

THE INSTITUTE FOR ADVANCED STUDY
PRINCETON, NEW JERSEY 08540
Telephone-609-924-4400

November 29, 1977

MEMORANDUM

To: All Members of the Board of Trustees
From: Minot C. Morgan, Jr.
Subject: Regular Meeting of the Board of Trustees and the Finance Committee

At its October 8, 1977 meeting, the Board of Trustees voted to hold three regular meetings each year instead of the present two. A schedule of these meetings was included in the Minutes of the Meeting which were recently sent to you.

This note is to remind you that the next meeting of the Board will take place on Saturday, January 14, 1978. A dinner will be held on Friday evening, January 13, at Olden Farm. An agenda and further details will be sent to you shortly.

Mr. Houghton, the Chairman of the Finance Committee has agreed to hold the next meeting of the Committee in conjunction with this meeting of the Board. Therefore, please note that the Finance Committee meeting which was scheduled for December 6 in New York City has been cancelled. It will be held in Princeton on January 14.

cc: Messrs. Bowyer, Jenkins and Simpson

Minot C. Morgan Jr.

THE INSTITUTE FOR ADVANCED STUDY

PRINCETON, NEW JERSEY 08540

THE DIRECTOR

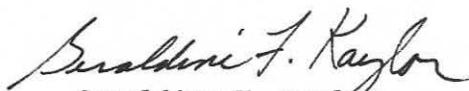
December 13, 1977

Memorandum to the Members of the Board of Trustees

Ladies and Gentlemen:

Enclosed you will find the Schedule of Events and a questionnaire for the next meeting of the Board of Trustees to be held on January 14, 1978 (dinner at Olden Farm on Friday evening, January 13). I would appreciate it if you would return the questionnaire at your earliest convenience.

An agenda and other material which has been prepared for the forthcoming meeting of the Board will be sent to you under separate cover.



Geraldine F. Kaylor
Secretary to the Director

THE INSTITUTE FOR ADVANCED STUDY

Schedule of Events

Board of Trustees

Friday, January 13 and Saturday, January 14

Friday, January 13

7:00 p.m.	Cocktails and Dinner (informal)	Olden Farm
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Saturday, January 14

9:30 a.m.	Finance Committee Meeting	Board Room
10:30 a.m.	Board Meeting	Board Room
12:30 p.m.	Lunch	Dining Room
1:30 p.m.	Resumption of Board Meeting	Board Room

THE INSTITUTE FOR ADVANCED STUDY

PRINCETON, NEW JERSEY 08540

Telephone-609-924-4400

Regular Meeting of the Board of Trustees

Saturday, January 14, 1978

10:30 a.m.

AGENDA

- I. Minutes of the previous meeting
- II. Report of the Finance Committee
- III. Director's Report
Luncheon
- IV. Director's Report - Discussion
- V. Chairman's remarks
- VI. Other Business
- VII. Executive Session

Self-Perception, Mutual Perception, and Historical Development

A Proposed Collaborative Program between the School of Historical Studies and the School of Social Science

Over the past few years, the social scientists and some of the historians at the Institute for Advanced Study have participated jointly in various seminars and in general have become intellectually well acquainted. As a result of this process and of discussions held among them during recent months they are now proposing a program which is outlined in the present document.

The basic idea of the program is for historians and social scientists to examine, as a joint enterprise, the ways in which a society's perception or analysis of itself influences the responses of that society to the challenges or the problems which confront it. While much work has been done on the perceptions which societies have of themselves, and also on social or political action pursued in response to perceived challenges, much less attention has been devoted to the way in which the perception or the self-analysis helps to define those challenges and the responses to them. It is this interplay between self-interpretation and action, as a generating force in history, which seems to us to deserve special study as part of a collaborative enterprise between historians and social scientists. Apart from its considerable intrinsic interest, such an enterprise would indeed help to break down interdisciplinary barriers both between history and social science, and among the various branches of history on the one hand and of social science on the other.

In the following we will outline various specific research areas on which such a collaborative endeavor could concentrate. We will first deal with topics that are wholly inspired by the proposed theme, and then move on to others that are somewhat more loosely related to it.

1. Decline

The decline of empires or states (say, Imperial Rome, Spain, Great Britain) has generally been studied from the outside, with the historian searching for political, economic, ecological, etc. factors to be held as responsible. While aware of these proposed explanations we would want to consider the ways in which the perception and analysis of their own predicament by members of those societies affected the reactions of the ruling class, or society as a whole, to that perceived predicament. Is it possible, for instance, that the analysis of a society's situation (which may or may not be closely related to what is actually taking place) exacerbates the very problems it is designed to solve, either by encouraging "wild" solutions or by producing such a multiplicity of reasonable but competing solutions as to militate against success? Does the very awareness and analysis of a predicament sometimes encourage a fatalism which saps a society's will to tackle the problems that face it, i.e., does the diagnosis, when explained in detail to the patient, accelerate his death, and if so, where and why? Are there, on the other hand, situations in which an essentially correct diagnosis of the reasons for decline has led to effective remedial action? Or, more likely, where decline was arrested even though action was taken on the basis of perceptions that seem to us off the mark so that the right action was taken for the wrong reason?

2. Backwardness and "failure", success and defeat

Another large topic that has already received some attention is that of backwardness. Again the task would be to understand how contemporary interpretations of backwardness and of its causes have shaped various attempts to overcome it. Perception of backwardness often goes together with perception of failure at tasks which others are thought to have mastered. These perceptions of

failure and of its causes again influence subsequent behavior. It seems that after diagnosing failure at comparatively easy tasks some Latin American societies have recently tended to set themselves much more demanding ones so that renewed failure is only too likely. What could be the reasons for that sort of dynamic and does it have any parallels in the experience of other countries? Again one could ask where and why does the diagnosis of failure lead to a reaffirmation of traditional values, rather than to an attempt to change goals and break with the past? Whether it is a case of failure or success, the relationship of attained or unattained goals to performance is capable of being studied in a wide variety of past and contemporary societies. What influence does the heady feeling of success have on Periclean Athens or Renaissance Florence? What influence do the experience and analysis of defeat have on the Spain of the Armada, on Germany and Japan after World War II, or on the USA after Vietnam?

3. Revolution

A third area of interest could involve a systematic examination of revolutions as coercive reinterpretations and reformations of the social world. In recent decades, most observers have thought about revolutions as class struggles and/or power struggles in which some oppressed group (usually a class or a colonial population) gains control of the state by means of violence and then uses the machinery of the state to repress its enemies and consolidate its rule. That such interpretations of revolutions have been fruitful is beyond question. But their very success has tended to obscure another equally important facet of revolutions: that revolutions are also attempts to refabricate the social world and endow it with new meanings. Unless we understand this, the actions of the revolutionaries are bound to seem puzzling and extravagant. The French revolutionaries, for example, not only seized power and destroyed the privileges of the king and the aristocracy; they

also undertook a multiplicity of actions that went far beyond the exigencies of any class or power struggle, from the establishment of a new rational system of weights and measures to the imposition of a revolutionary calendar.

