

THE INSTITUTE FOR ADVANCED STUDY

M I N U T E S

Meeting of the Board of Trustees

November 3, 1984

Princeton, New Jersey

- Present:** Messrs. Dilworth (Chairman), Akers, Bell, Brown, Byrom, Field, Forrestal, Guth, Hansmann, Mostow, Stewart, Straus, Taplin, Vaillaud, Wolfensohn, Woolf; Mrs. Delmas. Also Mr. Rowe, Mesdames Labalme and Laesker.
- Absent:** Messrs. Bradshaw, Kauffmann, Segal.
- New Trustees:** Mr. Dilworth opened the meeting at 9:00 a.m. by welcoming the two new Trustees, Messrs. Akers and Vaillaud. He also commented on the new oval-shaped table which followed upon a suggestion of Dan Bell's.
- Minutes:** The minutes of the meeting of April 28, 1984, were corrected as follows: page 7, par. 2 contains the phrase, "Weyl conjectures". This was emended to read "Weil conjectures." With this correction, the minutes were accepted as circulated.
- Resolution for John Opel:** A Resolution thanking John Opel for his work on the Board was read and will be sent to him.
- Sidney Drell's award:** The awarding of a MacArthur Foundation grant to Sid Drell, honorary Trustee of the Institute, was noted.
- Nominating Committee:** Mr. Dilworth reported that the Nominating Committee would be meeting in January, 1985, and would make its recommendations to the Board at the spring meeting.
- Budget Committee:** Mr. Taplin was asked to report for the Budget Committee. Mr. Taplin briefly reviewed the Budget which had been approved at the April meeting of the Board, indicating the Faculty salary raise of 10% and the staff raise of 6% on average. He explained that the expected endowment income had been adjusted up \$400,000. Mr. Dilworth pointed out that, unlike many educational institutions, the Institute charges depreciation, which next year will run \$1,002,000. As he has said in the past, the draw down on the endowment which last year ran 7.9% and is estimated for Fiscal 1985 at 8.3% is too high and represents a hazardous way for an institution like this to live.

Finance Committee: Mr. Hansmann reported that the Budget and Finance Committees (Meeting with Auditors) had met together as an Audit Committee with the Auditors, who gave an unqualified opinion involving no major recommendations. Certain small differences were resolved. There were no recommended changes in accounting for reserves. The fee structure had been reviewed and the fees were held at a declining level since more work was being done by Institute personnel. The EDP system was operating smoothly. The auditors recommended some improvement in our property records and a review of fringe benefits. Dr. Woolf pointed out that this study is already underway, with help from Mr. Segal's firm, for the Wolfensohn Committee. New rules for reporting were being issued by FASB but this should not affect our accounting methods. The revisions concerned depreciation and reporting gifts as part of endowment. The Office of Management and Budget is considering the use of outside auditors instead of its staff to audit use of government grants which would increase auditors' fees.

Mr. Hansmann reported on the statements of Hamilton, Johnston who monitor our managers and the two managers, Rockefeller & Co. (for equities) and Rosenberg Capital Management (for fixed income). The endowment currently stands at \$120 million, one-half of which is in equities and one-half in fixed income. If Rockefeller & Co. were to move all the money under its management into equities, the ratio would be two-thirds equities, one-third fixed income.

Mr. Hansmann reported the suggestion that the budget be restructured to represent what the Institute needs as a first item, and then we should work out how that need can be satisfied.

The findings of Hamilton, Johnston were given, showing a ten-year, five-year, and three-year comparison of the Institute's investments with a broad spectrum of similar institutions used as a yardstick. Over the ten-year period, the annual yield on the Institute's investments was 16.2%.

Development
Committee:

Mr. Byrom was asked to report for the Development Committee. He said a number of assignments had been fixed. Matters discussed included the possibility of a regional corporate sponsorship of a Visiting Member from that particular region. He hoped to discuss this with a group from St. Louis in the near future. Dr. Woolf and Dr. Guth will be talking to some corporate leaders in Germany at the end of the month. Japanese connections will wait upon the consideration of a Japanese trustee by the Nominating Committee. Contacts with Unilever and Tore Browaldh from Sweden would be pursued.

