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## Session 3.F.7: Successful Models of Programs in Private Enterprise

Session Chair:

**Audio:** [Gerald Gunderson \(intro\)](#), Trinity College

Panelists:

**Audio:** [Charlie Ruger](#), Charles Koch Foundation

**Audio:** [Steve Gohnman](#), University of Louisville

**Audio:** [John Garen](#), University of Kentucky

**Audio:** [Brad Thompson](#), Clemson University

**Audio:** [Gerald Gunderson](#), Trinity College

**Audio:** [Question and Answer with all panelists](#)

### GERALD GUNDERSON, TRINITY COLLEGE:

[Full audio of Gerry Gunderson's introduction](#)

[0:00]

Well, welcome everyone!

Welcome to the longest running panel at APEE, who is moderated by the longest running member of the APEE, or APEE I should say, and who also probably has seen all of the problems that the panel is gonna deal with for one of the longer running episodes too, so I'm - when you talk about problems and solutions of private enterprise chairs going into centers, I come with a lot of experience.

So, I really appreciate being able to introduce this group today because, for probably 30 years I've been saying 'these are the problems you are going to encounter and therefore here are some of the things you can use to dodge the bullets.'

But today I'm happy to say that we've got a bunch of successes up here. You've got 3 good center directors who are on track, and we have one of the guys in the technology business to help put it together and that's Charlie Ruger is actually sitting in for Ryan Sowers today.

So, we got the experts in the field. And so if you are all interested in having your own center, your own chair, having an inflow of resources and opportunities to talk about the ideas of markets and entrepreneurship and things that matter to you, you've come to the right place.

And so I'm gonna give each of these folks a chance to tell you what they're attempting to do, what their vision is, we will talk for a while among each of us, and we'll have some time for Q&A at the end.

## CHARLIE RUGER, CHARLES KOCH FOUNDATION:

[Full audio of Charlie Ruger's presentation.](#)

[0:00]

GUNDERSON:

So, let me let me start out with Charlie, most of you know about Koch, most of you will be approaching Koch if you haven't already, uh, and he's obviously the man on the ground to talk to, alright?

RUGER:

Thank you, Gerry.

So, I can talk about what the Charles Koch Foundation does, if there are any specific experience that anyone's facing then we can maybe work through those too, a little bit or at least we can share some experiences.

So for anyone who doesn't know, the Charles Koch Foundation supports major academic centers all over the country at colleges and universities alike. Whether they be liberal arts colleges or, you know, major R1 research institutions.

We do this because, professors with - with certain classical liberal sympathies are outnumbered in the academy about 125:1, and that's - that's not a very passive statistic, so, that just means that, you know, those 125 professors aren't just quietly stewing about how much they dislike classical liberal ideas. They're actively taking the opportunity to fight against liberty, against freedom.

[1:08]

So, when we go to build new academic institutions in partnership with the universities, we're doing it because in order to, you know, make a dent we're gonna need to have a disproportionate impact.

So we're funding lots of tenure-track faculty positions - about 225 of them at last count, spread out at about 53 of these major centers. Lots of visiting assistant professorships, and those are exciting to us because a lot of the time they become tenure-track positions. So, a visitor comes in for 2 or 3 years, usually they go back to their home institution having learned something about administering a major academic initiative or they get offered a permanent position with the university and that's great.

We fund lots and lots of PhD fellowships. That has a lot to do with sort of, what we think of as 'building a bench.' There's not a very robust sort of pipeline of- of, you know, freedom-friendly academic talent entering the academy.

[2:06]

Building the capacity for great mentors who have more students, and have those students go and mentor their own students for the next several decades of their careers, to us is a very leveraged opportunity. If we can pitch somebody's PhD fellowship and help them along, put them in contact with, you know, scholars like these and others, it gives them a leg up when it comes to engaging with their own students. So it's very exciting.

We do lots and lots of research support also, and that means a lot of different things, so it's not just funding summer salaries or funding for individual research projects, it's got to do with taking those ideas, taking that research, and bringing them out of the academy. So we want these great ideas of the APEE network to be applied the way we think about it at least, across sort of an integrated structure of production for culture change.

[3:01]

And so, despite what you've probably read, we're not in it because of electoral politics. It's not about getting certain people elected. We're in this because we think freedom improves people's well-being and the only way we can do that in the long term is through culture change. And that means that social institutions beyond just government have to be engaged in this fight or we're going to lose. We're losing now.

And so the idea behind these centers, and when we think about, you know, research support, is to bring the ideas out of the academy and apply them across social institutions to achieve this cultural change.

So we fund things like communications and outreach directors, media people, you know...When we think about a university center there's all this intellectual activity happening and there's an opportunity to leverage it over and over and over again.

These media people are able to book radio, television, different sorts of appearances, they are able to place op-eds in national publications, you know, all of these things have an impact.

[4:06]

They can also play an interesting role in engaging with different kinds of stakeholders in these social institutions. That can mean arranging state legislative testimony to make sure that, you know, these kinds of ideas have a seat on the table in public policy.

So it's not just bringing together groups of professors although that's a critical piece of what we do. It's about, you know, helping wring every last drop of liberty-advancing value out of every single activity that happens at every single one of these centers.

So the way we do this at the Charles Koch Foundation is we've got a team of program officers whose job it is to go out and engage with universities and establish coalitions of stakeholders that constitute each one of these investments.

The way we think about this is not to come up with the perfect grant contract and sort of go and throw it on the table at the university and say 'here's our position, you can sign it or we'll walk, and our money walks with us,' it's a long, involved process.

[5:03]

So we go out, we meet deans, provosts, chancellors, department chairs, faculty members, boards of trustees members, the development department - huge ally usually, donors, sort of all across the university stakeholders.

And once we kind of establish a mutual vision for what we wanna accomplish together and there's a lot of buy-in, the rest of it is sort of easy. We've got a grant agreement that we're pretty happy with. It's mostly about protecting academic freedom.

And the purpose of the grant agreement is to say what cannot be done with the money. It can't be signed to the, the sports program. It can't be sent to the English department. The money is at the control and supervision of the center director and we want that person's name in the agreement.

This is not a violation of faculty governance or academic freedom, very consistent with donor intent, standard practice, so when we go and work with these universities it is very important for us to say what they can't do with the money.

