

THE INSTITUTE FOR ADVANCED STUDY

MINUTES

Annual Meeting of the Members of the Corporation
April 26, 1974

Board Room, Princeton, New Jersey

Present

Mmes. Gray and Whitehead; Messrs. Dilworth, Forrestal, Hansmann, Hochschild, J. R. Houghton, Linder, Petersen, Segal, Simon, Solow, Straus, Taplin; Dr. Kaysen and Mr. Morgan

Absent

Messrs. Roth and Watson

Presiding
Officer

The President, Mr. Dilworth, opened the meeting at 2:15 p.m.

Minutes

The minutes of the Annual Meeting of the Corporation held on April 27, 1973 were approved as circulated.

Report of the
Nominating
Committee

Mr. Forrestal, the Chairman of the Nominating Committee, presented the report of the Committee.

For reelection as Trustees for the term expiring in 1979, Mrs. Whitehead; Messrs. Petersen and Straus.

For election for the term expiring in 1977, Dr. Joseph L. Doob (vita attached).

For election for the term expiring in 1978, Professor Sidney D. Drell (vita attached).

It was moved, seconded, and carried that the nominations be closed and the Secretary was instructed to cast a ballot for the election of Mrs. Whitehead and Messrs. Doob, Drell, Petersen, and Straus.

By-Laws

Mr. Forrestal raised the question of a discrepancy between the number of Trustees as described in the Certificate of Incorporation and in the By-Laws, and he also suggested that the By-Laws should be amended to provide for the four academic members of the Board of Trustees.

It was the sense of the meeting that there was insufficient notice for amendment of the By-Laws at this time, and the Secretary was instructed to consult with Mr. Forrestal in the preparation of appropriate amendments for presentation at the Annual Meeting of the Corporation in 1975.

Adjournment

There being no further business before the members of the Corporation, the meeting was adjourned at 2:30 p.m.

Respectfully submitted,

Minot C. Morgan, Jr.

Minot C. Morgan, Jr.
Secretary

THE INSTITUTE FOR ADVANCED STUDY

MINUTES

Regular Meeting of the Board of Trustees

April 26 and 27, 1974

Board Room, Princeton, New Jersey

Present

Mmes. Gray and Whitehead; Messrs. Dilworth, Forrestal, Hansmann, Hochschild, J. R. Houghton, Linder, Petersen, Segal, Simon, Solow, Straus, Taplin; Dr. Kaysen and Mr. Morgan

Absent

Messrs. Roth and Watson

Presiding Officer

The Acting Chairman, Mr. Dilworth, opened the meeting at 2:30 p.m.

Minutes

The minutes of the Regular Meeting of the Board of Trustees held on September 29, 1973 in Princeton were approved as circulated.

Report of the Nominating Committee

Mr. Forrestal, Chairman of the Nominating Committee, presented the following slate of officers for the year 1974-75, beginning July 1, 1974: Chairman, Howard C. Petersen; President and Vice Chairman, J. Richardson Dilworth; Treasurer, Ralph E. Hansmann; Assistant Treasurer, Donald C. Jenkins; Secretary, Minot C. Morgan, Jr.

It was moved, seconded, and unanimously carried that the nominations be closed, and the Secretary was instructed to cast a ballot for the slate.

Committees of the Board

Mr. Petersen, the newly elected Chairman, made the following committee assignments for the academic year 1974-75:

Budget

F. E. Taplin, Chairman
M. E. Segal

Executive

H. C. Petersen, Chairman
J. R. Dilworth, Vice Chairman
M. V. Forrestal
W. M. Roth
M. E. Segal
D. B. Straus

Finance

M. E. Segal, Chairman
N. Simon

Nominations

F. E. Taplin, Chairman to 1975
H. H. Gray to 1976
D. B. Straus to 1977

Ad Hoc Committee on Governance

H. C. Petersen, Chairman
H. H. Gray
R. M. Solow
D. B. Straus

Report of
the Finance
Committee

Mr. Petersen reported that the Finance Committee had met in the morning and had confirmed the purchases and sales authorized since the last meeting. He then asked Mr. Hansmann to report on the performance of the portfolio.

The Treasurer reported that the market value of the portfolio on March 31, 1974 was \$51,400,000. With adjustments for withdrawal of funds for operating expenses, this figure was \$52,240,000. The market value of the portfolio in June, 1973 was \$52,740,000, representing a capital shrinkage of 1%. During the same period, the Dow Jones average fell 5%.

