according to Campbell, a professor of finance and investments who sits on the Harvard Management Company board. Although the endowment is well diversified, he said, “Bad stuff could happen.” If investment returns are poor or fundraising lags, “The shock absorber is Allston”: the University could slow down development there to cover costs incurred in FAS.

The decapitalization, he acknowledged, would have a “noticeable effect on the unrestricted endowment” of FAS and so must be a transitional measure. (As described, there is no time limit.)

Hoxby quantified the stakes. Even without further expenditure increases after 2010 (an unlikely event), she said, if the projected use of unrestricted capital extends to 2015, the faculty will “run into trouble.” That is, given the “aggressive” decapitalization plan, the unrestricted funds then available for operations would be insufficient to cover those parts of the budget paid for now. Nor are FAS’s current investments in any sense “reversible”: the faculty are hired, steel has been set for the new buildings—ahead of fundraising. In effect, FAS has made “a very large bet on science that will limit our flexibility for years to come.” For instance, it is committed to hiring more science professors to fill the new laboratories, hoping they bring in grants and overhead funds. And beyond some resources for study abroad, FAS has not explicitly reserved funds to pay for reforms the museums is bracing for work that will solve alarming infrastructure problems, perhaps atypically of professors, King brings a broad purview of the ways of educational institutions: she has chaired the board of trustees at Wheaton College, her alma mater. And like her predecessor, Conrad K. Harper, J.D. ’65, King has Harvard experience that in part reflects a professional-school education in Cambridge.

Of particular substantive interest, given the University’s large role in biomedical research and life sciences, may be King’s scholarly expertise. Coauthor of a casebook on Law, Science, and Medicine, she has, since joining the Georgetown law faculty in 1974, served on advisory committees and written about a host of fundamental issues ranging from stem cells and the protection of human research subjects to radiation experiments, recombinant DNA, and race and bioethics.

Before entering academia, King held a variety of federal government positions, including service at the Equal Employment Opportunity Commission, the Office of Civil Rights at the then Department of Health, Education, and Welfare, and the Department of Justice’s civil division. Her husband, Roger Wilkins, is Robinson professor of history and American culture at George Mason University. He previously served on the editorial boards of the Washington Post, where he shared a Pulitzer Prize for Watergate coverage, and the New York Times. The couple, who live in Washington, D.C., have a grown daughter, Elizabeth.

Art Museums Launch Renaissance

The rebirthing of the Harvard University Art Museums is announced. After months of strategic planning, and a wide-ranging search for real estate, the staff of the museums is bracing for work that will solve alarming infrastructure problems, daringly change the way curators provide access to their collections, take years, and cost hundreds of millions of dollars.

“People’s shorthand way of describing our infrastructure problem is to say, ‘They don’t have climate control at the Fogg.’ Believe me, that’s just the tip of the iceberg,” says Thomas W. Lentz, Cabot director of the museums (HUAM). “We have physical problems that are so severe that they’re beginning to negatively impact virtually everything we do as a museum.” He says the job can’t wait.

The Fogg Art Museum building at 32 Quincy Street, in the corridor of art-related buildings at the edge of Harvard
Yard, opened in 1927 and has wiring to prove it. President Lawrence H. Summers observes that the first report calling for the Fogg’s renovation was written when he was two years old. The conjoined Busch-Reisinger Museum, built onto the back of the Fogg in 1991, has interior walls that, for complex technical reasons, are buckling and need to be taken apart.

The Fogg/Busch building will close to the public in or near the summer of 2008, says Lentz. Then, in a 12- to 15-month process, all of the collections there will be taken away. (The Fogg features Western art from the Middle Ages to the present. The Busch-Reisinger emphasizes art from German-speaking countries. The Arthur M. Sackler Museum across the street on Broadway is home to ancient, Asian, Indian, and Islamic art. In all, the collections include 250,000 objects, making the museum the sixth largest in the country.)

All of the staff of the Fogg, the Busch, and the Straus Center for Conservation at the top of the Fogg/Busch building will clear out, too. The Fine Arts Library will go: books, slides, and people. Run by the Harvard College Library, it is located, mostly underground, in HUAM’s Quincy Street building.

