

REPORT OF THE CHANCELLOR'S ADVISORY COMMITTEE ON THE ACADEMY ON CAPITALISM AND LIMITED GOVERNMENT FUND

October 29, 2007

On July 20, 2006, a Memorandum of Agreement (MOA) was signed between a group of donors and the University of Illinois Foundation regarding a gift to create and administer an entity, to be housed within the Foundation, called the "Academy on Capitalism and Limited Government Fund." (For ease of discussion this will be referred to simply as the "Academy.") After the faculty convened in the Fall of 2007, the agreement became publicly known. Serious questions were then raised by the campus Senate and numerous others about the purposes and structure of the Academy, as well as the manner of its coming into being, from the perspective of the University's *Statutes*. In response, on September 24, 2007, the undersigned committee was appointed by the Chancellor. It was given a charter of specifics, set out below,¹ but was also charged with the larger question of whether the Academy, as currently fashioned, is consistent with the University's mission and policies. The committee met on October 1 and 22, 2007. It was given the complete cooperation of the Chancellor's Office and the Foundation staff, to whom we express our appreciation.

This report first sets out the terms on which the Academy was created and addresses areas of ambiguity in the governing instruments. The report then discusses two basic principles that define the modern research university in general and the University of Illinois in particular: institutional neutrality and institutional autonomy. This report analyzes the purpose and administration of the Academy in the light of these fundamental principles.

¹ The Chancellor's letter of appointment of September 24, 2007, charges the committee as follows:

1. To assist in reviewing and evaluating proposals for funding that come to the Fund for approval.
2. To work to assure that any academic activity which involves an identification with the Urbana campus is subject to appropriate review by our faculty within a structure of shared governance.
3. To work to assure that the Fund retains its identity as a funding source to support faculty scholarship and teaching, and to guarantee that any future proposal to acquire status as an independent entity is subject to appropriate review and approval.
4. To work to assure that this entity, like all university activities, upholds the highest standards of quality, academic freedom, and respect for multiple points of view.

The Committee's conclusion, to be explained in greater detail, is that the Academy as currently conceived and configured is fundamentally inconsistent with the two central principles that define a free and distinguished University. In view of the manifest good will of the donors, the Committee sees no reason why they would not be amenable to a reconfiguration of the terms of the gift to conform to these principles. In the regrettable event that that is not achievable, however, the Committee concludes that the gift's provision for an "alternate application of income" should be invoked. A final forward-looking recommendation will be offered at the close.

I. The Academy

In this section we examine the Academy's purpose and its structure and administration.

A. Purpose

The Academy's purpose as stated in the MOA is "to promote scholarly research, teaching and public outreach in areas pertaining to free market capitalism, individual freedom, individual responsibility, limited government and the role of these concepts in ensuring a productive and successful society." These purposes are expanded upon in the MOA as including the sponsorship of courses of instruction, research grants, endowed appointments, lectures, scholarships (undergraduate), and fellowships (graduate). The "promotion" clause is outcome-neutral respecting the nature of the research, teaching, and public outreach it expects to support and so is completely congruent with the University's mission. The "pertaining to" clause, however, is another matter insofar as its final clause either does or can reasonably be read to predispose the teacher or researcher as to specific outcomes.

This reservation is grounded in the MOA's express incorporation by reference of an attached "Governing Document." The Governing Document reiterates the foregoing Mission Statement, but it sets out the Academy's goals and activities in greater detail. Akin to the Mission Statement, several of the areas of academic support stated in the incorporated Governing Document are outcome-neutral—for example, to support research on, "the philosophical, moral and economic underpinnings of capitalism," and on the "societal impact of new technologies and the mechanisms that will promote economic and social well being as science progresses." But other areas would seem to invite Academy support only if researchers or teachers base their teaching or research on a tacit assumption of what can be accomplished—or better accomplished—by free market capitalism. Thus, the Academy proposes to support research on "economic growth as a function of tax policy," to "study the relationship between economic growth and re-

duced government size, lessened regulatory controls and expenditures,” and to show that “free market capitalism can

- become even more effective in providing opportunities and prosperity for individual nations;
- find solutions to social challenges such as healthcare distribution, intransigent poverty, environmental pollution and failing educational systems where they exist; [and]
- provide quality human services using market drive creativity and non-governmental organizations.