In most of the great and not so great revolutions of modern history, revolutionary action has been as much the elaboration and imposition of a particular interpretation of society as the gaining and maintenance of power by an oppressed group or class. This means that to understand revolutions, we must address ourselves to the logic and implications of these interpretive projects--and to their intended and unintended effects on political or class alliances. This approach could be applied with profit to any of the revolutions of modern history--from the seventeenth century to the present and from England and France to China, Algeria or Cuba.

The connections between a society's self-image and historical action in a period of revolution could also be illuminated by considering the role which may be played by different visions of that society's past. It is commonplace for rival versions of a society's past to be invoked either to justify or to condemn the value of engaging in particular social and political maneuvers. It is thus very easy for a particular view of the past to come to serve as an important aspect of ruling or opposition ideologies within a particular society. And since the question of what policies can be pursued depends in part on the question of what policies can be legitimated, it is often possible to show that particular images of the past help to define that society's sense of its own role, of what it should be doing, and why, and what it should be preventing from happening.

4. A reexamination of the notion of "influence"

To the historian of culture the general topic of perception and self-perception is of great interest, because it focuses on a fundamental concept of

cultural history that is desperately in need of reexamination--the notion of "influence." Most frequently the relationship between one artist, style, even culture, and another is conceived in essentially agonistic terms, as a victory of the strong over the weak. Whether the relationship is between closely connected individuals, or over vast stretches of time, or involves great cultural units, the recipient is thought of as a more or less passive learner, an apprentice to the more accomplished achievement of the teacher.

Several factors in recent historiography conspire to reveal the bias and inadequacy of this view. One of these is the phenomenon seen in Western Europe since the turn of the century, of highly sophisticated artists turning to "primitive" styles for basic qualities of their work. The dilemma posed by modern art is that the people who created it were not passive victims, but active exploiters--in a spiritual and not a practical sense--of a world-view seemingly less "evolved" than their own.

An analogous point may be made about "time-lag" relationships, i.e., revival styles. The Renaissance was commonly taken for granted as a sort of belated flowering of the long dormant classical tradition, whereas we are beginning to realize that even in the most conspicuous instances the classical heritage was subverted so as to provide authority for quite new ideas.

The idea that the notion of influence should be inverted belongs in the context of a major adventure in modern cultural history, which seeks to discover meaning, rather than pure aesthetics, in works of art. We will get much closer to that goal if we can understand how the subjects of our inquiries--people, periods, cultures--view themselves and find the means of expressing that view.

5. Mutual East-West or North-South perceptions

It is only a small step from self-perception to mutual perception and

what has been said about the bearing on action of self-perception of a people or group holds fully for mutual perception, insofar as actions of one group or nation toward another are concerned. This is a field in which considerable sorting-out work still needs to be done, first of all on the nature of the mutual perceptions. For example, as the "New States" created by the post-1945 decolonization (and the older "New States" of Latin America created by an earlier one) have come to be more important actors on the world stage, it has become clear that a purely political, or politico-economic, interpretation of the "East-West" (or "North-South") relationships is inadequate; that the history of such relationships demands an examination of how the parties to them have understood, or misunderstood, one another as peoples and as cultures. The problem has been, and continues to be, one as much of interpretations--self-interpretations, other-interpretations, self-other interpretations--as of practical interests.

Within this general enterprise a number of special concerns come readily to mind. The perception of non-Western societies, cultures, by Western novelists and other imaginative writers is surely one. Forster on India, Conrad on the South Seas, Gide on the Congo, Lawrence on Arabia (and the other Lawrence on Mexico and the Southwest), have all powerfully shaped our conceptions of the world elsewhere, as have, of course, a host of travel writers, adventure mongers, and so on. Literary images of "the East" or "the New World," or whatever, have occasionally been partly investigated, usually in the context of and subordinate to a concern with literature as such. But systematic, comparative, historical-sociological work is rare and could provide an excellent basis for practicable inquiry into at least one, quite important, form of interpretive perception of one culture by another. Such an approach need not, of course, be wholly confined to literary materials: what Western painters from Catlin to Gauguin have seen in, to them, exotic places is of equal interest.

The reverse issue--"Eastern" perceptions of the "West"--is, in scholarly terms, more difficult to handle, because of the scarcity of materials. But it is also easy to overestimate the difficulties, often as an excuse for not doing the necessary work in the first place. In many non-Western societies--China, India, Latin America, latterly even some parts of Africa--there are established traditions of interpretations of the West, taking all sorts of concrete forms. The research ingenuity demanded here is very great and gets one into less familiar materials--myth, drama, ritual, epic, and, more recently, adaptation of Western cultural forms such as the novel, the easel painting, or the ideological tract. But a genuine symmetrical picture of the mutual perception of Western and non-Western cultures demands they be approached, and here the necessity for multidisciplinary work is, if anything, even clearer.

A people's image of itself is implicit also in its image of others. The general question of "self-perception as an historical force" is inseparable from a concern with those mirrors men construct when they undertake to interpret civilizations they are pleased to call foreign.

The Proposed Program

The foregoing examples should suffice to indicate the potential richness of the subject area as well as the evident need, in every topic mentioned, for interdisciplinary or multidisciplinary exploration. It is our hope that around such topics we can bring together at the Institute for Advanced Study groups of scholars working on societies scattered through space and time, who would at once gain in their own work from the comparative viewpoints that would arise from discussion of a common central theme, and who would simultaneously contribute to the illumination of our central theme: the interplay between self-interpretation and

action, as a generating force in history.

We would envisage that the scholars concerned would be drawn from a wide range of disciplines--anthropology, political, social and cultural history including the history of art, political science, and economics. At this point, we are proposing a continuing three-year seminar at the Institute which would involve as direct participants four members of the Institute's faculty (Professors Elliott, Geertz; Hirschman, and Lavin), two of its longer-term members (Sewell and Skinner) and from twelve to fifteen visiting members, to be selected in groups of four or five each year in relation to the intellectual focus of that year. Work would be carried out in accordance with the prevailing mode of operation at the Institute, involving both individual research and group discussion on a regular basis. It is anticipated that during each of the three years of the project, the participating faculty and members would meet together formally once a month for several hours of discussion of papers prepared particularly for such meetings. In this way, the full benefits of both individual and group work would be realized.

It is hoped that Robert Darnton, Professor of History at Princeton University, can be enlisted to serve as coordinator for the program. We consider him to be ideally suited for the position because of his past work and developing interests. His collaboration could presumably be secured by making him a longer-term member of the Institute for the duration of the program, with the understanding that he would spend one semester entirely at the Institute while maintaining close contact with the program during the other semester when he would teach at the University. A similar half-time appointment is envisaged for an historian of art and culture whose interests focus specifically on the kinds of interdisciplinary problems the program is designed to confront.

The first year of the program would by present planning be centered around the subject of Revolution. The principal theme of the following year would

in all likelihood be Decline, perhaps coupled with Defeat. The focus of the third year would be determined as a result of the experience of the first two years. Several of the other topics discussed in these pages could be introduced alongside the main theme during any given year.

The proposed undertaking provides a model for focusing a significant portion of the intellectual resources of the Institute on a specific area of inquiry where collaborative scholarly work holds out special promise. In particular, it would provide evidence of the essential role of the humanities in problems often dealt with in the more limited confines of the social or political sciences. The importance of such an approach for dealing with what are, in the last analysis, questions of public policy cannot be too strongly emphasized, as our own history, both early and recent, so amply illustrates.

