

Transcript: STAN ALTMAN, PROFESSOR MARXE SCHOOL OF PUBLIC AND INTERNATIONAL AFFAIRS. FORMERLY INTERIM PRESIDENT AND DEAN, BARUCH COLLEGE/CUNY

Interviewer: BETSY NEWMAN

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Betsy Newman: Did Bernard Baruch envision Baruch College as a business college?

Stan Altman: Well, before Baruch College became an official senior college, it was in the city university system, even before there was a senior university system. This location, this building, this facility here was the School of Business and Civic Administration that was part of the downtown campus of City College, because this is where the original city college free academy campus began in 1847. Bernard, when he promoted the idea that there should be a business school and a school of civic administration in early 1919, when business was becoming a recognized discipline. He wanted both the public and private aspects of professional education to be put together because he believed that they were means to an end, that corporate relations and government needed to cooperate to create more opportunities for Americans. Neither one was supposed to have power over the other and neither one was supposed to be an end in themselves. So from his point of view the idea of promoting this kind of cooperative with the end being creating more opportunities for Americans to realize the American Dream was all captured in the name, which of course as time goes on kind of gets lost in the bricks and mortars and little plaques that one periodically sees. But from Bernard's point of view there's this continuing history over and over again of him being able to see very long range.

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That is, he wasn't an individual who just saw opportunities of the moment. I think it's also typified in his whole position at Versailles after the First World War, in which he, in promoting Woodrow Wilson's plan for peace, recognized that if the Allies really punished Germany and humiliated them that all they are going to do is set up the whole atmosphere of hatred, and therefore a second world war. And he argued that while they should be punished they should never be humiliated and at some point there needed to be a healing process, and without that everyone was just looking to fight this war all over again. And as it turns out we had to fight it all over again. And interestingly enough, understanding his own prophecy, Bernard spent all of those intervening years preparing the United States which what, for what he ultimately believed what was gonna happen and what we would ultimately have to do. And when the war came, even though we were reluctant to get involved we were actually ready to win the war.

BN: Would you talk about how he and Andrew Carnegie viewed wealth?

SA: Yeah, I think you know, Bernard in some ways was a perfectly wonderful example of a generation of wealthy philanthropist who saw wealth, not as theirs but as stewards of the wealth. They clearly recognized that having had that wealth that they certainly could live a comfortable life, but that they really had more than they actually needed. And so from Bernard's point of view he gave a lot of it away, and gave it away or used it in ways that he didn't require his name on it. And actually he was asked at one point, why is he giving all this money away, is he going to have have what he needs? And he says he always has more than he needs. And so if he doesn't need it, then why does he need it to sit in the bank - which is exactly the thesis that Andrew Carnegie issued in his kind of manifest about wealth, in which he even argued that you don't even want to put it away as an inheritance for your family, that the money should be used in your lifetime to accomplish the things you think needs to be done to make society a better place for people, and that it doesn't mean that you live like a pauper. It means you can have a perfectly wealthy, comfortable life but that you also have a responsibility with wealth because you didn't make it, you got it from the people who need to get it back. So I think they were

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individuals who saw wealth as a means to an end both a comfortable life but also a way of advancing society in positive ways, as opposed to what we're dealing with today, where there's so much focus on the individual wealth for wealth accumulation sense for status and power, and I think the power is not being used to advance society. They're really ways to advance individual agendas.

BN: Tell me about Baruch's perspective on the humanities that Baruch felt he gained from his own education, and why that matters to students today.

SA: Well, I think, you know, one of the debates were going around with in higher education today is what are we doing to create meaning for students in college. We're very focused on kind of developing skills and knowledge. We are woefully, and we acknowledge, woefully inadequate about the way prepare students in terms of what they can get from the arts and humanities - that is, we're not creating that side of their character in which they are really able to think creatively and outside of the box and are able to really grapple with ethical immoral issues and even just grapple with uncertainty. To recognize that life isn't a straight line and that it doesn't work perfectly. We're really, in a sense, trying to convince them that life moves along in some kind of straight line path and what matters is the job you get. And we've managed to get there because we have so siloed our education process. We really don't integrate experiences. We often claim that students are going to get that integration in some kind of capstone by the time they are a senior in college, and if they are lucky they may or may not get it.