It may be that the results of these initiatives are not intended to be foreordained. If so, the governing documents needs to be clarified on questions such as:

- Would the Academy’s purpose of exploring economic growth as an element of tax policy preclude recipients from examining whether there is any connection between tax policy and economic growth?²
- Would the Academy’s purpose of studying the “relationship between economic growth and reduced government size, lessened regulatory controls and expenditures” foreclose investigation tending to show that more exacting or more extensive government regulation can conduce toward a more robust free market.³

However, some of the Academy’s purposes and proposed activities unmistakably signal an ideological predisposition or presupposition. For example,

² The Organization for Economic Cooperation and Development (OECD), which includes the United States, has recently issued a report on taxes as a percentage of gross domestic product (GDP) worldwide. Christopher Heady, head of tax policy for the organization, was quoted as saying of the report’s conclusions:

“There is some evidence that countries with higher tax-to-G.D.P. ratios grow somewhat slower and have lower G.D.P. per head, controlling for other factors, but this is not a very clear relationship,” he said.

As an example, he cited Sweden, which “has the highest tax-to-G.D.P. ratio in the O.E.C.D., just over 50 percent, and yet it is one of the O.E.C.D. countries with the strongest economic performance over the past 20 years or so.”

David Cay Johnson, *Taxes in Developed Nations Reach 36% of Gross Domestic Product*, N.Y. TIMES, Oct. 18, 2007, at C3.

³ Richard Taub, *Research on Entrepreneurship, Culture, and Law*, 28 COMP. LAB. L. & POL’Y J. 893, 896 (2007):

[T]he world abounds in examples of cases where the state facilitates business growth. . . . In the United States, an organic food standard established by the United States Department of Agriculture helped to raise the sale of organic products to an entirely new level. . . . The point is that not all interventions of the state hamper business activity.

- The Governing Document states that “[t]he Academy will support studies asking why communism, socialism, government bureaucracy and high taxation have failed to bring prosperity, and how capitalism brings material wealth to a broad spectrum of society.” (What is meant by “government bureaucracy” or “high” taxation is unexplained.)

That governmental regulation and high taxation, whether separately or in tandem, have in fact failed to bring prosperity is surely academically contested terrain, as the experience of in the Nordic countries evidences.⁴ Equally contested in academic research is the assertion that capitalism in the U.S. has brought material wealth to that rather large segment of the American workforce that has experienced wage stagnation despite rising productivity over the past several decades.⁵

Additionally,

- The Academy proposes to support academic programs and investigations on how free market capitalism can, “[e]ncourage individual rights and individual responsibility as a counterpoint to the culture of entitlement, dependency and victimhood.”

It is surely an academically contested proposition, however, that Social Security, an archetypical “entitlement,” has conduced toward economic independence and so toward individual freedom in old age and would continue better to perform that function than market alternatives.⁶

In sum, it would appear that studies that do not share the Academy’s premises would not qualify for institutional support.

The Committee wishes to make it abundantly clear that it takes no position whatsoever on any of these contested questions of public policy. The foregoing is simply to observe that these *are* contested and that some of what the Academy is purposed to do plainly does or reasonably can be read to foreordain the general thrust of the conclusions it expects the research, lectures, professorships, courses, and students it supports to draw. It is surely within the mission of the research university to sponsor studies relating to economic growth and the relation of tax policy, government size and bureaucracies to individual rights and responsibili-

⁴ See *supra* note 2, concerning Sweden.

⁵ The data are supplied in LAWRENCE MISHEL, JARED BERNSTEIN & SYLVIA ALLEGRETTO, *THE STATE OF WORKING AMERICA 2004–2005* (2006); see also RICHARD B. FREEMAN, *AMERICA WORKS* ch. 3 (2007).

⁶ *E.g.*, DEAN BAKER & MARK WEISBROT, *SOCIAL SECURITY: THE PHONY CRISIS* (1999); *SOCIAL SECURITY REFORM* (Richard Leone & Greg Anrig eds., 1999); JOSEPH WHITE, *FALSE ALARM* (2001); PETER DIAMOND & PETER ORSZAG, *SAVING SOCIAL SECURITY* (2004).

ties. But a university cannot sponsor research, teaching, and public programs based on an assumption of what the results need be. As the report will explain in greater detail, such would be inconsistent with the fundamental nature of a university and inconsistent with the founding principles of a land-grant public university such as the University of Illinois at Urbana-Champaign.

