among academic medical centers and pharmaceutical companies as “a marriage made in heaven,” noting the relationship dating to 1982 between her enterprise and Novartis, which has a vast research center in Cambridge. Novartis CEO Vasant Narasimhan, M.D.-M.P.P. ’93, cited the advantages of scale in bringing discoveries to patients’ bedside: his company performs 550 clinical trials per year, he said, and its compounds treat a billion people annually (the sort of data that, ultimately, Kohane and his bioinformatics colleagues hope to harness).

President Lawrence S. Bacow hailed the gift as an endorsement of “curiosity-based research” and a powerful statement of support for the “unique ecosystem” of life and biomedical sciences in Greater Boston, where “We have the capacity” to transform health and reimagine health care. He thanked Blavatnik for “supporting the very best people in the very best places,” especially in the life sciences, raising the odds for discoveries of fundamental importance.

An ebullient HMS dean George Q. Daley proclaimed this a “pivotal moment in the history of medicine,” and said the new gift would have a “transformative impact and outcomes.”

With Len Blavatnik ironically laid low in London following surgery, Dean George Daley (left) and President Larry Bacow conferred an HMS jacket on his brother, Alex Blavatnik—a sign of membership in the Medical School community.

Stressing the importance of collaborating with community institutions and scientists, he said it was “not a gift just to Harvard but to biomedicine through Harvard,” igniting a “new era of discovery.”

The gift, which has been in the works since earlier in the year, underscores a fundamental strengthening of HMS, which has been operating at a deficit for several years (not unusual among institutions which conduct expensive “wet” lab science; the fiscal year 2018 red ink was $93 million). It follows the school’s successful capital campaign, which realized $789.4 million in gifts and pledges (much of that for research, as was noted in a November 8 evening celebration at Fenway Park), and the recent sale of a leasehold interest on an HMS research building (which brought in another $272.5 million).

In a hard-to-believe moment, the donor himself was absent from the gala celebration of his stupendous gift: a resident of London, Len Blavatnik was recuperating in a hospital there following an appendectomy, occasioning some rueful humor about expedient medical care; he watched the proceedings by a live video link. For a detailed report on the Blavatnik gift and HMS, see harvardmag.com/hms200mgift-18.

Separately, Harvard’s science aspirations were advanced by another nine-figure gift, this one to the Faculty of Arts and Sciences (FAS). On October 12, The Harvard Gazette unveiled an anonymous $100-million gift, by an alumnus and his wife, designated to keep the Science Center in shape as a core undergraduate teaching facility; support mathematics research; and provide unrestricted funding for use at the discretion of the FAS dean. The donor is described as a 1990s College graduate; his interests, in collaborations with Israel and in mathematical finance, perhaps provide grist for budding applied mathematicians to develop an algorithm to try to peel back the cloak of anonymity from one of the most generous donors in Harvard history.

~JOHN S. ROSENBERG
1934 The College funds five $1,000 fellowships for prospective freshmen who live and attend school in the Midwest: an experiment by President James B. Conant to attract “the most promising young men throughout the whole nation.”

1939 “The Undergraduate Week,” by William R. Frye ’40, reports: “If Harvard ever was composed solely of the ‘upper crust’ of society, it is not so composed now”: the Student Employment Office, organized to provide jobs for men facing financial difficulties, is serving nearly one-third of the undergraduate body.

1964 Harvard opens a housing office; its first task is assigning apartments in one section of Peabody Terrace that has been finished nine months ahead of schedule.

1969 A faculty committee chaired by professor of economics Henry Rosovsky proposes a degree program and research center for Afro-American studies.

1984 The Law School faculty approves a pilot program to provide about $125,000 in loans to supplement the earnings of first- and second-year law students who take low-paying, law-related jobs in the public-service or public-interest sector during the summer.

2004 Dean of the Law School Elena Kagan decides on the spur of a frozen January moment to flood the field by Harkness Commons to form a skating rink that will remain open, she says, “until it melts.”

