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THE GRADUATE SCHOOL OF MANAGEMENT AT UCLA:
1948-1968

Neil H. Jacoby

Interviewed by James V. Mink

Completed under the auspices
of the
Oral History Program
University of California
Los Angeles

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FOREWORD

These pages describe, in conversational format, the evolution of the Graduate School of Management at UCLA over the twenty-year period 1948-1968 during which it was my privilege to be dean. It is a story of institution building--the most important one of my life. Under the skillful and perceptive questioning of Mr. James V. Mink, a master of the art of writing oral history through interrogation, I have tried to tell the story candidly and fully. If, through inadvertent error or omission, I have not done justice to any person mentioned herein, I ask his pardon. It is not easy to retain precision in one's recollections over the span of a quarter century. Even documents are often incomplete. The development of the School was the work of many hands and minds, and I have tried to give each his due.

The history of the Graduate School of Management is, of course, only one chapter in the remarkable development of UCLA. I gladly responded to Mr. Mink's invitation to help write this chapter, not from any motive of ego satisfaction but because of a belief that much can be learned from the history of institutions. By observing the errors and false starts as well as the good decisions involved in the evolution of an institution, we can learn how to build

them more effectively in the future.

There is one person whose name does not appear in these pages, but whose contribution to the Graduate School of Management at UCLA was incalculable. This is my wife Clair, whose advice, moral support, and tolerance with my preoccupation with the School over many years were essential to whatever I was able to accomplish. I dedicate this volume to her in gratitude.

Neil H. Jacoby

Los Angeles, California
January, 1973

INTRODUCTION

Neil Herman Jacoby, the son of Herman Reynold and Christina MacMillan Jacoby, was born September 19, 1909, in Dundurn, Saskatchewan, Canada. His early education was received in Canadian and American schools, culminating with a BA degree in economics and history which he earned with high honors from the University of Saskatchewan in 1930.

Mr. Jacoby first came to the United States in 1930 to attend the University of Chicago as a graduate student in economics; he specialized in government finance, under the guidance of Professor Simeon E. Leland. Appointed director of the legal and research division of the Illinois State Department of Finance in 1933, he served until 1936, writing the first code of regulations for a retail sales tax of any American state.

He took leave from the department to accept the chairmanship of the Saskatchewan Taxation Commission in 1936, and later returned to Chicago in 1937 as manager of the research department of Lawrence Stern and Company, an investment banking firm.

In 1938, he completed his doctoral dissertation (The Economics of Retail Sales Taxation) at the University of Chicago, whereupon he was named assistant professor of

finance in the Graduate School of Business. His intellectual focus changed from government finance and taxation to business finance and banking. He also began a broad research program into the financial structure and practices of American business. In that connection he served with the Financial Research Program of the National Bureau of Economic Research for many years, beginning in 1941. He became an associate professor in 1940 and rose to full professorship in 1942.

Active in administration at the university, he was named secretary of the university in 1942 by its president Robert M. Hutchins, then advanced to vice-president for development in 1945. For a number of years, he was the most frequent participant in the "University of Chicago Round Table," the first national educational program on a radio network. At the same time, his expertise in the field of economics led to a wide range of appointments to private and government agencies, including the chairmanship of the Illinois Emergency Relief Commission, the Research Advisory Board of the Committee for Economic Development, and the National Bureau for Economic Research.

Attracted by the favorable climate of Southern California for his son's health and the prospect of building a major school of management, Mr. Jacoby began his affiliation with UCLA in January, 1948, as dean of the then-College

of Business Administration. Under his leadership, the college would undergo striking expansion, culminating with the development of the highly respected Graduate School of Management.

His dedication to the school did not preclude, however, his continued prominence as an economist. He was appointed by President Dwight D. Eisenhower as a member of the Council of Economic Advisors and served in that capacity from 1953 to 1955. He represented the United States in the Economic and Social Council of the United Nations during 1957. A consultant for the Rand Corporation from 1951 to 1961, he has also been a member of the board of directors of Occidental Petroleum Corporation since 1959.