ANNEX B

Support Requested from the Mellon Foundation

Academic Years 1978-79 through 1980-81

For the representative academic year

Full Stipend Support for Junior Visiting Members	4 @ \$ 15,000	\$ 60,000
Full Stipend Support for Senior Visiting Members	1 @ \$ 27,500	\$ 27,500
Half Stipend Support for 2 Senior Long-Term Members	2 @ \$ 13,750	\$ 27,500
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	Stipend Support	\$ 115,000
Visitors' academic support costs (40% of actual academic support expenditures)		\$ 24,000
		<hr/>
	One year total	\$ 139,000
Total 3 Academic Years - Stipend Support		\$ 345,000
Total 3 Academic Years - Academic Support Costs (40%)		\$ 72,000
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	Three year total	\$ 417,000

January 11, 1978

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INSTITUTE FOR ADVANCED STUDY

Status of Negotiations with Respect to the Einstein Films

This memorandum briefly summarizes the situation with respect to the Einstein Films which are planned to be shown in the spring of 1979 in conjunction with the Institute's celebration of the one hundredth anniversary of Einstein's birth.

1. Roles of the Three Principal Participants.

The three principal participants are the Institute, Malone-Gill Productions, and KCET, a Public Broadcasting Service station in Los Angeles. The Institute conceived of ~~making~~ *SPONSORING* the Films in conjunction with the forthcoming Einstein centennial celebration. The Institute approached Adrian Malone and Michael Gill, who expressed interest in producing the Films through their newly organized firm, Malone-Gill Productions. If the Films are to be shown on Public Broadcasting, it is apparent that a Public Broadcasting Service station should have a role in the production of the Films. KCET in Los Angeles has been suggested for this function, since it has been an originating station for similar programs, and since Adrian Malone is now working with the station in the production of a somewhat similar series.

Based on preliminary discussions with representatives of Malone-Gill and KCET, the Institute would be the sponsor and owner of the Films and of the potentially profitable ancillary rights (books; audio-visual materials for use in colleges and universities, etc.). The Institute would use its best efforts to secure funding for the Films, but without assuming any obligation in this regard. The Institute would also: permit the use of the Institute's premises for filming; cooperate in the filming of the Institute's Einstein centennial symposium for the third Film; make available to suitable researchers from M-G the Institute's microfilm copy of Einstein's scientific papers; use its best efforts to obtain any necessary

permissions for use in the Films of materials from the Einstein papers; and use its best efforts to induce persons familiar with Einstein and his work to cooperate in the making of the Films.

Malone-Gill would undertake to do initial development work, including a treatment for the Films, a budget, a production schedule and a screenplay. The Institute would have the option to retain Malone-Gill to produce the Films, if the Institute is satisfied with the initial development work and if financing has been obtained and a satisfactory agreement with KCET has been executed. The services of Malone-Gill would include, not only producing the Films in association with KCET, but also (in the person of Adrian Malone) directing the Films and writing the first two Films.

We expect that KCET would be engaged as the producing station and as the administrative producer for the Films, with responsibilities which would include administration, fiscal control, assistance in obtaining the necessary funds, and assurance that the Films will be completed.

2. Compensation of Malone-Gill. Malone-Gill has indicated that it will expect a production fee equal to 15% of the direct production costs of the Films. While hard numbers are not yet available due to the absence of a detailed budget, direct production costs, before fees to Malone-Gill and to KCET, would apparently be in the neighborhood of \$600,000 - \$700,000.

Malone-Gill and the Institute have also tentatively agreed to share net profits from the Films and ancillary rights, after deduction of any share of net profits which, by their mutual agreement, may be allocated to third parties, in the ratio of 1/3 to Malone-Gill and 2/3 to the Institute.

Although discussions with KCET have been very preliminary, KCET has indicated that it would expect a production fee in the amount of 10% - 11% of direct production costs, and some interest ("not very large" according to KCET's President) in the net profits from the Films.

3. Documentation and negotiations with Malone-Gill and with KCET. We have prepared a draft of an agreement between the Institute and Malone-Gill, which includes the

functions and responsibilities and compensation arrangements (as between the Institute and Malone-Gill) summarized in the preceding paragraphs of this memorandum. We expect in the very near future to go over the draft agreement with Mr. Eric Roper, counsel for Malone-Gill.

Once agreement has been reached with Malone-Gill, we would expect that Mr. Roper and ourselves would negotiate with KCET. We believe it should be relatively simple to expand the agreement between the Institute and Malone-Gill into a three-party agreement, which would include the duties and responsibilities of KCET:

4. Funding. None of the three principal participants is able or willing to commit the substantial funds which will be necessary to produce the three Films. It appears that the most likely source of funds will be public institutions such as the National Endowment for the Humanities or the National Science Foundation, and corporations such as AT&T, Exxon, Arco, Mobil and IBM.

There is somewhat of a chicken-and-egg problem, in that such organizations are not likely to commit substantial funds to the project until the initial development work (an initial treatment, budget and production schedule) is available, and it will be necessary first to obtain the funds needed for the initial development work (estimated by Mr. Malone to be in the neighborhood of \$50,000 - \$75,000). However, we are informed by KCET that corporations such as Arco and Mobil may make "planning grants", to provide funds for initial development work for a project such as this.

It is also possible that planning money may be available from foundations.

Once general agreement has been reached among the Institute, Malone-Gill and KCET as to the roles and compensation arrangements of the three participants, the first priority will be for the three participants to work together to obtain funding for the initial development work.

We understand the Institute has received a grant of \$15,000, which can be used to finance initial development work, and that \$12,000 of this grant has been advanced to Malone-Gill for this purpose, with another portion of this grant being made available to pay a researcher-writer who is working with Mr. Malone.

5. Responsibilities of the Institute. Every effort will be made, in drafting the agreements with Malone-Gill and KCET, to emphasize that the Institute will not agree to have any responsibility for the cost of producing the Films, and that the Institute is retaining Malone-Gill and KCET as independent contractors to produce the Films, and is not entering into a partnership or joint venture with Malone-Gill or KCET.

Debevoise, Plimpton, Lyons & Gates

Draft--January 11, 1978

THE INSTITUTE FOR ADVANCED STUDY
Princeton
New Jersey 08540

January , 1978

Malone-Gill Productions
c/o Mr. Adrian Malone
Smith Hall D6
University of Pennsylvania
215 South 34th Street
Philadelphia, Pennsylvania 19174

Dear Sirs:

This letter will outline the basic terms of our understanding as to the retention by the Institute for Advanced Study (the "Institute") of Malone-Gill Productions ("M-G") in connection with a series of three films (the "Films") on Albert Einstein, planned to be shown in the spring of 1979.

The letter is necessarily brief and general. A more detailed form of agreement, including but not limited to the terms set forth in this letter, will probably become necessary later -- for example, when satisfactory arrangements are concluded with KCET - Channel 28 ("KCET") or another producing station. Nevertheless, the letter will be binding between us unless and until replaced by a further agreement.

