

To: Advisory Panel on Investment Responsibility and the Stanford Board of Trustees' Special Committee on Investment Responsibility

From: Faculty members at Stanford whose names are given below

Subject: The ASSU Senate Resolution calling on the University to divest from companies "maintaining the illegal infrastructure of the Israeli occupation" or "facilitating state repression against Palestinians"

Many of our colleagues, led by Larry Diamond, Avner Greif, Larry Marshall, and Steve Zipperstein have signed and sent to you a statement in opposition to the ASSU Senate Resolution.

While the undersigned wish to ally ourselves with the general conclusions of that statement, there are portions of it with which we do not agree. But we do agree with and subscribe to the following:

- (1) We are opposed to the university undertaking or endorsing the divestment activities called for in the ASSU Senate Resolution.
- (2) We believe that such actions would have no positive impact "on the ground," in the Middle East. Instead, by undertaking a one-sided position on a complex situation, such actions undermine efforts by the parties to reach a mutually agreeable situation in two ways: By raising the expectations of one side that---if they wait long enough---the world will pressure the other side to give them all that they want, the one side sees little need to compromise. And, at the same time, the other side's sense of being under siege---being the only party singled out for condemnation---will only increase, which rather than eliciting compromise will elicit a backs-against-wall attitude.
- (3) More locally, undertaking or endorsing this one-sided position will increase the sense of hostility and injustice felt by a significant fraction of the Stanford community.

We urge you not to proceed.

Nicolas Bloom, Professor of Economics, Department of Economics, School of Humanities and Sciences

David Brady, Bowen H. and Janice Arthur McCoy Professor of Political Sciences and Leadership Values, Professor of Political Science, and Davies Family Senior Fellow at the Hoover Institutions

Jeremy I. Bulow, Richard A. Stepp Professor of Economics, Graduate School of Business

Alain C. Enthoven, Marriner S. Eccles Professor of Public and Private Management, Emeritus, Graduate School of Business

Yossi Feinberg, John G. McCoy---Banc One Corporation Professor of Economics, Graduate School of Business

Yonatan Gur, Assistant Professor of Operations, Information, and Technology, Graduate School of Business

Nir Halevy, Assistant Professor of Organizational Behavior, Graduate School of Business

Charles A. Holloway, Kleiner Perkins Caufield & Byers Professor of Management, Emeritus, Graduate School of Business

David M. Kreps, Adams Distinguished Professor of Management, Graduate School of Business

William Meehan, Lecturer in Strategic Management, Graduate School of Business

Haim Mendelson, Kleiner Perkins Caufield & Byers Professor of Management, Graduate School of Business

Michael Ostrovsky, Associate Professor of Economics, Graduate School of Business

George G. C. Parker, Dean Witter Distinguished Professor of Finance, Emeritus, Graduate School of Business

Joshua D. Rauh, Professor of Finance, Graduate School of Business

Myron S. Scholes, Frank E. Buck Professor of Finance, Emeritus, Graduate School of Business

Ilya R. Segal, Roy and Betty Anderson Professor in the Humanities and Sciences, Department of Economics, School of Humanities and Sciences

William F. Sharpe, STANCO 25 Professor of Finance, Emeritus, Graduate School of Business

Itamar Simonson, Sebastian S. Kresge Professor of Marketing, Graduate School of Business

Andrzej Skrzypacz, Theodore J. Kreps Professor of Economics, Graduate School of Business

Ilya Strebulaev, Professor of Finance, Graduate School of Business

Jeffrey Zweibel, James C. Van Horne Professor of Finance

---

The following individuals signed the statement circulated by Diamond et al., but asked to be listed specifically as also in support of this statement:

Anat R. Admati, George G. C. Parker Professor of Finance and Economics, Graduate School of Business

Kenneth J. Arrow, Joan Kenney Professor of Economics, Emeritus, Department of Economics, School of Humanities and Sciences, and Professor of Operations Research, Emeritus, School of Engineering

Jonathan B. Berk, A. P. Giannini Professor of Finance, Graduate School of Business

Jonathan Bendor, Walter and Elise Haas Professor of Political Economics and Organizations, Graduate School of Business

Morris P. Fiorina, Wendt Family Professor, Department of Political Science, School of Humanities and Sciences

Avner Greif, Bowman Family Endowed Professor in Humanities and Sciences, Department of Economics, School of Humanities and Sciences

Ron Kasznik, Paul L. and Phyllis Wattis Professor of Management, Graduate School of Business

Jonathan Levav, Associate Professor of Marketing, Graduate School of Business

Alvin E. Roth, Craig and Susan McCaw Professor of Economics, Department of Economics, School of Humanities and Social Sciences