Mr. Jacoby has represented the United States, too, in a variety of worldwide assignments. He traveled to Paris in 1953 and 1954 to lead the U.S. mission to the Committee of Economic Experts of the Organization for European Economic Cooperation (now the Organization for Economic Cooperation and Development). The following year, he was among the first American economic advisors to the Indian Planning Commission. He visited the Orient several times in the 1960s, advising the government of Laos on fiscal and tax reforms in 1960, and as head of the Mission to Evaluate the U.S. Economic Aid Program to

Taiwan in 1965.

He officially retired from the deanship in 1968, but retirement was merely euphemism. He remained on faculty as professor, contributing further to the growth of the study of management. He has continued to serve the government, as chairman of President Nixon's Task Force on Economic Growth during 1969-1970, and as a public member of the Federal Pay Board during 1971-1973.

Mr. Jacoby is a member of the American Economic Association, the Western Economic Association, the Royal Economic Society, the National Tax Association, Beta Gamma Sigma, Pi Gamma Mu, and the Cosmos Club, Washington, D.C. He was awarded the honorary LL.D degree by the University of Saskatchewan in 1950, the Diploma of El Centro de Productividad of Mexico in 1959, and the Armand Hammer Professorship at UCLA in 1969. He has lectured widely around the world. He is a Life Fellow of the International Academy of Management, and an Associate Fellow of the Center for the Study of Democratic Institutions in Santa Barbara.

In his long and prolific career, he has authored and coauthored dozens of books, monographs, and articles, many of which are cited in the course of the following interview.

In the following pages, which consist of tape-recorded

interviews made with the UCLA Oral History Program, Neil Jacoby recalls in his own words his early education and training as an economist. He discusses his role in the evolution of business administration education on the UCLA campus, with particular emphasis on the administrative decisions made during his deanship that contributed to the development of the Graduate School of Management.

These recollections are part of the Program's series on University History. Records relating to this interview are located in the office of the UCLA Oral History Program.

INTERVIEW HISTORY

INTERVIEWER: James V. Mink, University Archivist and Director, Oral History Program. BA, MA, History; BLS, University of California, Berkeley; Certificate in Archival Administration, American University, Washington, D.C.

TIME AND SETTING OF THE INTERVIEW:

Place: Neil Jacoby's office, 3250 School of Management, UCLA.

Dates: April 3, 10, 17, 24; May 1, 8, 1971.

Time of day, length of sessions, total number of recording hours: The interviews took place in the morning. Six interview sessions were held, averaging from two and one-half to three hours in duration. A total of ten and one-half hours was recorded.

CONDUCT OF THE INTERVIEW:

The interviewer made extensive use of the records relating to the School of Management, extant in the files of the Chancellor's Office and the University Archives. The interviewee was first asked to discuss his early education and the positions held prior to his appointment as dean of the UCLA School of Management (then College of Business Administration). He was encouraged to relate the history of the School and comment on the work of his predecessors. Records were introduced to pinpoint key issues of his administration as dean. In general a chronological framework was followed during the sessions, although some topical digressions occurred. For example, Professor Jacoby was asked to comment on the work of faculty members of the School, on the appointment and promotion process at UCLA, and, because of his expertise in the area of management, on the management of the University of California.

Professor Jacoby was not asked to discuss his tenure as a member of President Dwight D. Eisenhower's Council of Economic Advisors since the interviewer had previously interviewed him on this topic for the Dwight D. Eisenhower Project undertaken by the Oral History Research Office at Columbia University.

EDITING:

The editing was done by H. Lynda Kimmell, assistant editor, UCLA Oral History Program. The verbatim transcript was checked for accuracy and edited for punctuation, paragraphing, spelling, and verification of proper names. Words or phrases introduced by the editor have been bracketed.

Professor Jacoby reviewed and approved the edited transcript. He made many changes and some deletions and additions. The sequence of the taped material has been retained. The index and introduction were prepared by Joel Gardner, editor, UCLA Oral History Program. The Program's staff prepared the other front matter.

SUPPORTING DOCUMENTS:

The original tape recordings and edited transcript are in the University Archives and are available under the regulations governing the use of permanent noncurrent records of the University.

Records relating to this interview are located in the office of the UCLA Oral History Program.