Malone-Gill Productions

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1. Background; the concept of the Films. The Institute has long had a special interest in the life of Einstein. Einstein worked and lived at the Institute for 22 years and was one of the Institute's original faculty members; his papers now are at the Institute, which is editorially sponsoring their publication; many of the people who were closest to him are associated with the Institute. In light of its interest in the life of Einstein, the Institute conceived of making the Films in conjunction with the Institute's forthcoming celebration in 1979 of the one hundredth anniversary of Einstein's birth. The Films will be directed towards increasing the general public's understanding of the contributions of Einstein and involving the public in the Institute's Einstein Centennial Celebration.

As presently conceived, the Films may be described as follows. The first Film will be a "docudrama", generally presenting the life and times of Einstein, with emphasis on the man, the context in which he lived and worked, and his place in the political and intellectual life of the twentieth century. The text, drawn from Einstein's own writings, will aim at presenting Einstein's

Malone-Gill Productions

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own view of Einstein. The first Film will include documentary footage and filmings of relevant locations.

The second Film, tentatively entitled "The Holy Geometry", will be documentary in character, and will seek to explain and evaluate Einstein's scientific work, using locations and computer animation.

The third Film will be a documentary presentation of the Institute's Einstein Centennial Symposium, which will draw on Einstein's surviving contemporaries and successors and other special guests brought to the Symposium by the Institute to provide a general view of Einstein's impact on contemporary science, thought and civilization. The dramatic form will be that of a civilized weekend discussion at which the camera is present.

2. Initial Development Work by M-G. In order to enable us to seek the requisite funding for the Films, M-G will develop for the Institute by March 1, 1978 (April 1, 1978, in the case of the matters described in clauses (d) and (e) below) the following:

a) a treatment for the Films containing a narrative statement of the plot, a description of the main characters and locations and, in the case of

Malone-Gill Productions

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"The Holy Geometry", a description of the planned special effects;

b) a detailed budget for the production of the Films which shall not exceed \$900,000, including: all items customarily included in the cost of production of films; the cost of all insurance (including errors and omissions insurance against third party claims, property damage insurance, cast insurance, negative insurance and workmen's compensation insurance); M-G's overhead; a fee of \$50,000 to the Institute for its services hereunder; reimbursement to the Institute of all moneys advanced for, and all of the Institute's direct expenses (including legal fees and expenses) in connection with, the development, production, re-searching, writing, exploitation or advertising of the Films; any production fee payable to, or overhead of, the producing television station; and M-G's fixed fee pursuant to section 7;

c) a proposed production schedule pursuant to which M-G will undertake to have the Films ready for distribution by February 1, 1979 (March 15, 1979, in the case of the third Film);

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d) a screenplay for the first two Films; and
e) undertakings of interest and availability from those persons selected by M-G, with the prior approval of the Institute, to assist in the writing and direction of, and to perform the principal services for the Films.

3. Funding for the Films. The Institute will use its best efforts to raise from third parties the funds necessary to produce the Films, it being recognized that the Institute shall assume no responsibility for funding any part of the cost of producing the Films. M-G will assist the Institute in efforts to obtain the necessary funds. The Institute and M-G will coordinate their efforts in this regard.

4. Retention of administrative producer. The Institute and M-G recognize that it may be necessary to enter into an agreement with KCET or another producing public television station as promptly as possible. It is contemplated that in such an agreement, which would be executed by M-G as well as by the Institute, the producing station would be engaged as the producing station and as the administrative producer for the Films, with re-

Malone-Gill Productions

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sponsibilities which would include administration, fiscal control (which may include acting as the Institute's production representative), assuring that the Films are completed and assisting in obtaining the necessary funds. M-G and the Institute agree to work together promptly to negotiate such an agreement with KCET or, if no mutually satisfactory arrangement can be reached with KCET, with another producing station. Neither the Institute nor M-G will enter into any agreement with KCET or another producing station without first obtaining the written consent of the other.

5. Option to proceed with production. The Institute shall have the option, exercisable by giving written notice to M-G on or before September 30, 1978 [?] or such later date as may be agreed upon by M-G and the Institute, to retain M-G as its producer for hire in connection with the Films if the following conditions have been met to the Institute's satisfaction or waived by the Institute by such date:

(a) M-G shall have completed the initial development work described in section 2, and the Institute shall have approved such initial development work;

Malone-Gill Productions

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(b) Funds or firm commitments for funds for the full budget referred to in section 2(b) shall have been obtained; and

(c) An agreement, satisfactory to the Institute and to M-G, with KCET or another producing station shall have been executed by the Institute, M-G and such station.

6. Services of M-G. If the Institute exercises its option pursuant to section 5, M-G agrees that its services shall include: producing the Films (in association with the producing station, pursuant to an agreement satisfactory to M-G and to the Institute with such station); supplying the services of Adrian Malone to act as executive producer and director for all three Films and as writer of the first two Films; supplying the services of any and all other personnel who may render services as individual producers or co-producers; keeping accurate and complete books of account, vouchers, receipts and other records showing in detail all receipts, expenses and charges relating to the Films; and arranging for the preparation of an itemization of all such receipts, charges and expenditures, audited by M-G's independent public

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accountants, to be delivered to the Institute within 90 days following delivery of the Films to the Institute.

The Films shall be photographed in color on 35 millimeter film or on a video cassette and each shall have a running time of approximately 60 minutes. M-G shall produce the Films at a total cost (including all items referred to in section 2(b)) not to exceed \$900,000, and shall deliver the Films to the Institute in the final form acceptable to the Institute by February 1, 1979 (March 15, 1979, in the case of the third Film).

M-G's services and the services of Mr. Malone shall be available on a first-call basis, and the other activities of M-G and of Mr. Malone shall not in any event interfere with or prevent the completion of the Films by the dates referred to in the preceding paragraph. Neither M-G nor Mr. Malone shall hereafter make any commitment or undertake any engagement that will or may prevent M-G or him from rendering all necessary services under this Agreement.

M-G shall receive, in full payment for its services and those of Mr. Malone described in this section, and in payment of all of M-G's overhead and indirect costs

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associated with its services, a fixed fee in accordance with section 7 and a share of profits in accordance with section 8.

7. Fixed fee. M-G's fixed fee (the "Fixed Fee") shall be an amount equal to 15% of the amount by which (i) the cost (the "Budget Cost") shown in the budget referred to in section 2(b) exceeds (ii) the Fixed Fee and any production or similar fee payable to the producing station. M-G recognizes that it has already received \$_____ of the Fixed Fee, out of the \$_____ hitherto made available by the Institute to M-G for the initial development work referred to in section 2. The remainder of the Fixed Fee shall be payable in installments as follows: 25% upon exercise of the Institute's option pursuant to section 5; 15% upon commencement of principal photography; 20% upon completion of the filming of the Films; and 40% (the "Balance") upon the timely delivery to the Institute of the final version of the Films in compliance with section 6 of this Agreement and in a form suitable for projection and acceptable to the Institute. Should the total costs of the Films exceed the Budget Cost, M-G agrees that the Balance shall be reduced by

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the amount by which the total cost of the Films exceeds the Budget Cost.

