trigger a fall in enrollment and damage our retention rate,” the vice president of admission and financial aid was quoted, “but we are expecting to attract new students who are engaged in the national divestment and larger climate change initiatives occurring in the United States today.”⁴⁸²

By the logic of the divestment movement’s dislike of fossil fuels, that April Fools’ column may not seem far from reality. But in the eyes of divestment activists, there is one clear line cordoning off a type of

480 “Stanford to Divest from Coal Companies,” *Stanford Report*.

481 Soleil, “CalArts Moves to Divest From Fossil Fuels.”

482 Burton Hodges, “Trustees to Consider Total Divestment,” *The Hilarion*, April 1, 2015. https://my.brevard.edu/ICS/icsfs/Hilarion_80_20150401w.pdf?target=3642b363-58f1-4303-aef8-3eb8a0fd5989.

divestment as out of bounds. So long as a divestment—as incomplete as it may be—targets producers of fossil fuel companies, it counts. But divestments targeting consumption rather than production of fossil fuels do not. Screening companies that use the most fossil-based energy, or companies that manufacture products (such as airplanes or cars) that use substantial amounts of fossil fuels aren't "fossil fuel divestment" of the sort 350.org and the rest of the movement is clamoring for.

So when the University of Sydney announced in February that it would reduce by 20 percent the "carbon footprint" of its endowment, screening out companies with the heaviest emissions,⁴⁸³ 350.org never so much as shrugged. (And not just because 20 percent was too low a figure; most divestments affect much smaller percentages of the endowment.) The local Go Fossil Free chapter, Fossil Free USyd, put up a blog post calling the decision a "partial divestment" and a "positive" development, but the national blog remained silent and University of Sydney has never made it onto 350.org's official list of divested institutions.

Nevertheless, some board members (including at institutions that divested) have expressed interest in divesting or otherwise discouraging institutions that consume fossil fuels, rather than punishing the companies that bring the fossil fuels to market in the first place. They want to reduce actual emissions rather than target an industry with "potential emissions" stored in its reserves. But the divestment movement has never been about reducing emissions alone. Bill McKibben and Naomi Klein have both scorned efforts to change people's behaviors to use less energy, on the grounds that what's needed is wholesale political upheaval of the sort divestment can cause.

In her bestseller, *This Change Everything: Capitalism Vs. the Climate*, Klein goes so far as to call the behavior-consumption approach a kind of "climate change denial." It's not full-on denial, because trying to "shop at the farmers' markets and stop driving" are "indeed part of the solution." But it's a denial nonetheless, with "one eye tightly shut." Focusing on our own behavior blinds us from the need "to actually change the systems that are making the crisis inevitable."⁴⁸⁴

Bill McKibben, when the idea of divestment first broke upon him, concluded that

*there was no way, fighting one lightbulb or pipeline at a time, that we could make a dent in that momentum. We had to figure out how to get to the source of the problem.*⁴⁸⁵

483 "University of Sydney Takes Leadership Position on Carbon Reduction," *University of Sydney News*, February 9, 2015. <http://sydney.edu.au/news/84.html?newsstoryid=14575>.

484 Klein, *This Changes Everything*, pg. 4.

485 McKibben, *Oil and Honey*, pg. 140.

In his infamous *Rolling Stone* article McKibben grouped consumption targets with other strategies that “don’t work.” Too many people were too comfortable to be persuaded to give up their flatscreen TVs and vacation flights. Environmentalists needed a cause that wouldn’t require so much sacrifice:

Most of us are fundamentally ambivalent about going green.... Since all of us are in some way the beneficiaries of cheap fossil fuel, tackling climate change has been like trying to build a movement against yourself – it’s as if the gay-rights movement had to be constructed entirely from evangelical preachers, or the abolition movement from slaveholders.⁴⁸⁶

Members of college boards tend to see a different source as the problem: individual irresponsibility and consumption rather than corporate vote-buying. Pitzer College nearly rejected divesting fossil fuel companies because trustees thought such a decision would have little effect on energy consumption and greenhouse gas emissions. Pitzer divestment activist Jess Grady Benson recalls one trustee, Tracy Tindle, repeating in divestment-related meetings, “When you say ‘divestment’ do you mean divestment of the endowment or divestment of ourselves? Because I think if we’re going to truly divest, we need to divest *ourselves* of fossil fuels.”⁴⁸⁷ The “most frequently recurring argument” that trustees brought against divestment, Grady-Benson recounts,

was that students were not showing enough “skin in the game.” They felt that if the (Board of Trustees) was to make such a bold commitment, the trustees wished to see evidence of the student body’s commitment to addressing climate change on an individual behavioral level.⁴⁸⁸