[5:58]

And so we want to empower people with the ideas and say 'look, if anyone except Steve Gohmann ends up in control of these funds, the next check is not going to be on the way.' And that's, we find that to be a pretty effective way to protect these investments. We want to

empower academic entrepreneurs, we're not academic entrepreneurs. Our job is to find people who are and empower them.

We've gotten pretty comfortable doing that because of this sort of relationship match that we understand to be the core in everything we do, philanthropically. That just means, we're not going to a university and saying 'here's our grant agreement, in Section 3, the second paragraph it says, you know, you have to have a reading group' or something. 'We'll sue you if you don't do a reading group.' That's never gonna work, we're never going to sue a university.

What we *can* do is understand that universities have regime change, all of the time. Hire a new president, a new dean comes in, something happens administratively. Maybe they decided they don't need an economics department any more. '

[7:00]

Whatever it is, we wanna know who to call when that happens, because we won't be suing them, and we're not just gonna cut off funding because these programs create value, they're important.

So we wanna call the dean, the donor partner, the department chair, whoever, and say 'hey, you know, things have changed, not a big deal, don't panic, let's talk about how to work together and make sure this program does what it's supposed to do, and what we're all excited about doing: Engaging students, creating an intellectual core, producing the ideas that change the world for the better.'

That's in the heart of all this stuff. It's not some kind of iron fist of accountability or something. We want to create these partnerships for a reason.

And it's not just the money, we also bring a network with us. **So, the Charles Koch Foundation does a lot of funding of universities and higher education institutions over all, but we've got a constellation of network organizations that are focused on applying what comes out of universities to change the world.**

[8:03]

And so, that's sort of the core of the partnership. Money plus the network.

When it comes to successful programs, there are a couple things that we've learned the very, very difficult way over the past 10 years of funding these sorts of centers.

So we, you know, endowments have their merits - we at the foundation don't do them, and we discourage our donor partners from doing them. The reason is, you write a check and that's it. So it's a million dollars for something - it's a check for a million dollars, and you - it's sort of, you know, to get it back or have change you have to sue a university. It's very inefficient, it kicks off 3% a year or something like that for programming.

Everything we do is on an annual basis. So we want our partners to have certainty and be able to do long-term programs and stuff.

[8:53]

So we'll say 'for the first 3 to 5 years of an investment, we'll commit, formally, 3 or 4 million dollars or whatever it is and we do that with a coalition of stakeholders, a coalition of donors. And here's what the university has said it would like to do with the money. If it does anything else with it, you know, 'best of luck but the next check isn't coming.'

And that really allows us to help empower the people who are doing good work. It just means that, for example, let's say there are two hires in the first year for tenure-track economists or something, and the market only bears one person who can add value to the center's mission and vision. You know, that would be a material breach of a grant agreement, but that doesn't do the program any good, we're not gonna walk away because of that so we just collaboratively say 'hey, try to hire next year instead.'

It gives us flexibility. So if we had a \$300,000 payment due for those two faculty lines, we'll just send half of it because they only hired one person, and then we'll tack the rest on to, you know, some other project that someone wants to do.

It allows us to build sort of a framework to channel these resources without saying exactly what everyone has to do, and when it has to happen.

[10:06]

So we wanna say, 'go build a center, hire some people, start doing things, see what works and what doesn't. Stop doing the stuff that doesn't work. Scale up on the stuff that does, and let's get this thing going for the long term.'

**The other thing, this is kind of a recent development, donor partners are a huge resource and not just because of money, so, I think CKF - CKF and our partners put together - have committed about 170 million dollars in resources over - let's say the next 5 or 6 years to these center projects. Only about 40% of that comes from the Charles Koch Foundation.** The rest comes from a network of business leaders from across the country who see our system of free enterprise as being in great peril, and they're willing to put all of their resources - their fortunes - on the line, to help that not happen.

[11:00]

And so they're investing in the people sitting at this table, they're investing in the people sitting in this room. That's a huge - well it's a huge honor I suppose, but it also provides us a **local stakeholder network** for all of these investments so when things go wrong, you can't buy the relationships that come with being on the Board of Trustees at a university.

If the university starts to violate donor intent, it's great to be able to call up a donor partner and say 'hey, John Schnatter, the university is doing this thing with my resources. They haven't set up a discrete account like the agreement says, I don't even know how much money I have. What's going on?'"

It really helps if we can call the donor and say 'hey, you know, you know the university. Call up the Vice President of Development and ask him what the hell he's doing.' That's incredibly powerful and it goes way beyond, you know, just the dollars contribution that they put into this.

So those are a couple factors, a way to get the conversation started, and then we can get into the details later.

[12:01]

[applause]

GUNDERSON: I know you're gonna have questions for Charlie, but let's hold off to give each of the panelists a good start on this.

## STEVE GOHMANN, UNIVERSITY OF LOUISVILLE

[Full audio of Steve Gohmann's presentation](#)

[0:00]

GUNDERSON:

So let me go down in the order that's in your programs, so you recognize faces of people. So, Steve Gohnman of Louisville, commonly called the 'Papa John Center,' is up.

GOHMANN:

Yeah, so, this is really cool because... John Schnatter, who's Papa John, gave us money along with the Charles Koch Foundation. We finally, after all of the iterations and everything, we finally went online in August of this last year and, you know John's a franchiser so now he's given money to the University of Kentucky and to Ball State, and so this is good.

And I don't worry about the university trying to steer the money away because they know that if they take that money, there won't be money coming in the future. So this is the nice thing about getting money annually, is that the university is more beholden to let faculty do what we're- what we want to do with the money, which is, the donor also intends us to do, and because that money's not there for them to grab onto and it won't be coming the next year if they mess things up.

[1:06]

My university has been great about it, my dean - we got an interim dean, and he's very free market oriented. He says this is great, let's make the whole college free market oriented....[---] impossible, but it's even worse in Arts & Sciences, I'm sure!

But, he's Interim Dean, we're getting a new dean, probably gonna hear an announcement in the next week or so, and so then it's gonna be a whole new ballgame. Maybe a better game, I don't know.

So I'm waiting to see, but again I don't imagine that this dean's gonna get in the way of anything because the President and the development guy are above him and they like what I'm doing, they're happy with it.

Nice thing about having this money, we've put on a lot of events. We televise and live-stream them because there are a lot of people from Louisville that are snowbirds and they're down in Florida and they like to watch it. And so one of these snowbirds was going to give some money to the law school in their will, so when they pass away.