Once emptied, the Quincy Street building will be renewed. The project architect is Renzo Piano of Genoa, Italy: designer of the Menil Collection in Houston, the Paul Klee Center in Bern, Switzerland, the expansion of the High Museum of Art in Atlanta, the unfolding renovation of the Morgan Library in New York, and the current expansions of the Whitney Museum of American Art in New York and of the Art Institute of Chicago. His design will not only remedy the building’s infrastructure problems, but will add modestly to its volume, mostly by digging down. The Renaissance-reminiscent courtyard of the Fogg will stay. The

**Yesterday’s News**

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

**1931** The Harvard Placement Service appeals for help as it tries to find work for graduating seniors and older alumni who have lost their jobs.

**1936** A Cambridge city councilor has suggested that the University make the city a tercentenary gift of $300,000—“on the grounds that ‘Harvard receives many benefits from the city and gives little in return.’ ”

**1946** The Faculty of Arts and Sciences has voted to establish two new departments, one in biochemistry, the other in social relations. The latter will incorporate the existing department of sociology and portions of the existing anthropology and psychology departments.

**1951** President Conant appears before the House Armed Services Committee on behalf of the Committee on the Present Danger, a nonpartisan group urging “an adequate defense for the United States.” He recommends drafting 18-year-olds and deferring, after basic training, 75,000 young men for specialized training and education.

**1956** Freshmen seek an extension of parietal rules, complaining that upperclassmen may entertain women in their rooms until 11 P.M., while the freshman deadline is 8. The request is refused because “freshmen entertain more secondary-school girls than do upperclassmen.”

**1961** Nineteen faculty members are among 250 American professors protesting the House Un-American Activities Committee, citing a dedication to the “proposition that free enquiry and free expression nourish mental growth and are thus basic to our nation’s strength.”

**1971** A “barrage of chanting, shouting, stamping, and screaming” in Sanders Theatre ends a “counter teach-in” on the Vietnam War, sponsored by the Harvard-Radcliffe chapters of Young Americans for Freedom and the Young Republicans.

**1976** The Faculty of Arts and Sciences considers ways to make ROTC programs—terminated at Harvard in 1970 in the wake of protests—available again. One suggestion is to allow students to cross-register at MIT for noncredit courses in military science.
Quincy Street façade will likely remain intact. Piano has not yet begun his work, city review boards have not considered it, and so any speculation about the building’s final looks would be just that.

While the building is under reconstruction, the museums will maintain a public presence with an exhibition—perhaps of their greatest hits—probably in the Sackler galleries. That state of affairs will prevail until the overhaul of 32 Quincy Street is complete, which Lentz hopes to see in 2011 or 2012. Everything else will go into storage. Paintings, ceramics, clocks, silver vessels, bronzes, furniture, et cetera, will move in part to a commercial art-storage facility now being built in neighboring Somerville and in part to an interim museum site, along with most of HUAM’s staff of 250. This facility will also function temporarily as a public museum for modern and contemporary art.

The location of the interim site had not been published as this issue went to press. Lentz has considered at least 25 potential sites, in Boston, Cambridge, and Allston. Some existing Allston edifice will get the nod. A strong possibility, Lentz said in an interview, is a 75,000-square-foot building on Soldiers Field Road, on the Allston-Brighton line, formerly bank offices and now owned by Harvard. The building has things to recommend it for the museums’ purposes, but is far removed from the heart of the proposed new Allston campus, a disadvantage.

A permanent second site presumably will be part of the cultural complex in the new campus. A committee chaired by associate provost for the arts and humanities Sean Buffington is now discussing creating a museum facility in Allston to provide space for several University collections. Members include Lentz, John Megan, director of the Office for the Arts, Robert Orchard, director of the Loeb Drama Center, Watts professor of music Kay Shelemay, and William Fash, Bowditch professor of Central American and Mexican archaeology and ethnology and Howells director of the Peabody Museum.

The permanent second site will become Harvard’s museum of modern and contemporary art. (Its spaciousness will enhance Harvard’s ability to add such art, much of which is huge, to its collection; adequate exhibition space is a sine qua non for donors.) The date of the new museum’s completion is highly conjectural: perhaps a decade or more hence.

This site will also contain offices for HUAM’s noncuratorial staff, the Center for the Technical Study of Modern Art, a multipurpose study center, a satellite of the Straus conservation center, and the museums’ major loading facility.