B. Structure and Administration

The Governing Document provides for a continuing, self-perpetuating Advisory Board of Directors housed within the University of Illinois Foundation and composed of persons who support the purposes of the Academy. It also allows for the funding and hiring of an Executive Director with the approval of the Foundation and the UIUC Chancellor. As the Committee understand it, however, the Foundation's function is to raise and husband funds for the support of the University; it should have no responsibility for making academic decisions in the expenditure of such funds. Housing the Academy in the Foundation is thus highly problematic.

The Academy's Board of Directors is given authority to "make funding decisions with the UIUC Chancellor's concurrence." That provision is echoed in the MOA, save that the latter adds that the Chancellor "shall have approval [authority] as to the funding of any grant requirement *as it applies to the campus.*" (Emphasis added.) Thus, it is not clear whether the Academy, acting through its Board, may authorize funds without the Chancellor's approval when the project or program it supports does not "apply" to the UIUC campus—that is, is undertaken by itself as a free-standing body.

The MOA, echoing the Governing Document, provides that the Academy's Board may not revise, alter, or amend the Mission Statement. The MOA and the incorporated Governing Document also allow for the assets of the Academy to be diverted to another qualifying institution if the University of Illinois determines that it is not "practical" for the Academy to function in accordance with these instruments.

II. Compatibility with the University's Mission and Policies

The University is governed by *Statutes* that have the force and effect of law. These acknowledge at the outset the University's observance of "such self-imposed restraints as are essential to the maintenance of a free and distinguished University."⁷ The creation of the Academy presses upon us the question of what conditions *are* essential to the maintenance of a free and distinguished University.

⁷ The University of Illinois, *Statutes*, Preamble:

The University of Illinois, as a state university, is subject to the control of the Illinois General Assembly. The General Assembly, subject to the limitations of

Part of the Academy’s Mission Statement says that one of the Academy’s goals is to “encourage intellectual diversity and civil debate.” This is completely concordant with the University’s mission. The Mission Statement proceeds to qualify this desideratum by stating that the manner in which this will be realized is by “opening campus discourse to a greater range of perspectives.” The tacit assumption of the “greater range” qualification is that the particular perspective the Academy intends to support is either not reflected or, perhaps, is inadequately reflected in the University’s current display of offerings, lectures, research, programs, and the like: the donors perceive a need to broaden the University in that regard. Such would seem to explain those parts of the Academy’s program that have or can reasonably be read to have a specific doctrinal or ideological predisposition. And it explains the additional operational feature of the Academy’s providing for an active role for its Board in grant-making, a co-determinative role to ensure its predisposed ends are being realized. In the Committee’s judgment these two features are irreconcilable with two principles that characterize a free and distinguished university—neutrality and autonomy.

A. *Institutional Neutrality*

The Committee wishes to reiterate that it has no position whatsoever concerning the economic or social positions the Academy’s donors wish to advance. It does not question the donors’ good will toward the University, evident in their very generosity; nor the depth of commitment that impels them. It is altogether laudable that a person or a group would wish to contribute to the robustness of public debate on those contested economic and social questions that so vex the nation; and in so doing they are free to put a particular ideological stamp on their contribution. But it is not the proper function of a university to advance a donor’s ideological agenda, whatever it might be.

The imperative of institutional neutrality as a defining condition of modern American higher education is best understood in historical context. We start by reference to Andrew White, founding president of Cornell University, reflecting on his days on the faculty of the University of Michigan circa 1860, when Harry P. Tappan was president: “Up to that time the highest institutions of learning in the United States were almost entirely under sectarian control,” he ob-

the state constitution and to *such self-imposed restraints as are essential to the maintenance of a free and distinguished University*, exercises control by virtue of its authority to change the laws pertaining to the University and its power to appropriate funds for the maintenance and improvement of the University. Under existing state law the University of Illinois is a public corporation, the formal corporate name of which is “The Board of Trustees of the University of Illinois.”

Italics added. The *Statutes* can be found at <http://www.uillinois.edu/trustees/statutes.cfm>.

served.⁸ Tappan struggled to free the University of Michigan in just that regard. When he addressed the Christian Library Association in 1858, he argued that service to sectarian interest is contrary to the idea of what a university is.⁹ The claim was to resound even more strongly when non-sectarian institutions were founded or supported, in the words of Alton B. Parker, by those “whose sole business in life [is] making money.”¹⁰ Parker maintained that they had the right to “insist [that] the doctrines they believe to be true, and for the propagation of which they have expressly and avowedly founded the institution, or endowed the chairs, shall be taught in such institutions.”¹¹ The regnant assumption of the time was of the right of the payer to call the piper’s tune.