[2:07]

And in our city of Louisville - we're a bit on the progressive side, and our mayor wants us to be a 'compassionate city,' I'm not sure what that means, 'cause, I think everybody's kind of compassionate, but so the law school decided they were going to be a 'compassionate law school.' Which is like 'oh, come on this is crazy' and a couple of people at the law school are really against this.

But they - they voted, whatever the number of faculty is against two to do this, and so one of these snowbirds calls the development office and says 'well, you know, we had in our will we wanted to give money to the law school but we don't like what they're doing but we really like what the Schnatter Center is doing, so let's funnel some money over there instead.' So I met with them about two weeks ago and I don't know if the paper's been signed yet, but this is really nice. And so donors will come out of the woodwork when they see you doing good things.

[2:59]

And if somebody's given some money, that opens up the tab. And so I think this is a real plus. So an important thing to do in your center is to have a really good media and events director who's going to get the word out. And so for us - we just started out in August, and I didn't have anybody hired, I had our media and events director for the College of Business was helping me and she finally now is working for me - thank God - but she went full time for me, but we still got our programs going and Jonathan Haidt is our first speaker.

So another thing here in college, people are going to really worry about what your programming is going to be like, and apparently John Schnatter saw Jonathan Haidt at one of these Koch events and said, 'Oh I really like what he talks about.' And Jonathan Hyde is this moral



psychologist who started out very much on the left, and now he's very much in the 'we need more diversity of ideas in the academic community. We need to quit complaining about microaggressions, all these things because it's really hurting the psychology of students.'

[4:05]

So he's really changed his tune - well, he hasn't changed his tune he's just become more vocal about - that we need more freedoms in academia and we need more diversity in the sense of diversity of ideas, **not diversity in all of these little petty things**. We need real diversity in the arena of ideas.

And so, this is what I push for and talked about when I was getting my center, if anybody was going to begin it's just like, 'look, we just wanna engage students with certain ideas. They'll come in with certain ideas, they'll leave with certain ideas, I don't care how they come in or how they leave' and I really don't.

I mean I've got my biases. But I have this communist girl, in my class, and she was reading all of the left-wing stuff and she was always debating - in a very nice way, she wasn't one of these people who's trying to slam on free markets.

[4:55]

And then I had her come to one of my reading groups and she's still in the left I think but she's seen these ideas and she's into them and she liked my class enough that she came to me recently and she asked me to write her a letter of recommendation. So, you know, I think that says something that it had an impact on her.

And you're gonna get those few students who are gonna be a pain in the neck but that doesn't happen very often and if it does, I had one student that on his final exam he wrote all this stuff about 'oh you're gonna get all of this money to brainwash kids. You're getting all of this money from Papa John's and the Koch Foundation' he had all of this stuff because I think he wanted me to grade him down, so then he could say 'look what happened to me,' so he could be a victim, right?

And so I just graded his answers and I just ignored all of those awful comments and he still didn't do so well, but then I come to find out he's in some other people's classes who are on the left even and he's a pain in the neck to them. So they're dealing with him now and I'm real happy for that. So, he's just that exceptional kid, right? Not exceptional in a good way.

[5:58]

So I think we're supposed to talk about the good things in our programs, and we just started out and I haven't made too many errors that I've been told about yet but, we got our agreement signed in March and we had to go through all of this process. So process is real important so if you do start a center, know what the process is and get all your eggs in a roll right off the bat.

So we had to go through the faculty senate to get the center ok'ed, so we had a little politics there, a few people but not very many. I think it got voted through, two people against everybody else voted for, but those two people postponed it for an additional month, so it just kept me behind a month. And then it went to the Board of Trustees and they voted for it. Three of them voted against it, so what? It went through, and once the money's in nobody says anything.

Now I didn't realize this because I thought 'well we had this agreement, the first report's gonna be due in June,' and I get a call from John's financial guy and he's like 'where's your report?'

This is like November 1st, and it's like 'what?'

And he's like 'you have a report due November 1st.'

[7:00]

I said 'man, that is my mistake. I was thinking June, you'll get one in two days,' and I got it to him, and it wasn't a big deal. But since we started in August and this, in our contract it said they were supposed to give another million dollars.

He calls me and says 'hey, you've only spent 140,000 dollars and you've got a million dollars initially, do you want another million dollars?'

I said 'I don't care, you can keep the money because you'll make money off of it and if the university has it it'll just sit there, get squandered.' And so I told him 'talk to the development people, I'm fine with postponing the money coming in.' Because it's really kind of silly, I want the money to be there when I need it but I don't want the money just sitting around because that's - that's just lost interest.

So that's the only mistake I've made so far, it seemed to be major but it really wasn't that big of a deal and it got worked out.

John's come to almost, he's come to four of my five events I think, and - well, not [...]

[8:00]

But...we ordered pizzas one time but they didn't show up. There was another event going on right next to us, and the delivery guy gave them all of the pizzas. And we're watching these kids walk out with two or three pizzas each! It was, like, it was not good, but we got it worked out. And now we've got the direct line to the person that's always going to get the pizzas there, so, you know those things happen but you get them fixed, right? And so, you always learn from these little opportunities. John doesn't know about this so don't tell him.

So some of the things we do, and the way I see this in terms of what I want and what John wants, John says 'you know, if one kid comes out of U of L and opens a pizza chain and puts me out of business, I'll consider this a success.' He's all for the free market, he's all about competition. I love that. And so he's very much about getting students engaged in ideas.

And so from my perspective it's a 2-pronged approach.

[8:58]

You have these big events, big speakers, we brought in Jonathan Haidt, we had a debate on immigration and then had a speaker on morality and capitalism.

This semester I had Ben Powell come in and talked about immigration. And Alex Tabarrok just came in. This is the great thing about having another center at UK (University of Kentucky), we're 75 minutes away at the most. So Alex drove down there and gave a talk so we can share the expenses of bringing somebody in and it's not a big deal. People from UK are gonna come up from those programs and the bigger programs and we might get some people to come back and forth. So we're gonna have the big speakers, that's good, for example John [Schnatter]'s gonna be my next speaker I'm hoping some UK people come up and at least John [Garen], I hope you come up. And so that's important.

(25:55)

The other thing is John says 'I don't want it to be political' and I don't either, and so I'm thinking 'okay, what am I gonna do next semester? Here we've got this election, if you bring anybody that talks about minimum wage or some sort of policy, well...