Lentz’s predecessor as director, James Cuno, strove to hatch a two-building satellite museum in the Riverside area of Cambridge along Memorial Drive (see “Riverside Rezoned,” January-February 2004, page 63). One of its parts would have housed modern and contemporary art, the other the collections in the Sackler. That museum’s architect was Renzo Piano. The neighbors shot down the low, wood-and-glass complex he proposed, and Harvard eventually struck a multi-part agreement allowing it to build 250 beds of housing for affiliates on the site instead.

When Cuno’s plans were torpedoed, Piano’s attention was turned to the rehabilitation of the Quincy Street building. When Lentz became director in Novem-
HIID Dénouement

The federal lawsuit concerning the conduct of the Harvard Institute for International Development’s advisory work on the privatization of Russia’s economy has been expensively settled, without any admissions of institutional or personal liability, as reported (“Russia Case (and Dust) Settle,” November-December 2005, page 59). But an in-depth narrative of the underlying events has not been available, until now. The January issue of Institutional Investor, long the bible for the international money-management and finance industry, features as its cover article “How Harvard Lost Russia,” a 29-page account by David McClintick ’62 (www.institutionalinvestor.com). A journalist who has written extensively on the intersection of riches and regulation around the world, McClintick pieced events together from the several dozen depositions, the court records, hundreds of documents, and personal interviews in the United States and Russia; the principal Harvard-affiliated figures declined to comment. (Note: McClintick has been a member of the Harvard Magazine Inc. Board of Incorporators since 1991; he did not report on the Russia story for the magazine.)

McClintick details the politically pressured, freewheeling atmosphere during Russia’s transition from communism and a controlled economy toward new forms of government and market institutions in the early 1990s. He interweaves a chronology of the policies advocated by and management actions of the Harvard advisers—Jones professor of economics Andrei Shleifer and Jonathan Hay, J.D. ’92—with the financial investments in Russian securities and start-up enterprises by them, family members, and associates. The article finds that the advisers did help launch Russia’s principal stock exchange, but quotes international observers who feel that the conduct of the Harvard experts and collapse of the advisory effort damaged Russian economic reform substantially.

Beyond Harvard’s $26.5-million share of the legal settlement (plus expenses) and the closing of HIID in the wake of the investigations, the experience has lingered in Cambridge because Shleifer and President Lawrence H. Summers have long been close friends: as student and teacher, during Summers’s service in Washington, D.C., and now in his Harvard presidency. In light of that relationship, Summers recused himself from the legal proceedings. The University has declined comment on the matter since the settlement. McClintick quotes faculty members who think that Shleifer should have been disciplined; the Faculty of Arts and Sciences, as is its norm, does not comment on any individual professor’s status.

ber 2003 (see “Harvard Portrait,” July-August 2005, page 56), he found that Piano was all the way to the schematic-design phase in the Quincy Street project.

Lentz called a halt. The museums had grown in ad hoc ways over the years. Now the staff needed to pause for strategic planning and a space-needs assessment. They spent the next year grinding through the process with a consultant, involving members of the art-history faculty, students, colleagues at the Peabody Museum, and community representatives.

All this cerebration led beyond fixing the Fogg’s infrastructure to devising “new structures and new models that will allow us to execute our mission much more effectively and have a farther reach than we’ve had in the past, both inside and outside the University,” Lentz says. “We have a teaching and research mission, attached to a very powerful collection. Together we’re part of a university of world importance. Our trick must be to make this great resource more accessible to more students, more faculty, more members of the community.”

Eventually, collections, curators and their support staffs, the conservation staff, and probably much of the Fine Arts Library will return to the revivified Quincy Street site. Even though HUAM will have a museum of modern and contemporary art in Allston, “there is no question,” says Harry Cooper, curator of modern art, “but that we will maintain highlights of post-1900 painting and sculpture on display in the new Quincy Street building.”

The museums will present themselves in a radically new way, built around study centers where people can have close, perhaps transformative, encounters with art. Lentz, Ph.D. ’85, had one himself as a graduate student, when he was first allowed actually to handle the collection of exquisite Persian paintings. “I know from my years at the Smithsonian’s Freer Gallery,” he says, “that the only way you can really get to understand jade is to hold it and feel it, and you can’t do that through an exhibition case. We can teach things with objects. We can make visual and tactile what others at Harvard can only talk about.”

There will be a study center for...
each of the three museums, with exhibition galleries and curatorial offices around it. “We are giving almost equal weight to study centers and galleries,” says Lentz. “We asked ourselves, ‘What is it we can do that other people can’t? What are we really good at?’ and time and time again we came back to the Mongan Center and the Busch-Reisinger study center as models.”