8. M-G's share of Net Profits. Net Profits from exploitation of the Films (after deduction of any share of Net Profits which, by agreement of the Institute and M-G, may be allocated to third parties) shall be allocated 33-1/3% ("M-G's Percentage") to M-G and 66-2/3% to the Institute, provided that in the event that the cost of the Films exceeds the Budget Cost by more than the amount by which the Balance has been reduced pursuant to section 7, M-G shall not be entitled to M-G's Percentage or any other share of Net Profits unless and until Net Profits (after deduction of any share allocable to third parties) exceed three times the amount by which (i) the cost of the Films exceeds (ii) the sum of (A) the Budget Cost and (B) the amount by which the Balance has been reduced pursuant to section 7.

Net Profits shall mean all amounts actually received (free and clear of all restrictions) by the Institute as a result of the distribution and exploitation of the Films, any books, audio-visual products or other products resulting in any way from the Films, any rights

Malone-Gill Productions

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January , 1978

ancillary to the Films or to any such product (the "Gross Receipts"), less:

(a) reimbursement to the Institute of all moneys (including legal fees and expenses) advanced, spent or committed by the Institute and not reimbursed out of the budget for the Films, including interest at a rate of 8% per annum, in connection with the development, production, researching, writing, exploitation, and advertising of, and collection of Gross Receipts from the Films, such products and such ancillary rights; and

(b) all payments to third parties (including all deferred compensations, profit participations and distribution charges) which are required to be made from Gross Receipts.

9. Services of the Institute. In addition to using its best efforts to secure financing as provided in section 3, the Institute will permit the use of the Institute's premises for filming, will cooperate in the filming of the Institute's Einstein Centennial Symposium for the third Film, will make available to suitable researchers from M-G the Institute's microfilm copy of

Malone-Gill Productions

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January , 1978

Einstein's scientific papers, will use its best efforts to obtain any permissions which may be needed from the Trustees of the Estate of Albert Einstein for use in the Films of materials from the Einstein papers and will use its best efforts to induce persons familiar with Einstein and his work to cooperate fully in the making of the Films.

10. Credits. The credits for each Film shall include separate credits showing that each Film is: a Film of the Institute; prepared in connection with the Institute's celebration of the hundredth anniversary of the birth of Albert Einstein; a Malone-Gill production; with Adrian Malone, executive producer.

11. Ownership of Films and ancillary rights.
The Institute shall be entitled to and shall own the Films, any books, audio-visual products or other products resulting in any way from the Films, and any rights ancillary to the films or to any such product (including without limitation all rights, throughout the world, of production , manufacture, recordation, reproduction, projection, copyright, trademark and patent), and shall determine how the Films, such products and such rights are to be distributed, exploited and advertised. Without limitation of the foregoing, the Institute shall be entitled

Malone-Gill Productions

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January , 1978

to and shall own all of the results and proceeds of M-G's services under this Agreement, whatever the nature or source of such results and proceeds, and all rights to produce, manufacture, record, reproduce and distribute the same, throughout the world. M-G hereby assigns and transfers to the Institute all rights of every kind to all such results, proceeds and rights (including without limitation all rights to any materials that may be written, devised, directed or produced by or for M-G in connection with the Films or M-G's retention under the Agreement), without reservation, condition or limitation. Upon the completion of each Film or other product, the Institute shall cause it to be registered for copyright in the name of the Institute or its nominee in the United States and, at the option of the Institute, wherever copyright may be reasonably procurable.

12. Institute approval. The Institute shall have the absolute right of approval of (a) the initial development work described in section 2(b), (b) the final screenplay for the Films, (c) the budget and production schedule for the Films, (d) the principal actors to be used in the Films and (e) all agreements which materially affect the production, content, or nature of the Films and

Malone-Gill Productions

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January , 1978

of any product resulting in any way from the Films.

13. Representations and warranties of M-G.

M-G represents and warrants to the Institute that: M-G is competent and free to enter into and fully to perform this Agreement; M-G has or will have secured all necessary rights, clearances and/or licenses with respect to all materials and elements embodied in, and all persons performing services in connection with, the Films; no such material, element or personal performance shall violate or infringe upon any copyright, trademark, trade name, privacy, creative, or other right of any person, firm, corporation or any third party by reason of production, distribution, broadcast, exhibition, or other use; M-G will assume all of the obligations of employer of all persons performing services in connection with the Films and will fully discharge all such obligations; M-G will perform all its services under this Agreement with due care, in accordance with the highest professional standards and in compliance with all applicable federal, state and local law and with the regulations and policies of the Public Broadcasting Service; and no judgments are outstanding against M-G.

14. Indemnification. M-G will indemnify and hold the Institute, its affiliates, licensees, agents,

Malone-Gill Productions

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January , 1978

and employees, harmless of, from and against any claims, damages, costs, judgments, decrees, losses, expenses (including counsel fees), and liabilities of any kind or nature relating to, or arising out of, M-G's breach of or failure to perform any of the covenants, representations or warranties contained in this Agreement or by reason of any claim, action or proceeding relating to or growing out of any such breach or failure or claim of such breach or failure.

15. Termination.

15.1 Termination by either party. Either party may terminate this Agreement upon not less than 30 days' notice to the other party, if any of the following events shall have occurred:

(a) Funds or firm commitments for funds totalling \$30,000 have not been received by [March 1?], 1978;

(b) Funds or firm commitments for funds totalling \$70,000 have not been received by [April 1?], 1978;

(c) Funds or firm commitments for funds for the full budget referred to in section 2(b) (as the same may from time to time have been amended by agreement of the parties) have not been obtained by [December 31, 1978?];

Malone-Gill Productions

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January , 1978

provided, that no such termination shall be effective, except upon the mutual agreement of the parties, if the funds or firm commitments for funds referred to in clauses (a), (b) and (c) shall have been obtained by the end of the notice period.

15.2 Termination by the Institute. The Institute shall have the right to terminate M-G's services, and to take over the production (by itself or through one or more other persons), if:

(a) M-G fails to live up to the terms of this Agreement;

(b) At any time prior to delivery of the Films hereunder M-G shall be adjudicated a bankrupt; or petition for or consent to any relief under any bankruptcy, reorganization, receivership, liquidation, insolvency, compromise or arrangement or moratorium statutes now in force or hereafter enacted; or make any assignment for the benefit of, or composition with, creditors; or petition for the appointment of a receiver, liquidator, trustee or custodian for all or a substantial part of its assets;

(c) At any time prior to the delivery of

Malone-Gill Productions

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January , 1978

the Films to the Institute, a receiver, liquidator, trustee or custodian is appointed for all or a substantial part of M-G's assets (whether or not at the petition of M-G);

(d) The Films or any film, sound track, props, wardrobe, sets or other production facilities or equipment being used in connection with the production thereof is attached or levied upon and such attachment or levy is not released within 48 hours after such levy; or

(e) M-G shall fail promptly to notify the Institute of, or to keep the Institute currently informed as to, any controversy, claim, stoppage, delay or dispute affecting the production of the Films.

15.3. Consequences of termination. Upon any termination of the Agreement, M-G shall promptly deliver to the Institute all footage, screenplay, scenario and other property relating to the Films or related products, and shall not be entitled to any further compensation nor to any share in the Net Profits derived. In the event of termination for any cause beyond M-G's control, M-G

Malone-Gill Productions

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January , 1978

shall be entitled to reimbursement for all costs and expenses incurred or unavoidably committed at the date of such termination, provided that such reimbursement shall in no event cause costs relating to the Films to exceed the Budget Costs.

