## **Princeton University**

## Princeton reverses ban on fossil fuel companies funding research

Officials claim university's policy harmed scholars working to combat effects of climate change



Princeton students protested against the university's ties to fossil fuel companies before it adopted restrictions on research funding in 2022 © Divest Princeton/YouTube

Amanda Chu and Andrew Jack in New York 10 HOURS AGO

## Get ahead with daily markets updates. Join the FT's WhatsApp channel

Princeton University has reversed a policy that had sharply constrained the funding of academic research by fossil fuel companies, after pressure from faculty members and concerns that the rules risked hindering work on environmental challenges.

Environmental campaigners criticised the move as <u>Princeton</u> had gone further than most of its peers in moving to divest oil, gas and coal groups from its endowment and "dissociate" its research from fossil fuel company funding.

In a <u>letter</u> to its academic staff first reported in the student newspaper, three senior university officials said the rules Princeton adopted just two years ago "adversely and inequitably affected scholars whose research programs are addressing pressing environmental problems".

"They lost not only outside funding for research to combat the harms of climate change, but also access to collaborative partnerships focused on important work that is aligned with the university's values," the officials wrote.

Under its new approach, Princeton's endowment will maintain its commitment to divest from fossil fuel companies, but faculty members will have the discretion to accept funding from them for specific research projects "aimed towards the amelioration of the environmental harms of carbon emissions" as long as they retain academic freedom to publish results.

As of January, Princeton had severed funding links with 29 companies since the rules were implemented in 2022. The list of fossil fuel groups that it had identified for possible dissociation had surged since then, from 90 to 2,371, although it had no links with most of them.

The university said it would no longer update a tally of companies it would dissociate from, which included BHP, ConocoPhillips and ExxonMobil, but it would continue to disclose all external funders and how much they have given each year.

Its <u>most recent report</u> on research sponsorships shows contributions including nearly \$3.4mn from BP, \$848,000 from ExxonMobil and \$120,000 from Shell in 2023.

An investigation by congressional Democrats published this year found several examples of oil majors partnering with universities to boost their business strategies, including a BP spreadsheet that rated how research plans at Princeton, Harvard and Tufts aligned with its priorities.

Stephen Pacala, who has directed the Carbon Mitigation Initiative, a BP-Princeton partnership, for 25 years, stressed that his academic integrity was never threatened.

"I have published perhaps a thousand papers, and never one on how to get more fossil fuel out of the ground. They have all been about climate change and the energy transition," he said.

Princeton's decision comes as universities face growing calls from students and faculty to disclose and sever their research ties to fossil fuel companies. Columbia recently organised a committee to consider its future acceptance of fossil fuel funding.

In June, however, a Stanford University committee recommended against dissociating from the industry, warning it could have an "inhibiting effect" on academic freedom.

Alicia Colomer, managing director of the Campus Climate Network, formerly Fossil Free Research, called Princeton's shift a setback to the dissociation movement and warned its new guardrails risked justifying "false industry-friendly solutions".

"Students are really going to need to organise their campuses and raise the stakes for universities to take that step because now there's not as much of a precedent to point to within the US," she said.

Alexander Norbrook, a student with the activist group Sunrise Princeton, said: "It's complete hypocrisy. They acknowledge companies are violating core university values and yet still take their money. That's selling off values for short-term financial gain."

Princeton tax filings show that the university directly owns Petrotiger, a private investment company that holds stakes in energy companies. Its commitment to divest from fossil fuel groups shields Petrotiger because it only covers public companies.

## Climate Capital

Where climate change meets business, markets and politics. Explore the FT's coverage here.

Are you curious about the FT's environmental sustainability commitments? Find out more about our science-based targets here

Copyright The Financial Times Limited 2024. All rights reserved.