I think there is a movement in the higher education community to try to create experiences to get rid of some of the silos, to reintegrate student experiences both inside and outside of the classroom. And in one of the I think classic speeches - I mean he was such a wonderful speech giver and writer - at the 50th anniversary of the School of Business and Civic Administration here on this site, Bernard gave an address, and at the address he talked about the differences between the way he saw education being delivered today in the silo form compared to when he went to school in the 1800's. That is, his education, although he will admit he wasn't a great student, really grounded in the arts, in that every

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class brought in at least seven or eight different disciplines and topics in order to adequately discuss the complexities of the issues they were dealing with. Where today they're probably in a half a dozen different classes, none of which integrate, none of which is some ways really touch on the real core issues. And so his feeling was, we weren't educating students, we were just creating students who could regurgitate facts and could cite issues but they really, at some point lacked the ability to integrate all these different ideas and he kept challenging the college and the university to really rethink how we're educating students. He believed we weren't really doing a particularly good job, and this was probably 40 years ago. So I often, when I talk about the need to reintegrate how we really approach education here, and bring the arts into all of our courses, I often cite that speech and his quote about the fact that we owe our students a much better, a much more responsible job at how we prepare them for their life, not just for their job.

BN: Would you talk about Baruch's attitude toward natural resources?

SA: Well, I think part of his whole investment philosophy was that there were natural cycles in life. That is, at some point there were these repeating patterns, and so there were some natural laws that, unless you really made peace with, and learned to kind of coexist with, you were going to ultimately fail. Some of those natural laws were really the whole issue of supply and demand and his belief was that while there were natural resources to be used, there were not natural resources to be abused, because if you abused them then they would no longer be around and that that was part of the path to doom.

In fact some of his writings predate this whole idea of the tragedy of the commons, which is the classic paradigm of multiple users using a common resource, and if the community doesn't find a way to agree on how they are going to use the resource in some balanced way, so that the resource is always able to replenish itself, but approach it from an individual maximization process, then what ultimately happens is they deplete the resource and then nobody has it. We've seen that played out particularly in the fishing industry in the northwest and the northeast, where people have gone at this from a purely business maximization point of view and then deplete whole fishing stocks. And I think

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from his point of view, you needed to continually see the balance. The balance was to use the resource to advance the community, but you don't use the resource to simply advance yourself because in the end you wouldn't advance anybody. And I think that sense of balance and recognizing that there were these both natural laws and man made laws, and that they were different but they could be in harmony, was very important to his both life and his way in which he invested his own money.

And I think the thing about Bernard, in some ways he could be this wild west character. I mean, he was a very flamboyant young man and even when he was here he was into sports. Probably if he hadn't been injured with a baseball hitting him in the ear and forcing him to lose hearing, he probably could have even been a semi-professional or a professional player in several different sports. So he was full of life. But I think part of being full of life is he really respected other people's lives. I think he had a real respect and empathy for people, and I think recognizing what he had been through growing up as a kid, I think he really did believe in the American Dream, and I think he really did believe that people who were in a position to kind of help others advance that dream, that that was part of their social responsibility and that with wealth, with power, with access to important people that just meant that you had more responsibility to be mindful about what you were doing and how it impacted other people. And you really wanted that impact to be positive, not one of those things that kind of advanced you at the expense of somebody else. I think he was quite mindful of that.

BN: How do you think the situation he grew up in influenced him?

SA: Well, having grown up in the streets of the city of New York, I can only imagine what it must have been like in the South after the Civil War was over - being a kid, having mobs, no sense of stability, no sense of real permanent school, even a situation in which his father is away treating some people and his mother and his brothers are there and there's a mob coming towards their house, and his Mother feels the need to give the older kids guns to come out with her in order to get the mob to go away. What that must be for a child under 10 to have to sit and think, at that moment they could possibly be killed by an unruly

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mob, to have that sense of trauma. So I think it's really quite amazing, both the courage his parents had to move to New York, to get the kids up and to school, but for him to not be so tarnished by that experience that it would color the way he approached other people, and instead of becoming somebody who might be angry, always wanting to kind of demonstrate that he's strong enough to kind of prevail. Having a kind of sense of empathy and wanting to help other people, you know kind of bringing out the best out of him rather than the worst, I think speaks really incredible volumes about him. So I have a high regard for his ability to kind of integrate those experiences in ways that don't impede him or take him into the kind of dark side issues but really a much more kind of, to keep pushing him forward to kind of do more.

BN: Would you talk about Bernard Baruch's father, Simon Baruch, and the public health initiatives he undertook in New York?

SA: His father was an interesting model in many ways; I mean even just take the fact that being a physician in the confederate army and then being captured. You might think being a doctor on the other side you know, you wouldn't belittle yourself or even demean yourself to try and treat Northern soldiers who were likely to come back and fight confederate soldiers again. And yet he transcended that. It really was a question of being a doctor in the honor of the profession of "do no harm" in which he treated both sides. I think once he came up to New York the whole issue about trying to find ways to create therapeutic methods to helping people, opening up the baths that were fairly prevalent for a very long time. As a way of using hydrotherapy and physical therapy, he was one of the early leaders in that.