16. Prior consent of M-G as to certain agreements. The Institute will not enter into any agreement with any third party pursuant to which such party will receive a percentage of or other participating interest in the gross receipts or net profits derived from the Films, unless the Institute has first obtained the written consent of M-G (which consent shall not be unreasonably withheld) to such agreement.

17. Nature of relationship between parties. By this Agreement, the Institute retains M-G, as an independent contractor, to produce the Films for hire, subject to the conditions and terms hereof. This Agreement does not in any sense create or constitute any agency, association, partnership or joint venture between M-G and the Institute. M-G shall not incur any expenses whatsoever for the Institute or on its behalf in connection with the production of the Films. All expenditures by M-G in connection with

Malone-Gill Productions

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January , 1978

this Agreement will be on M-G's own risk, without obligation of any kind on the part of the Institute.

18. Assignment. This Agreement may not be assigned by M-G without the Institute's prior written consent.

19. No other agreement. This Agreement supersedes and replaces any previous document, correspondence, conversation, or other written or oral understanding related to the subject matter of this Agreement.

20. Construction. This Agreement shall be governed by and construed under the laws of New York, regardless of its place of execution or performance.

If the foregoing is in accordance with M-G's understanding of our Agreement, kindly indicate your approval and acceptance thereof below.

Very truly yours,

INSTITUTE FOR ADVANCED STUDY

By _____
Dr. Harold Woolf
Director ^{HARLEY}

Approved and Accepted as of
the date of this Agreement:
MALONE-GILL PRODUCTIONS

By _____
Adrian Malone

Date _____

Malone-Gill Productions

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January , 1978

I have read the foregoing Agreement between Malone-Gill Productions and the Institute for Advanced Study, and acknowledge that the Agreement provides for certain services to be performed by me personally and for my refraining from engaging in certain activities.

I hereby expressly covenant with the Institute to perform such services and to refrain from engaging in such activities, and understand that the Institute may enforce such obligations against me directly.

I acknowledge that the foregoing constitutes a substantial inducement and a material and essential consideration for the Institute to enter into the Agreement, and that in doing so the Institute is acting in reliance upon all of the statements made by me herein.

Adrian Malone

Date _____

THE INSTITUTE FOR ADVANCED STUDY

PRINCETON, NEW JERSEY 08540

Telephone-609-924-4400

THE DIRECTOR

January 20, 1978

MEMORANDUM

TO: All Trustees

FROM: Harry Woolf *HW*

SUBJECT: Trustees Meeting - January 14, 1978

You will soon be receiving the Minutes of the January 14, 1978 meeting of the Institute's Board of Trustees.

Meantime, I have been asked to circulate two documents for your information, and to ask for corrections on two other documents.

I am accordingly circulating the project description which accompanied our successful request to the Mellon Foundation, and a first draft contract for the proposed Einstein Centennial Film which the Institute is considering sponsoring.

There was considerable discussion of the proposed film project at the Board meeting, with some Board members expressing clear opposition to proceeding further with this project. A motion to that effect was rejected, as the Minutes will show, and the Board then empowered the Director to continue his explorations for appropriate funding and management arrangements for the film, it being understood that the role of the Institute would be limited to sponsorship in cooperation with the funding sources, to assuring quality control, and to lending its name and prestige to the task of fund raising, provided the Board gives final approval to going ahead. A Committee of the Board was appointed to work with the Director, and to review the status of his efforts with respect to the film before the April meeting of the Trustees. Board members are Messrs. Dilworth (Chairman), Drell, Forrestal, and Hansmann.

The attached draft contract represents a basis for discussions with Malone-Gill Productions (the proposed producers of the film) and KCET Los Angeles (the proposed station with which Malone-Gill would work.) It

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has been prepared under the direction of Francis Plimpton, in consultation with Seymour Peyser of Phillips, Nizer, Benjamin, Krim and Ballon.

I would, of course, be pleased to have your comments, criticisms, and suggestions regarding any of the points contained in the documents. A full description of the proposed film is contained in the materials which I sent to you prior to the January 14 meeting.

Also included in those materials were a Draft Development Plan and a Description of the Institute.

The Draft Development Plan, with some important modifications which will be noted in the Minutes, has now been adopted. It will now form the basis for a case statement in printed form. Should you have any comments or corrections on the document as it now stands, I would be happy to receive them.

The Description of the Institute will now be re-edited to form the text of an illustrated Institute brochure. Again, I would appreciate receiving any suggestions for changes which you might wish to make.

Finally, I enclose a copy of your name and title as it will appear in the Brochure unless you indicate otherwise.

I hope to hear from you on all these matters at your earliest convenience.

THE INSTITUTE FOR ADVANCED STUDY

PRINCETON, NEW JERSEY 08540

Telephone-609-924-4400

THE DIRECTOR

December 15, 1977

MEMORANDUM

To: All Members of the Board of Trustees

From: Harry Woolf

Subject: Material for January 14 Board Meeting

At the October 8th meeting of the Board, it was agreed that a new draft Development Plan should be prepared which would focus on the Review Committee's recommendation that the Board undertake a fund-raising campaign to secure an addition of \$10-20 million to the endowment fund in the course of the period beginning in the autumn of 1976 and ending in the autumn of 1981.

A new Development Plan has accordingly been prepared and I enclose it for your consideration. It has been designed to serve as a flexible plan of action for seeking the desired additions to endowment, taking into consideration the history and character of the Institute and the nature of the philanthropic marketplace today.

As I have indicated in the Development Plan, our overall strategy is to seek additions to endowment by means of a series of goals which if achieved would serve to provide financial underpinning for the Institute as it functions at present. This means that for the next four years our primary concern will be to assume stability and security for the Institute, while planning for the growth and development which we hope can take place in the subsequent five-year period.

The point of the Commemoration Fund is to provide security for today's Institute, by building the endowment to a point where the operating deficit does not absorb an undue proportion of realized gains, as it does today. The purpose of the 1982-86 campaign, A Fund for the Future, will be to provide endowment financing for whatever new directions the Trustees, Director, and Faculty may wish by then to pursue.

The principal thrust of the Commemoration Fund campaign, therefore, will be to secure endowment funds to cover existing expenditures. To do so, this campaign as its name implies will focus on the establishment of a series of endowed chairs and funds by emphasizing and using the history and tradition of the Institute in appropriate ways. In this connection, a major opportunity is provided by the forthcoming Einstein Centennial Year in 1979. I will be

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referring later in this memorandum to our plans for capitalizing on this event in order to highlight in a public way the Institute's achievements and to establish a climate of giving for the Institute as a direct result of the Einstein commemoration.

First, however, I would like to give you a brief description of how we are proceeding in terms of the present Development Plan toward our primary goal of increased endowment.

An initial approach has been made to the foundation community for restricted funds to cover fellowships which the Institute presently finances out of its endowment funds. Now that selection of next year's members has begun, applications to appropriate foundations for similar fellowship funds will be made in an effort to cover from such funds as many visiting members as possible for 1978-79 and subsequent years.

Foundations will also be approached early in 1978 with regard to our efforts to establish endowed chairs and endowed fellowships. Some four hundred foundations will now be receiving the Director's Letter, and appropriate contacts will be established in the months immediately ahead.