2009 Harvard men’s basketball records its first win over a nationally ranked opponent, Boston College (which had beaten the nation’s top team only a week before), as shooting guard Jeremy Lin ’10 scores 27 points and makes eight assists and six steals.

N.P. Narvekar, in which he shed more light on the endowment, following the September news of a 10 percent investment return during fiscal 2018 (details at harvarded.com/endowment-18).

The financial results, plus Narvekar’s comments on his progress in overhauling HMC to boost returns, help clarify both Harvard’s prospects during favorable conditions and President Lawrence S. Bacow’s perspective, at the outset of his administration, on how to be ready for whatever lies ahead. Having led Tufts during the financial crisis at the end of the last decade, he offers some cautions about how the University with the largest endowment should be on its guard.

Harvard’s Finances

DURING FISCAL 2018, revenue increased nearly $217 million to about $5.2 billion (growth of 4.3 percent): close to the 4.6 percent growth in fiscal 2017, despite restrained endowment distributions—Harvard’s largest source of revenue.

The growth was driven by executive and continuing education, up more than $47 million (about 12 percent—faster than the 8 percent growth logged in the prior year), to $528 million; and non-federal sponsored research grants, up an aggregate $21.5 million (8 percent), to nearly $289 million. (Unfortunately, federal research support was essentially flat, at $453 million for direct costs—and up about $7 million for indirect costs: reimbursement for facilities, overhead, etc.)

The endowment distribution rose by $34 million (just 1.9 percent), to a bit more than $1.8 billion. In light of earlier weak investment returns, the Corporation held the distribution flat (per unit of endowment owned by each school) for fiscal 2018, and suggested that distributions could increase within a range of 2.5 percent to 4.5 percent annually for fiscal years 2019 through 2021, beginning with 2.5 percent in the current year.

The increases realized in fiscal 2018 reflect gifts: new endowment units as a result of largess from the campaign. Current-use giving rose, too, by $7 million (3.7 percent), to $217 million—another testament to the socko finish of the fundraising drive.

Other revenue, a catch-all category, also chipped in, increasing $50 million (7.9 percent), to $689 million. A notable contributor was royalties from commercial use of intellectual property (up about $8 million, or 50 percent, but those results can be very volatile from year to year).
Expenses rose by $134 million to just more than $5 billion (2.7 percent)—continuing a moderating trend (up 3.9 percent in fiscal 2017 and 5.3 percent in the prior year). Although some one-time factors affected the results, it appears that deans, expecting level endowed distributions, reined in their spending.

Compensation—salaries, wages, and benefits—accounts for half of expenditures, and rose only 2 percent: less than half the rate of growth in fiscal 2017. Salaries and wage expense increased 3 percent, also decelerating from the prior year; and employee-benefit costs were unchanged.

There is a bit of accounting noise in that number. Expenses for employee benefits such as retirees’ defined-benefit pensions and healthcare costs are adjusted annually for changes in the prevailing discount rate. In fiscal 2017, those adjustments increased costs significantly. In fiscal 2018, the interest-rate adjustment (and favorable claims experience) decreased costs, a significant swing in results. In both years, health-benefits costs for active employees—the major benefits expense—rose a reported 4 percent, reflecting more people covered and higher claims costs.

All other expenses increased by an aggregate 3 percent. Space and occupancy costs rose an apparent 10.5 percent, to $410 million. Some of that reflects the University’s torrid construction program (see below) and larger facilities, such as the expanded

### University People

#### National Academy Members

Among the 75 new U.S. members of the National Academy of Medicine are a dozen from Harvard: professor of medicine Richard S. Blumberg; Gamble professor of biostatistics, population, and data science Francesca Dominici; Canelllos professor of medicine Benjamin L. Ebert; Rosenkrantz professor of the history of science and professor of African and African American studies Evelyn M. Hammonds; professor of genetics Robert E. Kingston; Austen professor of surgery Keith Douglas Lilliee; professor of biostatistics and of statistics Xihong Lin; professor of pathology Matthew Langer Meyerson; professor of pediatrics and of education Charles A. Nelson III; Loeb professor of chemistry and chemical biology Stuart L. Schreiber; Fabyan professor of comparative pathology Arlene H. Sharpe; and Chandler professor of ophthalmology Janey L. Wiggs.