A letter to petitioners in the local region was reviewed. The intent was to approach them to see if we could get them to become continuing sponsors in some category of association with the Institute.

A mock-up of a Case Statement was being prepared with the help of the design department of Cooper Union.

There was some concern that the Committee has no specific goal. With a new approach to the Budget, we might set our goal by what we need to make up the gap between what the Institute can pay towards the total cost of a Visiting Member and that total cost. For the present time, the Committee is concentrating on corporations.

Mr. Dilworth commented that a clearer idea of the Institute's needs would emerge after the Wolfensohn Committee discussions. The figure of an additional \$30 million was one he had contemplated.

Dr. Guth wondered what we would be asking corporations for, and what sort of continuing contact they would derive from an association with the Institute. Dr. Woolf explained the two models developed hitherto, that of Schlumberger which involved a contract specifying a non-academic period for the recipient to spend with the corporation, in which the Visiting Member himself was chosen by mutual agreement between the corporation and the School of Natural Science, and where the field itself was specified (in this case, statistical physics and computer science). Then there was the Exxon variant which involved no contract and no specified field, where the Faculty of the School of Natural Sciences alone chose the recipient, where the person would be invited to come to Exxon for the non-academic period of the year but not required to do so.

Dr. Woolf indicated that an even more flexible fellowship was being proposed to Exxon for the School of Social Science where a three-year grant would be made over a period of five years, to allow for the possibility that not every year would yield a suitable candidate for this fellowship. These relationships represent unique links between the academic and corporate worlds. The main point was that the Institute was seeking non-governmental support in the form of a grant either to endowment or operational expenses.

Dr. Guth stressed the importance of keeping the companies involved in such an arrangement informed about what is happening at the Institute. One way was through the Annual Reports. Mr. Straus suggested that another way was by putting on a computer the kinds of information which might be useful for such purposes. Interested parties might then tap such a data bank or reserve of information. It was also thought the Director's Report, as it is delivered to the Board of Trustees, could be condensed into a newsletter, sent out twice a year.

Professor Mostow thought alumni could be used in certain fund raising approaches.

Director's
Report:

Dr. Woolf distributed a number of publications: Bernard Lewis' The Jews of Islam, John Elliott's Richelieu and Olivares and the Colloquium on Graduate Education in America which had been co-sponsored by the Institute, Princeton University and the Carnegie Foundation for the Advancement of Teaching. Dr. Woolf had introduced the section on "Scholarship and its Survival: Integrity."

Statistics
on Visiting
Members:

Dr. Woolf reported on the present Visiting Members. There were 128 this year, 39% under the age of 35, 8 women, 17 countries, and 89 universities and institutions represented. He drew the Board's attention to their notebooks which contained a five-year list of institutions and countries represented by Visiting Members. There was some discussion of the reason for the low number of Visiting Members this year compared with 177 last year, due to lack of money in certain Schools and a concern to preserve the quality of the group. There were twenty-four fewer in the School of Mathematics, but even with this reduction, the number of Visiting Members in that School was about 55. It was also noted that the number of members was unusually high in 1983-84.

Discussion took place about the NEH's request of the School of Historical Studies to use outside referees for their applicants and the School's refusal to do so, with the subsequent loss of NEH moneys as a result. While some expressed sympathy for this stand, opinions were also voiced that the principle behind this should have been debated in the Board and that some accommodation with the NEH might be possible. It was pointed out that the NSF imposes no such requirement for its grants. Further discussion of the Board's role in this matter was postponed until after the Wolfensohn Committee had made its report.

Mr. Vaillaud commented on the low representation of Asia, especially Malaysia and Hong Kong, among the Visiting Members in the past five years. He asked what could be done to address this. Dr. Woolf acknowledged that more could be done and that this question was part of a larger concern, namely, how do we keep from replicating ourselves?

Computers:

Dr. Woolf then described the role now played by computers in Institute life. Their advent has given the Institute a laboratory component. Moreover, the operation of computers can be very expensive. Currently, two professors in mathematics had begun to use them and all of the Natural Sciences Faculty used computers. Consequently, Dr. Woolf had set up a Committee on Computers and Communication to deal with these matters. The Committee included a representative from each School.