I think the Rusk Institute, which has been a fairly well known institute allied with New York University at this point, for physical therapy, both for pediatrics and now for adults, was basically funded by Bernard who got to know Rusk because of his father, and basically gave Rusk the money to create the institute as a way of respecting and the work his father had done, and for a long time I believed that there was a huge portrait in the front entrance of that building of his father. They've now taken the building down cause

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NYU, I mean New York University is kind of reconstructing that whole East Side, where their hospital is. I think that was a major landmark, and yet one more place that Bernard never had his name put up, it wasn't about him, it was about honoring his father, so. I mean I think the other place that his father, you know the classic story with his father about Bernard, before the age of 30 earning his first million dollars and then rushing in to tell his father he was so excited he was a millionaire and his father said, "Bernard, It's not how much you have, it's what you do with it." You know, suddenly thinking your father is going to say, "Well that's really great, kid, that you're a millionaire," instead of saying, "You know, Bernard, I couldn't care less if you have any money, it's what you're gonna do with it that I care about." Kind of bring yourself up short and you have to think about, well what really does matter with the money? Is it the fact that I have it, or is it that now I can do something that I couldn't have done before?

BN: He was quite something, really.

SA: He was, and in fact, it's one of these things about legacy which is why it's really important to capture stories. In fact it's really important that StoryCorps is around, where people tell stories. There is a whole school complex on the East Side, I think it's 18th or 19th street, it's both the middle school and the high school that's named after Simon Baruch. And it's not exactly clear whether the Baruch Houses further south along the Riverside Drive of Manhattan is named after Simon or Bernard. But it's interesting that along this whole East Side of Manhattan, not very far from where this school is, there are all these kind of monuments, namings to both Simon and Bernard to recognize the importance that the Baruchs have played here, and yet it's kind of, people just take it as a name without really understanding what the history of that name entails.

BN: I believe there's an old, boarded-up bathhouse that has the Baruch name on it.

SA: On the Lower East Side? Probably. Right.

BN: Well, people are forgotten. I was reading in the paper the other day about how few presidents most people can name. But we are glad to be able to tell Baruch's story, and

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you tell it so well, Stan. Thank you for getting to the deeper issues. And, just so people know, when did Baruch make his major gift to the College, and what was the context of that?

SA: Well, I think the major gift came with the naming of the business school after him, and that was in 1958 I believe. It was either 58 or 53 I believe. The University - we were still part of City College and he had briefly been a trustee of the college in the early 1900's, and he had left as a trustee when one of the other trustees had asked him to get involved with Woodrow Wilson's campaign. And having met Wilson, he was so enamored with him that he decided to go off and get involved in his campaign. (interruption)

SA: (resuming) So I believe he gave the gift when he named the school of business and, I think it then became the school of, after it was named after him became The School of Business and Public Administration. I think it was 1953, and in part this was in recognition of the - we were still part of City College at the time, and the college was trying to recognize Bernard for all of the contributions he had made, not only nationally but to the college - he had been a trustee in the early 1900s and had been kind of wooed away from - he resigned as being a trustee from it - by another trustee who had gotten involved with Woodrow Wilson's campaign for the presidency.

In fact just before he left as a trustee he had proposed that in fact the original building that the Free Academy and City College had been created in, be converted to a School of Business and Civic Administration. But because the war ultimately interceded in all of this, it never happened until after the war was over and he was no longer a trustee. So, having been involved, they decided to name the school after him, and he, at that point, he made a gift which continues to be a source of important scholarships even after the school was then separated from the college in 1968 and became separate, stand-alone senior college as part of a, then, what had been created in the early 60's - the City University of New York.

BN: So his contribution to Baruch College still is significant?

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SA: Still a significant gift, still funds very important scholarships. There was a period in the early 2000s when there was some really tough times in terms of state funding, when in order to keep scholarships going, in fact, probably going much more than they should have gone, some of the corpus got spent down. I think now it's being rebuilt but I think it has always been a core source of monies and financial aid that we provide to students who come here, many of whom have very little money to actually pay for their education, even though in kind of economic terms today's costs for tuition, we still have a relatively low tuition. I think for a year of undergraduate studies tuition and all is about, a little over \$5,000 for the year. But for kids who come here from families who, I think 40% of our kids come from families who have incomes of under \$20,000 dollars. We have kids who come here even without their families from overseas, who come with nothing. I guess they're coming here because they want to get an education. (interruption)

BN: Would you continue talking about the demographic of Baruch College? I think that's very interesting.

