Latin America. There is plenty of room for debate about just how efficacious assistance is. Nonetheless, at a time when alliances are essential, at a time when these issues are being debated and the valid policies that we are advocating are the source of so much resentment, we cannot but damage our interests enormously to be as minimalistic in the provision of foreign assistance as we have been in recent years. There is no reason why it is in our national interest to lag the remainder of the OECD [Organization for Economic Cooperation and Development].”

In the course of the lecture, Summers cautioned against the thesis that terrorism has its primary roots in poverty, that aggression is grounded in national disappointment, and that the key to global security is successful efforts to raise the standard of living of people in developing countries. “Those on the airplanes on September 11 were not poor,” he said. “The most careful empirical study, done by Alan Krueger [Ph.D. ’87, professor of economics and public affairs at Princeton], of the Palestinian experience suggests that suicide bombers are if anything drawn disproportionately from upper-middle-class, rather than middle-class, families... I confidently assert that it is overwhelmingly in our interests to support the growth of the developing world, but [I] do so stopping short of the belief that it is anything like a sufficient condition for the maintenance of U.S. security...”

Social Investing

In creating a diverse portfolio for Harvard’s $17.5-billion endowment, the University’s investment arm, Harvard Management Company (HMC), invests in hundreds of firms. That means weighing the probable return against the probable risk across scores of industries. Invariably, some of those investments will be questioned by members of the community or by the media—as the University’s investments in defense contractors led to questions by members of the community or by the media—by the University’s investments in defense contractors led to questions by members of the community or by the media—by the University’s investments in defense contractors led to questions by members of the community or by the media—by the University’s investments in defense contractors led to questions by members of the community or by the media—by the University’s investments in defense contractors led to questions by members of the community or by the media—by the University’s investments in defense contractors led to questions by members of the community or by the media. In April, 26 faculty members signed a petition decrying the University’s investments in defense manufacturers after a Harvard Crimson article reported that, according to securities filings, HMC might earn more than $4 million from the boost the war gave defense stocks. Such discussions raise another way of balancing risks and returns—does the academy have a moral obligation to be socially responsible when it invests? “The University wants to be careful with its investment program,” HMC president Jack Meyer, M.B.A. ’69, says. “We have to be aware of social pressures.”

As Brian C.W. Palmer ’86, Ph.D. ’00, sees it, the academy has an obligation to question where its investment dollars are going. “An investment firm is set up to be responsible to a limited group of stakeholders—usually just the investors who are in it for a maximum return over time,” says the lecturer on the study of religion, who teaches a popular College course on globalization and human values. “Harvard is responsible to a much bigger group of stakeholders—its faculty, students, staff, and alumni.” Indeed, Harvard has been debating its investing ethics for more than 30 years.

The modern shareholder responsibility movement began in the spring of 1970 when the Project for Corporate Responsibility, backed by Ralph Nader, LL.B. ’58, embarked on “Campaign GM.” Owning exactly 12 shares of General Motors stock, the group successfully placed two proxy issues in front of GM that called for greater openness in the boardroom and a greater role for corporate social responsibility. Following extensive conversations with Harvard students, faculty, and alumni, the Corporation decided to vote against both resolutions—much to the disgust of many students and faculty.

Aware that the issue of the academy and corporate responsibility was just beginning, then-president Nathan M. Pusey appointed a committee on “University Relations with Corporate Enterprise.” The report—by what came to be known as the Austin Committee after its chairman, Robert W. Austin, then Wilson professor of business administration—traced the ethical obligations of the University as an investor and recommended that the president appoint an “officer of substantial standing” to serve as an internal ombudsman in regard to the University’s investments. The report led the outgoing presi-
As Disciplines Converge

Where are the frontiers of knowledge? Increasingly, at the boundaries of traditional academic disciplines. One way to trace emerging fields is to peruse the interfaculty Ph.D. programs, overseen by the Graduate School of Arts and Sciences (GSAS), Harvard’s custodian for Ph.D. degrees (as opposed to professional doctorates in applied disciplines). Such programs are scholarly collaborations between the Faculty of Arts and Sciences and other Harvard schools.

