

## AD HOC GROUP ON HARVARD DIVESTMENT

February 11, 2019

Mr. William Lee  
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President Lawrence Bacow  
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Dear Bill and Larry:

Thank you again for your time two weeks ago. We appreciated hearing your views and the ensuing discussion.

As we look back on our time together, we are struck by the number of issues upon which there was no apparent disagreement between us:

- the urgency of the global climate crisis;
- the UN Secretary-General's recent admonition that "it is immoral and suicidal not to accelerate emissions reductions";
- the importance of the teaching and research being conducted at Harvard;
- the need to provide Harvard faculty and students with the broadest range of possible activities;
- the impressive work being done to climate-proof Harvard's physical plant;
- Harvard's rare use of its policy to disassociate its investments from activities that are "deeply repugnant and ethically unjustifiable";
- the importance of Harvard's example and leadership in the University, NGO, Foundation and broader communities.

However, we remain in disagreement concerning what we see as an immediate and compelling need for Harvard to divest from its investments in fossil fuel companies, to align its investment policies with the educational and research missions of the University. Harvard's endowment is so large, and its leadership role so significant, that the University's investment policy by itself has become a major function of the University. Unwillingness to reflect the urgency of the climate crisis by immediately phasing out investments in fossil fuels misses both an opportunity and a duty to lead in a world that sorely needs leadership to move us toward sustainability and away from the destructive convulsions of our changing climate.

For this reason, we strongly believe that as leaders of the University and caretakers of its funds, you should:

- Instruct the Harvard Management Company to withdraw from, and henceforth not pursue, investments in companies that explore for or develop further reserves of fossil fuels – for the benefit of Harvard, its students and its future students who look to Harvard for leadership;
- Over a reasonable period of time, extend these instructions to advisers of investment vehicles used by Harvard’s endowment, including commingled funds where Harvard is not the sole investor;
- Ensure that any adviser who may be unable or unwilling to comply, is replaced by one who is willing to carry out these instructions.

We applaud the University’s establishment of a reasonable and ambitious climate goal, striving to end its use of fossil fuels by 2050, and the significant strides have been taken in pursuit of that goal. At the same time, the need to achieve the goals of the Paris Agreement of 2015 were recently brought into even sharper focus by the latest report of the Intergovernmental Panel on Climate Change (IPCC). Simply put, the IPCC report tells us that we have only 12 years to make significant changes to energy infrastructure globally in order to limit global warming to 1.5 degrees Celsius. That means that the task ahead for Harvard must go well beyond minimizing its own carbon footprint and adapting for its future; Harvard must also include a commitment to phase out investments in fossil fuels.

The time is now for the University to align its investment policy with its other central missions. While we acknowledge that fossil fuels have been the engine of economic growth over the last few centuries, this University which prides itself in the pursuit of academic excellence must now acknowledge what the science is telling us. Continued reliance on fossil fuels is a threat to our health, safety, and economy, as well as to the very existence of future generations. We can no longer delay the transition to clean energy by continuing to invest in fossil fuel companies.

It is now clear that the fossil fuel companies have known for more than three decades that their product is placing the health of the earth and those inhabiting it at rapidly growing risk. But rather than embrace the challenge of transitioning to clean energy, they have sought to deceive the public about the global impact of burning fossil fuels through public obfuscation campaigns, the establishment and support of groups that propound false science and attack scientists (including many at Harvard), the placement of hurdles in the way of clean energy development and use, and interference in national and international climate negotiations. These well-documented corporate activities by the fossil fuel industry certainly meet the endowment standard for “deeply repugnant and ethically unjustifiable” which preclude continued investment. Yet we see no movement by the university to follow its own policy.

If Harvard were deeply dependent on the fossil fuel industry for financial support of its research and educational mission, we might be able to understand the reluctance of leadership to consider taking immediate steps to implement our recommendations. But Harvard now attracts support from many sources, including new wealth derived from the disruptive transition away from fossil fuels, and surely can design a divestment process that provides for a careful phase out transition. Now is the time for Harvard to move forward with our recommendations to meet its commitment to leadership, to its own policies, to its students, and to our collective future. Renewable energy is already the smart, healthy, sustainable energy choice. In contrast, fossil fuels are seeing their

economic and political power weaken as the world works to reach the goals of the Paris agreement and shifts toward clean energy, resulting in a decline in the financial performance of fossil fuel investments. In fact, the traditional energy sector has been one of the worst performers of the S&P500 for five years running; in 2018 it was dead last. This point bears both on investment choice for a fiduciary and the future prospects for financial support from this disrupted industry.

The fossil fuel industries' poor performance and fading prospects should be enough to spark reconsideration of continued investment, but if not, their abhorrent behavior and the threat of convulsive climate change is of such a magnitude as to demand divestment. At this time, we simply cannot understand how Harvard can credibly continue to invest in fossil fuel companies.