Corporations and Corporate Foundations will be a special target of solicitation in early 1978 in an effort substantially to increase our present limited flow of unrestricted general support. Such funds will be used to cover operating expenses now covered by Institute funds.

An application is now in process for a Challenge Grant from the National Endowment for the Humanities. If the Challenge Grant is awarded, the Institute can use these funds over a three-year period for general operational expenses related to the Schools of Historical Studies and Social Science. The Challenge Grant is also an effective lever to use in the philanthropic community, since the Grant will require the Institute to raise \$3 for every \$1 of Federal funding.

A variety of probes are now being made both here and abroad relative to our effort to establish endowed chairs and to cover the costs of foreign visiting members.

At the same time, an effort to establish a pattern of annual giving is being made (with the current solicitation for the J. Robert Oppenheimer Fund, to be followed next year by a similar solicitation for the Einstein Fund.)

Finally, Francis Plimpton of Debevoise, Plimpton has agreed to establish for the Institute a program of Life Trusts and Bequests which we plan to have operational in the immediate future.

Mailing lists, descriptive materials, and other needed items for fund raising and public relations purposes are being created as rapidly as possible. In this regard, I enclose for your interest and possible use a current description of the Institute.

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Along with the Development Plan and the Description of the Institute, I also enclose several other items which will bring you up to date on Institute activities which are now being planned, organized, and carried out from my office.

These other items relate to the above-mentioned Einstein Centennial Celebration which the Institute is undertaking in honor of the one-hundredth anniversary of Einstein's birth. As the institution in this country with which Einstein was most intimately associated, the Institute has a special responsibility with regard to the international commemoration now being planned in various parts of the world by a variety of institutions. It is clear that in this country and abroad, scholars and others are looking to the Institute to play a leading role. We plan to assume this role in such a way that the Institute not only exercises its leadership in the scholarly and scientific community, but is also brought to broad public attention in the most favorable circumstances, with beneficial consequences for our Commemoration Fund endowment campaign.

Funds for the various components of the Institute's Einstein Celebration will come from outside the Institute, and are being sought from sources which have a special interest in the Einstein Celebration (National Science Foundation, National Endowment for the Humanities, etc.) and where grant requests for these purposes will not be regarded as competitive with other requests to the same source (NEH Challenge Grant, etc.). The effort to find funding for the Einstein Celebration will not detract from the fund-raising activities of our endowment campaign but should, both directly and indirectly, have a favorable effect on our continuing search for additions to the Endowment, whatever form these may take.

Central to the Institute's Einstein Celebration is the Einstein Centennial Symposium. I attach a description of the Symposium, its program, and a report on those who have accepted our invitation to prepare papers. Now that the intellectual structure is firmly in place, additional invitations will be sent to other core participants and special guests. The National Science Foundation has encouraged an application for support of the Symposium, and this is now being prepared for submission on December 22. Faculty reaction to the Symposium has been enthusiastic, and we have been urged to hold as many sessions as possible at the Institute in spite of the temporary inconvenience for some which will result.

A related component of the overall Einstein Centennial Celebration is a proposed film presentation of Einstein's life and work. As I indicated at the last Board meeting, funds for this film are being sought from corporate, foundation, governmental and investment sources specifically interested in this project. Work currently being done on the film by Adrian Malone of Malone-Gill Productions is being done on speculation, with no payment from the Institute. Institute funds will not be used for the film, and if funds for the film are not forthcoming from sources outside the Institute, the film will not be made by the Institute.

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As an example of our efforts to raise funds for the film, I enclose a copy of our preliminary request to the National Science Foundation for partial support of the film. We will be submitting a similar request to the National Endowment for the Humanities. Both government agencies have expressed a special interest in the Einstein Celebration, and particularly the Symposium and the film, and in making possible national participation in the Celebration.

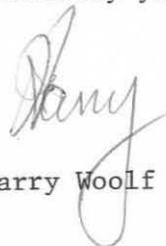
The most urgent immediate need with regard to the film is an up-front sum of \$75,000 which will make possible the pre-production planning required for the making of the film and the preparation of subsequent submissions in final form to Federal and private funding sources. After consideration, IBM turned down our request for this sum, and we are now seeking these funds elsewhere.

Malone-Gill Productions was selected by the Institute because of the outstanding record of Adrian Malone and Michael Gill as successful producer-directors for the BBC. Both have now moved to this country after years at the BBC, and have established their production company here. Letters of intent have been exchanged with Malone, and a copy of the Institute's letter is attached.

Francis Plimpton has agreed to represent the Institute in matters relating to the film, and will work out a contract with Malone-Gill which will be part of the proposal presented to the Board for consideration on January 14. This proposal will be concerned among other things with the equitable division of what could turn out to be quite substantial returns for the Institute from film and book rights.

Looking forward to seeing you soon, and with best wishes for the holiday season, I am

Cordially yours,



Harry Woolf

December 22, 1977

Dear Dick:

By now you will have received Marty Segal's letter of December 15.

I attach my reply, as well as a copy of an earlier letter to Marty which accompanied my December 15 mailing to the Trustees.

I would very much appreciate the opportunity of going over these and other matters before our next Board meeting, and will call you shortly to set a mutually convenient time and place.

I have a number of positive developments to convey to you, and some questions I need to ask. Meantime, you will be pleased to learn that we have now received a check from the Mellon Foundation in the amount of \$370,000 for a program involving the School of Historical Studies and the School of Social Science. The gift in itself is significant, and it has the added meaning of revealing to everyone in the foundation community that we have successfully renewed our connections in that world.

With all best wishes for the holiday season, I am

Cordially yours,

Harry Woolf

Mr. J. Richardson Dilworth
30 Rockefeller Plaza
Room 5600
New York, New York 10020

December 22, 1977

Dear Howard:

By now you will have received Marty Segal's letter of December 15.

I attach my reply, as well as a copy of an earlier letter to Marty which accompanied my December 15 mailing to the Trustees.

I would very much appreciate the opportunity of going over these and other matters before our next Board meeting.

Could we meet for this purpose in Philadelphia, shortly after the first of the year? I would like at that time to discuss possible approaches to Walter Annenberg and Lessing Rosenwald, and would particularly like to have your help in approaching Mr. Annenberg.

You will be pleased to learn that we have now received a check from the Mellon Foundation in the amount of \$370,000 for a program involving the School of Historical Studies and the School of Social Science. The gift in itself is significant, and it has the added meaning of revealing to everyone in the foundation community that we have successfully renewed our connections with that world.

With all best wishes for the holiday season, I am

Cordially yours,

Harry Woolf

Mr. Howard C. Petersen
135 South Broad Street
Philadelphia, Pennsylvania 19109

THE INSTITUTE FOR ADVANCED STUDY

PRINCETON, NEW JERSEY 08540

Telephone-609-924-4400

THE DIRECTOR

December 22, 1977

Dear Marty:

Thank you for your good letter of December 15.

I have noted your point about the Minutes. You may wish to bring this up when the Minutes of the October 8 meeting are mentioned at the January 14 meeting. It was certainly my intention to bring the Development Plan back to the Board so that we would have an agreed-upon plan of action for the future.

