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Fossil Fuel Divestment Resolution

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ADDRESSED TO:

President Julie Sullivan, the Santa Clara University Board of Trustees, and Administration
.... & the student body

_____ 5 years, 2 months, and 6 days until the point of no return¹.

Introduction

Global temperatures have risen an unprecedented ~1.98 degrees Fahrenheit since the start of the industrial age, with the most recent 10 years the warmest on record.

The intensification of environmental catastrophe has left billions vulnerable in social disrepair, resulting in exterior threats that directly affect our collective livelihoods and self-realization. The National Institute of Health estimates that upwards of 6,320,000 die per year globally as a direct result of air pollution driven by the fossil fuel industry.

Climate change and environmental warming impact marginalized communities at a higher rate. Recognizing the historical context of systemic racism, climate research continuously underlines that communities of color disproportionately suffer from afflictions as a consequence of fossil fuel extraction and combustion. A United Nations report found that the consequences of global environmental warming have deepened the disparity between climate responses in different countries. Rising sea levels and storm intensification disproportionately impact developing countries, evident in a death toll 15 times greater. People of low income bear the brunt of climate-based economic dislocation, as illustrated by the plight of climate migrants and refugees forcefully displaced from their homes by drought, flooding, and social conflict. By phasing out fossil fuel usage, these needless deaths can be avoided.

Our local Santa Clara community is already grappling with the disastrous effects of climate change. The United States' tainted legacy of irresponsible waste disposal is directly seen through Santa Clara County's 23 toxic waste sites, **more than any other county in the nation**. These sites are regularly linked to cancer, infant mortality, food-borne illnesses, and mental health effects. Being in the heart of Silicon Valley, our community has borne witness to anthropogenic environmental degradation such as raging wildfires, unprecedented droughts, and sea level rise. This ultimately poses a critical question. **How will Santa Clara University acknowledge and advocate for our community and beyond, who are actively suffering from the climate crisis?**

Santa Clara University espouses our noble "Mission, Vision, and Values," which center around our Jesuit Commitment to Service – "to society in general and to its most disadvantaged members as we work with and for others to build a more humane, **just**, and **sustainable** world." In undergoing this commitment, Santa Clara University asserts its "hard work and dedication to becoming an anti-racist, equitable, and inclusive campus." Santa Clara University must continue to embrace its Jesuit value of "Cura Personalis," or care for the whole person, in order to honor these missions.

¹ Time left to limit global warming to 1.5°C, a threshold that could trigger a detrimental chain reaction that would cause irreversible damage to our planet, including: floods, droughts, widespread species extinction, hundreds of millions of displaced individuals due to climate change, and millions of fatalities.

We, the Associated Student Government of Santa Clara University and the broader community, demand that administrative powers recognize the harmful, destructive, and unjust threat that the climate crisis poses to our future. **We strongly urge that the Santa Clara University administration first and foremost declare a climate emergency; establish a presidential committee dedicated to divestment work; publish a concrete, transparent divestment policy timeline; and ultimately divest from the fossil fuel industry.**

Jesuit Principles & Laudato Si'

The Vatican has called for Catholics to divest from companies and industries engaged in activities “harmful to human or social ecology” and the environment. Additionally, Pope Francis’ encyclical [Laudato Si'](#) urges for drastic policy change, recognizing the “urgent need to develop policies so that, in the next few years, the emission of carbon dioxide and other highly polluting gasses can be drastically reduced.” In imploring for the “substitution of fossil fuels with developing sources of renewable energy,” we call on Santa Clara to do the same.

In acknowledging [Santa Clara University’s Jesuit values of justice](#), we implore the University to make actionable changes to ensure a better world. The value of “Contemplatives in Action” guides members of our community to “not merely think about social problems, but take action to address them.” This value is coupled with the urge to self-reflect as a guide to pursue justice. Rather than solely contemplating solutions to the climate crisis, Santa Clara University should also take solution-oriented strides to make the world a more just and sustainable place. While engaging in critical thinking is essential, it is alone insufficient; the greatest measure of constructive thought and learning is action.

The Jesuit value of “Cura Personalis” which Santa Clara University so consistently propagates, urges students to care for their whole person. In doing so, we recognize the dignity and value within all people. This means seeking to foster a diverse community where we care for and nurture one another so that we may all flourish. This is the bedrock for our desire to form students of competence, conscience, and compassion. Yet, by investing in fossil fuels, which research shows has degradative effects on mental and physical health, Santa Clara University contradicts these values so intrinsic to its identity. Scientists recognize the adverse health effects of burning fossil fuels — for example, in 2018, [1 in 5 deaths worldwide](#) were attributed to fossil fuel pollution. By investing in fossil fuels, Santa Clara exhibits its disregard for public health, as well as Cura Personalis.