#### NIH Notables

Seven Harvard scientists are among the 89 newest beneficiaries of the National Institutes of Health’s programs to encourage pioneering biomedical research through high-risk, high-reward grants: assistant professor of biological chemistry and molecular pharmacology Justin Kim; professor of stem cell and regenerative biology, and of medicine, Richard T. Lee; assistant professor of medicine Po-Ru Loh; John Harvard Distinguished Science Fellow Sergey Ovchinnikov; Stillman professor of developmental biology Norbert Perrimon; Forst Family professor of stem cell and regenerative biology Amy Wagers (who chairs that department); and professor of systems biology Peng Yin. Their projects range from investigating the repair of damaged tissues to using DNA and RNA as scaffolds to help manufacture biomolecules.

#### AAAS Honorands

Count 10 faculty members among the newly elected fellows of the American Academy of Arts and Sciences: professor of genetics Susan M. Dymecki; Stanfield professor of international peace Jeffry Frieden; Richards professor of chemistry and professor of materials science Cynthia Friend; Zwaanstra professor of international studies and economics Gita Gopinath (now serving as chief economist of the International Monetary Fund); Valle professor of molecular pathology Wade Harper; McArthur University Professor Rebecca Henderson; Thomas professor of history and of African and African American studies Evelyn Brooks Higginbotham; McGuire lecturer in comparative politics Pippa Norris; Hessel professor of biology Naomi E. Pierce; and Ballard professor of pediatrics and neurology Christopher A. Walsh.

#### Honor Roll

The Royal Institute of British Architects has conferred its 2018 Stirling Prize on Foster + Partners’ European headquarters for Bloomberg LP. Hanif Kara, professor in practice of architectural technology, and his firm, AKT II, served as engineers and design director for the project. The Library of Congress has conferred the biennial Bobbit National Prize for Poetry on Boylston professor of rhetoric and oratory Jorie Graham for her 2017 collection of poems, Fast; the magazine’s 2001 profile is available at harvardmag.com/joriegraham-18. Charles River professor of engineering and applied sciences Robert Wood has received the Max Planck-Humboldt Medal for his pioneering work on robotics—covered recently in “The RoboBee Collective” (November-December 2017, page 56).

#### Crimson Chief

The Harvard Crimson announced in November that Kristine E. Guillaume ’20 has been elected president, effective January 1, making her the first black woman to serve as leader in the newspaper’s 145-year history.
Engaging Radcliffe with the World

For Tomiko Brown-Nagin, Paul professor of constitutional law and professor of history, spending a year conducting research as a Radcliffe Institute fellow during the academic year 2016-2017, when she was newly arrived at Harvard, was a unique opportunity to marry her research interests. “I am a profoundly interdisciplinary scholar,” she says. “I study law and history, and it can often be difficult to move between two distinct scholarly worlds—I certainly have felt that throughout my career. When I got to Radcliffe, it felt like home. It felt comfortable.”

In July, Brown-Nagin moved into the dean’s office at Fay House, and has since been using her new position to emphasize Radcliffe’s role as a place for members of the Harvard community to convene and collaborate with one another. Her efforts include continuing to enlarge the Radcliffe Research Partnership Program, which enables undergraduates to work with Radcliffe Institute fellows on their projects in the arts, sciences, public policy, and humanities. The program “is invaluable to the undergraduate population because it gives the students the chance to see Harvard in a more intimate setting, which is what they long for,” she says. “The students here really want to have engagement with professors and fellows in a smaller setting.” In the same vein, she is also pursuing opportunities for local high-school students to convene at Radcliffe and be mentored by undergraduates with similar academic interests.

Turning to the institute’s flagship fellowship program, Brown-Nagin says that even as she welcomes humanists, artists, and social scientists to apply, she also hopes that scholars interested in applied research in fields like medicine and public health will consider the Radcliffe residency a particularly attractive option. “I look forward to making it clear that we are a part of the world, and we are engaged with the world. Students and faculty who are predisposed in that matter have a home at Radcliffe.”