As the modern research university developed over the course of the late nineteenth and early twentieth century, presaged by the Morrill Act of 1862, encouraged by the professionalization of the American professoriate, and driven by the manifest societal need for professional expertise to be brought to bear on all manner of pressing problems and challenges—scientific, economic, social, and moral—the wisdom of the 1915 *Declaration of Principles on Academic Freedom and Tenure* took deep root: The university “should be an intellectual experiment station, where new ideas may germinate and where their fruit, though still distasteful to the community as a whole, may be allowed to ripen until finally, and perchance, it may become a part of the accepted intellectual food of the nation or the world.”¹²

The principle of neutrality became universally recognized as an inextricable component of, a defining condition for the American research university. The reasoning of the 1915 *Declaration* has withstood the test of time:

The simplest case is that of a proprietary school or college designed for the propagation of specific doctrines prescribed by those who have furnished its endowment. It is evident that in such cases the trustees are bound by the deed of gift, and, whatever be their own views, are obli-

⁸ Quoted in II AMERICAN HIGHER EDUCATION: A DOCUMENTARY HISTORY 546 (Richard Hofstadter & Wilson Smith eds., 1961).

⁹ Henry Tappan *on the Idea of the True University*, 1858 quoted *id.* at 515. Tappan was anticipated by J.B. Turner in 1851 in his *Plan for an Industrial University for the State of Illinois*: “No species of knowledge should be excluded, practical or theoretical; unless, indeed, those specimens of ‘organized ignorance’ found in the creeds of party politicians, and sectarian ecclesiastics should be mistaken by some for a species of knowledge.”

¹⁰ Alton Parker, *The Rights of Donors*, 23 EDUC. REV. 16–21 (1902). Parker was Judge of the New York Court of Appeals, president of the National Civic Federation, and candidate for the United States’ Presidency.

¹¹ *Id.*

¹² Quoted in Hofstadter & Smith, *supra* note 5, at 870.

gated to carry out the terms of the trust. ... If, again, as has happened in this country, a wealthy manufacturer establishes a special school in a University in order to teach, among other things, the advantages of a protective tariff, or if, as is also the case, an institution has been endowed for the purpose of propagating the doctrines of socialism [no doubt referring to the Rand school established by the American Socialist Party], the situation is analogous. All of these are essentially proprietary institutions, in the moral sense.¹³

A university, however, and especially a public university exists for the common good, not for the propagation of the views of its donors.

The Committee appreciates that the case of the ACLGF is not “the simplest case” dealt with in the 1915 *Report*. The Academy’s donors do not expect the University to deny those faculty members whom the Academy does not finance the ability to pursue lines of research or modes of discourse that depart from the role they conceive for free market capitalism and limited government. On the contrary, the gift is premised on an assumed want of representation of the views it would advance and in the consequent need to expand the diversity represented in the University’s current portfolio of offerings and undertakings in that regard. The empirical basis of that arresting assumption remains to be seen, however; in point of fact, the Committee members find the assertion contrary to their collective institutional experience. Suffice it to say, the one action the University cannot take in regard to a claimed want of diversity in the current complement of faculty and the current display of university offerings, programs, or the like, is to commit itself to the propagation of a specific economic or social theory or doctrine. We emphasize, as did the 1915 Report, that this is so, irrespective of the content of the particular theory or doctrine the donors desire to advance. Were the American Socialist Party to wish to house the Rand School within the University of Illinois, in the very terms of the MOA’s Academy—to “support studies examining how public ownership of the means of production and higher income equality achieved by a redistributive tax system will bring economic and moral well being to a broad spectrum of society”—and were it to defend its School by a claimed lack of diversity, that the obvious want of any manifest socialist presence on campus has skewed the internal market for ideas, the outcome would be exactly the same: the donation would be incompatible with the principle of institutional neutrality and should not be accepted.