Pitzer trustees eventually came around to fossil fuel divestment. It took the intervention of Don Gould, the chairman of the investment committee, who switched the decision-making metric from one of efficacy to one of morality. Even if divestment didn’t help the environment more than it cost the endowment, it was still the “right” decision to make.⁴⁸⁹ (Gould himself did come to believe that divestment could actually benefit the endowment, though not all trustees shared his view.) To sweeten the deal for consumption-oriented trustees, a panoply of carbon-reducing exercises accompanied the divestment decision. The college vowed to reduce its carbon footprint 25 percent by 2016, compared to 2014 levels. It also created a Campus Sustainability Taskforce to “bolster” efforts to “promote sustainability.”⁴⁹⁰

486 McKibben, “Global Warming’s Terrifying New Math,” *Rolling Stone*.

487 Jessica Grady-Benson, “Fossil Fuel Divestment: The Power and Promise of a Student Movement for Climate Justice,” Pitzer Senior Theses, Paper 55, 2014. http://scholarship.claremont.edu/cgi/viewcontent.cgi?article=1057&context=pitzer_theses.

488 *Ibid.*

489 *Ibid.*

490 “Pitzer College and Robert Redford Announce Breakthrough Fossil Fuel Divestment-Climate Action Model,” Pitzer College.

Similar concerns came up at the Peralta Community College District Foundation in California. After the board of directors had decided to divest the foundation, a subgroup, the “retirement board” responsible for investing a trust fund for the district retirement accounts, worried that the divestment might have targeted the wrong industry. During the September 2014 meeting, after the board had discussed for months the difficulties of implementing the divestment plan, a representative of the investment firm Neuberger Berman, Bill Wallace, noted that “Electric utilities, metals & mining, and chemical companies are greater producers of Fossil Fuel than the actual Fossil Fuel companies.” He recommended that “From an investment standpoint, we should look for companies who are further reducing CO2 emissions” to invest in, rather than screening out fossil fuel energy-producing companies. The retirement board recommended: “Think carefully. First and foremost, we should have a policy that addresses where divestment would make sense and the best way to go about it.”⁴⁹¹ By that time, though, the board of trustees had already decided to divest fossil fuel companies.

The board of managers at Swarthmore College has not overcome its aversion to targeting producers rather than consumers. The board, having now rejected divestment twice, has argued that divestment, if it is to be done at all, should target immediate producers of greenhouse gas emissions. In February 2015, Swarthmore’s vice president for finance and administration, Gregory Brown, wrote that in a meeting with Swarthmore Mountain Justice, he and other college administrators “emphasized the need to focus not on divestment from the producers of fossil fuels but on the consumers of such fuels.”⁴⁹² (SMJ was undeterred from presenting its original demand.)

In Swarthmore’s first rejection of divestment, board chairman Gil Kemp noted that “many Board members question the efficacy” of a “symbolic” divestment that did not consider “the link between personal sacrifice and making an impact on the industry’s profits.” He wrote that

*Divestment’s potential success as a moral response is limited—if not completely negated—so long as its advocates continue to turn on the lights, drive cars, and purchase manufactured goods, for it is these activities that constitute the true drivers of fossil fuel companies’ economic viability—their profits. It is important that we ourselves acknowledge that our consumption of energy makes us complicit in the threat to the planet and that it is in our hands to reduce our demand for it.*⁴⁹³

491 Peralta Community College District Retirement Board Meeting Minutes, September 11, 2014. <http://web.peralta.edu/trustees/files/2014/01/RB-Minutes-Sept-11-20141.pdf>.

492 Gregory Brown, “Divestment: It’s More Complex Than One Might Think,” *Swarthmore Daily Gazette*, February 2, 2015. <http://daily.swarthmore.edu/2015/02/02/divestment-its-more-complex-than-one-might-think/>.

493 Kemp, “An Open Letter on Divestment.”

Rather than divest, the college would continue slashing its own greenhouse gas emissions and work toward achieving carbon neutrality by 2035. The board outlined other ideas to reduce consumption of energy, including a once-a-week “energy sabbath” during which participants would “substantially” reduce their energy use in order to both “affect the bottom line of the fossil fuel industry and simultaneously signal personal and institutional acceptance of a moral duty.”