TAPE NUMBER: I, SIDE ONE

APRIL 3, 1971

MINK: This morning, would you discuss your childhood and your education and [the] qualifications that brought you to the attention of UCLA and [your] establishment as dean of the College of Business Administration, as it was first known.

JACOBY: I was born September 19, 1909, in the village of Dundurn, Province of Saskatchewan, in Canada. There my father operated, with his brother, a general store, and also owned wheat lands that he rented to tenants. My mother and my father had met in this small community, where my mother taught all the grades of both the high school and the grade school. She had been trained as a teacher in the Normal School at Gault, Ontario.

MINK: Her maiden name was?

JACOBY: Her name was Christina MacMillan. She came from a Scottish family that had emigrated to the Province of Ontario, Canada, in the middle of the nineteenth century. My father's family were of German extraction. [They] had emigrated to the United States from what is now East Germany during the 1870s, originally settling in southern Minnesota in the town of Mankato. Later, my father homesteaded land with his brothers in western Canada.

Before school age in 1914, our family moved from Dundurn

to the nearby small city of Saskatoon. I entered the Victoria Grade School there. Then, in 1920, when I was eleven years of age, my father purchased some pear orchards and a confectionary business in southern Oregon, in the town of Ashland. I continued my schooling there after our family moved to the West Coast. We spent, I think, three years in Ashland. My father then made another move in 1923 to the city of Tacoma, Washington, and I entered the Lincoln High School.

Meanwhile, western Canadian wheat production had fallen into a very depressed condition. Wheat prices were very low, there was drought, and my father felt that he had to return to Saskatchewan to give closer attention to his farmlands. So we returned to Dundurn in 1925. Our family was never rich, but neither were we ever in want.

MINK: So it turned out that you attended the University of Saskatchewan.

JACOBY: Yes. I finished my high schooling in Dundurn, and then entered the University of Saskatchewan at the age of sixteen in 1925. You can see I was a precocious lad.

MINK: What subjects did you wish to pursue at the University?

JACOBY: I was not at all certain. I began with the idea of becoming a teacher, and took courses in philosophy and educational psychology. Then later I thought I would like to

take a combined course in liberal arts and law, believing that I would make a good lawyer. But in my sophomore year at the University of Saskatchewan I came under the influence of William Walker Swanson, who was a PhD in economics from the University of Chicago. I became deeply interested in economics and determined to major in that subject, which I did.

MINK: Would you say that your performance at the University increased in excellence, as you became more interested in economics?

JACOBY: Yes, it did, although I did make a very good scholastic record. I won the Governor General's Gold Medal on graduation, which was considered quite an honor. It was awarded to the student who had the best overall scholastic record.

I finished my work at Saskatchewan in 1930, and was awarded the BA degree with High Honors. I applied for the Rhodes Scholarship at Oxford University in England. It was awarded to another man, but the Rhodes committee encouraged me to reapply the next year, apparently thinking that I was a strong candidate. However, under the urging of my mentor, Professor Swanson, who had come out of the University of Chicago Graduate School of Economics, I decided to give up the idea of pursuing graduate work in England, and to go to

Chicago. So I applied for a research assistantship in its Department of Economics and it was awarded to me, \$1,000 a year! This proved--and this was in the beginning of the Great Depression--not only sufficient to enable me to live, but also to save enough money to buy a little car. Chicago opened a new door.

I found the graduate school at Chicago an enormously exciting place. I met men there who have since become life-long friends, including among others, George W. Mitchell, who is now a member of the Board of Governors of the Federal Reserve System in Washington. Of course, later I met my wife there. She was studying history in the Social Science Building. We were married in December 1933.

MINK: Her name was?

JACOBY: Her name was Clair Gruhn. She was born in Chicago, and her family had lived there most of her life.

MINK: What were the duties of your assistantship?

JACOBY: I was assigned problems in the field of government finance to investigate. I compared tax laws, estimated revenues from various tax laws, examined problems of revenue administration and interpretation--issues of this kind.

MINK: Would this ultimately appear as the product of [a] faculty member's research?

