

tiyear programs on potential topics such as access to clean water (involving science and social science, humanitarian aid, culture, and gender), or the institutions and processes for determining the safety of pharmaceuticals. She and executive dean Louise Richardson, a social scientist (who departs at year's end to become principal of the University of St. Andrews), are beginning to consult with Harvard deans to identify complementary projects, and hope to pick a topic and identify faculty leaders for the first one this year.

• Extending the institute's reach. Grosz said she envisions systematically extending RIAS's impact in several ways. Having funded short-term visiting scholars to complement formal clusters of fellows, she sees doing the same to support fellows whose year in residence yields spontaneous, informal collaborations. She expects

such visitors to augment the exploratory and advanced seminars in similar ways. (Such visitors and temporary collaborators can be given work spaces in the institute's offices on Concord Avenue, once the fellows relocate to Byerly, so there is plenty of capacity.) RIAS is also increasing opportunities for undergraduates to meet with visiting lecturers and to work with fellows, and, Grosz hopes, enhancing its dissertation support for doctoral students.

The institute's inclusion of creative artists among its fellows' ranks—a feature unique among American institutes for advanced study—is a model for recommendations that the University task force on the arts, expected to report to President Faust this fall, may wish to make. (Grosz noted that Christine Dakin, a principal dancer with the Martha Graham Dance Company and a 2007-2008 fellow, was deeply engaged

with students and staged a production with undergraduates.) And because Faust has reconstituted the Allston advisory group to include the entire council of deans, Grosz will be able to bring RIAS's interdisciplinary perspective, and its knowledge of working artists and their facilities needs, directly into the Allston campus planning process.

In all, Grosz said, Radcliffe is in a strong position to build on "one of the premier fellows' programs in the world." (The applicant pool remains strong, with nearly 800 people seeking the 50 available positions each year.) With the Byerly project on track, the institute can "take a breather" from its extensive, multiyear program of renovation. That makes room, she said, for RIAS to focus its capabilities "in many different ways on connecting even more with what's going on at Harvard."

## Endowments— Under a Tax?

THE RISING VALUE of endowments belonging to private institutions of higher education is attracting critical political attention—a special challenge for Harvard, whose \$34.9-billion endowment is much the largest. In late February, the University and dozens of other institutions responded to a U.S. Senate Finance Committee request for information on tuition and financial aid; the size, performance, and management of the endowment; and policies governing its use.

In late April, Steven T. Miller, the Internal Revenue Service commissioner of tax-exempt and government entities, told a Georgetown Law Center seminar that his colleagues would study the application of the agency's "commensurate test"—an enforceable standard that seeks to ensure organizations "spend in line with their resources"—to colleges and universities, but would not necessarily "devise inflexible rules" about spending.

State governments have been mulling their own actions. Late in April, a Massachusetts legislator proposed a 2.5 percent tax annually on endowment assets to generate revenue for the Commonwealth.

Even within higher education—where

most private institutions have minimal endowments, and public schools fight for scant or diminishing resources—the frustration shows. Writing in the May/June issue of *Currents*, the magazine of the Council for Advancement and Support of Education (the trade organization for education fundraising professionals), Donald J. Farish, Ph.D. '70, president of Rowan University in New Jersey, critiqued Harvard's enhanced financial aid for students from upper-middle-income families, announced last December (see "Boosting College Financial Aid," March-April, page 54). Focusing only on that budget item (not on graduate and professional education, research costs, etc.), and on the strong endowment investment returns in a single year, Farish wrote of the aid initiative's \$22-million annual cost, "Harvard's endowment increased by \$6 billion during the past year. A 5 percent spending mandate [see below] would require Harvard to spend \$300 million of that increase.... One might ask Harvard what its plans are for the remaining \$278 million."

He proposed a 15 percent capital-gains tax on universities' investment income, the proceeds to be "dedicated to federal need-based programs for qualified students at institutions with endowments that amount to less than, say, \$10,000 per student."

None of these proposals appears likely to advance soon, but they suggest broader public concerns, and Harvard administrators are eager to address such issues. Associate vice president for government, community, and public affairs Kevin Casey, the lead spokesman so far, noted that Senator Charles Grassley (R-Iowa) "has been focusing on...issues relating to endowments of the top universities for a while." That interest grew from an investigation of foundations and other philanthropic organizations (tax exempt, but without operations, personnel, or budgets comparable to those of a college or university), where instances of abusive spending and slight charitable work have surfaced.

