

Motion

LSESU should lobby the School to divest from fossil fuels

Proposer: Noemie Audi-Dor

Seconder: Sebastian Bruhn

This Union Notes:

1. That the London School of Economics and Political Science (LSE) has public commitments to tackling climate change.
2. That a considerable amount of LSE's endowment fund is invested among the world's 200 largest fossil fuel companies such as BP, GDF Suez, Total, BG Energy capital.
3. That the carbon reserves of these companies and other of similar size are well in excess of the amount of carbon that can be safely burned to have a chance of staying below the internationally agreed 2°C increase in temperature.[1]
4. That Carbon Tracker's *Unburnable Carbon 2013* report[2] (from LSE's Grantham Research Institute on Climate Change and the Environment) illustrates the overvaluation of fossil fuel reserves and the huge financial risks of investing in fossil fuels companies.
5. That People & Planet, in partnership with 350.org and others, has launched a Fossil Free UK campaign[3], calling on UK higher education institutions to divest from fossil fuels and sever their links with these companies.
6. That the universities of Glasgow and Bedfordshire have already committed to divesting from fossil fuels and the School of Oriental and African Studies has frozen any new investments in fossil fuels for both moral and financial reasons.[4]
7. That fossil free funds commensurate to the returns and less risky than standard funds that include fossil fuel companies. [5]
8. That LSE is already bound by a Socially Responsible Investment Policy ensuring that the university will conduct itself ethically and fairly, and in an environmentally sustainable manner, locally, nationally and globally.[6]

This Union Believes:

1. That anthropogenic climate change is already responsible for loss of life and livelihood across the planet and that it has the potential to have a devastating impact on human society and our natural environment.
2. That we are running out of time to keep global warming below 2°C above pre-industrial levels: the limit for ensuring a safe and stable future for the economy, the planet and all people on it, as outlined in the IPCC's 5th Assessment Report.[7]
3. That the fossil fuel industry, by extracting, processing, promoting and facilitating the use of fossil fuels, as well as by having a major influence on government policy, is complicit in causing climate change.
4. That although we live in a world where fossil fuels are needed, we must do everything in our power to rapidly reduce the global use of fossil fuels and expand clean energy alternatives.
5. That as a global university and a world-class institution, the LSE should be taking the lead in ensuring that it does not contribute to causing climate change and thus that its investment portfolio does not support and benefit from the fossil fuel industry.
6. That the LSE has the potential to be one of the first higher education institutions in Europe to commit to going fossil free.
7. That there is a financial risk in continued investment in fossil fuel companies[8]. If LSE does not have a clear strategy on managing such risk, it may reflect badly on their reputation as judicious and prudent financial advisors.
8. That the LSE's investments in the fossil fuel industry undermine its commitment to tackling climate change and are in violation of principle six of the LSE Ethics Code.[9]
9. That the LSE's commitment to addressing climate change should extend to its investment portfolio, as well as its operations and research priorities.

This Union Resolves:

1. To officially support the Fossil Fuel Divestment campaign at the LSE and provide specific one-to-one support from the SU on projects about ethical investment.
2. To mandate the sabbatical officers and the Environment and Ethics Officer to lobby the university to immediately freeze new investments in fossil fuel companies and to divest fully from fossil fuel industry companies within five years.

3. To mandate the sabbatical officers to support, promote and ensure that fossil fuel divestment is on the agenda of all relevant committee meetings at the LSE - i.e. Finance, Sub-Investment, Ethics Policy.
4. To lobby for the Environment and Ethics Officer to have a place on the Sub-Investment Committee.
5. To mandate the sabbatical officers and the Environment and Ethics Officer to lobby for the provision of ethical careers advice by the Careers Service.
6. To mandate the LSESU General Secretary to lobby for the inclusion of the Brundtland Commission's definition of sustainability in the LSE Ethics Code and relevant guidance documents. The definition is as follows: "*manage our resources in ways that meet the needs of the present without compromising the options of future generations*".
7. To mandate the SU officer, which sits on the Sub-Investment committee, to request quarterly updates of the University's investment portfolio, make them available to all students and ensure that they are ethically sound investments.
8. To mandate the General Secretary to communicate the above to the University as a matter of urgency.

[1] Meinshausen *et al.* (2009) Greenhouse-gas emissions for limiting global warming to 2°C. *Nature*, 458, pp.1158-1162.
And Jakob M. and Hilaire J. (2015) Climate science: unburnable fossil-fuel reserves. *Nature*, 517, pp.150-152.

[2] <http://www.carbontracker.org/wp-content/uploads/downloads/2012/08/Unburnable-Carbon-Full-1.pdf>, p.13-14.

[3] <http://gofossilfree.org/campaigns/>

[4] <http://gofossilfree.org/commitments/>

[5] <http://hipinvestor.com/wp-content/uploads/Resilient-Portfolios-and-Fossil-Free-Pensions-ByHIPinvestor-GoFossilFree-vFinal-2014Jan21.pdf>

[6] <http://www.lse.ac.uk/intranet/LSEServices/policies/pdfs/school/socResInvPol.pdf>

[7] <http://www.ipcc.ch/report/ar5/>

[8] Eg. Bank of England : <http://www.ft.com/cms/s/0/189f21d8-7737-11e4-a082-00144feabdc0.html>

[9] "we will minimise any negative impact we may have on the natural and built environment by effectively managing our resources" <http://www.lse.ac.uk/intranet/LSEServices/policies/pdfs/school/ethCod.pdf>

Passed, 13.2.2015

Undecided: 30

Yes: 432

No: 36