

Full Disclosure: U.S. Schools Cash Out

Eighty-four schools have divested themselves, in whole or in part, of South Africa-related stocks—53 of them since April 1985. Forty-two schools divested fully (at least \$267 million), and 42 schools partially (\$217 million). Below, a list of full divestors.

Institution	Amount (in millions)	Year
Antioch College	NA	78
Arizona State Univ.	3.1	85
Barnard College	.945	85
Bates College	5	86
Cal State, Northridge	2.3	85
City Univ. of New York	10	84
Clark Univ.	5	86
Columbia Univ.	41.7	85
Evergreen State College	NA	85
Fairfield Univ.	4	85
Hampshire College	.04	77
Hartford Seminary	5	85
Howard Univ.	8	78
Univ. of Iowa	2.5	85
Iowa State Univ.	.15	85
Univ. of Kentucky	1.5	85
Univ. of Louisville	9	85
Lutheran School of Theol.	NA	81
Univ. of Maine	3	82
Univ. of Massachusetts	.6	77
Univ. of Miami	17	85
Univ. of Minnesota	35	85
Univ. of Minnesota (Foundation)	5	86
Michigan State Univ.	7.2	79-80
Western Michigan Univ.	.2	83
Mount Holyoke College	14.9	85
State Univ. of New York	15	85
State Univ. of New York-Stony Brook Foundation	.08	85
Northeastern Univ.	21	86
Ohio State Univ.	11	85
Ohio Univ.	.06	78



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Institution	Amount (in millions)	Year
Univ. of Rhode Island (Foundation)	.868	85
Roosevelt Univ.	NA	86
Rutgers Univ.	14.5	85
Sarah Lawrence College	.65	85
Seattle Univ.	2.5	86
Teachers College, Columbia	5	85
Temple Univ.	2.49	85
Univ. of Vermont	2.1	85
Wayne State Univ.	NA	84
Western Washington Univ.	NA	85
Univ. of Wisconsin	11	78

As of March 25, 1986

Source: The Africa Fund

Among the 200 top U.S. companies operating in South Africa are Johnson & Johnson, Kellogg, Xerox, Coca-Cola and Revlon. To be as uncontaminated, for example, as many students might want schools and corporations to be, a student would have to divest himself of cars, records, soft drinks, computers and many other staples of the campus life.

Because trustees are charged with protecting the assets of their schools, they must consider the possible negative effects that divestiture might inflict on stock portfolios. Such caution has been upheld in the only court case to date that deals directly with the matter. In 1977 students at the University of Oregon voted for the complete divestiture of \$20 million in stocks with a South African connection. The state board of higher education agreed, but the Oregon Investment Council vetoed the decision—and the students sued. In December 1984 a circuit court ruled against the students, finding that divestiture would violate the "prudent investor" rule. The decision is now on appeal.

Supporters of divestiture argue that investments can be pure yet profitable, pointing to the record of the Boston-based Trinity Management Corp., which in July 1982 began operating a \$15 million "South Africa-free" portfolio for Michigan State.

Through last December, the value of that portfolio had risen by 27 percent. But according to chairman Stanford Calderwood, Trinity launched the portfolio just 12 days before the advent of the current bull market. He also cautions that this portfolio was outperformed by another Trinity fund that invested in companies with South African holdings.

"People look at our record and say it can be done," says Calderwood. "We look at our record and say, 'Weren't we lucky.' This is one hell of a bull market." He warns, moreover, that if everyone attempted to switch to an anti-apartheid portfolio, it would merely drive the price of the stocks to unrealistic levels, setting the universities up for a loss.

Given the difficulties of divestiture—and the relatively minor result that it is likely to bring—why has South Africa so ignited today's campus activists? For one thing, answers Feierman of Wisconsin, the apartheid system is an issue that crosses ideological lines. "You can have conservative students who take seriously the idea of equality under law," he says, "and who take the anti-apartheid movement seriously because they see apartheid as violating those basic freedoms." Others, however, see the pressure campaign as a kind of moral mouthwash, a convenient vehicle for student self-righteousness. Boston Uni-

versity president John Silber, an outspoken foe of divestiture, calls the movement an "exercise in simple-mindedness."

What is certain is that the protests will continue. Harvard students will keep urging their alumni to contribute to a special Endowment for Divestment rather than directly to the school; students at Michigan State will maintain their boycott of products made by Coca-Cola. Around the country, campus teach-ins will hammer home the inescapable conclusion that South Africa's peculiar institutions are both brutal and repugnant.

In the end, such lessons may be the most lasting legacies from this year of anti-apartheid fervor. No one can justifiably fault the sincerity of American students in attempting to right an obvious wrong. They may be unlikely to transform the economy or the intransigent racism of a government far away, or to deter Pretoria from a bloody course of racial strife. Nevertheless, they have already achieved two major accomplishments: they have helped keep a cause burning brightly in the public eye, and demonstrated that they care about something deeper than their résumés.

HARRY ANDERSON with PETER YOUNGHUSBAND in Cape Town,
CONNIE LESLIE in New York, DONNA JALBERT in Boston,
ERIK HIMMELSBACH in Berkeley, CATHERINE LIDEN in Bloomington
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