JACOBY: Yes, in part that; and in part it ended up in

publications of my own. For example, Simeon Leland was the professor of government finance at Chicago at the time. I worked with him and directed the work of other researchers on a rather extensive volume which was published later under the title State-Local Fiscal Relations in Illinois. It was an assessment of various fiscal problems of the state of Illinois and alternative solutions to them.

MINK: Where it might be a publication of your own, was it the custom to issue these publications jointly with your mentor, or some other faculty member, or did they allow you to put your name on it?

JACOBY: It depended upon the nature of the collaboration. If the faculty supervisor had designed the architecture and directed the project, then, of course, he would appear as the author. On the other hand, if I, or another research assistant, had designed the project and carried through most of the work, with only supervision and suggestion by our faculty supervisor, then we would appear as the senior author or perhaps the sole author.

MINK: What was the curriculum that you pursued at Chicago, in the Graduate School of Economics?

JACOBY: I pursued the curriculum for the PhD degree. At that time, it involved mastery of four fields, two of which were mandatory and two of which were elective. The two mandatory fields for which I prepared myself for field

examinations were general economic theory and monetary theory and policy; then, I elected the fields of government finance and mathematical statistics.

MINK: Which of these did you like the best?

JACOBY: I suppose that I liked the work in government finance the most, because this was my major field and the one in which I wrote my doctoral dissertation--The Economics of Retail Sales Taxation. However, I also became absorbed in statistical theory, which was then being developed by men like R.A. Fisher, H.L. Rietz, and "Student." These were the formative years of modern statistics.

MINK: What was your first publication? Did it come out of this research assistantship that you had?

JACOBY: Actually, my first publication emerged when I was an undergraduate at the University of Saskatchewan.

The Royal Bank of Canada, one of the leading chartered banks of Canada, conducted an annual essay competition among students of economics in the Canadian universities. In 1929, when I was a junior at the University of Saskatchewan, the subject was the sources and relative merits of the federal revenues of the Canadian federal government. My essay placed second in the competition, and they published it along with other winning essays. In the following year, 1930, when I was a senior, the topic of the essay competition was the problem of securing additional sources of provincial revenue.

This time again I was one of the runners-up, and it was also published. My publications, by chance, antedated my graduate work.

MINK: The Graduate School of Business Administration in Chicago, at this period, where did it rank with other schools?

JACOBY: I think the School of Business of the University of Chicago, unquestionably, was one of the top two or three business schools in the United States at that time. The Harvard Graduate School of Business Administration has, of course, always had a good deal more publicity and national visibility than any other. Partly, I think, because it started out with a combination of undergraduate and graduate curricula. But the Chicago school was one of the real pioneers in the field of management education in the United States. Under the leadership of its early deans, I would say it was the principal architect of business school curricula up to the thirties.

MINK: Who were some of the prominent faculty who made the school an outstanding one, and what contacts did you have with them?

JACOBY: Well, I think the leading figure, in terms of intellectual leadership, was its long-time dean who had left Chicago before I came, Leon C. Marshall. I did not know him, but I saw many evidences of his leadership after I became a

member of the faculty there in 1938. [Tape off]

MINK: Who were some of the members of the faculty that were there at your time that you consider to be outstanding, that inspired you the most?

JACOBY: There was Garfield Cox, who was an expert on American business cycles, and who published a leading work on the analysis of business cycles and the measurement of cycle prediction. William Homer Spencer was a leading scholar in the field of business law and the social control of business. Samuel Nerlove, whom I later induced to join our faculty here after he had retired from Chicago, was a first-rate business economist. J.O. McKinsey was the leading figure in the field of management theory and policy. I think you may know the name of McKinsey and Company, which was the international management consultant firm that he founded after leaving the faculty. Lionel Edie, another very prominent economic and financial consultant who founded a very large consulting firm of his own, was professor of finance in the faculty. These were some of the people that come to my mind.

MINK: Would you say that the examinations for the doctorate, as conducted in Chicago, [were] as rigorous an exercise as those either here at UCLA or elsewhere at this time?

JACOBY: Yes, I think they were.

MINK: Were they more rigorous?