Mr. Hansmann reported that there had been a lively discussion at the meeting of the Finance Committee regarding the wisdom of increasing the percentage of sheltered investments from the current 20%. This might be accomplished by selling some electric utilities and high-multiple stocks with some shift to securities representing natural resources. The Committee took no formal action on the matter.

In answer to a question by Mr. Houghton, Mr. Forrestal reported that the Institute had joined with about sixty other nonprofit institutions in employing the firm of Debevoise, Plimpton, Inc., to handle the defense of the Equity Funding matter. He said that the question of venue is still before the courts, and he predicted that it would be in the courts for a very long time.

Report of
the Budget
Committee

A. General

Mr. Taplin, the Chairman of the Budget Committee, recommended the approval of the Draft Budget for 1974-75 (attached) and asked the Director to speak to the specific changes.

Dr. Kaysen reported that the total appropriation request was increased only \$40,000 and that the major internal changes were as follows:

1. Faculty: Three Professors in History (Cherniss, Kennan, Meiss) will retire on June 30, 1974; one additional Professor (Albert O. Hirschman) has been appointed in Social Science.

B. Housekeeping

The housekeeping budget has increased approximately 10% and most of this is the result of rising utility costs (gas, electricity, and fuel oil) and an average increase of approximately 10% in staff salaries.

The Director reported that housekeeping costs have been creeping up in each year but that the percentage with respect to the total budget was not alarming: 1962 -- academic 71%; housekeeping 29%. 1974 -- academic 67%; housekeeping 33%.

C. Faculty Salaries

The Director reported that the Budget as presented contained no provision for an increase in Faculty salaries. The present level of \$37,500 was somewhat above the highest levels for faculties of arts and sciences in the better institutions, although there were a few exceptional cases of salaries at the 40- or 42 thousand level. On the other hand, the cost of living in Mercer County has probably increased about 15% since the last salary adjustment on July 1, 1971.

There followed a general discussion including discussion of the amount of the increase. In answer to questions from members of the Board regarding the practice of Faculty members earning additional income in the summer, the Director said that members of the Faculty in Natural Sciences and Mathematics were able to make such arrangements but there was less opportunity for those in Historical Studies or Social Science.

D. Actions of the Board

The Board then took the following actions with respect to the 1974-75 Budget:

1. The Budget as presented was unanimously approved.
2. The Budget was amended to include an increase in Faculty salaries in the amount of \$2,500, plus necessary fringe benefits.
3. The Budget was further amended with respect to Mr. Morgan's salary and retirement as follows (Mr. Morgan absented himself from the meeting):
 - a) His retirement date has advanced from age 65 (1 July, 1978) to age 68 (1 July, 1981), subject to his health. In this connection he is to have an annual medical examination and to make a copy of it available to the Director in his 66th and 67th years.
 - b) As of 1 July, 1974, his salary is fixed at \$27,500.
 - c) As of 1 July, 1974, the Institute will contribute \$1,500 per year to his TIAA account, in addition to its regular contribution based on his salary.

Report of the Committee on Governance

Mr. Petersen, Chairman of the Ad Hoc Committee on Governance, reported that the Committee had met five times with the Faculty representatives (Professors Adler, Geertz, Gilliam, and Selberg; at the fifth meeting, Professor Borel replaced Professor Selberg).

Mr. Petersen added that there had been two concrete areas of agreement:

1. Representation of the four disciplines on the Board of Trustees; this had now been implemented by the elections of Messrs. Doob and Drell.
2. Agreement on the method of appointing the second and third Professors in the School of Social Science.

He said that there were two other areas of discussion that were unresolved:

1. The method of appointing future members of the Faculty, and
2. The method of choosing a Director, and a definition of his tenure and responsibilities.

The major issue on the appointment of Faculty members is drawn between the two larger Schools (Mathematics and Historical Studies) and the two smaller Schools (Natural Sciences and Social Science). The mathematicians in particular want some Faculty veto power over all appointments; the two smaller Schools do not want to be overruled in their selection of future Professors by the votes of the two larger ones.

Mr. Petersen said that the Faculty members had asked to continue the meetings and that there had been general agreement that there would be two more. It seemed to him that in these further meetings it would be possible to get agreement on the question of the role of the Director, the terms of his appointment, and the nature of Faculty participation in his selection. As for the matter of appointment procedures for Faculty members, he thought there would have to be much more discussion within the Faculty on this.

