

# HARVARD UNIVERSITY

OFFICE OF THE PRESIDENT

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May 18, 1990

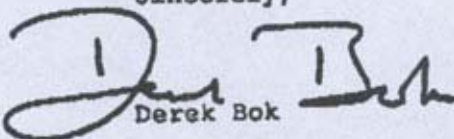
Dear Messrs. Huang, Galson, and Jewett:

In further response to your letter of April 23 I am writing to inform you that the Harvard Corporation has sold its shares in companies producing significant quantities of cigarettes and other tobacco products. The decision to sell was made in September 1989 and the sales were completed in March 1990. A regular report of the sales will be made in the next annual report of the Corporation Committee on Shareholder Responsibility.

In reaching its decision, the Corporation was motivated by a desire not to be associated as a shareholder with companies engaged in significant sales of products that create a substantial and unjustified risk of harm to other human beings. The Corporation considered the health hazards of smoking and the vigorous and successful efforts of companies to promote sales of cigarettes to teenagers and to inhabitants of countries abroad where no warnings are required and knowledge of the risks of smoking may be much less widely understood than in the United States.

The Corporation's decision was reached following a review initiated by the Advisory Committee on Shareholder Responsibility (ACSR) and after correspondence with firms in the tobacco industry in Harvard's portfolio. On the basis of the ACSR recommendation, the Corporation Committee on Shareholder Responsibility (CCSR) wrote asking portfolio firms to address the ethical responsibilities associated with tobacco sales and to provide information on their policies regarding recommendations of the World Health Organization on tobacco marketing in Third World countries, including health warnings on packages in countries not requiring warnings by law. In some cases this information was not forthcoming; in others, the firms had made considered decisions not to follow the WHO code or challenged the evidence that links smoking and disease. Following review of this correspondence and consideration of the ACSR recommendations, the Corporation directed the sale of the University's shares of tobacco company stock.

Sincerely,

  
Derek Bok

Mr. Philip Huang  
Mr. Steven Galson  
Mr. John Jewett  
Harvard Public Health Students  
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