

https://www.dailymerald.com/news/money-speaks-the-uo-foundation-s-promise-to-end-fossil-fuel-investment-5-years-later/article_9b1faf8e-c28e-11eb-a140-5b74e3b386ed.html

FEATURED

'Money Speaks:' the UO Foundation's promise to end fossil fuel investment, 5 years later

Duncan Baumgarten

Jun 1, 2021



University of Oregon Foundation unexpectedly announced its plan to divest on its website on Sept. 8. "We are proud to lead the Pac-12 in adopting the first ever environmental, social and governance considerations to help inform our investment decisions," a statement signed by Chief Investment Officer Jay Namyet said. UO ...

The University of Oregon Foundation, a charitable organization in charge of allocating private donations given to UO, has not made any new investments in fossil fuels since its 2016 promise to no longer financially support its extraction, UO Foundation president Paul Weinhold said. Weinhold and the UO Foundation said they won't release current investments for independent verification.

"We explained at the time that sometimes the investments we make are long-term investments with private managers and we will let those run out, and those are in the process of running out," he said. "It's literally a fraction of what we had in 2016, I believe. We're absolutely honoring that commitment."

The UO Foundation is a private organization separate from UO, which maintains confidential investment agreements with various investment managers. For that reason, the foundation does not share information publicly about which investments it holds and does not publish its investment catalogues.

Citing the confidential nature of some of its investments, the foundation declined to provide the Emerald with its current portfolio for the purposes of independently verifying when the existing contracts between itself and fossil fuel extraction corporations will expire. However, Weinhold said all of the foundation's existing investments are set to run out within the next one to two years.

Mirjana Kneprath is a member of the Climate Justice League's Divest UO campaign, which advocates for the UO Foundation and the university to fully divest from all fossil fuels. She said Divest UO is satisfied with the intentions behind the UO Foundation's pledge, but "isn't satisfied at all" in the way the foundation is trying to accomplish it.

The campaign's main issue is with their members' interactions with the foundation. Kneprath said that despite repeated attempts to get a clear answer about the status of the fossil fuel divestment, they haven't been able to get one.

"They'll say they're divested from fossil fuels, but the problem is transparency," she said. "We can't look into their investments, and a lot of their investments are investments they can keep private for legal reasons."

Unless the UO Foundation allows students to see their current investments, she said, students can't know for sure whether it has divested fully, or whether it has signed new contracts with fossil fuel extractors. Kneprath said the first thing that needs to happen is for the foundation to be completely transparent in its investments.

"I can't know — and we can't know — where they're invested or even what new things we could be invested in without knowing what they're currently invested in," she said. "Everything starts with transparency."

She acknowledged that the UO Foundation does have a legal obligation to abide by the confidential contracts it has signed, but said that the contracts shouldn't exist in the first place.

"Their first priority should be to the students and ensuring that the students have a transparent look into how the foundation operates and what they invest in," Knepprath said.

Jay Mamyet, then-chief investment officer for the UO Foundation, highlighted in 2016 the foundation's belief that initiatives like solar and wind power, as well as sustainable forestry and organic farming, would gradually replace the backing of fossil fuels.

"We intend to let those carbon-based investments — which were initiated many years ago — expire without renewal, ending our investment in carbon-based fuel sources," Mamyet wrote.

Weinhold said that the decision to no longer invest in fossil fuels "hasn't harmed us in any way," given the foundation's original position that fossil fuel extraction isn't a good investment.

Grace Brahler is the Oregon climate action plan and policy manager for the local climate activism group Beyond Toxics. She said the board's decision has huge implications.

"It's all about power," she said. "Fossil fuel divestment — especially by such a large and well publicized institution like the UO Foundation — really holds the fossil fuel industry accountable for its culpability in the climate crisis."

Divesting from fossil fuels is a worldwide movement across multiple industries, including governments, faith-based institutions and philanthropic foundations. Nearly 1400 institutions around the world have pledged to divest from fossil fuel extractions, according to [350.org's Fossil Free](#), totaling an estimated \$14.56 trillion value.

"Fossil fuel divestment, that movement, it can just break the hold that the fossil fuel industry has on our society and our government," Brahler said. "And so this is a big signal that the public no longer wants to consent to the destruction caused by the fossil fuel industries, and especially on those vulnerable communities."

Brahler said the UO Foundation's move to divest also highlights the moral dimensions of climate change, and that Beyond Toxic's work centers those who are most seriously impacted by the climate crisis.

"We work to involve and center and highlight the impact on front-line communities, who have and will continue to experience the impact of climate change first and worst," Brahler said.

Weinhold said the UO Foundation has a "very singular focus," which is to grow the endowment for the university community.

"We take into consideration environmental and social and governance issues at all times, and that we care about the same things they care about," he said, regarding what the UO community cares about. "But we do have a mandate, and that's to maintain the purchasing power of the endowment for generations to come."

Weinhold said that he appreciates students' concern and input regarding the investments of the UO Foundation.

"Oftentimes, students can be very close to things that are happening in the world that maybe we're not, so certainly we appreciate that feedback," he said.

Weinhold said the UO Foundation takes the concerns of the Climate Justice League "very seriously," calling them "a passionate group of students who care about the future of the planet."

Knepprath said that it's important for big investors like UO to more broadly divest from fossil fuels.

"Just generally, fossil fuel companies cannot continue their work without investors," she said. "It's important for all these other big foundations to divest on a larger scale because if you can start small at a small university, this can happen at other universities."

"Money speaks," Brahler said, "and the sooner that our prominent institutions or foundations use their power to divert those funds away from the fossil fuel industry, the sooner much needed broad level systemic change can take place and we can actually begin to realize the future — the just future where our communities are healthy and thriving and supportive."

Duncan Baumgarten

Duncan is an associate news editor for the Daily Emerald. Previously, he was the crime reporter. He likes buying books he'll never read, true crime and Superman.