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**HEADLINE:** Students win battle on share holding ethics; **University** investments to be monitored

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**BODY:**

STUDENTS have won a long-running battle with one of Scotland's oldest **universities** over its financial links with a major defence contractor.

Edinburgh **University** has bowed to pressure from within the undergraduate population and drawn up a code of conduct governing its share

holdings.

The new "social responsibility" policy includes measures that could see the historic institution withdrawing its investments from a particular company whose practices and activities give rise to concern and are not reformed.

The move, agreed at the latest meeting of the **university** court, represents further success for those who have campaigned for more involvement in its share dealings.

Edinburgh **University** Students' Association said it was a significant development and welcomed the change of heart, which will lead to any complaints aired by students being listened to and, where appropriate, acted on.

The **university** has been embroiled in a row over what has previously been called "ethical investment" for some time. Around 18 months ago, a report published by the Campaign Against the Arms Trade named the **university**, along with seven Scottish councils and the Law Society of Scotland, as investing heavily in defence companies such as BAE Systems, GKN, and Rolls-Royce.

Last November, in the face of pressure, **university** chiefs announced it planned to declare publicly for the first time all the companies in which it had shares and investments. That will happen later this year in its next annual report.

The **university** has been urged to drop its investment in BAE Systems, said to be 107,000 shares, by students who claim that the company, which operates plants in Edinburgh, has sold arms to undemocratic regimes.

Will Garton, recently elected as president of the EUSA (Edinburgh **University** Students Association), said they were delighted with what he described as "this successful compromise on what is a complex and difficult issue".

He said: "The **university** has agreed to an approach that allows students' concerns to be aired and acted upon if appropriate."

A spokesman for Oxfam in Scotland said: "We would welcome any initiative like this that is putting ethics and fairness above profits."

Robin Harper, Green MSP and until recently its rector, said yesterday: "I'm delighted that Edinburgh **University** has taken a lead in this respect.

"I don't know of any academic institutions in Scotland that have gone this far and hopefully others . . . will follow this up."

Mr Harper said it marked a victory, especially for the students' association, which had campaigned to take the issue forward.

"Obviously it might not be as far as some students would want but frankly it goes a lot further than many people might have expected," he said.

A **university** spokeswoman said students were represented within its governing bodies and it was considered necessary

that concerns raised by their elected representatives should be heard and investigated in a suitable manner.

She said: "In this case the court has agreed an approach that allows concerns about the ethical background of companies to be aired and acted upon if appropriate."

The **university** court, through the newly-endorsed **socially responsible** investment policy, has now declared its willingness to consider representations from bodies such as EUSA over the issue of its invested **endowments**.

Having heard student concerns over a particular case, it will decide if the activity complained of, and substantiated, is contrary to its goals, or wider humanitarian concerns relating to the environment and human rights. If the **university** recognises the representations made, it will instruct the fund managers on how the **endowment** funds are invested.

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