Mr. Petersen then called on other members of the Committee to express their views on the progress of the talks. It was generally agreed that the major outstanding issue was the conflict between the larger and smaller Schools. It was also generally agreed that the Committee should have a definite term and that it should be dissolved by the end of the calendar year.

The Director then gave a brief history of the various methods of appointment to the Faculty that had been in force during the last fifteen years. Until 1965, all appointments were made by the Trustees after a vote of the full Faculty. Since 1965, new appointments were recommended by the several Schools. Appropriate materials (vitae, publications, etc.) were made available to the full Faculty with a request from the Director that any Faculty comments on the appointment be forwarded to the Director in three weeks. Twelve appointments had been made under this system and only twice were there

negative comments from an individual Faculty member. In both cases, the Director had found these objections insubstantial and forwarded the nominations to the Board of Trustees.

In effect, the system had been one in which the Faculty as a whole had substantially delegated its decision power to the separate Schools. It was the Director's hope that we could once again achieve this result, but some new mechanism would be needed to go from the present state of mutual mistrust to the degree of acceptance of the desirability of peace that would permit a return to the former state.

Mr. Petersen then presented the members of the Board with two documents for discussion and approval:

1. Report to the Faculty
2. Director: Choice; Terms of Appointment; Duties and Responsibilities

There followed a lengthy discussion of the two documents. No final drafts were approved at this session of the meeting of the Board, and the task of further editing was referred to the members of the Committee, Mr. Dilworth, Mr. Forrestal, and Dr. Kaysen.

Adjournment

The meeting was adjourned at 6:00 p.m. until the following morning.

* * * *

Reconvene

Mr. Dilworth called the adjourned meeting of the Board to order at 9:30 a.m.

Documents on
Governance

The two documents under discussion were unanimously adopted in the form presented by the editorial committee, copies attached.

Director's
Report

A. Administrative Matters

1. Construction Problems

The Director reported that two major construction problems had developed during the last few months: the failure of the new roofs on the older section of the housing project, and the failure of the exterior slate adjacent to the Dining Hall and West Building. In the former case, the responsibility is very difficult to assign and it may very well go back to insufficient design as the result of HHFA cost requirements in 1956. In the latter case, there is clear evidence of faulty installation, and the architect, the builder, and the subcontractor are clearly at fault.

2. Mrs. Christides

The Director reported that he, Mr. Morgan, and Mrs. Agar were the subject of a formal complaint to the Civil Rights Division of the New Jersey Attorney General's Office by Mrs. Olga Christides, who had been relieved of her duties as an Assistant Librarian as a result of a staff reduction in the Historical Studies Library. The formal grounds for the complaint are that she was the subject of discrimination because of her Greek origin and because she was a divorcee. These grounds are completely without foundation.

3. General Situation with Respect to Discrimination

The Director reported that we have been doing reasonably well with respect to discrimination. In the invitations to members there are always one or two black members, usually from Africa, and the invitations to women members are issued in a higher proportion with respect to the total number of applicants than to men.

There are no women members of the permanent Faculty since the retirement of Professor Hetty Goldman.

Among the blue-collar members of the staff, our proportion of blacks is higher than the population ratios for Mercer County, and a number of blacks are in positions of responsibility with white employees working under them. The major weakness in the whole picture has been our inability to find competent black clerical help.

4. Alumni Association

The Director reported that the organization of the Institute Alumni Association was going forward rather slowly. He had agreed to underwrite the original mailing with Institute funds until the Association had sufficient dues collections to be self-supporting. The Association is now operating with an interim Board of Directors. Dr. Paul Sally, one of the founders, has been receptive to suggested amendments in the proposed charter. It is still unclear what the objectives of the Association are. It may be that, if they are successful in their membership drive, they may wish representation on the Board of Trustees of the Institute.

B. Academic

1. Members

The Director reported that the membership of the Institute had now grown to the point where we are at the limit of our physical resources. In 1973-74 there were 152 members and academic assistants and six visitors. In 1974-75 this number has grown

to 159, distributed as follows: Mathematics - 60; Historical Studies - 43.5; Natural Sciences - 36.5; and Social Science - 19. With respect to both office space and housing, we are at full capacity, and even this number will necessitate some doubling up in offices for the younger men in Mathematics and Natural Sciences.

