

# OIC decision a narrow view

While the persistent crusade against South African investments now wandering the state's academic and political corridors of power is not without a cause, it is almost certainly without effect.

A June 21 decision by the Oregon Investment Council (OIC) has demonstrated that unhappy conclusion once again.

Accepting a narrow interpretation of recent legal opinions by Attorney General Jim Redden, the council decided to ignore a request by the Oregon Board of Higher Education that its stock portfolio be purged of investments in firms conducting substantial business in South Africa.

To be sure, this latest skirmish in the economic battle for justice abroad reflects the willingness of financial "technocrats" to brush aside moral considerations in favor of a disturbing assiduity for detecting legal loopholes that protect their professional flexibility. But it also suggests a lack of focus and poor choice of battlegrounds by divestment advocates.

The Emerald has deep sympathy with those who oppose the vicious anachronism of apartheid pursued by the racist South African regime. In the past we have argued — with almost redundant regularity — for all manner of struggle against the internal policies of the white-supremacist Prime Minister John Vorster. Those tactics rightfully include economic pressure such as the stock-divestiture appeal.

An examination of present Oregon law, however, indicates that while a different interpretation of Redden's opinions could permit divestment in South Africa's case, it would almost certainly preclude a general application of the divestiture gambit against human-rights violations throughout the world.

This perplexing and apparently contradictory situation comes about as follows:

- The OIC investment counselors are obligated by state law to use public funds in such a way as to make them "as productive as possible" monetarily. Loss or lessened profitability of invested revenue amounts to a legal failure by investors. In the words of the attorney general's opinion: "Persons responsible for investment of trust funds must consider both safety of the investment and probable return. Other considerations, such as political or moral judgments, should not deflect investment managers from their legal duty."

- The broader the proscription — the larger the number of "tainted" firms and/or countries — the greater the certainty of an illegally limiting practice. Redden argues "While we are satisfied that divestiture of all investments in most of the world's business community would violate the rule (of prudent profitability), it is possible that minimal divestiture might not."

Thus, while the scores of American firms operating in one country (South Africa) might be eliminated as Oregon investments, each wider application of the tactic increases the likelihood of a violation of state law, in Redden's view.

But the world is rife with cases of human degradation caused or worsened through the byzantine intertwining of international finance. And reformers, such as the divestiture proponents, who want to link economic decision-making with social justice, should not stop with just South Africa. Can we say the largely unremunerated sweat wrung from a black man's brow in a South African mine is morally different than that of a Korean assembling Japanese electronics or a Brazilian building a German automobile?

But enough of theory and more of Oregon's problem.

One flaw in Redden's reasoning might be the somewhat facile equation of more investment choices with greater potential for profitability — a view point that the OIC readily seized upon. Surely, socially benign and even benevolent investment subjects that are also profitable must remain after the rotters are weeded out. Aren't we, after all, talking about the quality of investment and not mere quantity?

This argument might well be picked up by those proponents of divestiture who are considering a legal challenge to the OIC decision. However, it is not the only, or even necessarily the best, option available to the economic warriors for human rights.

A more promising course of action for divestiture backers lies in that suggested by Roy Lieuallen, chancellor of the State System of Higher Education, following the OIC's most recent decision: Change the law unambiguously.

Supporters of divestiture and related economic tactics should move the battleground from the narrow methodology of the courts into the legislature where the statutory values are determined that fuel the machinery of the law.

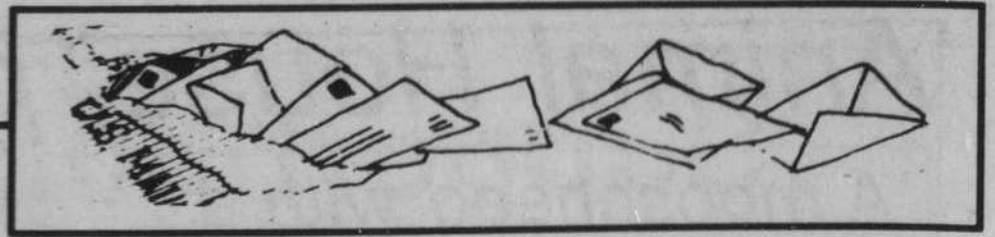
There, in an environment steeped in the admittedly uncertain ambience of the democratic electoral process, lies the arena where the divestiture proponents can bring their political pressure to bear. One presumes that Chancellor Lieuallen and the State Board of Higher Education, which recommended divestiture, would be in the vanguard of such an effort in the 1978 legislation.

