

MIT Faculty Newsletter

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From The Faculty Chair

Epstein and MIT: The Unanswered Questions

Rick L. Danheiser

On January 10 the Executive Committee of the MIT Corporation released the long-awaited report by the law firm of Goodwin Procter titled “Concerning Jeffrey Epstein’s Interactions with the Massachusetts Institute of Technology.” The charge to Goodwin Procter (GP) for their fact-finding investigation was defined by the Executive Committee and involved four questions: (a) what donations Epstein made to MIT and when; (b) who among MIT’s senior leadership was aware of the donations and approved their acceptance; (c) what visits Epstein made to campus and their circumstances; and (d) whether senior leadership was aware of and approved these visits. The Faculty Officers and Faculty Governance were not consulted at any time with regard to the investigation or the report prior to its completion.

In the early fall I obtained agreement from the Chair of the Executive Committee, Bob Millard, for a group of faculty that I would convene to meet with representatives of GP with any questions we might have following our review of the report. The meeting with the GP lawyers took place on January 13 and lasted four hours; a summary of our findings was sent to the faculty on January 21. The group of faculty meeting with GP consisted of 12 current and former officers of the faculty.

My reading of the Goodwin Procter report left me with a number of concerns and a number of questions. Many of these were relieved by what I learned at the meeting with the GP lawyers on January 13. As mentioned in our report on January 21, our group of 12 current and former faculty officers found the GP attorneys to be forthcoming and frank, and we were impressed that their investigation was thorough, albeit within the scope that had been defined by the Executive Committee of the Corporation.

Nonetheless, after the meeting some members of our faculty review group felt that a number of questions concerning the interactions of Jeffrey Epstein with MIT remain unanswered. In this column I discuss what I regard as the most significant “unanswered questions,” and offer my own comments and reflections on Epstein’s involvement with the Institute and what contributed to making it possible.

With regard to the unanswered questions, in general I do not offer answers or render my own judgments. Rather, I urge all readers to carefully consider these questions and to review the GP report and other material so as to arrive at your own conclusions.

Questions Concerning Knowledge of the Donations

Who among MIT’s senior leadership was aware of the donations and approved their acceptance? This is the central question for most readers of the Goodwin Procter report. The GP report identified Executive Vice President Israel Ruiz and former Vice President and General Counsel Greg Morgan as the members of the senior leadership team most culpable in allowing the donations from Jeffrey Epstein. Not only were both senior

administrators aware of Epstein's prior conviction as a sex offender, but in 2013 they developed a framework for allowing donations from Epstein so long as they were recorded as anonymous and were under 10M dollars.

In addition to indicting Ruiz and Morgan, the GP report also names Jeffrey Newton, Vice President for Resource Development until January 2014, as responsible for approving the Epstein donations in 2012-2013. The report does note that initially Newton opposed accepting funds from Epstein. Kirk Kolenbrander served as Interim VP for Resource Development following Newton and the report simply indicates that he does not recall any discussions of Epstein before 2019. Newton's eventual successor, current VP for Resource Development Julie Lucas, likewise is not identified as having played a significant role in these decisions. Lucas is described as being aware of the donations, but not involved in the decision-making, and the GP report states "There is no evidence that she knew the details of Epstein's crimes at the time." Most readers of the report have accepted this conclusion, but questions remain for some members of the community. Lucas was aware that the donations from Epstein were being handled in an unusual fashion, i.e., with MIT insisting that they be recorded as anonymous, and with a limit with regard to their size. Some readers of the report find it surprising that she did not seek an explanation for this extraordinary handling.

For some readers a more important unanswered question is whether President Rafael Reif had knowledge of the Epstein donations prior to 2019. The Goodwin Procter report concludes that President Reif "was not involved in the decisions to accept Epstein's donations" and had "no contemporaneous knowledge" of them. Many members of the community believe that the report absolves President Reif of any blame or responsibility, and in general this is the sense of the vast majority of the reports in the media. However, there are members of the community who still believe that significant unanswered questions remain. Goodwin Procter found emails that document Israel Ruiz's intention to talk about Epstein's gifts at a January 13, 2015 retreat of the Senior Leadership Team, as well as a statement by Ruiz to Media Lab Director Joi Ito on the evening of that meeting that he would like to share with him the perspectives of President Reif and others. Also troubling to some readers is the reference to a cryptic note "Epstein – Joi Ito" that President Reif wrote on his copy of the agenda for an April 2015 Senior Team Meeting. On the other hand, other members of the senior administration, with the exception of Julie Lucas, have no recollection of discussions of Epstein and his conviction as a sex offender at these meetings and they argue that had there been such discussions they would have remembered them.

In their concluding summary, the GP investigators state that there "is no evidence that anyone brought the significance of Epstein or his crimes to President Reif's attention at any time prior to 2019." Critics of this conclusion note, however, that absence of evidence is not evidence of absence.