[9:59]

'What about Hillary, what does she think about this?' 'What about Trump, which one's right?' and all of a sudden it's like 'Oh, Schnatter Center's political, they're supporting the policies of whoever it is, that falls on that side.' You know, free trade, I guess we're safe, because nobody supports it on either side nowadays.

So, I decided that I'm gonna do stuff about China, and communism in Asia. So I'm going to bring in Yeonmi Park, and she's a North Korean girl who escaped when she was 13, had a horrible ordeal she's written a book about it, it's called 'A Reason to Live,' I think, something to that effect. And she had to live in China, she finally got to South Korea. Now, she's finishing up her degree at NYU.

So we're gonna bring her in as our big speaker. I'm gonna jointly do this with the Crane House which is the Asian Cultural Center in Louisville. I used to be on their board years and years ago. And so we have an Asian center in the university so I'm gonna try to get them involved and make it even bigger and we're gonna put it in a really big auditorium but [...].

[11:00]

And then I'm gonna bring in Frank Dikötter and he's written about Mao's China, and how Mao had these policies like 'well in every town, you want to kill about 3% of the people you make the rest of the people in town are the ones throwing the stones and getting involved so everybody's in this together' you know, horrible stuff. And then I was hoping to bring in Victor Meade to talk about capitalism from below how China's now chained in a free market to some extent in there, and people are so much better off. But we just found out last week he said he can't make it so I've got to figure out the third person. If anybody has any suggestions, please let me know [...].

But I think they have to be non-political, and there are gonna be all of the entrepreneurship people in the Spring and I've got an idea from Derek Yonai, he does this thing for high school students in the Summer where they have an entrepreneurship week and he has them on campus for the whole week. We're gonna do something similar except I'm not gonna have them stay on campus at night - liability issues - but I think it's a great idea.

[12:02]

It's a great idea to get students to come to your university and to get them involved in economics or entrepreneurship and those are the two areas John [Schnatter]'s interested in, and I'm interested in those areas, too. So it's worked really well.

So anyhow, so the two-pronged approach is the big thing and that gets people excited and then you do the smaller thing which are reading groups. We have a reading group that reads four different books a semester. And then also weekend colloquiums, things with IHS, the Institute for Humane Studies, will partner with you. Do a 'weekend of liberty' where they bring in debates and you can all sorts of really cool things.

And so you get smaller groups of students for that and those students become more involved and those are the ones that are gonna maybe move on to graduate school and be doing this - be in my position in another eight or ten years. And we've had great success, my wife teaches at Bellarmine University. And their president, he just passed away but he was very much against free market stuff - they had the potential to get a lot of money, he didn't want it.

[12:59]

So she's never asked for any money from the Koch Foundation so I've always just had her students come over to U of L and she sent me some students who would have gone to some other graduate school instead of Mason, but went to Mason because we knew about free market programs at Mason and she came over. You know, at colloquiums, met Pete Boettke, and she's been a great success/ This is Abby Hall, she's at Tampa now.

And I'm not claiming it's because of me, but that connection was there and that connection might not have been made and she still would have been a great economist, but she might not have ended up at Mason and I think that's a great success.

So I'm not gonna go on any longer, I've got a lot of stuff I can talk about, but I guess...

Thanks, Steve.

## JOHN GAREN, UNIVERSITY OF KENTUCKY

[Full audio of John Garen's presentation.](#)

GUNDERSON:

Next up is John Garen, the University of Kentucky. Notice the difference that John works within an academic department where Steve is really sort of starting a separate one. John works within the economics department. Now you're gonna see the kind of different contrasts or the different styles when he has to put together a program.

GAREN:

Right, thank you. Let me put this together... I'm happy to be here. (...)

You know, each university presents its own challenges and depending on the nature of your university - we certainly have ours.

But I've been working with or getting to know the Koch Foundation, I've been working with them for funding for quite a number of years now. Charlie and [...] over here are very helpful.

So let me just talk a little about how ours came together and then kind of what states they're in and what we're doing and challenges we face.

[1:01]

I started coming here about 10 years ago and getting to know people and connecting me with Koch and various others. And so I think that's one, one key thing about getting sort of, an appreciation and understanding of free enterprise into your university as you do. You do have to have some missionaries who are willing - who want to come to places like this and who understand it and kind of want to communicate it. So you guys are the missionaries, that's an important part.

So, at any rate, I've been getting to know many people here and at the Koch Foundation among many others. My university has a BB&T grant, also been a good supporter as with Clemson, which you'll hear about next here.

And we began thinking about ways to do something, something big, in Kentucky. And after a number of years it did come together.

[2:00]

We had an agreement and December the 15th, I've got it marked - I've got an anniversary now, and I'm gonna celebrate every year. And John Schnatter - Papa John - is a part of the Koch Foundation network and they partnered six million dollars from John Schnatter, four million dollars from the Koch Foundation. And so it was really great that that finally came together.

Then the work starts, right? The challenge is - well, let me - I'm jumping around here a bit, but I hope I am a little bit coherent.

It's important, I think, for your university, and I think it's true everywhere you go, that there are some core folks who will collaborate with you.

[2:57]

They may not be the missionaries but they have a similar perspective, probably, that you do, and they're willing to throw in with you if you do the legwork. And so I think that's been important in my institution, actually I think almost every economics department (...) ... really do understand and appreciate markets, and a lot who don't care one way or the other but there's usually some.

So I'm fortunate to have a big group with me as well. And I'm also fortunate to have a dean who has been very supportive. He, well of course all deans like the funding. And we're in a College of Business and I guess business school deans are more likely to be appreciative of free enterprise. It's not uniform, but it's been very rewarding. My dean is - appreciates free enterprise, it's been very rewarding to see how he's, as we talk more and more about the programming, that we call it our institute - what the institute wants to do. You can just see him warming up to it, and say 'oh, yeah this is great.' So it's been very rewarding in that regard.

[4:09]

Some of the things that we're doing...well, kind of, a number of the usual things. We've done some of this with BB&T money, we're sort of ramping it up with our new gift. Book clubs for undergraduates, speakers, that will - can speak to kinda of an introductory level or students across campus, general audiences.

We've done a bit of having Summer reading groups for graduate students we have a PhD in economics and as I'm sure you all know, the PhD in economics has become - the training has become very narrow and technical, and sometimes - well, oftentimes, students seem to lose the perspective of understanding about markets.

[5:05]

So we've done some Summer reading groups for grad students, we're gonna keep doing that. We also have funding for fellowships for graduate students. And we have funding for Summer research grants for faculty - which is a great thing to get faculty interested and engaged with you. And these are, I would say...we're not overpaying people, but it's an attractive amount of Summer funding for people.

