

MEMORANDUM  
April 6, 1990

To: The Johns Hopkins University Board of Trustees  
From: The Public Interest Investment Advisory Committee  
Re: Stock Holdings in Companies that Manufacture Tobacco Products

The Public Interest Investment Advisory Committee (PIIAC) is charged with advising the President and Board of Trustees on social issues that involve corporations in which the University's endowment is invested. In fulfilling this responsibility, the 1990 PIIAC recommends that the University publicly divest its portfolio of companies that manufacture tobacco products.

Smoking is the most important preventable environmental factor contributing to illness, disability and death in the United States. Of the approximately two million Americans that die each year, over 350,000 deaths have been prematurely caused by smoking. As reported by the Surgeon General, there are annually 170,000 deaths from heart disease, 130,000 deaths from cancer and over 50,000 chronic lung disease deaths attributable to smoking. The life expectancy of a 30 year old smoker is 9 years less than a similar non-smoker. Women who smoke during pregnancy have an excess risk of spontaneous abortion, premature births and death of their infant in the first days of life. There are more than 80 million excess days of work lost and 150 million days of excess bed disability attributable to smoking. The societal cost of smoking in terms of medical care, absenteeism, decreased work productivity and accidents was estimated to be \$27 billion dollars in 1980. In short, smoking is America's most preventable cause of morbidity and mortality.

Smoking is an addiction; smokers do not choose freely to continue. The producers of tobacco products profit enormously from this addiction and do not take financial or social responsibility for the resulting morbidity and mortality. Today, the single most important step towards a healthier nation is to reduce smoking.

Johns Hopkins is the world's premier biomedical and public health research center. As such, it has a mission to discover and communicate scientific evidence relevant to improving human health. We can be proud of the University's many achievements and the resulting health benefits in America and around the world.

Divestment of the 1.5% of our portfolio in tobacco stocks is an opportunity to further our mission of serving the public's health. By taking a stand that we refuse to profit from the addiction to and subsequent loss of health from tobacco, we give new meaning to our mission. As others follow our leadership, the profitability of investment in the tobacco industry may be minimized and the industry will be encouraged to turn to other areas of business.

In summary, smoking is the leading preventable cause of disease and premature death in America. The Johns Hopkins University is committed to promoting public health. Divestment of tobacco stock is an opportunity to reaffirm this commitment.

Thank you for your consideration.

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