Finally, some faculty have noted that President Reif has regular private one-on-one conversations with the members of his Senior Team such as Vice Presidents Ruiz, Morgan, Newton, and Lucas; they express surprise and skepticism that the subject of Epstein's donations and the unusual arrangement for accepting his gifts were never discussed at any of these meetings over the years.

As the Goodwin Procter report notes in several places, memories are imperfect and unreliable, and in the absence of any contemporaneous records, notes, and evidence it is a matter for each reader to come to their own conclusions as to who knew what and when with regard to these questions.

Bob Millard is the Chair of the MIT Corporation and the Chair of its Executive Committee. As a reminder to readers, the Bylaws of MIT define the role of the Corporation in Section

1.1: *“The members of the Corporation constitute the government of MIT. As such, they hold a fiduciary duty to govern MIT, to oversee the stewardship of MIT’s assets for MIT’s present and perpetual well-being and stability, and to ensure that MIT adheres to the purposes for which it was established.”*

The Goodwin Procter investigation discovered that on several occasions in late 2016 Joi Ito attempted to enlist the aid of Chairman Millard in obtaining donations from Jeffrey Epstein. Millard declined to assist Ito; however, he did follow up on this request by making inquiries of MIT Resource Development concerning Epstein, and the GP report indicates that Millard was aware that there were “issues” associated with Epstein and that Ito was proposing that these funds be required to be received anonymously, a highly unusual arrangement.

Many readers of the GP report are satisfied with the fact-finder’s conclusion that “We uncovered no evidence that Chairman Millard discussed Epstein with members of the MIT Senior Team.” Some readers are troubled, however, that Millard did not consider it his responsibility as Chair of the governing body of the Institute to follow up further and broach this subject with President Reif.

From 2013 to 2017 Jeffrey Epstein made nine visits to the MIT campus during which time he met with a number of members of the MIT faculty. I would be remiss if I did not note that a number of faculty interacted with Epstein during these visits and it is regrettable that none felt it their responsibility to express concerns and that none felt comfortable or able to bring these concerns to the attention of members of the MIT administration.

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Questions Concerning Professor Seth Lloyd

The Goodwin Procter report reserves its harshest condemnation for former Media Lab Director Joi Ito and Professor Seth Lloyd, emphasizing that Epstein’s post-conviction donations to MIT were driven either by Ito or Lloyd, and not by MIT’s central administration. While Ito’s role is beyond question, for some in the community questions remain with regard to Lloyd’s motives.

Professor Lloyd’s interactions with Epstein are described in some detail in the Goodwin Procter report. These include accepting what is described as a “personal gift” of \$60,000 in 2006 (prior to Epstein’s conviction) that was not reported to MIT, and subsequent gifts to support his research in 2012 (2 x \$50,000) and 2017 (\$125,000). Lloyd was well aware of Epstein’s criminal record at the time of these latter gifts and has apologized for what he has described as his “lapse of judgment.”

The Goodwin Procter report makes the serious accusation that on June 7, 2012 Professor Lloyd “purposefully failed to inform MIT that Epstein, a convicted sex offender, was the source of the donations” that he was about to receive. In reporting the imminent donation, Lloyd provided MIT staff with the name of an Epstein assistant, and Epstein’s connection to the donation only emerged when MIT staff followed up by contacting the assistant. The GP report asserts that the “only reasonable inference is that Professor Lloyd did this to obscure the fact that Epstein was the donor and to hinder any possible due diligence or vetting by MIT.” The report further remarks that “In his interview, Professor Lloyd acknowledged that he had been ‘professionally remiss’ in not alerting MIT to Epstein’s criminal record.”

Professor Lloyd has denied concealing Epstein’s identity in a post on *Medium* on January 16, referring to the accusation in the GP report as “completely false.” Lloyd notes that MIT was aware that Epstein was the source of the donations at the time that they eventually approved the gifts, which is not inconsistent with the findings reported by the Goodwin Procter investigators. Where Lloyd and GP diverge is in the “inference” by GP that Lloyd’s motive in not identifying Epstein explicitly at the outset was to conceal Epstein’s identity as the source of the funding.

Professor Lloyd is currently on paid administrative leave from MIT and a faculty panel is being convened to review the facts surrounding Professor Lloyd's interactions with Jeffrey Epstein. There is one other relevant point worth mentioning that is not noted in the GP report. During the period 2010 to 2013 Lloyd submitted at least six papers on his research in which he explicitly acknowledged receiving financial support from Jeffrey Epstein. Should these acknowledgments of support affect the assessment of Lloyd's motives? The faculty review panel will be evaluating all evidence and interviewing relevant individuals in the course of their fact-finding.