And I'd had a number of people come in - and it's opened up to the entire College of Business right now - I've had a number of people in other departments come and see me and ask me about 'well, what are you looking for? What kinds of things? You know, would this topic, this topic, this topic be of interest?'

[6:02]

And there is some good stuff that, in particular, our finance department does. One of the things that I emphasize, not only to the economists who are collaborating with us but other people outside of the department, is that whatever research you do, we want it somehow to speak to the overarching mission of the institute, which is a deeper understanding of free enterprise and how it leads to prosperity, rights that our institutions have come to rely on...and so we all work on our little topics here and there.

And most of us are not Milton Friedmans or Gary Beckers or Friedrich Hayeks or whatever, we're gonna have this 'grand [...] on everything.' But a lot of what we do is maybe a piece of the puzzle, and that somehow speaks to this overarching vision.

[7:03]

So that's what I've emphasized to folks who come in and talk to me about... 'Ok, if your topic - if you think it's kind of a little niche, that's ok. But as long as what you're studying speaks to this overarching vision.'

So let me give an example. I had this finance guy come ask me about 'the governance of hedge funds.' Hedge funds: a lot of them are offshore apparently. But and of course all of these hedge funds are to rip people off and whatnot. But they have very strong governance where they establish a very strong board of directors and such that apparently the investors can have confidence in it. So this is a thing that's kind of a private governance of a corporation.

(Unknown person: There's a great book on that.)

[7:55]

Now another big part of what we're doing - and this does present a challenge - is we have funds to hire faculty. A lot of regular tenure-track or tenured faculty and I have to work with - not I don't like these people - but I am working with the economics department.

And as you can imagine, the economics department in a research university has some very specific standards about what qualifies a person to be a tenure-track or a tenured faculty member, and it can be awfully narrow. And awfully technically oriented. So - and people who are sometimes narrow and technical, sometimes they are economists who think 'oh this is great stuff! Let's go for it! Let's publish it...econometric...blah blah blah, blah blah!'

[8:59]

And depending on the topic, you know, I've kind of shrugged my shoulders and said 'okay, you know, you've got some great new method of moments estimator or something and the application is kind of meaningless and I don't see any way to work that into anything of interest to the social sciences.' So I kind of have to be a bad guy and say, 'well okay, it's technically good, but who cares? So if you want to hire him with a regular department of economics position...okay. I mean, I have a vote in that But if we're hiring someone who's also gonna be affiliated with the institute, we need more. We need more. We need to have it speak to our mission.'

So it's a little - it's gonna be challenging, I think we're up to it, so I was gonna throw in one more comment here and if I can remember what it was...

[10:03]

Well, I can't, so. I will conclude.

[applause]

## BRADLEY THOMPSON, CLEMSON UNIVERSITY

[Full audio of Brad Thompson's presentation.](#)

GUNDERSON:

I'm especially pleased to have our next speaker up and that's Bradley Thompson, from Clemson. He is not an economist. He has good classical training, a great scholar, and he's been an outspoken spokesman for freedom in South Carolina. He's also had a different type of program, he's got a lot of really great scholars in residence, okay? So let's hear about your program.

THOMPSON:

Great, thanks Gerry.

The Clemson Institute for the Study of Capitalism was founded in 2005 with a startup grant from BB&T. We are an independent academic unit of the university, which means that we don't take a penny from Clemson University, we are entirely 100% self-funding including the salaries of the faculty connected to the institute and of course the staff of the institute and all of our programs.

[1:02]

The ambition of the Clemson Institute for the Study of Capitalism is to be America's premier university-based teaching and research center dedicated to the moral defense of capitalism.

So, as you all know, there are a lot of wonderful university-based pro-free market think tanks and State Policy Network think tanks, all of which are doing a fabulous job of defending capitalism and free markets. But they do so from the perspective of economics, right? Their



argument is that capitalism is good because it delivers the goods. Capitalism is good because it is the most productive and efficient economic system ever devised by man. All of which is objectively true, right? It's so true that even Karl Marx said so in The Communist Manifesto.

[2:01]

But the problem with Capitalism from Marx's perspective is that it's immoral and unjust, right? So for the last 100 years or so, the left has staked out the moral high ground, conservatives, libertarians, have staked out - classical liberals, objectivists - have staked out the economic high ground but in any battle of ideas between morality and economics, over the long-term morality will always win, right? Which is the primary explanation, in my view, for why this country and the West in general has been going down the road to socialism, despite even when we have Republican adminis... - totally Republican administrations, the state continues to grow and the country continues to move to the left.

So we were founded in 2005 as I said with the explicit mission of, in a sense, recapturing the moral high ground.

[3:00]

So the faculty connected with the Clemson Institute. We are all moral and political philosophers, historians, we have wonderful relations with the economics department at Clemson, but none of us are economists.

So that's our primary mission, is to, as I said, is to recapture that moral high ground. Now, to that end, we run a lot of programs very similar to the kinds of programs that Steve and John have talked about and that many other university-based programs are doing.

So we have a lecture series, we have probably, I think it's safe to say, the best - certainly the best-attended lecture series at Clemson. Last Fall we had George F. Will come to Clemson and we had 700 people come to that lecture.

[3:51]

This last semester - or just actually last month, we had Alan Charles Coors, the great intellectual historian from Penn come who gave a truly wonderful lecture on the betrayal of liberty on America's campuses. An attack really on political correctness on our campuses and we had probably 200 people attend that lecture. We usually get I'd say a minimum of 200 people attending our lectures.

Every year we also put on two conferences at the end of May. One conference is for college students so we typically bring in 70 top-flight college students from around the United States for a three day conference on the moral foundations of capitalism. In the last two years we've started co-sponsoring that conference with the Foundation for Economic Education.

Two days after we end of the student conference, we have what we call - our - the short hand is 'professors' conference.' For the first 10 years of that conference, it was essentially a conference for the so-called 'BB&T network' professors and administrators.

[4:58]

So many of you know, I'm sure, that BB&T, when it was run by John Allison, they funded 62 university-based programs focusing on the moral foundations of capitalism and so we would have, typically, the annual conference at Clemson. That conference grew from its first year with, I think, fifteen people, to last year, we had 100 people attend the conference. And that conference is a kind of mini-APEE, with the ambition of being, one day, a bigger APEE.