While assuming the deanship, Brown-Nagin continues her academic affiliations with both the Law School and the Faculty of Arts and Sciences. “I really enjoy being a mentor to students, and I am continuing with graduate-student advisees,” she says. “I am also teaching an 1L reading group, and I’m really, really happy that I decided to do that. I wasn’t sure if I should, because I was a little nervous about continuing to teach in the first semester of my deanship, but it’s just so rewarding.”

Atop those demands of a packed work schedule, her first months as dean have been made busier by major campus-renewal projects. The Schlesinger Library on the History of Women in America, the preeminent collection in its field, is closed through early September 2019 as it is renovated and reconfigured—a project that will add classrooms, an updated reading room, and a gallery space. (Researchers can still access the library’s collections, by appointment, in a temporary reading room in Fay House.) And the Knafel Center, Radcliffe’s main space for public lectures (a significant element of its programming), was renovated this past summer; it now incorporates user-friendly technological updates and additional classroom space.

During her own fellowship, Brown-Nagin worked on her forthcoming book on the life of Constance Baker Motley, LL.D. ’00, the civil-rights lawyer and federal judge who also became the first female Manhattan borough president. Storytelling to amplify the voices of marginalized communities, typically unheard and underrepresented, Brown-Nagin says, is a critical part of her scholarly interests that will shape future programming at the institute. “I think it’s true for all deans that the deanship takes on a character that is consistent with whatever issues the dean was interested in, in her scholarly life,” she says. “For me, that means that I really look forward to increasing Radcliffe’s engagement with the world.”

~OSET BABUR
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Harvard University Endowment ($ billion)

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while minimizing losses during downturns line up with the shorter time horizons of individual deans?

Being Prepared

Usefully, those questions will be addressed under the ultimate direction of a leader who has lived through the severest investment cycle in memory.

During a conversation at Massachusetts Hall on November 2, President Bacow outlined some of his perspectives on these issues. In general, he said, universities fortunate enough to enjoy endowments take risks in their budgets that turn out to be highly correlated with the risks in their investment portfolio. Thus, when the economy is weak and the value of assets depressed, schools relying on endowment distributions typically have to spend more on financial aid, cope with less current-use giving, and face reduced support for sponsored research. And of course, if they seek to rein in costs, half or more of which are for their people, there is resistance to layoffs; attrition diminishes as employees have fewer opportunities elsewhere; and retirements slow because those eligible worry about diminished savings.

In other words, all the enormous benefits derived from endowment distributions mean that “endowments are not a cushion in tough times.” And in general, Bacow said, at most universities, governance of the endowment is separate from governance of the operating entities and functions. That makes it easy, and dangerous, for administrators and deans to proceed without appreciating the correlation. (Hence the importance of that discussion about risk that Narvekar highlighted.)

Moreover, the more heavily endowed the institution, the greater the mismatch. Thus, Tufts derived 12 percent of its revenues from endowment distributions during the 2008-2009 financial crisis and recession: a 25 percent decline in its endowment translated, roughly, into a 3 percent adjustment to revenue—a haircut about one-third as severe as that faced by Harvard and Yale, which were three to four times as endowment-dependent. Bacow rebooted the Tufts budget in one year. In contrast, he said, the multiyear process of smoothing out the losses at Harvard protracted the period of constraint, even as external conditions improved. That was challenging for morale—and perhaps tangibly, too. Tufts was able to get back in the hunt sooner to hire faculty members from institutions that were still cutting back.

Endowments confer enormous benefits—but they “are not a cushion in tough times.”

Bacow was an Eagle Scout before he was a university president. Unsurprisingly, he wants to be prepared, so he is working with the deans, he said, on planning scenarios for the economic downturn that will surely come.

Similarly, vice president for finance Thomas J. Hollister, Harvard’s chief financial officer, and treasurer Paul J. Finnegan, a member of the Corporation and chair of HMC’s board, were relatively restrained in their letter accompanying the annual financial report.
News Briefs

Police—and Student—Conduct

The committee appointed by President Drew Faust last spring to review the April 13 off-campus arrest of a black undergraduate by Cambridge police—video evidence showed the physical force used to restrain him—completed its report on November 9.