JACOBY: It would be hard to distinguish the exams I took from

the exams of today in regard to rigor. I would say that today there is more emphasis on purely mathematical analysis, and perhaps less on what I would call logical and philosophical analysis. We relied more, in those days, upon logic, that is, the expression of ideas and the development of arguments in prose [rather] than in equations. But that didn't mean that they were any less the rigorous. Today we have developed mathematical formulations of economic theory rather extensively which didn't exist then.

MINK: And of course we have computers, too.

JACOBY: We have computers that enable us to handle problems in a quantitative way with very much more facility.

MINK: Well, was most of the research that you did for your doctorate degree carried on right at the University, or were you required to travel around?

JACOBY: Most of it was done right in the Social Science Building and in the libraries of the University of Chicago. It was both statistical analysis, in which I applied some of the techniques of mathematical statistics, which was one of my fields, and in part it was legal analysis. I may say that I took some courses in the law school of the University of Chicago--one on the federal taxation, I recall--in order to strengthen my legal capabilities.

MINK: How did you find the law school there at the time?

JACOBY: The law school at Chicago, again, was one of the pioneers in the effort to broaden and professionalize legal education in this country. It was, I think, the first school to bring an economist and an accountant into their faculty, a practice that was later followed at Yale and here at UCLA. Legal education back in the thirties was really quite narrow. It was based solely on the study of legal cases, and there was no effort to try to equip the young lawyer with sociological, financial, accounting and economic knowledge.

MINK: Following your receipt of the PhD degree from the University of Chicago you went to work for Lawrence Stern and Company in Chicago, in their research department. Could you recount some of the projects that you worked on during that year with Lawrence Stern?

JACOBY: You are skipping over an important phase of my life! I did most of my course work for the doctorate in the period 1930-33, but did not receive the degree until 1938. In March of 1933 Henry Horner, who was elected governor of Illinois in this disastrous Depression year, led the movement to enact a retail sales tax in Illinois to provide money to pay for what we then called "emergency relief"--what we now call "welfare"--which was a very heavy financial load in the state treasury. It happened that I had written my dissertation on the economics of retail sales taxation, which had made me something of an expert on the subject. You should recall that,

at that time, sales taxation was well known in Europe, but not in the United States. In my dissertation I had read the original German and French literature, and therefore had a broad knowledge of sales taxation. So Henry Horner asked me to come to Springfield as assistant director of finance to write the rules and regulations of the new tax law.

MINK: You had an opportunity to analyze such sales tax systems that had been set up at that time in the United States? I don't imagine there were very many of them.

JACOBY: No. Illinois was, I think, the first state to pass a general retail sales tax.

MINK: So there really wasn't anything in the United States to which you could turn.

JACOBY: No. There was very little in the United States at that time. I recall very vividly that those were times of great emergency. The sales tax had just been enacted. The state was just about broke and unable to pay its bills; and they wanted to put the tax into effect immediately. Joseph J. Rice, who was the director of finance, my immediate superior in the State Department of Finance, called me at the University of Chicago and said he'd like me to begin writing up a draft of the regulations for administering the tax. I said, "All right, when do you want them?" He said, "I want them tomorrow morning." I got on a train out of Chicago for Springfield, Illinois, that afternoon, and I drafted a

complete set of regulations, working all night with three relays of court stenographers. In the morning at nine o'clock we had ready a draft of the first Illinois state sales tax regulations.

MINK: Was it necessary to get legislative approval or did the bill authorizing the establishment of the tax leave it up to the finance department to write the regulations?

JACOBY: The law delegated authority to the director of finance to promulgate regulations consistent with the law. Of course, the regulations were always cleared with the attorney general of the state before they were actually issued.

MINK: Do you think you did a good job?

JACOBY: Well, [laughter] I may say that the director of finance hired a very expensive law firm to go over my draft. He paid them a tremendous fee for this review. There were very few changes made as a result of the review.

MINK: In 1936 you served briefly as chairman of the Saskatchewan Taxation Commission. How did that come about?

JACOBY: Yes, by that time I had gained a reputation as a sales tax expert. The Province of Saskatchewan was broke and **unable** to pay interest on its bonds. Its prime minister appointed me chairman of a commission to look into its finances and to recommend remedies. Our commission held public hearings all over the province. The main recommendation in our report

was to impose a two percent general retail sales tax. Initially, it was very unpopular and dubbed "The Jacoby tax." Fortunately, I had left Saskatchewan by train the day our report was released! However, this "Education Tax"--as it is now known--kept the province solvent and today is a permanent part of its tax structure.