This last year, through the generous support of the Koch foundation, Koch has now joined us in sponsoring the conference. So we're hoping - in the next couple of years - with continued support from the Koch foundation, that we're going to expand that conference from the current numbers. Which are, as I said, around 100 to we'd like to get up to 125, maybe, this year. And then 150.

[6:03]

And one day, down the road, start competing with our friends here at APEE.

We do a lot of other programs at the Institute. So, we have a publishing program. In the last five years, Clemson Institute faculty and associated faculty have published four or five books, lots of lots of articles. The Institute itself has just recently published - two of our staff members have published a really first-rate reader, primary source reader, on the moral foundations of capitalism, which I highly recommend. I think the title is 'Economic Morality.'

We also have a variety of student programs. Every year, I go into the Business 101 class at Clemson. And there are about 800 students in the twenty sections of Business 101.

[7:04]

And I speak to every class, every student, and we give out about 800 copies of Atlas Shrugged to all of these students.

In years past, we've had a reading group with Clemson undergraduates. And my staff and I, we teach fourteen to sixteen classes at Clemson every year, in the political science, history, and economics departments. And we also teach in the Great Books program at Clemson, and in the Honors College.

But the thing I am most proud of, and the thing I'm happiest to tell all of you about today, is we have just launched, in the last year, what we call a 'Lyceum Scholars' program. Now a Lyceum Scholars program is a scholarship program. We give ten scholarships every year to incoming freshman, renewable over four years.

[7:59]

So these are scholarships for kids that - they apply for it when they're in their first year of high school. This year, we have our first ever Lyceum class. In exchange for the scholarship, they are required to take eight classes, six of which are in the political science department, primarily political philosophy. And two are in the honors college.

We use a Great Books approach in this program to study the history of liberty, capitalism, the American founding, and the idea and practice of moral character. And what we do is we assign each student what we call a "Socratic Tutor." A Socratic tutor is one of the faculty members associated with the program who meets with his or her students every other week for one hour. And the goal of Socratic tutor is to help students translate theory into practice.

So, one of the required freshman classes is a course that I'm teaching this semester. It's called Wisdom of the Ancients: a Course in Ancient Greek and Roman Thought.

[9:03]

And right now, that class, we are reading Aristotle's Nicomachean Ethics. Which is, as I'm sure you all know, a challenging book. Certainly challenging for eighteen year olds. And the Socratic tutor helps the students translate this very challenging moral theory into the lives of eighteen year old Americans living in the 21st Century.

And then connected with that, maybe the most important thing, is - the Socratic tutor - is to help these students take seriously, maybe for the first time ever in their lives, not only the idea of moral character but the practice of moral character. And, in particular, their own individual moral character. Because we believe that there is a connection between moral character and a free society.

So that's a quick overview of the program. Let me just take a just...how am I doing on time?

[GUNDERSON: You've got time for a couple more, yeah.]

[10:00]

So let me just tell you a few things about how we created...and how we've managed to exist on a college campus. Because if you think about what we are and what we do, there is no greater challenge to the left than a moral defense of capitalism. So, for instance, there could be no Harvard Institute for the Study of Capitalism, in the same way that we do it, right? Giving a moral defense of capitalism.

...oh, no, I'm sorry, wait...actually, there is a Harvard Institute for the Study of Capitalism, except it's run by Marxists! [laughter]

Right? So, it's...This is our niche, is the moral defense of capitalism. And the extraordinary thing is that Clemson University has been a remarkable - given what we stand for - it has been a remarkably supportive home for what we are and what we do.

[11:07]

So when the Institute was founded - eleven years ago now - I was a tenured, full professor at a different university. I actually gave up tenure to take this job as the director of the Clemson Institute. I came to Clemson with no promise at all, no discussion, of the possibility of getting tenure.

But, very much to Clemson's credit, within six months I was a tenured, full professor. I didn't ask for it, they made it happen. And they made it happen because, as the provost said to me, 'it's important that the Clemson Institute succeed, and for it to succeed, its executive director has to be a tenured, full professor.' And they made it happen. '

So that tells you something about Clemson University. So that's the first point, is that Clemson, the culture at Clemson is at least very open to these ideas. And at the highest levels of the administration they are supportive of these ideas.

[12:05]

The second reason I would say for at least our initial success is that we had one great thing going for us. And his name is Bruce Yandle. And so for those of you know Bruce know that not only is he a great scholar, he is a true gentleman. And he's probably the single most respected person at Clemson University. And Bruce was really responsible for my being hired and for the initial launch of the Institute.

And then the third thing...and this is probably the one that is the most directly relevant to all of you who are thinking about creating a center or an institute - and this is the part that relates to me.

So, in the first six months I was there, we were not an institute. We were not a center. We were just simply a budget line.

[12:59]

I gave up a tenured full professor position to accept the directorship of a budget line. That's all we were. Right? We did not have any official staff on [...]. So my first job was to essentially, take this budget line through the approval process of the university to become a full-fledged institute.

And so I did it the old fashioned way. I pounded the pavement, I walked around campus, I introduced myself to faculty and administrators. And I made two points very clear to them.

The first point was that for all of our events, for everything that we do at Clemson, we are going to be a true marketplace of ideas. We will have socialists and Marxists and liberals and

conservatives and everything else under the Sun...if they want to come to our events, they are more than welcome and we will include them at the table.

So that went a long way in dismissing any concerns, certainly that faculty had.

[14:04]

And the second thing that I made very clear to people was that we were not going to be Ghettoized. We were not going to be shoved into some corner of the university and have people pretend that we don't exist. Right? **We expected, indeed demanded, that we be full partners with the university, and that we be recognized and treated equally with the Women Studies Center.** Just to pick one program, for instance. [man laughs]

And the argument for equality worked. Right? We're not going to be treated as second-class citizens. And fortunately the people at Clemson got it, they accepted it, and I'm very proud of Clemson University. I'm very proud of the fact that, in my now almost eleven years at Clemson, we have never had any problem from the administration, we've had no problem from the faculty on campus.

[15:10]

Clemson is a relatively conservative university, certainly amongst the student population. Leftists certainly outweigh conservatives, libertarians, classical liberals, objectivists at the university. Not 145 to one, but you know it's probably more like twenty to one. For me, those are fighting odds. Those are odds that I'll take any day of the week in the battle of ideas. And so the university has just been a remarkably supportive home.