When a teacher or researcher advances a particular theory or model, the principle of institutional neutrality expressly abjures the notion of any institutional endorsement of what the faculty member says save that he or she is held to a professional standard of care in saying it. This condition would be contradicted by

¹³ *Id.* at 862.

the institution's adoption of a commitment to expound a sectarian claim whether grounded in religion, economics, or anything else, to which the teacher or researcher should accordingly be held to account. The distinction was drawn by Tappan almost exactly 150 years ago:

The Regents and Faculty may have their own opinions on politics, their own attachments for the sects to which they severally belong, their own views on questions of moral reform. These as men, and as American citizens, they claim to entertain in perfect freedom, without any interference, or any rebuke. But they would violate the trust reposed in them, did they allow these to influence their measures in respect to the University.¹⁴

Moreover, once a public university has accepted a breach of the principle of neutrality, it would be in no position to reject future donations on the ground of the ideas *those* donors wish the University to propagate.¹⁵ Having accepted an Academy dedicated to the pursuit of capitalism and limited government, for example, it could not reject an Academy dedicated to the pursuit of socialism. In this way, the University would become the purveyor of any and all doctrines that donors wish to propagate under the University's imprimatur. Such an institution, whatever it might wish to call itself, would not be a university: it could make no credible claim for the public's support or respect.

B. Institutional Autonomy

A second achievement of the modern research university is recognition of its autonomy, its freedom to make and implement academic decisions by academic processes, processes in which the faculty necessarily plays a critical role. At the University of Illinois these freedoms are provided for in its *Statutes*.

The *Statutes* state at the outset that in matters of educational policy and governance the University "relies upon the advice of the university senates" and that each senate "has a legitimate concern which justifies its participation." The campus Senate is given "legislative functions in matters of educational policy" which are spelled out in some detail. In addition, the *Statutes* provide that, "as the responsible body in the teaching, research, and scholarly activities of the University, the faculty has inherent interests and rights in academic policy and governance." The faculty has primary authority over such matters as curriculum and faculty appointment; even endowed appointments are subject to screening by a faculty committee.

¹⁴ Tappan, *supra* note 6, at 544.

¹⁵ See note 20, *infra*.

It is deeply troubling that insofar as the functions contemplated for the Academy involve matters of educational policy, authority for which is vested in the faculty and the UIUC Senate, no faculty body was consulted in the matter of the Academy's creation. Insofar as the MOA gives co-determinational authority to the Chancellor, and only the Chancellor, for Academy grants that "affect[]" the Champaign-Urbana campus, these grants simply could not be implemented in this way consistent with the University's *Statutes*. To the extent that the MOA contemplates operational stand-alone authority for the Academy in grants that do not "affect" the Champaign-Urbana campus, the *Statutes* would be completely circumvented.

Putting these rather serious questions to one side, and taking a larger view of the Academy's situation in the University, it becomes immediately obvious that it confronts the fundamental principle of institutional autonomy. So essential is autonomy to the successful conduct of the modern research university that some observers have termed it a matter of "institutional academic freedom."¹⁶ The modern formulation of this concept draws from the opinion of Justice Frankfurter in the case of *Sweezy v. New Hampshire*,¹⁷ in which he quoted in turn from the remonstrance, *The Open Universities in South Africa*, thusly:

A university ceases to be true to its own nature if it becomes the tool of the Church or State or any sectional interest. A university is characterized by the spirit of free inquiry, its ideal being the ideal of Socrates—'to follow the argument where it leads.' This implies the right to examine, question, modify or reject traditional ideas and beliefs. . . . The concern of its scholars is not merely to add and revise facts in relation to an accepted framework, but to be ever examining and modifying the framework itself. ...

It is the business of a university to provide that atmosphere which is most conducive to speculation, experiment and creation. It is an atmosphere in which there prevail 'the four essential freedoms' of a university—to determine for itself on academic grounds who may teach, what may be taught, how it shall be taught, and who may be admitted to study." [Emphasis added.]

The MOA's Academy creates an extra-academic board, self-perpetuating on the basis of ideological sympathy with the donors' intent. At a minimum, it clothes the board with power co-determinative with the administration to decide

¹⁶ E.g., David Rabban, *A Functional Analysis of "Individual" and "Institutional" Academic Freedom Under the First Amendment*, in *FREEDOM AND TENURE IN THE ACADEMY* 227 (William Van Alstyne ed., 1993); Paul Horowitz, *Universities as First Amendment Institutions*, 54 *UCLA L. REV.* 1497 (2007).

¹⁷ 354 U.S. 234 (1957).

on the allocation of funds for specific course development, research, conferences, endowed appointments, and more—decisions that lie at the core of the University’s functions.

It is understandable that donors would wish to see what fruit their generosity has borne and to assure themselves that the funds they donate are directed to their intended use. There is every reason for the Foundation and the University to share that information with and to be appreciative of donor response. These and other outreach efforts are simply good husbandry of funds and of those who so generously give them. But it is quite another matter to give co-determinative power over critical academic decisions to an extra-institutional body.