The committee recommended clearer communications from the Harvard police department (HUPD) to the University community about what members should expect in emergency situations, and about off-campus incidents. It also recommended that the University health services (HUHS) and HUPD consider the viability of including mental-health professionals as first responders when mental-health crises arise.

HUHS was encouraged as well to promote awareness of its alcohol and drug services, and the College and schools, and HUPD and HUHS, were variously charged with doing a better job of training for multicultural competence, explaining how to report incidents of racial bias, communicating the amnesty program for seeking help during alcohol crises, and, generally, working to build a closer relationship with students.

In an email to the community, President Lawrence S. Bacow endorsed the committee’s principles concerning safety for all concerned, and its detailed recommendations.

Toward the end of his message, he focused on an element of the report that figured repeatedly in his addresses to entering freshmen at Tufts, where he was previously president: the effects of alcohol use, and community members’ responsibilities to one another (see “The Pragmatist,” September-October 2018, page 32). The committee noted that the arrest occurred during Yardfest, the spring undergraduate concert—and that 17 students had to be medically transported for intoxication or overdose, far more than in prior years. The concert and that need for assistance generated unprecedented demand on first responders (and area hospitals). Bacow focused on how those “behaviors...not only put the students involved at risk, but...also compromised the capacity of emergency medical personnel to respond.” Beyond the committee’s recommendations to reorganize Yardfest and similar events, the president observed that the report is “an essential reminder about how interconnected any community is—how one person’s actions can have profound implications for others—and underscores the need for all of us to be cognizant of our responsibilities both to ourselves and to the broader community.”

Read the report at https://www.harvard.edu/sites/default/files/content/Review_Committee_Report_20181113.pdf.

~John S. Rosenberg

Title IX Rebooted

Secretary of education Betsy DeVos in mid November unveiled draft regulations governing campus sexual assaults. If put into place after public comment, they would be the first formal regulations on how education institutions must proceed to address such assaults under Title IX, the 1972 law prohibiting sex discrimination in education programs receiving federal funds. In 2017, DeVos set aside guidance (not formal rules) issued under the Obama administration; that regime led to much more reporting of alleged incidents of sexual assault, but also to objections from those accused of perpetrating the assaults, who claimed that, among other faults, the evidentiary standard employed in hearing assault cases (the “preponderance of evidence”) was unfair.

The proposed regulations allow institutions to choose what standard to employ, including a more rigorous one (“clear and convincing” evidence that abuse or harassment occurred). The regulations also appear to limit institutions’ liability to incidents that occur on campus, or in the context of an educational program (as opposed to, say, in an off-campus residence), and that are more formally reported to an investigatory officer who has authority in such cases. Most significantly, the regulations narrow the definition of offenses from “unwelcome conduct of a sexual nature” to “unwelcome conduct on the basis of sex that is so severe, pervasive, and objectively offensive” that it denies someone equal access to an educational program. And they guarantee those accused the right to cross-examine the accuser, in a live hearing, although not face-to-face.

Advocates for those accused of campus sexual assault have generally favored such changes. Victims’-rights advocates were quick to denounce the regulations for likely inhibiting reporting of assaults or harassment, and for outlining procedures that would, in effect, punish victims anew. What changes in procedures and policies, if any, Harvard would make must of course await formal adoption and promulgation of the regulations.

~J.S.R.

In the Public Arena

As Lawrence S. Bacow works to address public skepticism about the value of higher education, populist critiques of elite institutions, and disparagement of the search for truth—a major theme of his presidency—survey research sheds light on divided opinion about colleges and universities. Americans appear supportive of education, but they are polarized along familiar partisan lines—for example, about whether schools are hospitable to conservative opinions. One issue on which respondents seem united is their dismay over the costs of educating their children—a concern that Bacow has also highlighted.

“Americans’ Views of Higher Education as a Public and Private Good,” with lead authorship by Noah D. Drezner, associate