

October 25, 1984

Dear President Giamatti and Members of the Yale Corporation,

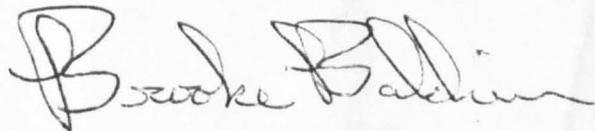
At this year's first meeting of the Advisory Committee on Investor Responsibility, I learned that a major impediment to their job of investigating strategic involvement of Yale-held companies in South Africa is that they are still awaiting the Corporation's determination on what constitutes strategic aid. As I understand this from Professor Ranis, the Corporation began to consider a definition of the term at their June meeting and promised to conclude the discussion at their first fall meeting. I also understand that attention to the strike precluded this discussion in September. Professor Ranis was hopeful that this week's October meeting would resolve the matter; however, I've since received information that the question is not on October's agenda either, and that no meeting is scheduled at all for November.

While I agree that Yale's responsibilities to its C&T's merits grave attention, this does not absolve it of its responsibilities as an ethical investor. The situation in South Africa is one of growing and urgent crisis. As I am sure you are aware, the events of the past few months, and especially of the past few days, indicate that time is no longer running out; it has expired.

By the end of this month I will deliver to the ACIR and to President Giamatti the footnoted version of the CAA's allegations of strategic involvement, the unfootnoted version of which appears in your briefing book. I will also supply information on newly acquired companies, and tables which consider the harm all of these companies do as weighed against their potential benefit to black employees. If Yale does not have adequate time to devote to this problem, we will do our best to facilitate the work necessary for the proper enforcement of an ethical investment policy which has too-long gone unenforced.

We continue to argue that total divestment is the only truly ethical course, and one which would avoid the time-consuming work of case-by-case studies of over one hundred companies. However, until Yale is willing to consider a new policy, we will demand that the policy already in place be implemented, Monitoring Sullivan compliance is not, and has never been adequate implementation. If action is not taken in the very near future by the Corporation on the question of strategic assistance, we will take our case to the press and to the public.

Finally, I would like to know why Sedco is still in the portfolio, and if the selling of Lubrizol and Freuhauf was ethically motivated or for financial reasons. I would appreciate a prompt reply to this letter. Thank-you.



Brooke Baldwin, in behalf of the
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