

Divestment campaigns at Yale, MIT, Princeton, Stanford, and Vanderbilt file legal complaints against fossil fuel investments

Complaints claim failure to divest violates the Uniform Prudent Management of Institutional Funds Act

For years, students around the country have argued that their universities' fossil fuel investments are immoral. Now, they've discovered that these investments are illegal, too. On February 16th, student-led campaigns for fossil fuel divestment at Yale University in Connecticut, the Massachusetts Institute of Technology in Massachusetts, Princeton University in New Jersey, Stanford University in California, and Vanderbilt University in Tennessee filed legal complaints with their states' respective attorneys general to investigate continued investment in the fossil fuel sector by school trustees. Frustrated with their universities' insufficient action in the face of the climate crisis, student divestment campaigns prepared the complaints with the assistance of attorneys from [Climate Defense Project](#) (CDP) and collected signatories from prominent professors, community members, climate scientists, elected officials, student organizations, alumni, and environmental organizations supporting the cause. The campaigns have garnered a total of over 10,000 signatures through petitions and resolutions on their campuses.

"In the face of the overwhelming nature of the climate crisis, we look for levers of power and change to which we have access. Our universities are amongst the world's wealthiest and most prestigious institutions of higher education, and their investments in the fossil fuel industry — an industry whose actions place the health and future of students and the entire planet at risk — amount to nothing less than complicity in the climate crisis. Thus, our campaigns are coming together and collectively calling for an end to fossil fuel investments in higher education and the world at large," said Anna Liebowitz, Princeton '09.

The campaigns allege that the universities' continued investments in the fossil fuel industry violate the Uniform Prudent Management of Institutional Funds Act (UPMIFA) which states that universities must invest in consideration of their "charitable purposes" — a duty that distinguishes nonprofit institutions from other investors. They argue that the degradation of the climate caused by the fossil fuel industry, and the consequent damage to ecological and human health alongside massive injury to environmental and social equity, blatantly conflicts with their educational purposes and individual missions. "The law can be a powerful ally in fighting climate change, but only if people are held accountable for actually following it. Universities have a duty to promote the public interest in exchange for their tax-exempt charitable status, and that duty is incompatible with fossil fuel investments," said Alex Marquardt, a staff attorney at CDP.

Additionally, the campaigns present the financial risks associated with fossil fuel investment, arguing that the underperformance and volatility of oil and gas compared to other industries over the last ten years is a violation of the duty of care under UPMIFA. In the face of fiduciary obligations and the long-term futures of these universities, they argue that investing in such an industry is careless and illegal. Further, they highlight potential conflicts of interest among members of university boards of trustees and the fossil fuel industry. “Across our five schools, our chancellors, board members, trustees, faculty, and donors are financially tied to the fossil fuel industry. It is unacceptable that our decision-makers are actively profiteering off of climate destruction” said Avery Long, Yale College ‘24. The campaigns argue that in addition to being unethical, these conflicts are also illegal under UPMIFA. Miguel Moravec, a PhD student in Civil and Environmental Engineering at Vanderbilt, explained, “By filing these complaints, the students and alumni of these institutions are making it clear that our universities have not only a moral responsibility, but a legal imperative to cut financial ties with the fossil fuel industry and its exploitative practices. We are calling on our Attorneys General to compel our schools to do the right thing and divest.”

The filing is part of a growing legal trend of holding fossil fuel enablers accountable. Recently, students at several universities— including [Harvard University](#), [Cornell University](#), [Johns Hopkins University](#), [Boston College](#), [Marquette University](#), and the [University of New Mexico](#)— have filed similar legal complaints under UPMIFA. Shortly after Cornell and Harvard’s divestment campaigns filed complaints, their administrations announced divestment from fossil fuels. After Harvard’s divestment, other schools and institutions in the region, including Boston University, committed to fossil fuel divestment. Yale, MIT, Princeton, Stanford, and Vanderbilt have divested from morally compromising endeavors in the past in response to student pressures, including assault weapons retailers at Yale and companies in South Africa supporting apartheid at Princeton.

The five schools’ endowments collectively represent over \$155 billion in assets under management. However, as Ellie Rabenold, MIT ‘23, explained, “In the past decade, 1,485 institutions have publicly committed to at least some form of fossil fuel divestment, representing an unprecedented \$39.2 trillion of assets [under management](#). Our peer institutions have taken this step, and it’s time for our universities to join them.”

“The legal standards guiding fiduciary conduct are actually quite clear, but they’ve been underenforced. We’re hopeful that attorneys general will take this evidence and hold endowment managers to account when they profit off of immoral business activities,” said CDP Staff Attorney Ted Hamilton.

Visit fossilfree5.org or [@fossilfree5](#) on [Instagram](#) and [Twitter](#) to learn more about the campaigns.

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