Questions of Responsibility and Policy

The executive summary of the Goodwin Procter report emphasizes that “the decision to accept Epstein's post-conviction donations cannot be judged to be a policy violation.” Goodwin Procter bases this on the fact that “MIT has no formal, written policy addressing when to accept donations from controversial donors or what processes to use in considering them.” This has been interpreted by some as an extenuating circumstance that played a role in the decisions to allow the donations and interactions of Jeffrey Epstein with MIT. On the other hand, others have questioned whether the absence of a formal, written policy really is a mitigating circumstance with regard to these decisions. Does the absence of explicit policies and rules grant carte blanche to decision-makers to act without consideration of the morality of their actions?

The absence of a formal policy for evaluating problematic donors came to my attention in August and in the early fall I appointed an Ad Hoc Faculty Committee on Guidelines for Outside Engagements to define a set of values and principles to guide the assessment of gifts, grants, and other associations of MIT in the future. Professor Tavneet Suri is chairing this important committee. An Ad Hoc Committee to Review MIT Gift Processes chaired by Professor Peter Fisher has been appointed by Provost Marty Schmidt to work in coordination with the Outside Engagements Committee. The work of these groups should rectify the absence of formal policies at MIT and we hope that the result of their efforts will in fact serve as inspiration and as a model for the development of similar guidelines and policies at other academic institutions.

On the subject of gift policy, an unanswered question for some readers is why the Gift Policy Committee (GPC) was not consulted by any of the senior administrators during the deliberations on accepting the Epstein donations. Summaries of the activities of the GPC can be found in the annual *Reports to the President* for the period 2007 to 2015. According to these reports, during this period the Gift Policy Committee met five to 12 times each year. In 2010-2011, the GPC “reviewed in detail issues surrounding a number of new major gifts to MIT.” In 2014-2015 the GPC reports that “Gift acceptance principles were presented and approved by the committee.” Considering the membership of the committee, why were the unique arrangements for accepting gifts from Epstein not brought to the attention of the GPC during this period?

With regard to gift policy, it might be asked how it was that the senior administrators could believe that accepting the donations from Epstein would be unobjectionable provided that they were kept anonymous. It is clear that the decision-makers were focused on the idea that this measure would prevent Epstein from using his association with the Institute to “whitewash” his reputation. However, was it not naïve and misguided to think that anonymity addressed all of the concerns with regard to accepting donations from a convicted pedophile?

The Outside Engagements Committee will no doubt address the question of when it is acceptable to consider anonymous gifts, but I offer here my own thoughts as to why anonymity does not address all of the concerns associated with accepting donations from problematic donors. Aside from allowing the donor to “whitewash” their reputation, there are

several other considerations.

- **Absolution.** There is the possibility that in the donor's mind their generosity somehow compensates for their misconduct. It is possible that relieving their guilty feelings might make further criminal behavior more likely.
- **Deceit.** Coworkers have the right to know where the funding supporting their work and their stipend comes from. It is unacceptable for a principal investigator to keep secret the sources of funding for their lab as may be required in the case of anonymous gifts and grants.
- **Sympathy.** Regardless of the size of the gift, it can engender a conscious or unconscious bias in the mind of the recipient who may harbor hopes for future and possibly larger donations. How can one avoid the risk that such hopes impact the behavior of the recipient toward the donor?
- **Contamination.** *“Und wenn du lange in einen Abgrund blickst, blickt der Abgrund auch in dich hinein.”**

Questions of Responsibility and Leadership

I close by noting that at several points in the report, Goodwin Procter depart from their fact-finding assignment and suggest that the Senior Team members who approved donations from Epstein with knowledge of his past were “acting in good faith” and were attempting to balance the value of the donations to MIT research programs with the risk to MIT’s reputation. Missing apparently was any concern with regard to the morality of associating MIT in any way with a Level 3 sex offender who had been convicted of procuring for prostitution an underage girl.

President Reif, as leader of the Institute, is looked upon to define and promote the values under which we operate as faculty, administration, staff, and students. Since the revelations of last August, President Reif has impressed many members of the community with his efforts to focus attention on improving the “culture” of MIT by addressing issues of inclusion and diversity, and seeing to it that everyone at MIT share values that respect the interests and rights of all members of the community. His leadership in promoting discussion of these issues and elevating their visibility is much appreciated. A final unanswered question then, an unanswerable question, is whether things might have gone differently if President Reif had been clear and vocal in articulating these values and expectations from the beginning of his presidency. When the senior administrators making decisions concerning Epstein weighed the pros and cons of accepting the donations, would their calculations have been different if their concerns had included not only the reputational risk to the Institute, but also whether their decisions were consistent with the values expressed and promoted by the President?

In conclusion, in this column I have tried to summarize what I believe are the most significant unanswered questions in the minds of some members of our community. I encourage readers to consider these questions as we work together to ensure that in the future everyone at MIT upholds the values to which we aspire.

**And when you gaze long into an abyss, the abyss gazes also into you. – Friedrich Nietzsche*

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