MINK: Who had recommended you for this assignment?

JACOBY: Professor James McQueen, my former teacher of economics at the University of Saskatchewan, who was also serving on the Canadian Central Bank Board. Unfortunately, he was killed in an airplane crash shortly thereafter.

MINK: This was not one of the things, though, that you did while you worked for Lawrence Stern and Company in Chicago?

JACOBY: No, I'm coming to that.

MINK: So I think the question originally was to describe some of the work that you did there, although I'm very glad that you added this.

JACOBY: Yes. I spent three years at the University of Chicago; then I went to Springfield in 1933, and I spent three years there administering the various tax laws of the state. This gave me a great deal of practical experience in taxation. I gained enormous practical knowledge of public finance to supplement the theoretical knowledge that I had gotten at the University.

At the end of 1936, Mr. Rice, who was a partner of the investment banking firm of Lawrence Stern and Company in Chicago, asked me to join the firm as manager of its research department and a member of its investment committee. MINK: At this point you still had not been awarded your PhD. JACOBY: That is correct. In Springfield I had been working to complete the research on my thesis. Indeed, by 1936 I had gotten most of it into draft. I decided to join Lawrence Stern, partly because I felt after three years in the state government, that I had gained about as much knowledge as I could in that position. I was eager to expand my knowledge of the field of private finance, of investment and commercial banking.

As it happened, 1937 marked the beginning of another recession. I joined Lawrence Stern on January 1 of that year. The stock market collapsed. Lawrence Stern, which was underwriting new issues of stocks and bonds, lost a great deal of money. By the late fall of that year the company had to reorganize and cut its expenses. I was given a choice either to resign, or to remain at half the salary. Now, since my salary at Lawrence Stern was \$5,000 a year, this meant that I would have to continue at \$2,500 a year. I decided, therefore, to return to the University of Chicago and finish my dissertation. I thought, "This is the strategic time to devote my full energies to the shaping up of this

dissertation on the economics of retail sales taxation."

MINK: Well, you were in a position to do this, I suppose, because during the time that you worked for the Illinois Department of Finance and then for Stern at \$5,000 a year in the Depression era, you must have been able to save a little money.

JACOBY: Yes, I was. My wife and I had grown accustomed to living on very little during the Depression years, and we had saved enough to make this possible. So I returned to the University, I finished the dissertation and got the degree at the June commencement of 1938. I was immediately offered the post of assistant professor of finance in the School of Business.

MINK: From whom did this offer come?

JACOBY: The men who backed me included Professor Henry Schultz, who was the mathematical statistician in the Department of Economics where I'd taken one of my fields. I also had strong backing from Professor Nerlove, whom I had gotten to know. William Homer Spencer, who was then dean of the business school, also sponsored my appointment.

MINK: Then you taught at Chicago in finance as an assistant professor and then as an associate professor. You were [a member] of the Illinois Emergency Relief Commission; you were appointed [chairman] in 1941. How did it come about? Was this through your previous experience with the

department of finance?

JACOBY: Yes, and my friendship with Governor Henry Horner. Despite the great difference in our ages--Governor Horner at that time was in his sixties and I was in my middle twenties--the governor took a great liking to me, and I to him. I worked with him very closely. He confided in me regarding many of his problems in Illinois. When I left the state service to go with Lawrence Stern in 1937 and then back to the University in 1938, I had continued to keep contact with him.

In fact, in 1938 when oil was discovered in southern Illinois, he asked me to be his consultant to design a law to control the oil industry of Illinois. And I did so. I made a study and submitted a report to him. As it turned out, the oil discovery was a "flash in the pan," and the oil law never went into effect. It probably was not needed. But this was something that I had done at the governor's request.

When I became a member of the Chicago faculty in 1938, the governor appointed me to be a member of the Illinois Emergency Relief Commission, a ten-man body in charge of all of the welfare and relief policies of the state. I may say it was a very hard and thankless job.

MINK: Did you continue to serve on that commission while you taught at Chicago?