The newest program, leading to the degree of doctor of philosophy in biostatistics, was brought before his FAS colleagues by GSAS dean Peter T. Ellison for their approval on May 6, after two years of development. His formal remarks emphasized the role of the degree in “preparing students for academic and research careers.” In this instance of building bridges between the School of Public Health’s biostatistics program and FAS’s department of statistics, Ellison cited the value of doctoral training in “emerging areas of health-sciences research such as environmental statistics, bioinformatics, and statistical genetics.”

Including the biostatistics doctorate, Harvard now has 14 multifaculty Ph.D. programs. The others, with their partner schools, are: architecture, landscape, and urban planning (Graduate School of Design); biological sciences in dental medicine (Dental School); biological sciences in public health (School of Public Health); biophysics (Medical School); business economics (Business School); division of medical sciences (medicine); health policy (the schools of government, business, public health, medicine); information technology and management (business); organizational behavior (business); three separate programs in political economy and government, public policy, and social policy (each with the Kennedy School); and religion (Divinity School). Details on each program, many of which encompass multiple subdisciplines, are available on-line at www.gsas.harvard.edu/programs/degree/index.html. For each, GSAS admits the students and confers their degrees.

The programs, Ellison said in an interview, range back in time as far as the division of medical sciences (established in 1908), and in size from that one (with hundreds of students) to those created in recent years, which may admit only a couple of candidates per year. The modern era of such doctorates dates to the presidency of Derek Bok, who built up the University’s resources in policy analysis and at the Kennedy School significantly. Under Neil L. Rudenstine and now Lawrence H. Summers, Ellison said, the flurry of programs in life sciences, information technology, and social policy created since the mid-1990s reflects “the increasing emphasis on interfaculty cooperation” of Harvard’s most recent presidents.

Even more important, the expansion reflects the scholarly work of Harvard professors. The social policy program, with tracks in government or sociology and public policy, grew out of the interest in doctoral training expressed by a cluster of new faculty members, especially at the Kennedy School—Christopher Jencks, Katherine S. Newman, William Julius Wilson—who had links to FAS colleagues and pursued National Science Foundation funding for interdisciplinary research at what Ellison called “boundaries and overlap areas.”

Ellison also cited what he called “a transformation going on in the faculties of the professional schools,” where liberal-arts disciplines and methodologies now find a home. One of the faculty cochairs of the program in information technology and management—which joins together hitherto separate practitioners from computer science and business—is Marco Iansiti ’83, Ph.D. ’88, Samoff professor of business administration. Although he holds a business-school appointment, Iansiti earned his doctorate in physics. That kind of scholarly cross-training is increasingly common, and further seeds the growth of cross-school programs. Another prominent example is Joel M. Podolny ’86, Ph.D. ’91, appointed professor of sociology and of business administration in FAS and the business school in 2002, after 11 years at Stanford’s business school; his doctorate is in sociology.

Even though the pace of creating such programs may ebb for a bit, Ellison said, one can imagine more evolving from the University’s expressed interest in stepping up cooperative scientific work between FAS and the Longwood Medical Area. Similarly, ideas for interfaculty work, or perhaps separate joint-degree programs, are gestating at the Law School, where economics doctorates have become a commoner credential and experimental forms of research are on the rise. In the future, as the process unfolds and as now strange-sounding fields such as “statistical genetics” come into more regular parlance, such programs may also find their way into the undergraduate curriculum, which is undergoing its own revision.
vise a new subcommittee of the Harvard Corporation, the Corporation Committee on Shareholder Responsibility (CCSR), on how Harvard should vote on proxy motions. That same year, Harvard also played the lead role in founding the Investor Responsibility Research Center (IRRC), a nonprofit think tank dedicated to gathering “high quality, impartial information on corporate governance and social responsibility issues”; Farber was named its director. Today, the Washington-based IRRC has more than 80 staffers conducting research for its 500 subscribers.