2. Members - Financial Support

The Director then reported on the sources of funds for the support of members, by Schools:

a) Mathematics: Approximately 80% of the stipend support for members comes from the National Science Foundation. There is a problem with the stipend level, and the Faculty would like to invite a few more people at full salary. This may be resolved, in part at least, by the Veblen bequest.

b) Natural Sciences: Approximately 70% of the stipend support for members comes from outside sources.

c) Historical Studies: Until 1972-73 stipends were supported entirely from Institute funds. During the last two years, two-thirds of the money has come from outside sources, most of it from a large grant from the NEH. This has been complicated by the fact that the NEH has required a certain amount of matching money; so far, this has been provided by a grant from the Mellon Foundation, but the situation is unclear for the future.

d) Social Science: More than half of the money for the support of the Program in Social Change now comes from the NSF; the balance comes from the income on restricted endowment. The Program in Language and Information Processing has been supported by the Sloan Foundation. This money will be running out in another year. The Program cannot survive in the long run without a permanent professor, and this is probably impossible, fiscally and politically. How much longer the Program can continue on its present basis is a question that must be decided before the end of next year.

3. Faculty

The Director then reported on the current composition of the Faculty:

a) Mathematics: The Mathematics Faculty is now two members below its previous maximum and there are three impending retirements: Weil and Gödel in 1976, and Whitney in 1977. There has been no discussion regarding a fixed number, but there is still an unfavorable age distribution. Professor Gödel, a mathematical logician and philosopher, and one of the great scholars at the Institute, will retire in 1976.

He has had a separate budget for members in Logic, and they have been invited by a separate committee. The question of whether or not to attempt to replace him with another logician is open.

b) Natural Sciences: There are now six Professors in Natural Sciences, distributed as follows: Two in high energy physics; two in mathematical physics; one in astro-physics; and one in plasma physics. They are all still young, the oldest just fifty. There is no strong need for additional appointments in the immediate future; unless the financial situation changes, none is contemplated. Further, the School has several able younger men in five-year appointments; they act as Faculty members in guiding the work of the post-doctoral visitors.

c) Historical Studies: Nine or ten Professors should be the stable size of this School. The question before them, with the retirements of Professor Gilbert in 1975 and Professor Thompson in 1977, is whether there should be two more appointments in classics and one in modern history or the reverse. This is a decision that will shape the character of the School for a long time.

Dr. Bernard Lewis, one of the world's leading students of Islam, has been given a joint appointment with Princeton University. He will be Professor at Princeton and a permanent member but not a Professor at the Institute; his salary and benefits will be shared equally with Princeton University; the Institute's share will be supported from an outside source. The appointment at the Institute is jointly in the Schools of Historical Studies and Social Science.

d) Social Science: There are now two permanent Professors in Social Science: Professor Geertz in anthropology and Professor Hirschman in economics. They are actively seeking a third. If they find a strong candidate, there should be no great difficulty in making the appointment under the present system, agreed upon by the Faculty.

The 1907 Foundation has recently added an additional half million dollars to the endowment of the School, bringing the total to \$2,000,000 from this source alone, and there is some reason to hope that the total from this source might eventually reach \$5,000,000. There is the possibility that it might be appropriate to give a name to the professorships or even the whole School, in honor of the donor.

Resolution:
Mrs. Greenbaum

The Director called attention to the gift by Mrs. Dorothy Greenbaum, widow of our former colleague, Edward Greenbaum, of pieces of her sculpture, one of which stood in the garden outside the Board Room, the other hung on the wall of the main entrance to the West Building. The Board resolved that the Director be instructed to convey their warmest appreciation for Mrs. Greenbaum's generosity, admiration for her work, and regard for her continuing friendship.

Resolution:
J. R. Dilworth

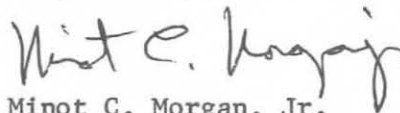
The Board expressed its thanks to Mr. J. Richardson Dilworth for his performance as Acting Chairman as follows:

Resolved that the Board records in the minutes its appreciation to J. Richardson Dilworth for his assumption of the Acting Chairmanship of the Board in the past year at a time of conflict and pressures in a situation where he had many other demands on his time and energies. The Board wishes to record its admiration for the devotion with which he performed his duties in this period.

Adjournment

There being no further business before the Board, the meeting was adjourned at 11:15 a.m.

Respectfully submitted,



Minot C. Morgan, Jr.
Secretary