SA: Yeah, you know the Free Academy was originally created in the 1840s because the city fathers - actually, the city fathers at that point being the people who were head of the Board of Education - saw the need for a college or the equivalent of a college to educate people, young students who were from working class families. These were the immigrant families who were actually doing all of the work in the city. At the time, Columbia had clearly been around for a couple 100 years, NYU was twenty years old. What they were looking for was a college that wove together both, kind of the arts, in terms of the liberal arts education, but also vocation. So they created what was originally called the Free Academy, the first year of which was the equivalent of high school and then you got a bachelor's degree. That demographic, this whole idea of providing higher education opportunities to people of talent but without independent of means, has been the history of municipal colleges and then, once the university was formed, the City University. So, Baruch for example, which is not different from the university as a whole, with its 24 different campuses - we have students whose family backgrounds come from 167 different

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countries. They speak, as their first language, 102 different languages. I think some 30 or 40% come from families with incomes of under \$20,000. Many of the students who come here are the first in their family to go to college or they're recent immigrants to this country. I have several students in my class whose family have sent their kids here in search of a better education just like Bernard's family decided to get out of Camden, South Carolina in search of a better education for their kids and better opportunities. And so our kids struggle just to get the means in order to be able to get through college, cover their living expenses, and then get on with their lives, while at the same time living out the responsibilities for their families, because many of them will come up as the oldest in their family with younger children who then ally, like Bernard's father, with family friends or family relatives that are up here in order to kind of make a better life.

So when people say, "Well, you know, why don't your kids go to a museum if we give them access free?" we say, "When are they going to have the time?" They have to balance classes, jobs, family responsibilities, and whatever personal time you have when you're in your twenties trying to figure out who you are, they don't really have the time to just luxuriously wonder down to a museum and go spend two hours enjoying themselves I think. It's kind of why when we look at programs we try to do here we really need to find ways to do this in the context of their classes, so that we just don't keep adding things on. That's why this whole idea that Bernard keeps promoting about integrating things as opposed to separating them into little boxes, and then leaving it on somebody else to figure out how to put the pieces together, becomes such a central theme for us at the university. And we're big. I mean we are 274,000 students seeking degrees. We have another 270,000 non-degree students who come for professional studies courses or adult education. So we're a large institution scattered over five boroughs of the City of New York on 24 different campus' so we, um, it's a lot to juggle.

BN: That's CUNY (the City University of New York).

SA: That's CUNY. I think either we're the third or fourth largest university system in the United States. There's the University of California, the State University of New York, and

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I'm not sure whether we are bigger or smaller than the University of Texas. But we're not a state. That's the other part of this, We are ultimately the City of New York's university. Even though we get some state funding, even the State of New York doesn't view us as their university. So, when it comes time for things, they're very generous with the State University of New York and kind of, they'll dribble stuff down to us periodically. I shouldn't say that on press because our governor might not be happy about it, but I think it's hard as a municipal - because I mean the municipalities in this country have no standing of their own. They're not part of the constitution, the states are and we're all creatures of the state. So when they state really decides that they want to do something, even if it's not in our best interest they can go ahead and do it.

BN: How do you want Baruch's legacy to be remembered?

SA: Well, I think it's pretty simple. I think it's very difficult from generation to generation to convey this idea that we all have responsibility for each other, that the tragedy of the commons issue is only a tragedy if we stop recognizing our ability to be communal. That is, this isn't about one -on-one. This is about advancing myself for a better life and at the same time recognizing I have a social responsibility about how I do that, and I think for me that becomes the challenge for each generation, to have a legacy that carries forward with models about people who demonstrate that that not only is possible but that that's what actually leads to a better life. And there is no more prime example of that than Bernard Baruch, who is one of our own students, who came from a working class family, came out of a terrible early childhood in the South, completely disruptive, which many of our students who come from all sorts of developing countries in the world can clearly identify with. He didn't despair. As President, in the graduation speech I gave, I pointed out to all of our students when Bernard graduated he was not an A student, he didn't have a job when he graduated. The job he took was a job as a runner on Wall Street, and the important lesson for me about that was that Bernard didn't identify himself with his job. It was a job, which he saw as a means to getting a better job, and he saw that that step, he had some responsibility in figuring out how to get to a better job. And so he is a prime example of

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what our students out to aspire to, and I think from my point of view that's what the whole point of the Bernard Baruch legacy is about. He's a model that other people can aspire to, and you don't have to be a multi-millionaire to get there, you just have to see yourself as part of a citizen of the world.