The Fogg’s Mongan Center is a collaborative joining of three curatorial departments—prints, drawings, and photography—which share a support staff and a fairly large room in which their treasures may be spread upon tables, looked at, and even handled by visitors, under supervision. Any member of the public without an obvious screw loose may go there, ask to see the Dürer drawings, and have them fetched for viewing. Students arrive in droves with their teachers. “The Mongan Center is the key to our future,” says Lentz.

Lentz is excited about the collaboration the restructuring should foster. “For example,” he says, “there are huge visual, intellectual, and programmatic links between the Sackler departments of ancient, Asian, and Islamic and later Indian art, but these departments don’t interact with one another as they should. They’re essentially in silos. I need them in a more collaborative structure. The more we can work across fields and disciplines, the more we’ll see the kinds of ideas that we should be seeing from a museum that has a huge amount of intellectual and research muscle.”

Stephan Wolohojian, a curator in the department of European paintings, sculpture, and decorative arts, says that all of the curators are “interested in exploring the idea of putting these study centers at the core of the museums. It’s one of our biggest challenges, since there is no model, either in a major civic museum or at another university.”

“For the curators of works on paper, a study-center model is familiar,” says William Robinson, Abrams curator of drawings and head of curatorial affairs, a sort of buffer between the director and the curators. “Curators with three-dimensional objects will have to make some practical and mental readjustments.” Some are cautious. Asian art objects have been shown to visitors infrequently and with the utmost care, and, says Robinson, “there are good reasons for that. Unrolling scrolls and moving large pieces of priceless ceramic—it’s specialized work, and perhaps it’s also important that anyone presenting these objects know Asian languages. Under the new model, a visitor will see a vase in an exhibition gallery and ring the study-center bell to ask, ‘Do you have any more of those?’ Other examples will be brought into the study center.” This will make valuable use of the permanent collection. And the museum will need a new staff of professional art handlers.

“Everyone endorses the idea of greater access to the collections,” says Robinson. “The study-center model is daring and presents many new avenues to learning. There’s nothing like leafing through a sketchbook, or turning over a drawing to see what’s on the back—things one can’t do in a gallery.”

“We assume,” says Lentz, “that you can learn certain things in the classroom, and certain things in the exhibition gallery, but

---

**A Saudi Prince’s Controversial Gift**

**Prince Alwaleed Bin Talal Bin Abdulaziz Alsaud**, reportedly the richest member of the Saudi royal family and head of the investment firm Kingdom Holding Company, has given $20 million each to Harvard and to Georgetown University, those institutions announced in December. Almost immediately, the press reported unhappiness that the gifts had been accepted.

Harvard will use the gift, which was initiated by the prince, to create the Prince Alwaleed Bin Talal Islamic Studies Program, a University-wide project run by the Faculty of Arts and Sciences in close coordination with the Divinity School. The money will fund four new professorships, one known as the Prince Alwaleed Bin Talal chair in contemporary Islamic thought and life, and provide support for graduate students. It will also launch a $1-million initiative within the University Library, the Islamic Heritage Project, that will digitize historically significant Islamic materials and make the resulting images, including digitized texts of the classics of the Islamic tradition, available on the Internet.

Islamic studies at Harvard are currently found within disciplines ranging from religion, history, and law to art and literature. The prince’s gift will make it possible to add strength in the history of science and in new areas such as Islamic Inner-Asian, Southeast Asian, or South Asian studies. “For a university with global aspirations, it is critical that Harvard have a strong program on Islam that is worldwide and interdisciplinary in scope,” said provost Steven E. Hyman, who will coordinate the new program’s implementation.

A sampling of the opposition, much of it indicative of the divided opinions on the Middle East and concern about terrorism, came from Washington: “Accepting money from a member of the royal family legitimizes the regime,” wrote Suzanne Gershoywitz ’04 of the American Enterprise Institute in National Review. “[M]uch of the concern about Islam and the Arab world is in fact a justified reaction to that world’s uncomfortable realities, such as the oppression of women, Islamist incitement, and apology for terror. But universities—and especially Georgetown and Harvard—are not the place to find this sort of distaste. Their classrooms, and especially Middle Eastern-studies departments, tend instead to amplify anti-American rhetoric, legitimate conspiracy theories, and, in the name of cultural relativism, gloss over the oppression that exists in the Arab world.”
Curricular Commitments