Supercomputer:

Meanwhile a series of dramatic events had taken place over the summer. The federal government had announced that it would fund one or two supercomputers and a consortium had been formed which included the Institute, Princeton University, MIT, Harvard, and a number of other institutions. About twenty other consortia had also been formed to compete for the award. The computers to be built were a CRAY and eventually a GF-10 which would be built by an ETA. The government would fund 90% and the state 10%. The computer would not be built on any existing campus, but might be located at the Forrestal Research Center. Should our consortium get the award, we would have to decide if we wanted terminals to this supercomputer and then we would have to spend money. We could withdraw at that point. Dr. Woolf indicated that there was some difference of opinion within the School about whether to participate or not. Documents about the consortium and its proposal were available from the Director's office.

Mr. Straus raised the question whether this was the best kind of computer to have for the Institute's needs. He thought that it would be good for Trustees to have some dialogue with the Faculty at this point, before the Board was presented with a decision, involving serious expense, without prior consultation. As the Faculty is formulating its decisions, it would be useful to keep the Trustees informed.

Professor Field asked what fraction would be awarded to participants in the consortium and was told 20%, which divided among the total number of participants would result in about 2% for each member. 2% for the Institute would be a significant amount.

Patents: Dr. Woolf reported that the Faculty Committee on Patents and Inventions had been formed under Enrico Bombieri's chairmanship and would soon begin discussion of the drafted statement approved by the Trustees.

School of Historical Studies: Dr. Woolf then discussed the Schools. Historical Studies had sent a recommendation for a Faculty appointment to him last spring, but because the vote had been 5 to 3, Dr. Woolf felt he could not bring the recommendation before the Board. The School had then requested that he convene the Faculty Committee on Appointments in the fall to deal with the situation. However, the School had now withdrawn that recommendation and was itself seeking a solution to the impasse.

The problem of the vacant Mellon chair was brought up, with its attendant consequence that the Institute cannot, at this time, return to the Mellon for any further gifts. Mr. Dilworth said that it was his hope that if the appointment under discussion now could be made, then the School would be able to move toward filling the Mellon chair next. Mr. Brown asked whether the paralysis of action in this respect had affected the quality and quantity of work within the School and Dr. Woolf assured the Board that the Faculty of the School was as productive as always, with one exception. Mr. Hansmann asked how the Director was informed of what was happening within the School and Dr. Woolf replied that there are yearly statements gathered for the Annual Report and considerable informal contact. Meanwhile the Mellon Visiting Professorship was being filled this year by a Shakespeare scholar from New York University.

School of Mathematics: In the School of Mathematics, the IBM Von Neumann chair had been vacant since the death of Harish-Chandra. It was the School's recommendation that Enrico Bombieri be appointed to the chair, and the Board of Trustees voted to do so. Candidates for the vacancy left by Yau's resignation were under discussion in the School.

Pierre Deligne, the new Faculty member in the School, has arrived. The problem of finding housing for new Faculty members was serious and would be addressed later in the Director's Report.

The Usdan Fund, which began with Mr. Usdan's contribution for more tree signs, is now a Fund of over \$10,000, income from which will be used to buy books for the Mathematics library.

School of
Natural Sciences: In the School of Natural Sciences, there are two vacancies still unfilled. Tullio Regge resigned in 1979 and Marshall Rosenbluth in 1982. A number of five-year Visiting Member appointments have been made, using available monies. But this is not really a good permanent arrangement. Professor Field said that the Faculty were aware of the need for appointments and were working toward this end. Mr. Straus reminded the Board that the Segal Committee had recommended just such an arrangement in 1976, i.e. the appointment of long-term members as a substitute for permanent appointments, so perhaps the situation was just where it ought to be. Dr. Woolf replied that the danger of simple replications was very great in so small a School because of the diminished base of active scientists upon which to make decisions. In such circumstances there is often a tendency to favor what is over what ought to be.

Dr. Woolf mentioned the Exxon fellowship starting in 1985-86 for three years and paid tribute to Ed David of Exxon who had been so amenable to working out a satisfactory arrangement.

