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The University of Michigan

news

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RELEASE ON RECEIPT

ANN ARBOR---University of Michigan Regents recessed their March 16 meeting following interruptions by some 180 persons requesting divestiture of University stock holdings in corporations doing business in South Africa.

At 3 p.m. the meeting reconvened in Interim President Allan F. Smith's conference room following the granting of a court order allowing the meeting to be moved to another room where it would be open to the press.

Interim President Allan F. Smith said, "The Regents believe that they gave more than ample opportunity for public discussion of an issue not on the agenda. When their scheduled meeting was disrupted they were reluctant to exercise their power under the Open Meetings Act to call in help to clear the Regents Room. Instead, they sought the help of the courts so that the business of the University could continue."

Smith noted, when some 65 spectators first filed into the Regents Room in the U-M Administration Building, that the Regents had asked that the meeting be open to whatever attention on investment policy which the Regents wished to take. Regents had attended a public comments session Thursday afternoon in the Michigan Union ballroom, where they were asked by a speaker to divest stock holdings in firms doing business in South Africa.

"The issue is not whether conditions in South Africa are at a desirable level," Smith said Friday. "The issue is whether any action the University Regents take on investments would have any

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effect on social conditions there. There are very profound differences of opinion as to whether divestment would help bring to power forces for good, and whether maintenance of American industry in South Africa is good."

Regent Thomas A. Roach moved that the matter of Regental policy be referred to the Senate Advisory Committee on Financial Affairs, which advises the U-M vice president and chief financial officer, that Michigan Student Assembly be asked to appoint two student members to the advisory committee, and that the committee report back to the Regents "at an early date."

Regent Sarah Goddard Power supported the motion, which was passed unanimously by the five Regents present for today's meeting (Deane Baker, Gerald R. Dunn, Robert E. Nederlander, Power, and Roach).

Nederlander said, "The way this University operates is that the Regents do not act without consulting a lot of people. This is a highly decentralized organization, and one of the reasons the University is great is that we get a divergence of opinion from a great many people. Your legitimate request will be looked at."

His remarks were met with a chant of "We want action, and we want it now."

Smith said "It would be absurd, improper and quite outrageous to take action without hearing all sides of an issue. The Regents have opened the policy for review. There is now a procedure for getting new information into the hopper."

Roach pointed out that persons supporting divestiture had the opportunity to present new information at Thursday's public comments session, which had been moved to the Michigan Union ballroom to provide more room.

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At issue was the Regents' March 17, 1978 decision which, in effect, was not to immediately divest stock holdings in firms doing business in South Africa. That decision asked the vice president and chief financial officer to send letters to corporations in which the University is a stockholder and which do business in South Africa "stating the University's strong opposition to apartheid and racial injustice and asking for:

"(1) Affirmation of the Sullivan Principles.

"(2) Corporate encouragement to endorse the enhancement of political, economic and social rights for all of the corporation's employees in South Africa.

"(3) Regular reports to publicly disclose corporate progress toward achievements in these matters."

Regent Roach stated that whatever response is made by Black and Decker Manufacturing Company, which is still expected to provide additional information on their policies, will come to the Regents for discussion at their April meeting.

Regent Dunn noted that, if the firm has not informed the Regents by April of a satisfactory position, he would move for divestment from it.

After a 25-minute recess, Regent Roach moved to suspend Regental rules to permit a five minute speech by a member of the audience. Ann Fullerton, who had been on the speakers' list for the Thursday afternoon public comment session but who had relinquished her time to another speaker, told the board that the Sullivan principles were insufficient to meet the demands of those present.

Smith told a spokesman for the group that he could not guarantee action would be taken next month. He stated, however, that he

would press to have a report made thoroughly and quickly by the advisory committee, following appointment by the two students, and that the matter would be on the Regental agenda at the first meeting following submission of the report.

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