BN: Thank you. that's terrific, really very moving.

SA: Well, he's um, I go through some of his speeches sometimes, and I can only imagine what it was like. In fact I am fortunate enough, we have a video of a speech that he gave. It may have actually been this 50th anniversary speech, which was broadcast on national radio. NBC carried it nationally. I'm able to watch a video clip of this, which is quite incredible. I mean all of this came from his heart, this wasn't a man who just spoke words, this was a man who spoke from his heart about what he really believed in, and he didn't hide what he believed in. I mean, he wasn't afraid to speak his mind whether you liked it or not, and I think that's what made him so effective. He was able to reach people out of a genuine sense of what he believed was the right thing to do, not because he had the power to make you do it, but because he really believed it was in everyone's best interest to work together. Like when he was in the First World War when he, when he ran that whole industrial board as a way of recognizing we all had to sacrifice if we were all in it together. It wasn't some people sacrificed and everybody else made money out of it, and I think that's the thing that comes through about him. This is a man who really had a passion for life and had a passion for serving, which is a rare combination these days.

So, I find him very inspiring and I think the more students get hear his story, the more they begin to understand the reasons to value other people, and what other people have done for them. Right now you'll kind of - we have a society where we don't value our own history, and so you drop people in the middle of things. They have no idea how they got there or why they're there or what it takes to stay there, or what it takes to help their own children. It's not like it's automatic, you know - you get a job, you graduate, your kids graduate, they're going to be better off. It doesn't work that way. If we stop working at it

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this is all going to fall apart. So, I feel like that's my job as an educator is to try to get the message out there.

BN: That's an important lesson.

SA: Yeah, I think so too. I mean, because I have grandkids, I have a daughter, I have two sons. I want them to have a good life in a world that's worth living in.

BN: Can you say some more about - what is it - the commons?

SA: It's called the tragedy of the commons and it's- I forget - there's a science article that captures it... but the essence of it is that you have a common grazing area. It's typically a commons outside of Boston, and it's an area where the community graze their sheep. And it turns out that everybody has enough sheep that if everybody allowed their sheep to graze as much as they want, they would completely deplete the commons. But like so many other natural phenomena, if you graze the common down, that is people graze it, but you don't deplete it then it will renew itself. And so the challenge for the community is to figure out a way for everybody to find a balance between how much of the commons they use for their own livestock, as opposed to everybody going at it for themselves, and so that's called the tragedy of the commons. When they go at it for themselves they'll deplete the grazing area and therefore it can't regenerate itself and it dies off and therefore the farming is over and the community dies because so much of it is built around the farming. As opposed to recognizing that that's one of those challenges a community has, is to find a balance in which you trade each other's you know, total wants offs against each other for the benefit of everybody, but in some collective sense, you have to give to get. And so that's what it is. It's now become an interesting model in terms of not just a social science issue, but also in leadership. Peter Senge talks about that in terms of figuring out the dynamics of systems. That's one of those archetypes that happen very often, in which systems come out of balance and ultimately will die because, rather than recognizing this natural order for regeneration, they simply go at it for what we call in mathematics "local maximums." So they maximize it in the short run, but in the long run they've killed it, the whole process off.

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BN: that's an important lesson for the whole world right now.

SA: Yeah, oh, I think it is so common. I'm up in a community upstate in the Hudson Valley, in New Paltz, New York and there's this issue with large land conservancies who keep taking land off the tax rolls. And when they take it off the tax rolls it doesn't change the tax burden, it just increases it on the fewer people who are now paying, and the fewer people who pay are the people who have the least money to get tax exemptions. So what happens is the people who have spent 30-40 years living in a community can no longer afford to live there, because the school taxes keep rising, because they have to pay a bigger share of it, the property taxes keep rising because they have to pay a bigger share of government services and they have a fixed income. Young people can't afford to live there because the prices of houses are now too high given the tax burden, and so they don't have enough income to live there. And so you begin to kill off the whole community that flourished and nourished us to begin with, and then you have a different community, assuming the wealthy really wanted to stay there all the time. But very often the people with wealth are really the people who come on a part-time basis and are not the essence of what keeps a community alive and functioning. So, yeah it's all over the place. I actually wrote an editorial in the local paper about this whole need to find some balance, even the non-profits need to pay some cost of services because they want the services but they don't want to pay for it. So it's nuts.

BN: thank you so much. I love what you have to say, and it's going to be a huge contribution to the project

SA: That's great, no I think the project is great, I'm really looking forward to getting on my first web link here.

END OF INTERVIEW