University People

Honored Professors
The Faculty of Arts and Sciences has conferred Harvard College Professorships, its highest honor for teaching excellence (a five-year honorary title, accompanied by supplementary research funding), on David Charbonneau, professor of astronomy; Marla Frederick, professor of African and African American studies and of religion; Shigehis Kuriyama, Reischauer Institute professor of cultural history (chair of East Asian languages and civilizations, and a faculty sponsor of the Early Sciences Working Group in the history of science department); Ann Pearson, Ross professor of environmental sciences; and Salil P. Vadhan, Joseph professor of computer science and applied mathematics.

Students' Choice
The Undergraduate Council selected the following to receive its Joseph R. Levenson Memorial Teaching Prize for excellence in teaching College students: Joseph Blitzstein, professor of the practice in statistics; Roger Porter, faculty dean of Dunster House and IBM professor of business and government; and Tess Wise, teaching fellow in government. The Council’s John R. Marquand Prize for exceptional advising and counseling was awarded to James Biblarz, tutor in Eliot House; Judith Flynn, Allston...
Endowment Insights

Last February, three Republican members of Congress sent a questionnaire to the 50 private universities and colleges with endowments valued at $1 billion or more, seeking information about those endowments, investments, financial aid, and financial practices. The answers, provided by the April 1 deadline, offer insights into the individual institutions’ circumstances and policies (on Harvard, see harvardmag.com/queries-16), and for comparative purposes. The University, for example, revealed its estimate of the endowment’s loss of purchasing power since 2008. Even though, in nominal terms, its value as of June 30, 2015, finally exceeded the prior peak before the financial crisis in 2008 ($37.6 billion vs. $36.9 billion), “In real (inflation-adjusted) dollars, the endowment remains below the fiscal 2008 value, by approximately $5 billion.” (And distributions from those endowment assets now support a larger physical plant, enhanced financial aid, and other costs.)

Other interesting tidbits include the following:

Investment-management expenses. Harvard Management Company (HMC) has always maintained that its hybrid asset-management model (investing a portion of the assets itself, less expensively, and retaining external managers to invest the rest) provided important economies. It has not detailed those economies to any significant extent, other than reporting, as in its fiscal 2014 letter, that its studies suggested savings of “approximately $2.0 billion over the last decade as compared to the cost of management for a completely external model” delivering equivalent investment returns. The response to the congressional query notes that the management cost for internally managed funds is “generally below 0.75 percent” and that for externally managed funds “generally averages 1.2 percent of assets under management.” Making a back-of-the-envelope calculation, using fiscal 2015 assets ($37.6 billion), yields, very roughly, $110 million of internal costs (at 0.75 percent) and $225 million of external management costs (at 1 percent to 2 percent).

Peer institutions, which maintain small internal investment staffs and pay external managers fees to invest essentially all their assets, reported these internal and external expenses for fiscal 2015 (as a percentage of endowment assets) respectively:
- MIT, 0.12 percent, 1.0 percent
- Princeton, 0.09 percent, 1.3 percent
- Stanford, 0.15 percent, 1 percent to 2 percent
- Yale, 0.14 percent, 1.22 percent

Yale’s external cost ratio, which has declined significantly in recent years, is particularly notable. It invests less than one-quarter of its endowment assets in

National Academy Honorands
The National Academy of Sciences has elected 84 new members, including Myles A. Brown, professor of medicine; Oliver Hart, Furier professor of economics; Hopi E. Hoekstra, professor of organismic and evolutionary biology and molecular and cellular biology (and a Harvard College Professor); Robert E. Kingston, professor of genetics; and Steven Pinker, Johnstone Family professor of psychology.

Kennedy School Centers
The Harvard Kennedy School’s (HKS) Shorenstein Center on Media, Politics, and Public Policy has appointed Nicco Mele as director, effective July 1, succeeding Alex Jones, who stepped down in 2015. Mele, most recently at the University of Southern California, was previously deputy publisher of The Los Angeles Times and webmaster for Howard Dean’s 2004 presidential campaign (for more on Mele, see “Rise of the Little Guy,” September–October 2013, page 13).… Black professor of political economy David T. Ellwood, a scholar of poverty and welfare and HKS dean from 2004 to 2015, has been appointed director of its Wiener Center for Social Policy. He also chairs the U.S. Partnership on Mobility from Poverty, an academic-practitioner collaboration aiming to create expanded paths for economic and social advancement. Allison professor of economics Lawrence Katz and Beren professor of economics N. Gregory Mankiw are among the 24 members of the partnership.

Overseers Executives
Kenji Yoshino ’91, the Chief Justice Earl Warren professor of constitutional law at NYU, and Nicole Parent Haughey ’93, a former investment-research and corporate executive, have been elected president of the Board of Overseers and vice chair of the Overseers executive committee, respectively, for the 2016-2017 academic year.

Newsmakers
Jane L. Mendillo, president and chief executive officer of Harvard Management Company from 2008 through 2014, has been nominated for election to the board of directors of General Motors Company. She is already a director of Lazard Ltd., the investment bank, and a trustee of the Andrew W. Mellon Foundation.…” The Radcliffe Institute’s 55 fellows during the 2016-2017 academic year include a bumper crop of 11 Harvard affiliates, ranging from Tomiko Brown-Nagin, Paul professor of constitutional law and professor of history (who is working on a biography of Constance Baker Motley) to Eugene Wang, Rockefeller professor of Asian Art (Chinese art). See the complete list at www.radcliffe.harvard.edu/news/press-releases/from-around-the-world-and-across-harvard.