JACOBY: Yes, I did. Of course, it was just a part-time position

that carried no salary. It was a public service. Later I became chairman of the commission. This brought me into a lot of very difficult problems. On the one hand, the people receiving public assistance were always wanting more, and were angry. The offices of the commission were in the Merchandise Mart, that vast structure on the Chicago River, and I recall a parade of these dissident people around the mart, carrying a great big sign with a coffin on it, bearing my name. I was being blamed--wrongly--for not having expanded these welfare payments, when the scale of payments was set by the Illinois legislature. So it was a difficult and thankless and dangerous job.

MINK: It's a very timely topic, welfare. Perhaps you could say, briefly, how you felt about the people that were on relief in these times.

JACOBY: They were very strenuous times. I was sorry for them.

MINK: I'm sure that there were many who probably were on relief that could have been working, but just simply couldn't find jobs. Did you feel that there was malingering in the system?

JACOBY: There was some malingering, some cheating. With human nature being what it is, there's a fraction of people who will not play fair and honestly with any system. The big problem was to find employment, the dignity of a job, for people who were out of work.

MINK: This was part of the task of the commission?

JACOBY: Yes, it was, excepting that we had to work with the WPA, the Works Projects Administration, which was a federal body. We had a great many debates with the WPA as to why this person or family shouldn't have employment on the WPA rather than receiving state welfare, or "relief" as we then called it.

I have long believed that unemployment means much more than an absence of income. It means the absence of the dignity of a job--the self-respect that comes with earning your own way. I tried to do whatever I could to transfer as many people from idleness on these welfare rolls to WPA jobs, believing that this improved their condition, not only in a material sense, but also in a psychological sense.

MINK: You found that most of the families were very happy to be able to do this?

JACOBY: Yes, I did.

MINK: Was it simply a matter of the funding for relief not being sufficient to meet the demand?

JACOBY: Yes. You must remember that when the Great Depression of the thirties struck the nation, there [were] no federal or state schemes of public assistance. There were no federal work projects. There were no state projects. Initially, assistance was purely a local government remedy that was applied, and largely on a voluntary, eleemosynary basis.

The relief problem got worse and worse. In 1932, as many as twenty-eight percent of the work force of the U.S. was unemployed. The dimensions of the problem expanded beyond the capabilities of local or even of state financing. Inevitably, the federal government came into the picture.

President Roosevelt, and his New Deal, brought along WPA as a solution, or at least as part of a solution, in 1933.

MINK: You had said that the sales tax was used as a source of revenue to finance relief. Apparently it did not suffice, from what you're saying.

JACOBY: The question must be raised, of course, whether any state tax would have sufficed. The financial resources of the federal government had to be mobilized. Even today, you know, when we have annual welfare payments of \$3,000 to \$4,000 a family, people still complain. They need a new Chevrolet, or their color television is broken. Of course, in those days, present standards of welfare were out of the question; the average working taxpayer didn't have as much real income as today's welfare recipient. He was scraping to buy enough pork chops and potatoes to keep his family alive. I often think back on those days; and I wonder what some of our young radical leftists would say. Conditions today are so much more affluent, even for the person on welfare.

MINK: It's a totally different philosophy. Welfare then was

designed primarily, as I hear you saying, to provide sustenance for each family, whereas today it would seem that welfare is designed to provide not only this, but many luxuries.

JACOBY: Exactly. Medical care, centers where children can be taken care of, automobiles, and gasoline, and so on.

MINK: To turn back to the University, I remember your saying that you were advanced quite rapidly. You were appointed assistant professor in '38 and became an associate in '40. I assume that you received tenure in two years.

JACOBY: Yes.

MINK: How did this come about?

JACOBY: I can only surmise. The fact that I had launched a rather important inquiry into changes in the financial structure of the United States and that the National Bureau of Economic Research, which was the nation's leading economic research agency, was interested in this project, and indeed had asked me to participate in its Financial Research Program, apparently led the University of Chicago administration to think that I was a scholar they wanted to keep. So they advanced me to associate professorship and tenure rather quickly.

MINK: You served from 1940 to 1945 as a member of the financial research staff of the National Bureau [of Economic Research].

