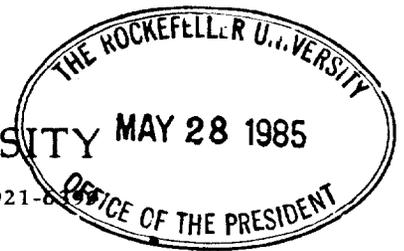




THE ROCKEFELLER UNIVERSITY

1230 YORK AVENUE • NEW YORK, NEW YORK 10021-6300



OFFICE OF THE PRESIDENT

25 May 1985

↓
Alexander D. Forger, Esq.
Milbank, Tweed, Hadley & McCloy
One Chase Manhattan Plaza
New York, N.Y. 10005

Dear Alex:

I hope you will not think me to be flip in sending along the enclosed charming essay about "Mr. Ponzi and His Scheme." When I noticed this in a Harvard magazine, I couldn't resist the fanciful speculation that Harvard's recent fund-raising success might be attributable to some variation on a Ponzi scheme! Of course, we would never engage in any such scheme here. But fund-raising fantasies, like all fantasies, presumably encompass such notions.

On our serious business, Paul Cameron has mentioned to me that you will put pen to paper regarding one or more central passages that we can consider in our revised Consulting Policy. Although I believe we should not shift to Trustees the burdens of what might be regarded as "staff work," your superb draftsmanship no doubt would be extremely helpful in clarifying the ways in which we pull together several perspectives. I would greatly enjoy talking with you about your draft whenever you have it ready.

Furthermore, you should know that we are continuing to discuss the subject with the faculty. We had a candid and forthright review of the issues with about half the tenured faculty at a meeting of the University Senate on May 20. Frankly, my sense of the meeting -- there was no vote or decision -- was that there is a growing appreciation of the need for the University, through the Board and officers, to protect the University's mission as well as our property. While no one enjoys additional regulation, there is a high level of agreement that some routine and complete disclosures are in order.

The intricacies surrounding when "prior approval," and "follow-up approvals," are necessary continue to be complex. Interestingly, a few members of the faculty argue strongly that there must be prior approval for all of the non-tenured faculty. There was also considerable discussion about how to treat situations in which a member of the faculty says "no change" from the past year's report: Josh cogently notes that the longer a consulting arrangement goes on, the more likely it is to be a close and potentially entangling one. But many members of the faculty -- who have "minor" consulting arrangements -- believe that it would be just one more unnecessary bit of paper work to file a form when the involvement is trivial.

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What the Senate had before them was a package including our past policy and an updated draft (see enclosed).

I also enclose material from the Spring 1985 issue of Science, Technology, and Human Values. I think you will enjoy the articles by Howard Bremer, Clifford Grobstein, and Robert Rosenzweig. Also see the enclosed articles on "Lessons from Asilomar" and "Academic/Industrial Cooperation for Economic Growth."

Best personal regards.

Sincerely,



Rodney W. Nichols
Executive Vice President

Enclosures

cc: Paul Cameron
William H. Griesar

~~John H. ...~~