The references to the Review Committee are designed to provide an historical point of departure for the present plan. When the plan is re-written for use outside the Institute, we will reduce the references to the Review Committee and its recommendations.

Regarding the Einstein Centennial Film, you now have in hand the much more substantial documentation which was sent to you last week. As with the Einstein Symposium and related projects, funds are being sought from sources which are particularly interested in the Einstein Centennial and in almost all cases would not be interested in contributing straight endowment funds to the Institute. Indeed, one of the results of our various Einstein-related activities during the Centennial Year will be to create a constituency which can be approached for endowment giving of one kind or another. Part of the process of creating the constituency involves bringing about greater public visibility for the Institute, in ways that reflect credit on it. The problem of image in these matters is very important, as you know, and for a variety of reasons, we have some ground to make up.

The cost of the film is substantial, no doubt about that. But whatever the cost, it will not be made unless there are institutions which, for reasons of their own, wish to pay the bills. Institute funds will not be used for this purpose, nor will funds be sought for this purpose which could otherwise go for endowment.

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I have discussed the mathematics building in my letter of December 15. It is not a question of our collecting funds under the general rubric of endowment and then using these funds for a variety of new purposes, including a mathematics building. Rather, we will be seeking funds for a variety of existing activities, covering these activities so that the net result is an addition to the endowment.

The reason for proceeding in this way is the nature of the philanthropic market. Few corporate foundations or family foundations or government agencies will provide direct endowment gifts, and even those who will entertain the idea of endowment-related contributions often want to give for some activity or aspect of the institution's life with which their name can be identified. Hence the widespread use of endowed chairs, endowed fellowships, and so on. Individuals have historically provided endowment funds, particularly as a result of alumni giving, and occasionally foundations have been willing to make significant contributions to endowment. But this market is more difficult than it once was. Fortunately, we have a series of existing activities which if funded by project grants will allow us to use outside funds instead of our own for our present activities. This will provide significant relief for our endowment.

My point is that we will not seek endowment funds and then use them for new activities, including buildings. Rather we are seeking by every available means to underpin the Institute as it is now. However, in the course of seeking to raise funds we occasionally run across an individual or philanthropic institution which wants to give money for a building. Our inclusion of the mathematics building in our list of needs - second priority, as I mentioned before -- is to accomodate such an eventuality, should it arise.

It is true that at the end of the Review Committee's work, the real estate picture was such that further investigation of the possible source of endowment was deemed not to be fruitful. I am suggesting that the real estate picture locally may have changed, and that possibilities may now exist which did not exist in 1975-76. My practical suggestion is that we examine this possibility carefully in light of present realities, in a way that costs us nothing. If the answer remains negative, then at least we will be able to show prospective donors why it is that we are asking them for financial help when we are sitting on a square mile of underdeveloped land in Princeton.

I am very much in accord with your position that all these matters should be clarified at the coming Board meeting so that we can all move forward together toward the realization of our goal.

Thank you again for your comments and suggestions.

With all best wishes for the holiday season, I am

Cordially yours,

Harry Woolf

cc: Howard C. Petersen
J. Richardson Dilworth

December 15, 1977

Dear Marty:

Thank you for your call on Friday.

With regard to your comment about the presence of the Mathematics Building in the Development Plan, it is of course a second priority item in that additions to the endowment clearly have first priority in our present campaign. However, our mathematicians are crowded, and we are pressed for space, and thus it is a logical shopping list item, included in the Development Plan as an indication of philanthropic possibilities at the Institute for potential donors who are interested in buildings rather than endowed Chairs, straight gifts to endowment, or various other ways being offered for endowment giving. Rather than delete that item or any other from the draft statement, I feel it appropriate to place the full spectrum of possibilities before the full Board at this forthcoming meeting, so that we can reach agreement about how we propose to achieve the desired goal.

I believe that the points you raised regarding the film are covered in the attached letter to all Trustees. Do let me hear from you if you have any further questions.

With warm regards, and best wishes for the holiday season, I am

Cordially yours,

Harry Woolf

Mr. Martin E. Segal
Wertheim and Company
200 Park Avenue
New York, New York 10017

Memorandum from
RALPH E. HANSMANN

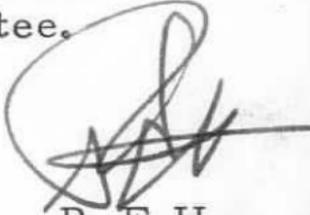
12/13/77

To: Harry Woolf

Attached are summaries of the Institute's performance for the first quarter on a non-annualized basis. You will note that the Institute's portfolio did not do as well as the Hamilton, Johnston indices for the quarter. However, the portfolio has responded reasonably well since then and I would think that its relative performance has improved.

Please distribute to members of the Finance Committee.

Best and regards.



R. E. H.

distributed 21 Dec. 1977

HAMILTON, JOHNSTON & CO., INC.

CONSULTANTS ON INVESTMENT
PLANNING AND SUPERVISION

ONE PALMER SQUARE, PRINCETON, N.J. 08540
(609) 921-3399

11 EAST 44TH STREET, NEW YORK, N.Y. 10017
(212) 682-8680

November 29, 1977

Finance Committee
Institute for Advanced Study
Princeton, New Jersey

Re: Updated performance figures
for the trust accounts

Investment
medium:

Non-annualized rate of return
over one-quarter ended
September 30, 1977

Equity Portfolio

Institute for Advanced Study	-4.5%
<u>Hamilton, Johnston Equity Indices</u>	
Banks	-2.3
Insurance Companies	-3.0
Mutual Funds	-3.0
Total Equity Index	-2.8
NYSE	-3.0
S&P 500	-2.8
DJI	-6.4

Fixed Income Portfolio

Institute for Advanced Study	- .5%
Hamilton, Johnston Bond Portfolio Index	1.3
Kuhn-Loeb Bond Index	1.3
Salomon Brothers Bond Index	1.1
Treasury Bills	1.4

Total Fund

Institute for Advanced Study	-3.1%
50/50 Yardstick	- .8

RICHARD S. WEINSTEIN ASSOCIATES, INC.

January 11, 1978

Mr. Harry Woolf
Director
Institute for Advanced Study
Princeton, N.J. 08540

Dear Harry:

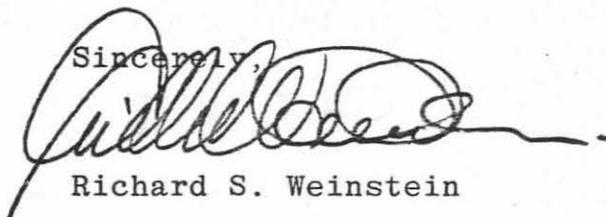
I am now in the process of establishing a new foundation whose purpose would be to help realize the unutilized assets of non-profit institutions.

You and I have spoken previously about the possibility that the Institute might be interested in developing a portion of its land holdings as a source of additional revenues. The Foundation would welcome a grant request to undertake a feasibility study on behalf of the Institute to examine such development possibilities as may exist.

This study would assume an appropriate development on land remote from the campus, and your continued control of the property. A grant to cover the costs of the initial study would be provided by the Foundation with the understanding that subsequent phases of the work, if called for, would be funded from other sources.

If you and the Board of the Institute would be interested in pursuing this matter further, please let me know.

Sincerely,



Richard S. Weinstein