

# Report to The University Community

---



Monday, March 19, 1979

## UNIVERSITY INVESTMENT POLICIES

In view of the events which occurred last week at the Regents' meeting, I think it appropriate to provide the University community some background and some observations.

The events remind us of what a jarring and discordant note is struck when intimidation and disruption seek to displace ordered discussion and debate as the mode of operation in the University. I have always some sense of failure whenever police action occurs, and I am sorry that events brought any arrests.

With respect to the matter which precipitated the controversy, in my judgment, there is no legitimate basis for allegations that the Regents have failed to face up to the issue of divestment. They received a report a year ago--a report produced after traditional thorough investigation and consideration of numerous viewpoints--and they debated the issue of whether a policy of total divestment or some other policy was best for the University. The Senate Advisory Committee on Financial Affairs report, incidentally, did not recommend a policy of immediate divestment. The Regents heard student speakers advocating a policy of divestment. It is true that such an argument did not prevail. It is not true that there was no student input. The Regents at that time chose a policy which has received the support of the governing boards of numerous fine universities. It is a policy which is defensible in terms of rationality and in terms of its being recommended by knowledgeable persons. It is a policy which, in the judgment of some knowledgeable persons, will better achieve the results sought than will a policy of total divestment.

There is, of course, always the question of how frequently the Regents should review major policies once they have been thoroughly debated and put into effect. Surely it is neither useful nor desirable to review each month unless there are likely to be significant changes in circumstances each month. It does not appear that this policy falls in this category.

But the real issue at the meeting was not even whether the time had come for another look at the policy. The Regents, after the public hearing, took action to accomplish that review. And the action they took was entirely consistent with the way in which I believe decisions of this kind must be faced at The University of Michigan. They asked the Senate Advisory Committee on Financial Affairs, which previously studied the issue, to take pains to assure student participation, to review the matter, and make a report as it finds appropriate. That action, however, did not satisfy the protestors. Alternately, some insisted upon "action now," by which they presumably meant "take a vote right now favoring divestment." Some asked that the matter be placed upon the Regents' April agenda as an "action item"--by which they meant "vote upon the policy of divestment in April whether or not the requested report is available." Neither of these actions would be appropriate.

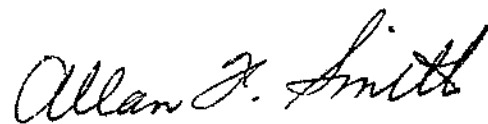
(over)

During the course of recess, I spoke with the students and indicated that I would personally urge the committee to complete its report as quickly as is consistent with thorough investigation from all interested and pertinent sources. I publicly indicated that the matter would be on the agenda at the Regents' meeting which follows the receipt of the report. If the report is received at the time the agenda is mailed to the Regents (about eight days before the meeting), it will be on the agenda. I hope we do not want Regents' action without there being time to review the documents. This was not satisfactory, and the disruption continued, though some members of the group did seem to believe it was an adequate response.

In any event, I believe this University community wants its Board of Regents to pursue the course which it has followed: it does not make policy decisions in a vacuum or without consulting various groups at this University. It seeks a report from the best informed faculty-student group or administrative group, or both, for the particular policy in question. It reviews that report. It permits and regularly schedules public discussion hearings, at which any person can add input for any item on the agenda or off the agenda. I submit we are fortunate that they so operate.

The events demonstrated another serious flaw in the Open Meetings Act, with the general purpose of which we are all in accord. On its face, the Open Meetings Act seems to give to the public body only two choices when disruptors refuse to permit business to proceed: (1) quit and adjourn, and fail to accomplish the matters for which the meeting was called; or (2) clear the room, under the provisions of the act which permit exclusion of those who are guilty of a breach of the peace at the meeting. It is obvious that to clear a room of 150 persons who have determined to stay would probably require massive police intervention. There may be times when one of these courses of action would be proper, but under the circumstances of this case, the Regents and I were not willing to accept either of those alternatives. I do not believe the law should be such as would require either abdication of responsibility for managing the affairs of the University or the use of forceful eviction of students. It was upon that basis that with counsel's advice, we sought the restraining order and the order of the court which would permit closing and securing the meeting to accomplish the Regents' business. This was done, and the Hobson's choice presented on the face of the bill was averted.

I fully expect the review of the investment policies to proceed in a proper fashion, and I hope the community will recognize that fact.

A handwritten signature in cursive script, reading "Allan F. Smith".

Allan F. Smith  
Interim President