

MINUTES OF REGULAR MEETING OF
THE INSTITUTE FOR ADVANCED STUDY

October 5, 1943

A regular meeting of the Trustees of the Institute for Advanced Study was held at the Downtown Club, Newark, New Jersey, Tuesday, October 5, 1943, at 1:00 P. M.

Present: Messrs. Aydelotte, Edgar S. Bamberger, Louis Bamberger, Fulton, Leidesdorf, Maass, Moe, Rosenwald, Veblen, and Weed.

Absent and excused: Messrs. Douglas, Flexner, Hardin, Schaap, Wolman, and Mrs. Fuld.

Mr. Maass presided.

The minutes of the meeting held June 8, 1943, having been distributed, their reading was dispensed with and they were approved.

The Treasurer announced that it had been impossible to prepare the usual auditor's report in time to present it to the Trustees at this meeting, owing to the fact that the resolution passed by the Trustees on May 13, 1940, concerning surplus income, while clear as to intent, had not been clearly expressed. He accordingly asked the Board to pass a more precisely worded resolution on this subject. In the early days of the Institute when the income was far in excess of the expenditures the Trustees adopted the wise policy of adding surplus income to capital. At the present time when the income from endowment is not sufficient to meet the normal expenditures of the Institute it would be a great convenience to have any surplus which may arise from care and economy in the operation of the budget carried in a surplus income account for use in future years for such emergency purposes as the Board of Trustees may direct. The following motion was accordingly made, seconded, and unanimously carried:

RESOLVED, That surplus income arising from the fact that the ordinary expenditures of the Institute in any year are less than the income should be carried in a surplus income account, it being understood (1) that a surplus in any fund given for a specific purpose should be earmarked for the purpose for which the fund was donated, and (2) ordinary capital gains and capital losses should be carried in the capital account.

The Treasurer asked the Director to present the budget as a part of his report.

The Director reported that the budget for 1943-44 calls for a total expenditure of \$433,000 as against \$410,000 for the year 1942-43. The difference of \$23,000 is made up by the following items: Increased annuity payments, \$6,000; salary for Professor Mitrany on his return to the United States, \$10,000; increased expenditures for the library, \$10,000; increase in net loss on rental and vacant properties, \$2,000; increase in humanistic stipends, \$2,000; increase in Gest Library expenditures, \$480; increase in contingent fund, \$670, making a total of \$31,150. Against this there are certain decreases, as follows: mathematics assistants, \$7150; mathematics stipends, \$1000. \$31,150 minus \$8,150 leaves \$23,000. On motion, the budget was approved as presented and will be included in the auditor's report.

The Director expressed his great satisfaction in having been able to operate the budget for 1942-43 in such a manner as to produce a substantial surplus amounting to about \$35,000 in the general income account and over \$60,000 in the economics fund. He hopes to show a moderate surplus on June 30, 1944, as a result of the operation of the budget for the present academic year.

The Director pointed out that the income of \$433,000 was made up of \$310,000 expected income from endowment and \$123,000 of temporary income, this being gifts from Mr. Bamberger and the Rockefeller Foundation

and appropriations from surplus income account. These temporary gifts are assured for the academic years 1943-44 and 1944-45. It will accordingly be possible to make a budget for next year substantially the same as the one adopted for the present year, but for the year 1945-46 it will be necessary to find new sources of income or to make drastic reductions in the expenditures.

In commenting on the Director's presentation of the budget the Treasurer emphasized the fact that \$123,000 of the funds appropriated constituted the temporary gifts or appropriations from surplus, which can be counted on only for this year and next and that at the end of that time it would be necessary to find new funds or take measures to bring the expenditures of the Institute within its permanent income.

In his report the Director alluded briefly to the work of the Pension Committee. The arrangements adopted by the Board at the special meeting June 8, 1943, had been received by most of the faculty with great satisfaction and appreciation. There were, however, certain cases where these arrangements have proved not to correspond either to the best interests of the Institute or to previous commitments expressed or implied. The Committee is making a careful study of these cases, is prepared at this time only to report progress, but will make definite recommendations to the Board or to the Executive Committee sometime during the next few months.

The Director reported that during the summer just ended a very large proportion of the faculty and members of the Institute had remained in residence in Princeton and had pursued their work daily in Fuld Hall. With the increasing stringency of the gasoline shortage the station wagon has proved inadequate to transport the individuals working in Fuld Hall to and fro from the center of town and the Institute has acquired from the Geology Department of Princeton University a small bus which admirably meets this need. The allotment of Victory gardens near Fuld Hall proved a great success.

Several interesting conferences were held at the Institute during the summer, one of economists to meet Sir William Beveridge, another of economic historians, and another for Chinese students. Chancellor Brüning will be the guest of the Institute at tea in Fuld Hall on Monday, October 11th.

The academic year opens with somewhat fewer members than last year, probably about twenty as against last year's twenty-eight. The quality of the members, however, is extremely high. The Director mentioned several by name, including Professor Chern, who is one of the leading mathematicians of China, and Miss Dean of Mt. Holyoke, who comes to the Institute on an A.A.U.W. fellowship. A joint invitation on behalf of the Institute and the Rockefeller Foundation has been sent to Niels Bohr, who has just escaped from Denmark, to spend some time at the Institute.

The participation of the faculty in war work is about the same as last year, although an increasing number are now finding it possible to do most of their work in Fuld Hall. This includes Professor von Neumann, who has undertaken a new contract with the O.S.R.D. for work in Fuld Hall, and Professor Einstein, who is doing work for the Navy, which he carries on in his own study. A recent cablegram from Professor Mitrany makes it likely that he will ask for a continuation of his leave of absence on account of some important new opportunities open to him in England.

The Director reported on the recent visit of the Ambassador from Guatemala, who is a student of Mexican and Central American pre-history, for work on the Maya manuscripts presented to the Institute by John W. Garrett. Dr. Recinos was enthusiastic over the quality and interest of this collection and has generously presented the Institute with certain items to be added to it.

In conclusion the Director alluded to the monthly faculty luncheons, to which members of the Board of Trustees are most cordially invited.

Dr. Fulton attended the luncheon on October 4th. The dates so far fixed for the future are Monday, November 1st, and Monday, December 6th. Any members of the Board who find it possible to be in Princeton on either of those dates are most cordially invited to lunch with the faculty and participate in their discussion of Institute affairs.

Professor Veblen referred to a suggestion made by him at a previous Board Meeting that the Institute should be thinking about provision for fellowships for young scientists who have been taken away from their scientific research by the demands of the war and pointed out that recent developments in Europe had made it desirable that we consider the question of providing fellowships not only for American scientists but for a certain number of European scholars as well. He cited the case of Niels Bohr, who had recently escaped from Denmark to Sweden, and said that as events develop in Europe there would doubtless be a number of distinguished men displaced and we ought to stand ready to welcome them here. After a general discussion of the subject it was agreed that special effort should be devoted to interesting the foundations and generous-minded individuals in this problem of assisting scholars and rebuilding the scientific effort after the war.

There being no further business, on motion, the meeting adjourned.

(Signed) Edgar S. Bamberger

Secretary