

Students given voice on investment policy

By STEVEN A. SMITH
Of the Emerald

Financial activities of the State System of Higher Education are complicated at best. The system derives income from a variety of sources including tuition, state taxes and federal monies.

But the system also derives considerable income from investments in corporate stocks and bonds. And it is in the area of investment policies that student input has been nil until recently.

Largely due to the efforts of three University students and an administrator in the Chancellor's office, State Board of Higher Education by-laws have been amended to allow for maximum student input in some areas of investment policy.

Wesley Sparling, Mike James and Charles Insley are the students. Freeman Holmer, Vice-Chancellor of Higher Education for Finance, is the administrator. Working together they have formed the Advisory Committee on Stock Proxies, a sub-committee of the Inter-Institutional Union of Students, IUS.

Sparling, Insley and James are now seeking increased student participation in the committee, a first step in broadening its base.

But to understand the role of the advisory committee it is first necessary to understand something of the state system's investment procedures and even something about the internal workings of corporations.

The state system is not directly involved in investing funds in stocks or bonds. Rather, the State Board contracts with two private investment management corporations, giving them absolute power to decide how to invest state money. Their only guideline is to maximize profits.

According to Sparling, such contractual agreements are the rule. Investment companies are unwilling to accept interference in the conduct of their business.

But, while stocks and bonds are purchased through investment companies, they literally belong to the State System of Higher Education. And Holmer is their administrator.

Holmer determines how the system will vote when internal corporate struggles—proxy fights—break out. In such situations all the stockholders of a corporation can in effect, vote for new board members and new company policies.

Last spring, for example,

General Motors was faced with a Ralph Nader-backed effort, "Campaign GM", designed to shift GM policies in consumer directions.

In fact it was Campaign GM which initially interested Sparling and James in the handling of system stocks.

"We wanted to see how the state system was involved in GM, but one of the things we found was there was no provision in State Board by-laws for advising the Vice-Chancellor in proxy fights."

Because the goal of all investments is maximum profits, Holmer normally voted with management, Sparling indicated.

There was no process for Holmer to investigate long-range policy shifts within corporations, or to investigate moral positions which efforts like Campaign GM attempted to legitimize.

Working loosely with the

Chancellor's office Sparling and James appeared before the Finance Committee of the State Board in May, seeking a change in Board by-laws allowing Holmer to consult with official advisory groups.

The change was made by the Board at its July meeting.

The change allows for the Vice-Chancellor to seek "the assistance and the counsel of such persons as he deems advisable."

Sparling and James met with Holmer in September, determined the best approach was formation of an advisory committee, officially affiliated with a recognized organization.

Early this month IUS unanimously accepted the advisory group as a sub-committee providing the necessary official affiliation.

"Our next step is to wait for new reports from the investment

companies," said Sparling. "They are in the process of consolidating system holdings and right now we aren't sure what stock the state owns."

When that report is released, sometime in early February, the group will determine which companies to investigate.

"We have to find the companies that can change," said James. "Not all companies are in a position to change, and those we can't deal with now."

One thing the group counts on is support from Holmer.

"Holmer is one man you can say is doing a hell of a good job," asserts Sparling. "He listens with an open mind."

"But if we're going to present something to him it has to be balanced and it has to be researched," said Insley.

It is in the area of research that the Advisory Committee needs help.

"This is a big job," said Sparling. "We have no limit on the number of people in the committee. We want anyone who is interested in a practical educational experience. We are asking for public support in this kind of educational experience—working with agencies and people."

The committee has scheduled a public meeting for Feb. 8 at the Central Presbyterian Church, 15th Ave. and Ferry St.

"We want anyone who is interested to come," said James. Persons interested in more detailed information can contact the IUS office, 686-4367.

Smith enters race for attorney general

Promising to apply laws equally to all, Umatilla County District Attorney Joe Smith announced his candidacy for the Democratic nomination for Oregon Attorney General Thursday.

Democrat Betty Browne, State Senator from Oakridge, has also announced her intentions to run

for the office currently held by Lee Johnson.

Smith, 36, gained state-wide notoriety three years ago when he led the successful fight against Army plans to store nerve gas in Eastern Oregon.

"I'm deeply convinced our system of freedom works and will continue to work if everyone is treated equally under the law," Smith said. "I've tried to do that in Umatilla County and will continue as Attorney General."

In his announcement, Smith emphasized the need for stronger consumer protection and more attention to campaign spending and financing.

In reference probably to Johnson's enormous campaign expenditures in 1968, Smith said, "Campaign financing is the big evil. This issue will be the big challenge of the campaign."

He also noted that the attorney general should take a larger role in environmental affairs and law enforcement problems. "While the county district attorneys handle law enforcement efforts, the attorney general should help coordinate those efforts."

Concerning the legalization of marijuana, Smith said "the jury is still out as far as marijuana is concerned. I think we should leave it illegal until its true effects are known."



Joe Smith

Speaks at Demoforum meet

Porter says total amnesty bill due

Charles Porter, head of Amnesty Now, said in Eugene Thursday that his organization is working on a bill which will provide complete and unconditional amnesty to those who refused to participate in the Vietnam War.

Porter told the Lane County Demoforum that his group is working with the ACLU and other lawyer groups in New York in an attempt to perfect a piece of legislation.

"When we get a good draft, we will meet this May in Washington to persuade Congress to pass the bill," Porter said. "We hope to get such people as George McGovern and Mark Hatfield to introduce the bill."

Porter said the bill would provide unconditional amnesty to those who refused to participate in the war or those who were

arrested for taking part in war protests.

He said that in cases involving human injury or property damage, an advisory board would determine the extent of the damage and the extent of the individual's responsibility. After reviewing the evidence, the board would determine whether amnesty should be granted.

The Eugene attorney said amnesty would be a major issue in the coming political campaign. "Every presidential candidate will be asked his position on amnesty, and we will attempt to get an amnesty plank into both the Democratic and Republican convention platforms."

Porter attacked those candidates who proposed a "conditional amnesty;" an amnesty which would require two years of national service. "Three years of

national service would be a form of punishment. These young men weren't wrong."

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