Precedents exist for believing in a successful battle. Redden cites a recent Wisconsin attorney general's opinion that agreed with the state university's divestiture of South Africa-affiliated stocks. The decision relied on a Wisconsin statute that prohibits investment in firms that practice or condone discriminatory policies.

But an Oregon law could pass beyond this purely negatory requirement to incorporate a mandatory policy that evaluates economic potential of businesses along their demonstrated social benefits. Purely local or regional companies, firms entering the promising alternative-energy market, or well-run businesses operated by and/or for minority groups exist that would provide a satisfactory return for the state's investment dollar.

But however the guidelines are drawn, the current investment policy of maximum profit regardless of the human consequences must end.

## Letters



## Student hopping on one leg

The fact that a few persons in the Sociology Department have squelched several opportunities for an exciting continued study of the discipline angers me.

As an undergraduate in the department I am left with the prospect of standing, or rather hopping around on one leg trying to catch one of the fine people in the department, obviously missing those potential teachers "blacklisted" during the hiring process, while fervently hoping to avoid any of the "gang of nine," whose close-mindedness and disregard for academic freedom would undoubtedly extend to their philosophies and methods of teaching.

This is depressing, and we undergraduates must play a passive role in the life of the department. The gang, in their game of politics, has treated students like a sea of non-entities. But we are not puppets and our involvement in choices of classes and quality of teaching should amount to much more than running to the course guide to see what is offered.

I offer my support to those trying to maintain a democratic and dynamic department.

Sonja Lucky  
Freshman, Sociology



## UO no place for evangelism

Reference is made to the article in the daily Emerald, 27 April 1978, p. 1, "Football evangelist asks for true faith in the Word."

This article is offensive to students, faculty, and university staff who are not Christian. Mr. (Rev?) Skinner is oblivious of moral values of other religions, many much older than Christianity and followed by a large population in many areas.

I freely give my time to tutor two graduate students in English. Last week we had the word "mosque" in a travel article. This triggered a comment from a Saudi student that he and others had rented an apartment for a mosque, to follow their religious beliefs. His government sent him to UO to get a Ph.D.

in physics. Does this Daily Emerald article make him feel welcome?

Religious evangelism (of any kind) has no place at a public institution such as the University.

Mr. (Rev?) Skinner's remarks are not newsworthy but simplistic. The Daily Emerald staff should have used more discretion in featuring this evangelistic message by Mr. (Rev?) Skinner. It could have been handled as a short news story with off-campus addresses arranged by Mr. (Rev?) Skinner's hosts, the local chapter of Fellowship of Christian Athletes.

Helene Johnston  
Sr. Citizen, non-matric  
UC Berkeley, BA '45

## Spend it on solar power

Consider the jobs created when Trojan was built. Highly skilled technicians, paid high salaries, operate the plant. During the building period a relatively small number of skilled tradesmen were employed to do the construction. The money spent was concentrated in a few hands, the number of jobs created was small, the power generated is expensive.

Suppose the same amount of money had been spent on solar retrofitting of Oregonians' homes and for additional insulation. The insulation industry would have been stimulated. A large number of ade-

quately paying jobs would have been created in the home construction industry. The employment would have been spread evenly over the state. The power generated would have come from easy maintenance units and would have been cheap, clean, and inexhaustible.

Leaving the question of danger aside, nuclear power is dirty, expensive, and creates unemployment.

Donald Condliffe  
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