The IRRC and ACSR have played a leading role in determining how the University responds to issues as diverse as divestment from South Africa and strip mining. Last year, for instance, the ACSR reviewed 108 shareholder proposals raising such topics as genetically engineered food, nuclear power, secondhand smoke in restaurants, and the availability of drugs to treat HIV, malaria, and tuberculosis in Africa. It also deals frequently with corporate governance issues like diversity within boards of directors and executive compensation, including a proposal last year that fleet-Boston consider freezing executive pay during periods of downsizing in order to help employee morale. (The ACSR split 4-5-2, and the CCSR opposed it in the end.) “Shareholders are one, and sometimes the only, way in which corporations are open to public scrutiny and, as such, shareholders can check corporate behavior that runs against the interests of consumers, workers, or society at large,” says Emma S. MacKinnon ’04, the undergraduate representative on the ACSR. Brian Palmer, who ran for the ACSR while an undergraduate and now studies the issue of corporate responsibility, says that the academy has a unique role in such debates. “Practices that might be taken for granted elsewhere in society, can—and should—come up for debate here. That’s one of the great strengths of the university world.”

The 12-member ACSR—four elected students (three from the graduate schools), four faculty members nominated by the deans of the various schools, and four alumni nominated by the president of the Harvard Alumni Association—serve two-year terms and meet frequently during the March-to-June proxy season. Each member is assigned a handful of proposals to research and, after gathering information from the company, the proxy sponsors, and the IRRC, reports back to the committee. David professor of business administration Joseph L. Bower, who chairs the ACSR, says the group makes little effort to reach consensus. “We want as clear a set of arguments as possible,” he explains. Previous committee precedent, he says, weighs heavily on the minds of committee members. The committee also looks carefully at the wording of proposals. “There’s a limit to what you can achieve through the proxy system,” Bower points out. “We can be very sympathetic to the issue and regard the proposal as preposterous.” The com-

mittee, he stresses, tends to be more supportive of tightly worded questions that deal with concrete problems and issues—in other words, something within the purview of company management that could actually be accomplished after a shareholder vote.

The ACSR’s recommendations, which are nonbinding, are passed on to the CCSR, which, in its most recent iteration, has been composed of two Corporation members—the Senior Fellow (currently James R. Houghton ’48, M.B.A. ’62) and the treasurer (D. Ronald Daniel, M.B.A. ’34). Traditionally, they follow the ACSR recommendation. Last year, for instance, of the 108 proxies decided, the ACSR and CCSR agreed fully 77 percent of the time. In other cases, the ACSR membership was split or one committee voted to abstain and the other recommended action of some kind.

The nuanced, case-by-case procedure used by the ACSR is critical, its backers say, because so many of the world’s companies are too large and diversified to paint with a broad brush. The University tries to avoid blanket rules for its investments. The only prohibition that exists—against tobacco holdings—followed a debate in the early 1990s. (There could be one more prohibition in the near future, though: an ACSR discussion last year about a proxy proposal for gun manufacturer Sturm Ruger and Company led the committee to recommend that the CCSR “seriously examine” whether the University should invest in gun manufacturers at all. According to University officials, that discussion has not yet occurred.)

Generally, Harvard and HMC try to avoid drastic actions. “Divestment is not something to be done lightly,” Meyer says. “Both committees understand that [it] involves a certain cost and an uncertain benefit.” Divesting, he explains, can have unintended consequences and potentially even harm those the action is meant to help. He points out that after apartheid ended in South Africa, for instance, archbishop and former Harvard Overseer

Joseph L. Bower, chair of the Advisory Committee on Shareholder Responsibility

Photograph by Richard Chase
JOHN HARVARD’S JOURNAL

Desmond Tutu, LL.D. ’79, asked Harvard for help in encouraging companies to invest more money in that country’s economy. Because Harvard by then had divested itself of all related stocks, it could not help. It is often better to stay invested and work to change the offending policies from within, Meyer says: “Companies would prefer you divest, rather than harass them with proxies as shareholders.”