Because the finance committee is involved in oversight of financial-aid tax credits—and because, as Casey said, the tuition costs associated with higher education have been "a populist issue for some time for good reason"—Grassley and Senator Max Baucus (D-Montana) became interested in affordability and the use of endowments in that regard. (Even before the recent round of "robust" financial-aid enhancements, Casey said, Harvard, Yale, other universities, and education associations were able to convince interested senators that "the highest-endowed institutions are actually doing the *most* on financial aid.")

That prompted broader queries into endowments and spending policies, associated with some Senate discussion of a mandated rate of distribution from endowments, perhaps like the 5 percent per year required of nonprofit foundations. (Harvard has apparently reached that level only once in the past decade, even when including both distributions for operating expenses and extra or unusual distributions for purposes such as financing Allston development or a recent \$100-million sum for Faculty of Arts and Sciences construction expenses. For details, see Harvard's response to the Senate committee at [www.hno.harvard.edu/press/pressdoc/supplements/baucus\\_grassley.pdf](http://www.hno.harvard.edu/press/pressdoc/supplements/baucus_grassley.pdf).) The committee members were "impressed" by the institutions' filings, Casey said, and now appear to view the assets more broadly—not just as support for undergraduate education, but also for research, the arts, and university operations as a whole.

Of states' interest in private endowments, Casey said, "They're all in tough budget times." The Massachusetts proposal would tax the nine institutions with \$1 billion or more in such assets. Yet "Outside the purview of this discussion," he noted, such institutions have always been seen as "the great asset of Massachusetts"—in research potential, employment, and associated economic impacts.

State budget problems can, of course, exacerbate pressure on public higher-education institutions—even flagship research universities, which find themselves battling to match private peers' balance sheets as they try to finance student aid and pay faculty members. The percentage of such institutions' funds coming from state coffers has been declining over time, Casey said. "In an era when most scientific publications arise through collaboration among people from multiple institutions, it's in the national interest to foster strong public and private universities. State budget stresses are challenging public universities in ways we should all be concerned about."

Harvard has a responsibility to contribute to the wider discussion about support for education, Casey added. "It is really important for

## Yesterday's News

From the pages of the *Harvard Alumni Bulletin* and *Harvard Magazine*

**1943** Harvard's 308th academic year opens July 6 with an enrollment of 1,782 civilian students (rather than the normal 8,000) and nearly 6,000 army and navy trainees.

**1953** The Harvard Corporation sets aside \$250,000 from the Allston Burr bequest to begin construction of an outdoor ice rink and artificial ice plant on Soldiers Field. The Working Friends of Harvard Hockey, a group of alumni consisting mostly of former Harvard hockey players, plans to raise the estimated additional \$350,000 necessary to put a roof on the rink and equip the building.

**1958** Harvard's brand new telephone center, handling calls from the University's 1,700 stations, goes into operation.

**1963** The University comptroller's office shifts from a card-processing system to a card-and-magnetic-tape system that can add 200,000 eight-digit numbers a minute instead of 150.

**1968** The editors report that no more than a dozen of Harvard's 30-odd traveling-fellowship winners will actually

be traveling, as a number of the would-be itinerant scholars "have been told no by their local draft boards."

**1978** Exiled Russian writer Alexander Solzhenitsyn is awarded an honorary degree at Commencement. That afternoon, in his speech to the meeting of the Associated Harvard Alumni, he warns his audience that "the Western world is losing its courage and spiritual direction."

\* \* \*

President Derek Bok tells the Senate Select Committee on Intelligence that Congress must make clear that U.S. intelligence agencies cannot interfere as they please with university life, but must follow rules governing their activity. Harvard's own guidelines are the first of their kind in the country.

**1988** Harvard Business School has instituted a mandatory three-week, ungraded course in corporate responsibility and ethical issues for all entering M.B.A. students. "Decision Making and Ethical Values: An Introduction" is intended to signal early on that these issues are important to the school.



Illustration by Mark Steele



these institutions to come together to make a coherent argument—not just Harvard and Yale but Wisconsin and Michigan—as to why these are national assets.” The recent public attention has made edu-

cation leaders aware that they cannot “take for granted that the public understands how important these institutions can be.”

How to proceed in this conversation, he said, has become a concern at the highest

level of the University. As the administration seeks a new vice president for government, community, and public affairs, such issues will no doubt loom large in the discussion.