Santa Clara University finds itself at a moral crossroads: our trailblazing University can continue its progress rooted in social justice and Jesuit principles espoused by Pope Francis, or can continue to burden future generations with a portfolio invested so deeply in fossil fuels. As of now, 4% (~\$60 million) of the University’s endowment is invested in fossil fuels. It is dishonorable for the University to prioritize these finances over the values that we hold so true to our core mission.

Divestment Precedence

Jesuit Universities are exhibiting exemplary leadership in divestment, and we call on Santa Clara University to continue this legacy of environmental progress. Renowned Jesuit institutions including **Georgetown University, Seattle University, University of San Francisco, and Loyola Marymount University** have established solid divestment pledges and deadlines to fulfill these divestment goals. In fact, Georgetown has pledged to divest from all private securities whose primary goal is fossil fuel extraction by 2030. It is the embodiment of the Jesuit spirit under *Cura Personalis* to care for the earth and the whole person. It is imperative that we as an institution hold ourselves accountable to our Jesuit values.

Seattle University is a prime example of synergistic student, faculty, and administrative collaboration, leading to their complete divestment of fossil fuels. Its grassroots student-powered advocacy began to gain momentum from 2012 to 2015 by the student-led group Sustainable Student Action. By 2016, a formal [Divestment Letter](#) was sent to the administration by the newly crafted President's Committee for Sustainability, in which this committee demanded that SeattleU divest from fossil fuels in line with their Jesuit mission and Pope Francis' call in *Laudato Si'* to "be a part of the common good." After merely **11 years**, SeattleU's foundational student activism resulted in the accomplishment of full fossil fuel divestment as of June 30th, 2023. So, we **call on Santa Clara University to stand with our impassioned student body and its 10 years of advocacy work to finally achieve divestment.**

We acknowledge that Santa Clara University has already taken strides in sustainability, and it is critical that we move forward as numerous climate tipping points become nearer. As a trailblazing signatory of the 2007 American College and University Presidents Climate Commitment, in addition to Race to Zero Signatory, Santa Clara University has publicly professed (and acted upon) its desire to follow through on sustainability. Santa Clara University has also taken significant steps towards embracing climate initiatives, such as joining the *Laudato Si'* Commission to achieve carbon neutrality and acquiring carbon offsets.

However, we must do better than simply purchasing carbon offsets by regulating our internal University operations. We must take an aggressive approach that focuses simultaneously on green investment and fossil fuel divestment. While steps have been taken to achieve climate neutrality, there is no promulgated sustainability plan as of 2024 that follows through on our prior commitments. Additionally, it is crucial that SCU take foundational steps to commit ourselves to climate action. First and foremost, this entails **declaring a climate emergency** in tandem with every University of California (UC) institution alongside over [7,000 global universities](#) worldwide.

Financial Responsibility

As a Jesuit institution of higher education, the University has a financial and moral responsibility to invest in the future of both its students as well as our planet. Fossil fuel

investment is the antithesis of this. Santa Clara University, through its leadership and innovation, finds itself in a fortunate situation in having the financial means to divest— being in the [5% of all U.S. universities to have raised \\$1 billion](#) through the ‘[Santa Clara Rising](#)’ capital campaign. Coupled with our ~\$1.5 billion endowment and the University’s plethora of investments, the University has the power to do great good, as opposed to great harm. The absolute minimum the University can do to fulfill its financial responsibilities is the full divestment from fossil fuels, in order to cement itself as a leading institution and changemaker.

The fossil fuel industry raked in an unprecedented [\\$4 trillion](#) in 2022 alone. These industry giants profit off of the destruction of our planet and those within it, and we are complicit. While the University has made great progress in mitigating its [scope 1 \(direct\) and 2 emissions \(indirect\)](#), much progress is yet to be made in reducing scope 3 emissions (indirect emissions that occur in all value chains) — including investments in fossil fuels. This is in alignment with the University’s [Leading Through Laudato Si’](#) strategic action plan through 2030. The amount of unburnable carbon reserves, if burned, would have catastrophic and irreversible effects beyond comprehension. As our society moves further and further towards total decarbonization and moves towards renewables, it is not fiscally responsible to be so heavily invested in and reliant on the fossil fuel industry.

While the future of fossil fuel investments is grim and unstable, renewables, in contrast, hold infinite potential in terms of profitability of investments. Divesting from fossil fuels has been shown to have positive financial outcomes for a number of institutions and endowments. According to a [Forbes business article](#), the S&P 500’s Fossil Fuel Free Total Return Index has consistently outperformed the S&P 500 overall since 2012. The University is reaping the financial benefits of being invested in the fossil fuel industry, but at what cost? Investing in renewables, however, involves less financial turbulence and is the future of energy for our planet.

