



Yale College Council
Divestment from Fossil Fuel Companies
January 2014

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January 20, 2014

Policy Statement: Divestment from Fossil Fuel Companies

As the elected student government, the Yale College Council seeks to provide an unbiased platform to measure student opinion on issues that may be deemed political in nature but still affect Yale College through its referendum process. In the Fall of 2013, the Yale College Council accepted a petition of over 1,000 signatures to hold a referendum on fossil fuel divestment from Fossil Free Yale, under the umbrella of the Yale Student Environmental Coalition (YSEC), with the following wording:

“In accordance with its guidelines for ethical investment, Yale should divest its endowment from those fossil fuel companies contributing the most to climate change and associated social harms.”

The referendum question above was then advertised to the student body with a statement in support of the referendum question. Shortly after, a student organization formed in opposition to the divestment movement, Students for a Strong Endowment, submitted and produced a con-statement. Rebuttals to the initial statements of both groups were then solicited. The Yale College Council then hosted a Town Hall-style debate in which members of both student organizations were able to argue for and against divestment from fossil fuel companies through a series of opening remarks and questions prompted from the audience. During the week of November 20th, 2013, the students of Yale College voted on the referendum, and campaign rules were put in place and monitored by the YCC. Over the three days in which the polls were open, 52.56% of Yale College undergraduates participated. 83.01% of the participants approved of Yale divesting its endowment from those fossil fuel companies adding the most to climate change. In total, 43.63% of the total undergraduate population supports divestment as defined in the referendum.

Based on the results of the referendum, it is the official position of the Yale College Council that the Yale Investments Office divest its holdings from those companies that produce the most damaging effects to the climate. The Investment Office should determine the means and time frame in which this should be done in conjunction with the Advisory Committee on Investor Responsibility (ACIR) and Corporation Committee on Investor Responsibility. This statement does not imply that the Yale College Council will partner with the Investments Office

to achieve the goal of fossil fuel divestment, but rather serves as a tool to channel the opinion of students. We thus ask the University to consider the proposal and begin discussions with the ACIR and relevant parties.

Several arguments, initially contemplated by the organization proposing the referendum, support this stand. The endowment represents Yale and its ethical principles. By divesting from companies contributing the most to climate change, the University would be respecting the responsibility guidelines that it adopted in 1972 following the book *The Ethical Investor: Universities and Corporate Responsibility*. In addition, divestment is another effective way for the University to symbolically support policies that recognize the need of migrating to more sustainable sources of energy in the face of climate change and carbon-induced global warming. This should highlight the urgency of acting to stop climate change and influence conversations at the national and international level. In divesting from fossil fuels, the University acknowledges the large body of work from the scientific community that recognizes the dangers of excessive fossil fuel emissions and also continues the tradition of Yale University as a pioneer in academics and leader in responsible social policy.