To be sure, *Sweezy* was addressed to an external intrusion—one imposed upon the university from the outside. But the infringement of institutional autonomy, of its institutional academic freedom, is no less, is indeed more seductive and insidious when an institution accepts an infringement conjoined to largesse. Derek Bok’s highlighting of the threat posed by aspects of the commercialization of academic research speaks with even greater force here: “By compromising basic academic principles, universities tamper with ideals that give meaning to the scholarly community and win respect from the public.”¹⁸ Such compromises, he noted, have real-world effects.

Defending these academic values, even at the risk of financial sacrifice, evokes the admiration of students, faculty, and alumni, while building the public’s trust in what professors say and do. . . . Bit by bit [] commercialization threatens to change the character of the university in ways that limit its freedom, sap its effectiveness, and lower its standing in the society.¹⁹

Simply put, the University of Illinois may not accept funds for an endowed appointment conditioned on the donor’s having a voice in the selection of the appointee, even if not a determinative voice.²⁰ Neither may it give donors a

¹⁸ DEREK BOK UNIVERSITIES IN THE MARKETPLACE 206 (2003).

¹⁹ *Id.* at 207.

²⁰ As this report is being written a dispute has arisen concerning the acceptance of a gift by the University of New Mexico from the Roman Catholic Archdiocese endowing a chair in Roman Catholic studies. The gift was conditioned on the Archbishop’s designation of members of the chair’s search committee, subject to the administration’s approval. The gift has been defended in terms echoing the Academy, as contributing to the variety of religious traditions represented on the campus. Richard Wood, *Working With Church Beneficial*, NEW MEXICO DAILY LOBO, July 2, 2007. It has been criticized as necessarily opening the door to any religious group that wants to endow a chair and whose participation in the selection process assures that no appointee likely to be critical of the donor group’s policies or practices will be selected. NEW MEXICO DAILY LOBO, June 18, 2007. The Committee considers the latter persuasive: once donor designation is accepted

co-determinative voice in critical academic decisions over curriculum, research, faculty selection, student support, and the like.

III. Conclusions and Recommendations

1. Aspects of the MOA and Governing Document executed on July 20, 2006, are incompatible with the principles and policies that govern the University of Illinois; they are contrary to the conditions “essential to the maintenance of a free and distinguished university.” To that extent, implementation of the MOA is not “practical” within the meaning of the MOA.

2. The Academy created by the MOA of July 20, 2006, is premised on the desire to encourage intellectual diversity and civil debate. The Committee endorses that goal wholeheartedly as concordant with the University’s reason for being and with the life of the mind within it. Although the Committee concludes that the specific manner in which that goal is to be achieved is inconsistent with fundamental principles governing the University, the Committee earnestly hopes that these donors will decide to contribute to intellectual diversity and civil debate within the University in ways that are consistent with these principles.

3. If the donors wish to foster academic investigation, instruction, and debate at the University of Illinois, the following should be done:

- a. The MOA and Governing Document should be redrafted to eliminate those elements of the Academy’s program that do or reasonably could be understood ideologically to predispose its mission.
- b. The MOA and Governing Document should be redrafted to eliminate any operational role for an extramural body.

4. If the MOA and Governing Document cannot be amended in compliance with the above conclusion 3, the “alternative application of assets” provision should be invoked.

5. It is deeply troublesome that the MOA of July 20, 2006—a document so at odds with governing principles and that trenches so deeply into areas of primary faculty responsibility—was negotiated without any consultation with the faculty. It is equally troublesome that the terms agreed to were held in confidence for so considerable a period of time.

The Committee sees, however, no benefit in undertaking a review of the institutional process that led to the execution of the MOA. Instead, it believes that the University and the Foundation should make a clear announcement of the prin-

there could be no principled ground against its extension well beyond religious groups and purposes.

ciples of institutional neutrality and autonomy that bind it in accepting gifts.²¹ Academic as well as administrative officers, deans, directors, and unit heads should regularly be made aware of these principles. Provision should expressly be made for consultation with the campus Senate which, under the University's governing *Statutes*, has "a legitimate concern which justifies its participation" in any future situation where a donor's desires might raise questions under the principles of neutrality and autonomy.

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²¹ Professor Arthur Robinson (Civil Engineering) has pointed out that before funds can be accepted for athletic purposes, donors would surely be made aware of the applicable rules of inter-collegiate athletics that bind the university; and that donors of buildings should equally be made aware of applicable architectural restrictions. As he points out, it is no different in kind to inform donors of the principles discussed in this report.