And I guess I'll say one last thing. Every university is different, every context, every situation is different. There will have to be, at different universities, different ways of trying to create a center. But I can tell you, at Clemson, we made a decision very early on that we were, in addition to not accepting university money, on principle, we were also, always going to take a principled stand on every major issue at the university and public issues when they came up.

So, last thing. Last year, there was a small kerfuffle. 110 faculty members signed a petition supporting the seven demands of the so-called Coalition of Concerned Students, which was the Clemson branch of Black Lives Matter. The first demand called for the criminal prosecution of free speech, or defamatory speech. I got wind of this just before it was to be published as a full-page ad in the student newspaper.

I wrote what subsequently became called 'An Open Letter to Clemson Students.' I also took out a full page ad in the same issue, in which their petition appeared.

[17:03]

And we just decided, we're not going to scurry to the cards. We will be open and principled defenders of our mission, which is the moral defense of capitalism, and in the context of today's

universities especially, we are proud to be open and explicit defenders of free speech. And our open letter made a pledge - a *personal* pledge - that we would defend the freedom of speech of our students, no matter what.

Thank you.

[applause]

GUNDERSON:

Thanks very much, Brad.

## GERALD GUNDERSON, TRINITY COLLEGE:

[Full audio of Gerry Gunderson's presentation.](#)

[0:00]

Okay, I want to tell you just a quick story. Actually, it's two wars. So I'll try to keep it short.

Some of you have heard of the first war at Trinity College, in which we - I have, I received an endowed chair. But there was a kind of overlaw to that. There was something called the endowment, because the donor was so proficient in investing the funds in the short run that he doubled the money that was necessary. So that was the Davis endowment.

So without going into too much detail, for a long time that money was kind of held in advance, and it was sort of plowed back into a long term investment so that after a couple of decades, we had about ten times as much as they thought they would have. And so that's where the Davis endowment came from, and that's the battle that I had with the college to get the full funds.

And so that was the first war. Let me give you two bits of advice out of that first war.

[1:03]

Number one: when you work with donors and when you work with your college, get an expert. Get somebody like Charlie [Ruger] who knows how that language needs to be constructed. Okay. Colleges play games with that. They always like to slip in what we like to call a 'weasel clause.'

And a weasel clause says, 'well, conditions may change and we may need to move the funds and do something over time.' No, the colleges should not do that, that's for the courts. You're signing a contract. And if it ever gets in the unlikely case that it has to be changed, then the courts have procedures for moving contracts around.

I was very fortunate when my donor - he got that contract from the university, from Trinity, and it said, 'we reserve the right to remove this.' He took out his pen and wrote, right over the top of that, 'UNDER NO CIRCUMSTANCES WILL THIS HAPPEN.'

[2:06]

Okay? And that has become indoctrinated into the language of the lawyers who deal with these types of things.

Number two: there is a less-known legal clause which holds in most states. It's called the Uniform - if I can get all of the acronym right - it's the Uniform Management of Prudent Funds. And what it says is that a college or an institution has to release funds from endowments at a uniform rate.

So if a college says, 'we're paying five percent of some kind of figured value of the assets, we have to do it for everybody.' Okay? Colleges play games with that, because what you can do is you can take money out of one fund and drain it down, and keep money in other funds, and in effect, over time, you can shift funds around and make them fungible. Okay?

[3:03]

First rule: watch those documents. Get help! Stay with it! That's what saved my skin at Trinity College: that I had an astute donor, and I had a couple of experts who knew what to look for. Okay?

Now with that, as of a year and a half ago, I wound up with an endowment of 17 million dollars to work with. And that gives me the opportunity to do good things, like hire Ed Stringham. Okay? And hire John Alcorn, who just left for the airport.

But I've got a great program, working with that basis. And we're going to build on that, a separate major in the college. We call it Formal Organizations, you would probably call it Organizational Studies. We're gonna build that separate major, and that major is very popular. All of our courses are filled.

[3:59]

And the students love it, the alums love it, the advancement office and the admissions office - the people who really have to market to students - love it. So what we're doing now is we're turning it into a business model in which we will create a successful enterprise within the college. And we're totally independent. My donor, again, that very, very perceptive fellow, wrote a clause into that contract that said, 'you cannot be a member of the economics department. You're on your own.' That's great. Because if you know that economics department, you would understand that.

So we're going to have our own program which we believe will have a strong force for markets and entrepreneurship. That kind of overlay will come out of the program.

Now, if you treat your donors right, and if you're known for protecting your donors, guess what? You get additional donors.

[5:03]

Okay? So, we're ready for the second phase. Okay? We have promises that instead of three or four of us, there probably will be seven of us pretty soon. Because we have offered a service to the college that they are going to support.

So remember that: if you can carve out a niche in which you serve the college, the college administration will support you. And you may get a lot of static from some people, but you will basically be self-supporting and stand on your own in that sense.

And that - in an era in which colleges are really worried about enrollments and they're starting to see that the walls are coming in a little bit, that's a good thing. You want to have a model which says to the college you're an asset, and they should protect you. Even though, individually, you know, you might get a little bit of static.

[6:00]

Okay? So that's my advice.

## QUESTION AND ANSWER:

[Full audio of Q&A with Gunderson, Ruger, Gohmann, Garen, and Thompson.](#)

[0:00]

GUNDERSON:

And I want you to have the chance to talk to some of these good people too. So, have a question...yes.

AUDIENCE MEMBER:

Brad, you're financially independent from Clemson, correct?

[THOMPSON: Correct.]

Now, did I understand you correctly that you guys, in your institute, offer courses that students can take as majors, or as part of some other major or - how did the political science get integrated into the economics, philosophy...how did that get put together? I've got a follow-up but...

THOMPSON:

Yeah, that's a good question. So, we are an independent academic unit, as I said. But we work through extant departments in the university. So, we have our closest relationship with political



science. So, as I said, the six of the eight classes in the Lyceum Scholars program are political science departments.

But the department has been, like the university, remarkably supportive of what we're doing. So in the time that I've been at Clemson, the political science department has added a number of courses to support the Clemson Institute. So they added the Political Theory of Capitalism class, they added the course on the Political Philosophy of the American Founding, and two other classes to help us.

And we also have very friendly relations with the econ department, and now also the honors college. And when I got to Clemson, there was this Great Books program that was dying on the vine in the english department. And I got a little money, which I offered to the english department, and I effectively bought the Great Books program from them. So we control the Great Books program.

And then the last thing is, though - as of today, we're not a degree-granting program within the university.