School of
Social Science: In the School of Social Science, Dr. Woolf reported that Wolf Lepenies had declined to accept the professorship and that the School was working on another candidate. Professor Field inquired as to whether there would be an additional appointment to replace Albert Hirschman who was retiring next spring, and Dr. Woolf said there would be one, bringing the School's Faculty up to four which had been the accepted goal.

A Visiting Committee would meet this winter under Dan Bell's chairmanship. The members of the Visiting Committee were Alessandro Pizzorno, a sociologist from Harvard, Amartya Sen, an economist and philosopher from All Souls, Stanley Tambiah, an anthropologist from Harvard, and Charles Taylor, a political scientist from McGill University in Toronto.

The Henry Luce Foundation was funding two Visiting Members this year and would do so for the next two years (at \$60,000 per year for three years).

An Exxon Fellowship has been proposed and is under discussion.

Taxes on housing: Dr. Woolf had met with Mayor Wynn Pike of Princeton Township to discuss the removal of member housing from the tax rolls, on the principle that educational institutions should not be taxed. The Institute now pays \$260,000 in taxes, including sewage charges. Of that amount, \$185,000 is negotiable. One-third could be paid as a voluntary contribution which would lead to a saving of \$120,000 annually. The Institute has filed, as of November 1, to have its taxes on member housing relieved.

Library: A new librarian for the Historical Studies Library has been appointed. He is Elliott Shore, from Temple University, chosen by a Faculty Committee. We have just received a grant of \$5860 from the National Publications and Records Commission to help get our archives in order.

Alumni: The Alumni Fund and AMIAS are making a combined appeal this year. During the past four years, gifts have totalled \$44,000. Eventually income from this fund (at 5% payout) will support a visiting member.

**Friends of the
Institute:** Friends of the Institute continue to lend support, many contributing beyond their dues.

**Housing for
Faculty:** Dr. Woolf then raised the matter of Faculty housing. He had discussed with Venturi and Rauch, an architectural firm, the possibility of building a small 8-apartment dwelling on Institute grounds, at the bottom of Olden Lane. The apartments could be rented or sold as condominiums. This was an effort to take care of the Institute's emeriti, many of whom wished to move out of their larger houses, and to take care of new faculty who would hardly be able to afford houses in the neighborhood at today's prices. The site under consideration and some preliminary drawings were discussed as well as preliminary figures. The size of the apartments (approximately 1200 square feet) at a cost of about \$200,000 per unit was of some concern to some Trustees who thought the space too small and the price quite high. It was pointed out that most Faculty members, in selling their houses, may face large capital gains taxes and that the purchase of a condominium would ease this difficulty.

Discussion about the Faculty's housing needs included comments on the astounding progression of real estate prices in the area, the possibility of using existing Visiting Member apartments for Faculty, the role of the Institute in providing Faculty housing, the possibility of the Institute's renting housing out to the Faculty, the financial burden assumed by the Institute in repurchasing a house at the inflated figure and perhaps reselling it at a lower sum, the potential participation of the Institute, by prior agreement, in the capital gains.

Mr. Dilworth thought that a committee should be set up to work with the Director on this matter, and this method of procedure was agreeable to the Board.

Use of facilities: Dr. Woolf described the use of Marquand House by American Cyanamid for a weekend conference and the recent dinner held for AT&T executives in the Board room. These events caused no disturbance to the academic activities and were a healthy way of sustaining our plant and broadening our horizons.

Buildings and Grounds: The pond had been dredged and stocked with fish. Repairs to Fuld Hall, the Library, and the tile walkways had been made.

The deer population was a serious problem. The herd in the woods was estimated now at 150 where only 50 deer could be sustained. The possibility of hiring professional hunters and closing the woods for a few days while the herd was thinned out was being considered.

Director's Visitors: Last spring, Paul Berg and Maxine Singer came as Director's visitors, and this year Lawrence Cremin, former President of Teachers College, who is writing his third volume of the history of American education. Next year, Joseph Frank will work on completing his multi-volume biography of Dostoyevsky. This was an arrangement worked out with the University to retain this fine scholar in this neighborhood. In the spring of 1986-87 Frank will be a Visiting Member in the School of Social Science.