A year and a half later, when the board reiterated its rejection of fossil fuel divestment, Kemp again outlined similar reasons. The college would “intensify its sustainable practices” in all areas, including improving energy efficiency in campus buildings and college-owned vehicles; considering the use of solar energy; becoming a “zero waste” campus that reduced trash incineration; and “create cultural change” to instill in students habits of sustainability through “student Green Advisors” in residence halls and campus buildings.⁴⁹⁴

Humboldt State University in California, which for ten years has already screened out fossil fuel companies, was approached by students in fall 2013 about divesting from fossil fuels. The board instead began working on a policy that “focused on much more than a small number of oil companies.” Instead, it aimed “to discourage investment in all companies either directly or indirectly involved with extracting and using fossil fuel.”⁴⁹⁵ The board adopted that policy in April 2014—but it was the “divestment” from fossil fuels-producing, not -consuming, companies, that earned Humboldt a spot on 350.org’s list.

A Humboldt State University student explained why divesting from producers was more important than discouraging consumption of fossil fuels:

*While we, in the 21st century, have every right to enjoy our laptops and interwebs and cameras and lights that require fossil fuel energy, it’s important for us to remember that anything worth doing is worth doing right. In haphazardly extracting finite resources from the Earth in unnecessarily destructive ways, we are only harming ourselves in the end.*⁴⁹⁶

It was a similar argument that convinced Pitzer chairman Donald Gould that divestment from fossil fuel producing companies could be productive. The *Chronicle of Higher Education* reported that he had struggled to articulate a principle that would allow the college to divest only from the producers of carbon based energy. “It finally hit me,” he said, echoing McKibben’s logic, “that fossil-fuel companies are not

494 Kemp, “Sustainability and Investment Policy.”

495 “Humboldt State University Targets Fossil Fuels and More,” Humboldt State Now.

496 Becca Rast, “The Story of Divesting at Humboldt State University,” Go Fossil Free, December 4, 2014. <http://gofossilfree.org/usa/the-story-of-divesting-at-humboldt-state-university/>.

indifferent to where energy comes from, today or in the future. They have an understandable bias—they want people to use their product.”⁴⁹⁷ So if the producers of fossil fuels were out of the picture, the rest of us wouldn’t be worrying about our consumption in the first place.

But for other trustees that logic wasn’t persuasive. Todd Kilburn, chief financial officer of Naropa University, which voted to divest in October 2013, told us that the board “wrestled” with the question, “where are the boundaries on this? If we’re going to divest from fossil fuels, should we invest in a company like Ford that makes fossil fuel-burning vehicles?”⁴⁹⁸ The board never fully resolved that question, he said, but finally had to consider how purely fossil-free they could afford to make the endowment. “I don’t think the discussion wasn’t really about divesting or not, but what is the extent and how are we going to address the questions as shareholder advocates and how deep a dive can we take into our board portfolio?” Kilburn said. The board finally concluded “we should start somewhere,” and rather than waiting “till we figure out every potential possibility” they decided to “start with the organizations suggested by 350.org.”

Others explain the distinction between producers and consumers in utilitarian terms. Dan Curran, president of the University of Dayton, which divested from fossil fuel-producing companies in June 2014, told us that the university still receives the majority of its campus energy from coal, and that the university partners with fossil fuel companies to employ engineering students in internships and jobs. Curran believes from his conversations with energy executives that fossil fuel-producing companies are concerned about climate change and working to develop alternative forms of energy: “I personally do not see the energy industry as being blind to the challenges or being unaware of governmental regulations that are coming their way.” But, he said, it would take a few pricks to get them transitioning away from fossil fuels fast enough, and so although the university had divested from these companies, it would continue to send its graduates to work there. “I don’t see an inconsistency. I see potential for tremendous collaboration,” Curran said.⁴⁹⁹

497 Lawrence Biemiller, “Pitzer College Charts a Different Course on Fossil-Fuel Divestment,” *Chronicle of Higher Education*, April 21, 2014. <http://chronicle.com/article/Pitzer-College-Charts-a/146091/>.

498 Rachele Peterson, interview with Todd Kilburn, Chief Financial Officer, Naropa University, August 13, 2015.

499 Rachele Peterson interview with Dan Curran, president, University of Dayton, August 11, 2015