[2:00]

SAME AUDIENCE MEMBER:

So you don't major?

THOMPSON:

Yeah, no, right. We don't have any majors. So, our Lyceum Scholars for instance will graduate with a degree in political science, but they will have an Internet-generated - I probably shouldn't have said that - they'll have an Internet-generated certificate from the Clemson Institute.

If I could just...one last thing. I know this is big talk, but it's my ambition. The ambition is, in ten of fifteen years, I would like the Lyceum Scholarship to be recognized as the American undergraduate version of the Rhodes Scholarship.

One last thing. So, a year and a half ago, not anybody in America, with the exception of myself and two of my staff members, had ever heard of the Lyceum Scholars program. Nobody knew anything about it. So we launched our first-ever marketing campaign for our first ever Lyceum class.

[3:03]

I was expecting thirty to fifty applications. To my great surprise, we had 193 applications from twenty two states. We just announced our next class of Lyceum Scholars for next year; we had 400 applications from students in thirty two states. Which is extraordinary. And it's not a very good scholarship, which tells you that there is a yearning, burning desire amongst young people for this kind of an education.

SAME AUDIENCE MEMBER:

You have people in your program that are actually teaching these courses, right?

THOMPSON:

Yes.

SAME AUDIENCE MEMBER:

Okay, so what do you say - and maybe this is a cultural context thing, maybe it's a good statement about Clemson... 'but oh, you're taking courses away from...' Or, you know... I know, you're arguing you're actually making more courses in the department. But, I mean, if you get any turf - pushback or anything like somebody complaining about, you know, these political science people aren't having their courses filled because they're going to courses that you guys are teaching, [...] what I'm getting at...

THOMPSON:

Yeah, the answer is no. Certainly not with regard to political science. But frankly, we're empire builders, and my goal is to put certain other departments out of business.

SAME AUDIENCE MEMBER:

I understand, I understand. But there are people from the other side that see that.

THOMPSON:

Yeah, they don't know yet. Not yet. But if there's an unnamed department, for instance, that is not teaching Shakespeare, Dostoevsky, Austin, [...]

SAME AUDIENCE MEMBER:

Whatever you're talking about, right.

THOMPSON:

Right? The Clemson Institute, we will find a way to have those courses taught, and get those students who should be taking those classes in said department, taking them with us.

[4:58]

If there is another department, right, that should be teaching Plato, Aristotle, Hobbes, Machiavelli, Locke, Rousseau, et cetera et cetera. If they're not teaching those books, we will teach those books and we will take their students as well.

GUNDERSON:

Anyone else? Yes?

"ED":

So a question about the media and events things that I think you guys were mentioning. Steve, you said you poached someone from [...] department - your school. Is there any type of pipeline - maybe I'll ask Charlie [Ruger] this. Is there any type of pipeline of the people who have trained in this? If I wanted to hire an assistant professor, I know where to look. I go to APEE, [inaudible].

Where would one even approach those - look for those things?

[6:00]

GUNDERSON:

Can you hear Ed's question? He's asking if there's somebody - if he needs media help, okay, is there a source he can turn to?

GOHMANN:

You know what? I think they come out of the woodwork. When my center was announced, I had, like, three people say, 'hey, I really want to work for your center, I really like these ideas.' But I don't know where you would look for them because I think you're absolutely right, it's hard to find somebody and it's hard to know if the person just wants a job of [inaudible].

RUGER:

Predictably, I'll pitch the Charles Koch Foundation as a resource on this question. We have a huge network of, you know, professionals talent across skillsets, from doing administrative work and accounting and management kinds of things, give us media questions.

We've also got a great team of people at the Foundation who are responsible for media training. And we're trying to develop this talent, so if anybody needs that kind of resource, let us know.

[7:03]

View us as service providers, right? Now, this is one hundred percent subsidized by Charles to do exactly this kind of thing. So if we can help you in any way whatsoever build these capabilities, give us a call.

GUNDERSON:

One last question, yeah.

DUKE UNIVERSITY AFFILIATE:

Is it...Charlie? Is it Charlie?

RUGER:

Yes.

DUKE AFFILIATE:

I'm at Duke. A question about - what is the typical profile of your donor partners, like [John] Schnatter? Are they rich alumni? Are they local businessmen? Are they other foundations, like, would you join with Smith, or something? Any standard profile?

RUGER:

Yeah, I think all of the above. So, in the case of the University of Louisville with John Schnatter, Papa Johns is headquartered in Louisville.

DUKE AFFILIATE:

Okay.

RUGER:

He's an alumni of Ball State University, he built a center there as well. And then University of Kentucky is sort of the same geographical region, he's got a lot of business interests there, that kind of thing. It depends on the donor, almost completely.

[7:58]

We work with lots and lots of alumni, no question about it. But there are all kinds of factors that add to the donor interest piece. And we don't view our job, by the way, as going and asking a donor what he or she wants to do, and then we go and build whatever that is. That would be mission creep and all kinds of different dynamics.

Our job is donor education. So we need to go out and say, like, 'hey, specifically, let's look at together at somebody like Steve Gohmann. You should have lunch with this person. Let's build a relationship with him because he's doing great work. And if there's nothing exciting happening at your alma mater, let's go and find whoever is doing the most exciting thing and work with that person.'

It's not about - It's important for donors to feel good and everything...we're trying to save the world here. We're trying to align our own philanthropic interest with our mandate, which is to change the culture. And if that means getting uncomfortable with philanthropy and something new, we'd rather do that than just check a box and say we raised five million dollars, or something. We're just not gonna do that. So we try to help them and partner with them.

[9:05]

DUKE AFFILIATE:

I know years ago, businessmen would just send open-ended checks to the endowment, cause they loved their alma mater, which is standard. But when they come to learn that what's being taught there is fundamentally against them, and some of them are starting to realize this, I guess, they just didn't know that you could send money now this way. And it's protected, in some ways, not dissipated into the maw of the Marxist economics departments.

GUNDERSON:

Yeah, I would add that in addition to Koch, there's a general movement within the kind of donor support system to educate the donors. And they talk about this: don't just write checks which will be used for the boiler. Okay, what you want is you have interest, you tell the college that. Okay? And you have control of that until you sign the contract. Okay?

...others? Okay, now we've come to the end of our official time.

[9:59]

I'm sure some of you may want to talk informally for a while, and I know that members of the committee have an awful lot of expertise, so feel free to mix.