At the same time, we see no reason why divestment would preclude faculty and students from remaining open to opportunities such as conducting research with the industry to remove barriers to their transition to clean energy, assisting the industry in managing its institutional complexity and enhancing its strategic sophistication, or better understanding the effects of disinformation campaigns and remedies for them. If this is the type of engagement Drew Faust meant when she argued over seven years that Harvard must "choose engagement over divestment," we see no reason to disengage in these efforts. But if her statement meant that Harvard should continue to invest in fossil fuel companies in the mistaken hope that they will change their behavior or lessen their devastating climate impacts, we have seen no evidence to support such an investment strategy. Instead the only discernible sign of change since then is the industry's more subtle infiltration into the fabric of academic institutions through sponsored research and funding for faculty and students, often directed at augmenting the work of denialist institutions and other groups advocating even broader use of fossil fuels. These intrusions should not be tolerated, never mind supported through investment in fossil fuels companies.

Per our most recent correspondence, we look forward to continuing to work with you. We ask that as a next step we be invited to a discussion with the members of the Corporation. The world has changed significantly since the Corporation decided on the Faust "engagement" policy. We would value the opportunity to share our experience and analysis with the governing body, just as we hope to share it with others.

We respect the pressures on your schedules, and hope that these discussions might occur soon. We look forward to hearing from you and to seeing you soon.

Respectfully yours,

Timothy Wirth  
Todd Gitlin  
Stephen Heintz  
Bevis Longstreth  
Gina McCarthy  
Bill McKibben

## **Biographical notes:**

**Timothy Wirth '61** served Colorado in the United States House of Representatives and in the US Senate. He was the founding President of the United Nations Foundation, and in all these capacities has been deeply involved in climate policy. He has continued his involvement with Harvard: after graduation, he worked for the Harvard Admissions Office, was elected to serve on the Board of Overseers, and chaired the University's Environment Advisory Committee. He received an MEd from Harvard and his PhD from Stanford.

**Todd Gitlin '63** is a professor of journalism and sociology, and chair of the interdisciplinary Ph. D. program in communications, at Columbia University. He holds an M. A. in political science (University of Michigan) and a Ph. D. in sociology (University of California, Berkeley). Among his 16 books are *The Sixties: Years of Hope, Days of Rage*, *The Twilight of Common Dreams: Why America Is Wracked by Culture Wars*, and *Letters to a Young Activist*. He has served as a member of the Greenpeace USA board of directors.

**Stephen Heintz** has served as president of the Rockefeller Brothers Fund (RBF) since 2001. A foundation established by the third generation of the Rockefeller family in 1940, the RBF works to strengthen the quality of democracy, combat climate change, and promote durable peace in key conflicts in the Greater Middle East. In 2010, Heintz set the RBF on an ambitious path to align investment of the Fund's endowment with its mission, including the 2014 decision to divest from fossil fuels. Heintz is a fellow of the American Academy of Arts and Sciences and a member of the Council on Foreign Relations and the China Council for International Cooperation on Environment and Development.

**Bevis Longstreth (HLS '61)** practiced law at Debevoise & Plimpton, served as a Commissioner of the Securities & Exchange Commission, taught at Columbia Law School and has been active on boards of business and non-profit enterprises, including College Retirement Equity Fund, Amvescap, GMO, and two whose endowments are now fossil free - New School University and the Rockefeller Family Fund. He currently serves on the NYS Panel on Decarbonization (an advisory group jointly appointed by Governor Cuomo and Comptroller DiNapoli) and writes historical novels.

**Gina McCarthy** is Professor of Public Health at Harvard's T.H. Chen School of Public Health. A long time public servant, advocate and leader, Professor McCarthy served as Administrator of the Environmental Protection Agency from 2009-2013. She earned numerous degrees from Tufts University and The University of Massachusetts at Boston.

**Bill McKibben '82** is an author and environmentalist who in 2014 was awarded the Right Livelihood Prize, sometimes called the 'alternative Nobel.' His 1989 book *The End of Nature* is regarded as the first book for a general audience about climate change, and has appeared in 24 languages; he's gone on to write a dozen more books. He is a founder of [350.org](http://350.org), the first planet-wide, grassroots climate change movement, which has organized twenty thousand rallies around the world in every country save North Korea, spearheaded the resistance to the Keystone Pipeline, and launched the fast-growing fossil fuel divestment movement.

The Schumann Distinguished Scholar in Environmental Studies at Middlebury College and a fellow of the American Academy of Arts and Sciences, he was the 2013 winner of the Gandhi Prize and the Thomas Merton Prize, and holds honorary degrees from 18 colleges and universities. *Foreign Policy* named him to their inaugural list of the world's 100 most important global thinkers, and the Boston Globe said he was "probably America's most important environmentalist."