Future events: Future events include visits by Dr. Woolf and Dr. Guth to Siemens and Bosch corporations in Germany, the first Richard Llewelyn-Davies Lecture on March 4 by Lord Asa Briggs who will talk on "The Image of the Victorian City", and the Institute Ball on May 18 with Fred Starr's Louisiana Repertory Jazz Ensemble. Fred Starr is President of Oberlin College and an expert on Soviet affairs.

Dr. Woolf concluded by showing the Board a recent book honoring Dr. Guth and asking all Trustees to send in a photograph for the Institute files.

Wolfensohn Committee: Mr. Wolfensohn asked members of the Board if any of them had observations or comments for his Planning Committee.

Professor Bell said that a number of matters should be considered: the question of the "critical mass", this with reference to the number of Faculty in the School of Natural Sciences; the choice between identifying great figures in the field or rather, with a view to the experience of Visiting Members, whether the primary concern should be for balance within a School; the identification of the major directions in a discipline or School. He thought an agenda of such questions might be supplied to the Faculty.

Mr. Brown mentioned the importance of a better spread in terms of representing a discipline.

Dr. Guth questioned the extent to which the Board should try to influence the field, or whether it should seek the best people as Faculty and put the Institute in their hands.

Professor Bell thought that the Visiting Committees could be a device for handling some of these questions. He also suggested that the Liaison Committee might meet more than twice a year with the Trustees.

Mr. Wolfensohn asked whether the work of the distinguished Visiting Committee in Historical Studies had made any difference. Were any of their recommendations adopted? Professor Stewart replied that seeds had been planted. It would be hard to go beyond that.

Mr. Wolfensohn wondered if it were possible to have the Faculty accountable to the Director, and thought this would be preferable than going through a Board sub-committee for information. Mr. Dilworth explained the background to the present arrangements, the difficult times at the end of the Kaysen administration, the negotiated rules of governance which have proved inhibiting. It was his hope that the Wolfensohn Committee would be able to make a difference in this regard.

Other comments concerned the importance of dialogue between the Trustees and Faculty, since the Board as constituted could be of help to the Schools, the need to tread a careful line between an authoritarian Board and one which could decide only about such matters as housing, the importance of a School's independence from Board interference in defining fields combined with the ideal of being able to consult the Board for advice, the need for time in developing mutual trust, the problem posed by the lack of mechanisms which could move Schools if they are becalmed.

Dr. Woolf reminded the Board of the disarray found here when he first arrived as Director, how all sense of citizenship had been forfeited, and how much had changed for the better. There was now a real chance to do some shaping.

Trustees were urged to write their thoughts to Mr. Wolfensohn and it was recommended that the Board should entertain modest expectations as to how far it can go, that it should phrase its concerns as questions to which the Faculty could respond.

Mr. Dilworth concluded the meeting by affirming the extraordinary record of the Institute in what it had afforded to nearly 4000 past Visiting Members, that this was a matter for pride, as was the fact that the Faculty continued to represent a high level of accomplishment.

There being no further business, the meeting was concluded at 12:20 p.m.

Respectfully submitted,

Patricia H. Labalme

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Secretary of the Corporation

THE INSTITUTE FOR ADVANCED STUDY

Resolution for John Opel (November 3, 1984)

John Opel joined the Institute's Board of Trustees in 1976, continuing the significant relationship of IBM with the Institute which dates back to the first donation from IBM in 1961 towards an IBM Von Neumann Chair for a professor in the School of Mathematics. This relationship was furthered by the welcome presence of Thomas J. Watson, Jr. on the Board from 1968 to 1975. John was Tom Watson's successor and has served on the Nominating and Budget Committees. He was instrumental in the establishment, at the time of the Fiftieth Anniversary Fund, of an IBM endowment fund for a visiting member, and he encouraged the use of the Institute's accrued IBM funds for the establishment of a second IBM chair honoring Hermann Weyl in the School of Mathematics. He has benefitted the Institute not only by his personal generosity but through his interest in strengthening the computing power of the Institute and his willingness to explore how this might best be accomplished. We are pleased that the corporate connection will be maintained by his successor, and we are deeply grateful to John for these past years of fruitful association.