The ethical exercise and moral debates that occur within the ACSR’s discussions are important for the University, those involved say. “The ACSR is one of the only places where people from all parts of the University can have a voice in how Harvard uses its immense financial power,” Emma MacKinnon says. For his part, Meyer observes that even though no single issue currently dominates discussion, as tobacco and South African divestment once did, that’s partly a result of the impact the shareholder responsibility movement has had on the market. “Companies,” he says, “are much more attuned to these issues than they once were.”

THE UNDERGRADUATE

What Crimson Means to Me

by Garrett M. Graff ’03

My first Harvard memory is deciding not to go here. I had never really considered attending, but my high school principal, a big Harvard booster, asked me to apply and I decided it would be easier to do so than listen to him badger me for the remainder of the year. I applied without visiting, and was surprised to receive a thick envelope the following spring. I came down to see the place with my mother, following an obnoxious and overwhelming tour, we sat outside the admissions office talking. Amherst, my top choice, seemed all the more right. It was a beautiful April day and, as we stood up to leave, my mother stooped and broke off a tiny piece of dark green ivy from a nearby stone wall. “Here,” she said, handing me the three-leaved V-shaped piece. “It looks like this is the closest you’ll get to the Ivy League.” That tiny piece of vine, now long-dried and withered, still hangs on my wall at home, a testament to unexpected directions.

As recounted earlier (see “Accidental Academics,” March-April, page 73), a follow-up visit for pre-frosh weekend won me over and the rest, as they say, is history: by the time this column is published, I will have joined the ranks of Harvard alumni as a member of the class of 2003.

The senior spring, after the thesis but before the job, is a natural time for reflection about the gifts and wondrous moments that Harvard has bestowed upon me during the past four years. It has had a profound impact shaping who I am, made me lifelong friends, and opened countless doors for me. I cannot hope to remember every moment of my time here—nor do I wish to—but certain moments have burned themselves into my memory. As I am sure is true for most alumni, my stay in Cambridge is less a movie than a collection of postcards—vivid, particularly happy or sad, transforming snapshots of time and place.

There are academic highlights, like my first classes ever in college, Thomas Kelly’s opening lecture in his masterly course “First Nights: Five Musical Premieres,” which underscored for me the blessing that is a broad liberal arts education, as well as William Gienapp’s “The American Civil War,” which reawakened my love of history. There was discovering the inner beauty of the imposing Widener Library—that intellectually humbling feeling that occurs upon entering the 10 stories of stacks first thing in the morning, the motion-sensitive lights flickering on ahead of me as I walk, surrounded on all sides by books of varying accomplishment and importance—millions of books, billions of words that I’ll never have the opportunity to read or ponder. I wrote most of my thesis sitting in the sunny atrium of the Phillips Reading Room, the stacks visible on either side, stretching up to the stylish modern skylights and the crisp blue sky overhead. On the coldest winter morning, the room and the somehow comforting presence of all those books brought energy and enthusiasm to my words.

Part of my intellectual journey involved my growth as a writer and journalist at the Crimson, where I lived Harvard history for four years—from the selection of Larry Summers as the twenty-seventh University president to a host of smaller, less notable events that stick with me. My primary beat as the cops reporter gave me a view of Harvard few ever see: the sometimes tense, real-life game of cops and robbers that plays out across campus on a daily basis. I spent an overnight shift riding with the Harvard University Police Department, searching for prowlers while dodging prowling skunks, and spent one Halloween at an arson scene in the biology labs. I joined in a foot chase that ended with the arrest of an intruder for committing a felony and two misdemeanors.