Departing Faculty of Arts and Sciences (FAS) Dean William C. Kirby has attempted to set the clock ticking for completing a revision of the undergraduate curriculum, after three years of study. In a letter circulated January 20—one week before the news of his personal plans was disclosed—he proposed votes this spring on legislation to effect changes in concentrations (fewer requirements, student choice of a course of study deferred from freshman year to the middle of sophomore year) and then general education (replacing the Core curriculum with distribution requirements). These issues would be followed with action on instruction in writing and speaking; advising; and then the academic calendar; possibly moving reading period and exams before Christmas, and creating a flexible January term. (The letter and underlying committee reports were bound in a single volume, as shown below, for faculty reference during debate. They appear on line, respectively, at www.fas.harvard.edu and www.fas.harvard.edu/curriculum-review.)

Kirby restated several themes from the review. One is to “recommit our Faculty to the central task of educating undergraduates.” Another is emphasis on “liberal education”—specifically “resisting pressures for early specialization and professionalization” through “a curriculum of choice, incentive, and opportunity more than one of restriction and requirement.” On the latter point, Kirby hopes, new general-education courses will succeed “because they are great courses, not because they are mandated,” and students

Money-Manager Compensation

Compensation data for the most highly paid Harvard Management Company (HMC) investment personnel—subject to some sharp criticism in recent years—were released on the afternoon of December 21, as the campus emptied for the winter recess.

Salary, benefits, and bonus payments for the fiscal year ending June 30, 2005, totaled $18 million for domestic-bond manager David R. Mittelman and $16.9 million for foreign-bond manager Maurice Samuels. Under HMC’s pay formula, these two senior portfolio professionals each earned more than $25 million in fiscal year 2004, and more than $34 million the year before, reflecting long-term returns well above market benchmarks. Jack R. Meyer, M.B.A. ’69, HMC president and chief executive during this period, earned $6 million, down from $7.2 million in 2004. Domestic-bond managers Shawn Martin and Matt Early received $5.4 million and $4.6 million, respectively, and Andy Wiltshire, who is responsible for large timber holdings, earned $5.9 million.

This year’s release drily noted that, with the exception of Wiltshire, for all the employees listed, “these payments represent the final payments” under HMC’s compensation plan. Meyer and the bond managers are among nearly three dozen HMC personnel who departed September 30 to establish Convexity Capital, a hedge fund. Harvard has retained the new firm to manage part of the endowment assets. The terms of such private contracts are not disclosed.

The lower paychecks did not mollify William Strauss ’69, who with a group of classmates has criticized the compensation as inappropriate for an academic institution. After the figures were released, he said, “Yet again, Harvard pays lavish fund-manager bonuses, in a year in which they raised tuition by more than inflation. We had thought President [Lawrence H.] Summers wasn’t going to do this any more, but here we are.”

The University has maintained that HMC’s internal money-management costs are well below market rates it would have to pay hedge funds for equivalent performance (total return, after expenses, was 19.2 percent in 2005). Treasurer and HMC board chair James F. Rothenberg, Summers, and new HMC president and chief executive Mohamed A. El-Erian have all spoken of the incentive-based compensation formula as central to attracting personnel who can garner investment results that exceed market returns and rank Harvard among the performance leaders for comparable institutions (see “El-Erian for the Endowment,” January-February, page 54). The news release said senior managers’ pay is “structured in a manner consistent with relevant industry standards.”

It is not wholly clear what factors underlay the payouts in the most recent fiscal year. The news release did not detail the components of each person’s earnings (this information was provided for 2004); for those who are leaving HMC, the 2005 sums represent final payments, with none of the customary carrying forward of contingent bonuses to be paid only if strong performance continues. Mittelman’s domestic-bond return exceeded the market benchmark by 7 percentage points in 2005, a lesser margin than in the prior two years; but the return in the foreign-bond portfolio overseen by Samuels exceeded the benchmark performance by more than 12 percentage points, a stronger relative result than in the prior year. Other factors—the performance of different asset classes, the contribution of additional team members—might have come into play. So might recent slight changes in the formula that stretch out the time required for high-performing managers to earn bonuses.

In the end, it will be up to El-Erian to decide whether to refine the pay system. Even more critical, perhaps, will be pressing decisions on restaffing HMC’s ranks to sustain effective investment of the University’s $25.9-billion endowment and other financial assets.