## A “Pause” and Progress in FAS

DURING SPRING faculty meetings, dean Michael D. Smith explained his approach to leading the Faculty of Arts and Sciences (FAS), with important implications for the growth of professorial ranks. And the faculty progressed in rolling out the new general-education curriculum, the most consequential development now on the agenda for undergraduates’ academic experience at Harvard—and perhaps an unforeseen enhancement in graduate students’ education as well. (Smith also discussed his retrospective report on FAS’s activities from late 2006 through this past winter at the May 20 faculty meeting; see [www.fas.harvard.edu/~home](http://www.fas.harvard.edu/~home)).

allocate space; tie together FAS and departmental academic and strategic plans; and oversee research centers, institutes, museums, and other formerly autonomous units.

Smith also described a thorough academic planning process that would enable him to “allocate resources” and to align them with the faculty’s “aspirations.” “The worst outcome,” he wrote in a handout to the faculty, “would be to undertake a planning exercise and have no resource ‘headroom’ at the end of the exercise to implement our plans.”

Accordingly, he said, the faculty would “pause to plan.” With the faculty ranks having risen 19 percent (from 596 positions to 712) between mid 1997 and mid 2007, and continued growth in 2007–2008, he proposed in his text “arresting our growth” for 2008–2009, an abrupt shift. During the past decade, according to his handout, the number of professors grew in all academic divisions, but only the engineering and applied sciences division expanded in relative size (see table). Smith asked the faculty whether it wished to put more effort into certain fields—as FAS’s enormous investments in science laboratories strongly imply—and said that it had not done so in the recent past. The “pause” he proposed suggests a different path of hiring to be defined in the run-up to the next University capital campaign, and implemented as the resulting resources become available.

• General education. Work continues to develop new courses for the successor to the undergraduate Core curriculum, as Wolfson professor of Jewish studies Jay M. Harris reported to the faculty on May 6. (Harris, master of Cabot House, directs the effort.) A “preview year” will begin this fall, he said, with perhaps three dozen courses offered (see [www.generaleducation.fas.harvard.edu](http://www.generaleducation.fas.harvard.edu)); the full program begins in the fall of 2009, as the general-education requirement for the class of 2013. Harris said the committee was examining

both course content and pedagogical design: opportunities for faculty-student interaction, use of technological tools and University museum collections, and integration of writing and speaking in class requirements and aims.

Graduate School of Arts and Sciences dean Allan M. Brandt then told the faculty about new graduate seminars in general education: a series of for-credit working groups in which faculty members planning the new courses engage their graduate students to review the field, examine pertinent pedagogies, and contribute to the design. Brandt subsequently described a process of bringing graduate students and faculty members together to “critically assess appropriate readings, primary materials, laboratory work, and other methodological skills as well as theoretical themes that will be pursued” in general-education classes. Further, he said, participants will “consider alternative pedagogic strategies, teaching techniques, and technologies,” as well as development of applicable research, writing, and evaluation skills.

The immediate hope is that the graduate students involved will become especially adept teaching fellows when the courses debut in the fall of 2009—a far cry from handing a teaching fellow a syllabus and asking her to run a section. Brandt hopes six to eight such seminars will operate each year. Among those organized for 2008–2009 are sessions on international human rights, Asia in the making of the modern world, probability, ethics and aesthetics, the literature and art of the American Civil War, and food in America (from the starvation at Jamestown to present concerns about obesity).

Longer term, if effective, the experiment would yield fresh courses with up-to-date content, while providing graduate students with much richer teaching skills when they pursue academic careers—an unexpected payoff from revising the undergraduate curriculum.

### Faculty Growth and Composition

	1997	2007
Arts & Humanities	177 (29.7%)	210 (29.5%)
Social Sciences	216 (36.2%)	252 (35.4%)
Engineering	50 ( 8.4%)	70 ( 9.8%)
Life Sciences	76 (12.8%)	91 (12.8%)
Physical Sciences	77 (12.9%)	89 (12.5%)
Total	<b>596 (100%)</b>	<b>712 (100%)</b>

Addressing his colleagues on April 8, Smith outlined changes in administrative processes, responsibilities, and personnel. Most visibly, the divisional deans—a position created earlier this decade, to provide coordinating and oversight roles for the arts and humanities, social sciences, and the sciences—will be significantly empowered. Beyond their current advisory roles, Smith’s divisional deans will authorize faculty searches, recruitment, and leaves; appoint department chairs, set salaries, and approve office and laboratory renovations;