

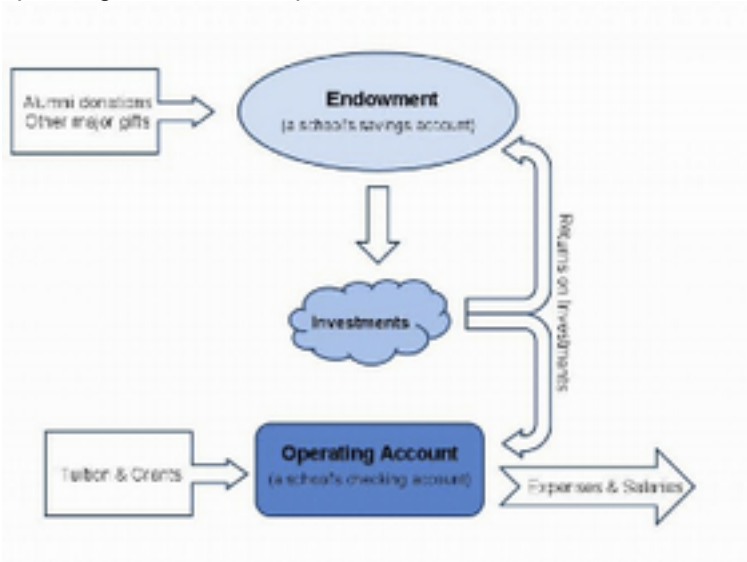
SA Resolution Appendix Toward a Responsible Endowment

“If [students’] college’s endowment portfolio has fossil-fuel stock, then their educations are being subsidized by investments that guarantee they won’t have much of a planet on which to make use of their degree.”

- Bill McKibben

What is the endowment?

A university endowment is a sum of money that can be invested, the returns on which are used for operating costs and to replenish and bolster the endowment.



What is divestment?

- Divestment is essentially the opposite of investment.
- With respect to a college or university endowment, this typically means the total withdrawal of funds from morally questionable investments.

Why divest from fossil fuels?

- This is a moral imperative.
 - The combustion of fossil fuels has added to the effects of climate change and affects human health and safety globally.
 - Divestment demonstrates Cornell’s commitment to the long-term vitality of its students, community, and world.
- Reputation matters.
 - Almost 70% of prospective students are considering sustainability an important factor in their choice of college, an all-time high.¹
 - Divestment from fossil fuels, and additional investment in socially responsible funds, will enhance Cornell’s global image as a leader in sustainability.²
- Divestment is feasible.
 - “Fossil Fuel Divestment Is A Timely Issue for Investors,”³ According to Mindy Lubber, president of Ceres and head of Investor Network on Climate Risk (INCR).

¹ <http://usatoday30.usatoday.com/news/education/2011-04-20-green-college-campus-princeton-review.htm>

² <https://stars.aashe.org/institutions/cornell-university-ny/report/2012-01-27/>

³ <http://www.forbes.com/sites/mindylubber/2012/12/17/fossil-fuel-divestment-is-timely-issue-for-investors/>

- Renewable energy is seeing an upward trend: last year set a record high for renewable energy investment globally, despite the recession. Moreover, fossil fuels are not environmentally or financially sustainable and many experts are urging a shift toward green economies.⁴
- Divestment is unprecedented.
 - Divestment was a key component of international economic pressure to successfully end apartheid in South Africa.
 - In 2011, the University successfully divested from companies involved in oil production in Sudan. Cornell has also used economic pressure to fight labor abuses and made financial decisions based on human rights concerns.
 - Fossil fuel divestment efforts are ongoing on approximately 50 campuses nationwide including Harvard, Yale, Swarthmore, Brown, and Dartmouth. Last semester, two colleges resolved to divest.

⁴ <http://www.guardian.co.uk/environment/2013/jan/27/nicholas-stern-climate-change-davos>