The University is transparent when it comes to our mission, values, and accolades, but lacks transparency regarding where funds are invested. **The University should implement a transparent divestment plan made public to students, faculty, staff, alumni, parents, and donors.** Furthermore, the University’s investments should be a reflection of our collective Jesuit values. We call on the University to convert all marketable securities, private equity investments, and remaining investments with ties to the fossil fuel industry by 2030.

By divesting from the fossil fuel industry, the University would be taking strides to remove the industry’s social license to operate. We, as an institution, have the power and potential to voice that we do not support the fossil fuel industry’s grossly negative impacts on our planet. We must take a step back and consider if we are comfortable pocketing returns on investment while our earth is being stripped bare of its resources, putting those most vulnerable at risk.

Environmental Justice

The dialogue surrounding climate change cannot happen without discussing environmental justice. Guided by the Jesuit pursuit of [People For and With Others](#), the Santa Clara community is called upon to provide services “to those in need and stand[ing] with the poor and marginalized” further imploring community members to “pursue justice on behalf of all persons.” The harmful environmental and social consequences of the fossil fuel industry [fall disproportionately](#) on marginalized communities. Indigenous, black and brown communities — who are historically low income — have contributed the least to the climate crisis, [yet are suffering the most from the burdening effects of burning fossil fuels](#). Divestment from the fossil fuel industry would be a profound step that the University can take to protect, stand with, and pursue justice for poor and marginalized communities.

Indigenous people throughout the country are [directly impacted](#) by the fossil fuel industry. The majority of pipelines in the U.S. violate indigenous sovereignty and pose a series of threats to indigenous peoples. [48% of indigenous reservations in the United States](#) do not have basic access to running water due to pipeline projects. Furthermore, tribes in California are not recognized by the state government, and as a result, their demands are seldom met. It is our duty and responsibility to do our part to protect indigenous people and their land, especially given our University’s origins. There have been numerous calls for land stewardship and the halt of pipeline projects across the country by various tribes. Santa Clara University can respond to these calls by declaring a climate emergency and divesting from the fossil fuel industry.

We recognize that Santa Clara University was built on the ancestral land of the Ohlone and Muwekma Ohlone people, and that the University has an exploitative past regarding the treatment of indigenous peoples and their land. Through land acknowledgments and other forms of performative activism, the University attempts to reconcile and rectify its relationship with the indigenous peoples of this land. Similar to other social justice issues, the University must take action to pursue justice through the lens of [environmental justice](#). Land acknowledgments and progressive views on social issues are solely starting points for the real work of justice. They hold little meaning without actions in the present that work to heal, repair, and better the world. Fossil fuel divestment is a means to demonstrate the repair work we are committing to as an institution with a history steeped in the dispossession of indigenous peoples.

Conclusion

Santa Clara University is a prestigious, nationally-ranked Jesuit institution, yet it is falling gravely behind the myriad of universities that have fully divested from fossil fuels. While SCU claims to be a vanguard of sustainable development, **actions speak louder than words**. Shifting to responsible investment and radically changing policy to facilitate divestment has been the trend in SCU’s neck of the woods— both the University of California, as well as many state universities and community colleges around the area have committed to divestment. Here, Santa Clara is presented with a unique opportunity: fortifying real change by divesting in fossil fuels, SCU will become the groundbreaker it aspires to be. Not only will divestment allow for SCU to

embrace the holistic values it espouses, but it will also lend Santa Clara national acclaim, and the opportunity to be a real leader in climate change initiatives.

It should be clear to Santa Clara’s administration that the time for dawdling has since passed — climate change is as pressing as ever. SCU boasts a diverse portfolio of investments, yet 4% is invested in fossil fuels. Santa Clara University will never be the avant-garde university it claims to be if it does not make actionable progress to divest from fossil fuels. Scientists, innovators, and religious leaders, namely Pope Francis, have been more than abundantly blatant: **divestment needs to happen now**. Not when the rest of the world fully divests — but **now** while we still have time before reaching the impending point of no return.

We would like to end this document by pointing out the University’s guiding policies surrounding the morality of our investments. The precedence of divesting from funds that breach our Socially Responsible Investment Guidelines must be applied to divesting funds from the fossil fuel industry. As outlined in Section V of the Endowment Fund Statement Of Investment Policies and Objectives, a key investment principle is the environment. This guiding value is the “belief that the current generation has an obligation to care for the culture, environment, and well-being of future generations,” which directly correlates to the investment principle “to respect the environment and preserve it for the well-being of future generations by not investing in corporations that have been cited for repeated or gross ecological violations.” The University has utilized these guidelines historically to divest funds from South African apartheid and must continue to place these values at the forefront of their minds when combating the urgent environmental issues we face today.

So signed by the following individuals, representative of the collective approval of the Associated Student Government of Santa Clara University,



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