

## **Referendum Question No. 2**

### **Princeton University Undergraduate Student Government Election—Winter 2020**

Sponsored by ANNA HILTNER '23

On November 8, 2020, the USG Senate approved the language of this condensation (ballot question) and referendum resolution as being clear and not claiming to exercise a power that cannot be exercised by an undergraduate referendum (22 members in favor, 0 members opposed, 0 members abstaining).

#### **Condensation (Ballot Question)**

Shall the undergraduates call on Trustees of Princeton University and the Princeton University Investment Company (“PRINCO”) to divest its endowment, as quickly as possible, of all direct and indirect holdings of fossil fuel companies and phase out all research and formal associations with fossil fuel companies that 1) spread or facilitate the spread of climate disinformation and/or 2) develop or make plans to develop fossil fuel resources whose emissions would exceed Science Based Targets adopted in accordance with the United Nations Framework Convention on Climate Change (UNFCCC) global goals (i.e., Paris Climate Agreement)?

#### **Explanation (Submitted by the Sponsor)**

*The sponsor’s explanation is due Friday, October 30 and may be updated before that date.*

Divest Princeton (divestprinceton.com) is a coalition of students, faculty, and alumni calling on Princeton University to divest our endowment from fossil fuel companies and reinvest responsibly. The divestment movement has grown rapidly in recent years, with institutions like Georgetown University, Brown, Cornell, and Oxford recently joining its ranks. Our group’s letter --“No Donations Until Divestment” -- is to date the most successful petition for divestment in Princeton’s history, with over 1,660 signed on. We see divestment as a crucial step toward Princeton’s commitment to be in the service of humanity.

Through its research, curriculum, and 2019 Sustainability Action Plan (SAP), Princeton shows that it realizes the scope of the climate crisis as both a natural disaster and issue of systemic social injustice. Investments in fossil fuel companies whose deliberate misinformation campaigns and extractive practices have precipitated our current emergency interfere with the University’s ability to serve its students.

PRINCO has a parallel responsibility to ensure investments are sustainable and socially responsible. The Annual Report for the Academic Year 2017–2018 states “PRINCO operates under the guiding assumption that an investment decision that takes into account a long view of human progress and social accountability tends to make the most long-term economic sense.” Thus, in adherence with these values, some investments ought to be off-limits regardless of their short term prospects of return. Given that climate change is an existential threat to humanity and Earth’s biodiversity, and given that the burning of fossil fuels and disinformation campaigns accelerate climate change, social accountability requires Princeton to divest from such activities.

Princeton University Investment Company (PRINCO) also has a fiduciary responsibility to make money from its endowment and fund students’ education. The long view of human progress cannot include fossil fuels, which are neither socially acceptable nor wise investments. Firms like BlackRock will no longer invest in coal projects, citing a fiduciary responsibility to be part of the new, low-carbon economy. In BlackRock’s view, “every government, company, and shareholder must confront climate change.”

As part of the University’s already established dissociation plan in the SAP, the University should thus phase out all research and formal associations with fossil fuel companies that spread or facilitate the spread of climate disinformation, and/or develop or make plans to develop fossil fuel resources beyond Science Based Targets adopted in accordance with UNFCCC global goals.

**THE UNDERGRADUATES OF PRINCETON UNIVERSITY**  
Princeton, New Jersey

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**Referendum Resolution X-2020**  
**Referendum Question No. 2 (Winter 2020)**  
Sponsored by ANNA HILTNER '23

**Referendum Resolution**

Calling on the Trustees of Princeton University and the Princeton University Investment Company ("PRINCO") under the advisory power to divest its endowment, as quickly as possible, of all direct and indirect holdings of fossil fuel companies and reasonably phase out all research and formal associations with fossil fuel companies that 1) spread or facilitate the spread of climate disinformation, and/or 2) develop or make plans to develop fossil fuel resources whose emissions would exceed Science Based Targets adopted in accordance with the United Nations Framework Convention on Climate Change (UNFCCC) global goals (i.e., Paris Climate Agreement).

Whereas the CPUC Resources Committee considers three key criteria when debating divestment: 1) "Considerable, thoughtful, and sustained campus interest." 2) "A central University value clearly at stake." 3) "A consensus on how the University should respond";

Whereas global average temperatures have increased more than 1°C since the pre-industrial era due to climate change, contributing to natural disasters such as forest fires, drought, and more intense tropical storms that have disproportionately affected Black, Indigenous, and People of Color (BIPOC) and otherwise disadvantaged communities;

Whereas the world's five largest publicly owned oil and gas companies spend about \$200 million on lobbying designed to control, delay or block binding policies to mitigate and adapt to climate change;

Whereas the Princeton University 2019 Sustainability Action Plan outlines a commitment to climate action and carbon neutrality by 2046, established by the 2015 CO2 Task Force convened by President Eisgruber, and states that "in future campus development, all projects should answer the question, 'Will today's decisions facilitate a movement towards the objective of nationwide decarbonization?'";

Whereas the University's divestment from the South African Apartheid in 1985 and from the Darfur region of Sudan in June 2006 after determining that there was "considerable, thoughtful and sustained" campus interest sets precedent to proceed";

Whereas the Princeton University report on South Africa divestiture states that divestiture should be considered "when such action seems required to prevent the University from being associated as a stockholder with a company whose behaviour has been found to represent, in substantial degree, a clear and serious conflict with central values of the University";

Whereas the Annual Report for the Academic Year 2017–2018 states “PRINCO operates under the guiding assumption that an investment decision that takes into account a long view of human progress and social accountability tends to make the most long-term economic sense”;

Whereas resolution 1-2019 passed in 2019 calls upon Princeton University to more actively engage students in the process of reaching carbon neutrality and addressing climate change: Now, therefore, be it

*Resolved by the undergraduates of Princeton University,*

**SECTION 1. FACULTY, DEPARTMENT HEADS, AND ADMINISTRATION.**

The undergraduates call on the Trustees of Princeton University and the Princeton University Investment Company (“PRINCO”) to:

- (1) Divest of all Princeton University’s direct holdings of fossil fuels.
- (2) Divest of all of Princeton University’s indirect holdings of fossil fuels (e.g. commingled funds and shareholders of major fossil fuel companies).
- (3) Prohibit new and renewed research and formal associations (e.g., research partnerships, sponsorships, etc.) with fossil fuel companies that engage in activities as described in the preamble until these corporations cease such activities.
- (4) Establish a body to ensure its endowment is ethically invested.
- (5) Ensure that this new body hosts open meetings and releases regular, publicly verifiable reports to measure its progress.

**SECTION 2. USG SENATE**

As per Section 708 of the Elections Handbook, the USG Senate will write a report that explains the official position of the undergraduates as stated in the referendum resolution. The report will include action steps for the Senate and recommendations for the administration to further the undergraduates’ official position.. The report must be written and sent to the administration by no later than the start of Spring 2021 classes on February 1, 2021.

**SECTION 3. TRANSMITTAL OF RESOLUTION**

The Executive Secretary of the Senate shall transmit an official copy of this resolution to each of the following university officers:

- (1) Christopher L. Eisgruber ‘83, President of the University.
- (2) Jill Dolan, Dean of the College.
- (3) W. Rochelle Calhoun, Vice President for Campus Life.
- (4) Kathleen Deignan, Dean of Undergraduate Students.
- (5) Louise S. Sams ’79, Chair of the Board of Trustees of Princeton University.
- (6) Professor Blair Schoene, Chair, Resources Committee of the Council of the Princeton University Community.
- (7) Mr. Andrew K. Golden, President of PRINCO.