

## **Teaching Sudan a lesson**

**California's regents should use the UC's investment pool as a weapon against genocide.**

*The Los Angeles Times*

**March 14, 2006**

**By Jason Miller, Adam Sterling and Adam Rosenthal**

THE CENTURY'S first genocide rages unabated into its third year in the Darfur region of Sudan. With as many as 400,000 people killed in government-backed massacres, nearly 2 million more people displaced and a government-condoned policy of rape, the University of California is obligated to address the hundreds of millions of dollars it has invested in certain companies shown to be indirectly facilitating the Sudanese government's genocide.

As one of the largest and most prestigious public universities in the world, with a \$66-billion investment pool, the UC should extricate itself from these dubious investments, thereby sending a clear message that the institution will not passively condone genocide.

Fortunately, through the efforts of the student-led University of California Sudan Divestment Taskforce ([ucdivestsudan.com](http://ucdivestsudan.com)) and the support of federal and state political leaders, an interfaith religious community, foreign policy experts and other community notables, the university's Board of Regents on Thursday will consider adoption of such a divestment plan targeted at Sudan.

Opponents of divestment from Sudan have put forth three arguments, but the situation in Darfur trumps those assertions. First, divestment critics say that removal of direct foreign investment from a debt-ridden country such as Sudan might do more harm than good to the country's disaffected. Although it is true that economic investment is generally an important path toward democratization and improved living standards, not all economic investment is equal.

In Sudan, there is a documented link between certain industries, particularly oil and energy, and the Sudanese military's ability to prosecute genocide. When Amherst College banned investments in 19 Sudan-affiliated companies in January after researching their link to the genocide, school trustee Joseph Stiglitz, an economist and Nobel laureate, noted that "in this case, I see little or no development benefit to investment [in Sudan from these companies]; but I do see enormous human and economic costs."

Similarly, the UC Sudan Divestment Taskforce has asked for UC divestment only from those companies that clearly contribute to government revenue, provide minimal social

benefit to the vast majority of Sudanese and have demonstrated negligible substantive action in response to the Darfur genocide.

The second argument against divestment stems from potential costs to the university. However, financial arguments ignore the many Sudan-free investment opportunities that have emerged in response to the growing nationwide Sudan divestment movement. The university is therefore ideally positioned to move beyond the symbolism of other university divestment decisions while stopping well short of financial recklessness.

The third argument against divestment arises from fear that nonfinancial concerns will begin to dominate university investment decisions. As a fiduciary, the University of California's primary obligation is to its beneficiaries. As a result, its benchmark for divestment is understandably high.

The standard has been met only twice in UC's history: once in objection to the apartheid policies of South Africa; once in objection to the tobacco industry.

An ongoing genocide in which the perpetrators have demonstrated historical sensitivity to economic pressure (as is currently the case in Sudan) clearly meets and preserves this lofty divestment benchmark without opening the divestment floodgates.

The UC Board of Regents has an opportunity Thursday to use the sharpest tool it has for influencing outcomes in Darfur, at minimal cost to the university.

The regents should choose a policy that goes beyond the rhetoric and lends momentum to a nationwide campaign encompassing dozens of states and universities that may very well be crucial to those still clinging to life in Darfur.

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