JACOBY: Yes. That, indeed, is where I first became acquainted with Dr. Arthur Burns, now chairman of the Board of Governors

of the Federal Reserve System, and with Raymond Saulnier of Columbia University.

MINK: After serving only two years as associate professor, you became secretary and vice president [of the University of Chicago]. Could you tell how this came about? How was it that you moved from the professorial ranks into the administrative ranks of the University?

JACOBY: During this period, the University of Chicago sponsored the first national radio network educational program. It was known as the University of Chicago Round Table. It happened that I had a flair for extemporaneous discussion. Because I was able to express myself articulately, I was invited quite frequently to go on the Round Table. It was probably through this circumstance that I came to the attention of Robert Maynard Hutchins, who at that time was president of the University. He may have thought that I was a promising young fellow to bring into his administration. In 1942, I think it was, he invited me to become secretary of the University.

This title designated the officer of the University who was in charge of the developmental activities, the fundraising activities, among the alumni and the business community. I had already published my first books with the National Bureau of Economic Research on Term Lending to Business and one or two other titles. So I told Mr. Hutchins

that I was willing to undertake this administrative assignment provided I could continue to do some teaching and writing. If he wanted to divert me partly into administration, I felt that I should be advanced to the professorship. He agreed to this, and I was advanced. I became professor at age thirty-three. I think I was the youngest man to make the full professorship at Chicago up to that time.

MINK: This wouldn't have been, in your mind, as a safety valve? As an associate professor, which you already were, you were tenured, so if he wasn't satisfied with your work as secretary you already had a job teaching. You would always have had that.

JACOBY: Yes, this is true. But I felt that, in view of my research publications, which had come along quite rapidly, I had earned the professorship. It was only fair to me and my family, if I were going to divert time into administration, that the University give me the academic promotion.

MINK: This brings up an interesting point which we will have the opportunity to discuss later when we talk about promotions within the School of Business Administration at UCLA. When this happened, and you said to Hutchins, "Well, I think I ought to be a professor," was it then necessary for him to convene a committee to review your work and make a recommendation?

JACOBY: Yes, a committee of the faculty of the School of

Business at Chicago was consulted.

MINK: Were they called at his request?

JACOBY: [They] were convened at his request, and they concurred in the recommendation; although I heard, via the grapevine, that there was some static about moving so young a man up to the professorship so quickly.

MINK: Was this considered unusual at this time? Usually, the normal way these things come about, the department head recommends the man. It goes through the budget committee, and a special review committee is convened. Whereas this came in the other direction; instead of going up it came down. Is this unusual?

JACOBY: Yes, it was unusual. After all, it's not often that a younger faculty member will be picked by the head of an institution to take a key job in the central administration. I think this was the reason why the initiative for the advancement in rank was taken by President Hutchins rather than by Dean Cox of the business school.

MINK: As a fund-raiser for the University of Chicago did you feel satisfied? It isn't everybody that can do this.

JACOBY: It was a very interesting assignment and also a very frustrating one. The interest in the assignment lay in the fact that it brought me into contact with all sections of this great metropolis. I learned how a big city is put together and run--socially, economically, and politically.

My work required me to speak to all kinds of organizations, business, social, and so forth, from Jane Addams Settlement House, by the stockyards, to the members of the Chicago Club, who were the economic "royalty" of the city. I think it was a tremendous laboratory experience in applied sociology. I value this.

The frustrating part of it lay in the fact that when you are asking people to contribute time and money to a university, you're always in a position of supplication. You meet with rebuffs. You find promises made that are often not carried out. You learn much about human nature that I think few faculty members who live wholly in the world of scholarship ever learn. So I don't regret my experience. I think that I was reasonably successful in it.

MINK: As a yardstick you probably had the record of your predecessor. Given the economic conditions during your tenure, how did you measure up?

JACOBY: Of course, others will have to be the judge, but I believe that I measured up satisfactorily. I did a great many things. I organized a Citizens' Board for the University of Chicago. This was an invitational organization of community leaders who met at the Chicago Club once every month or six weeks to hear a presentation by one of our faculty members. I felt that--like the University Explorer program here at UCLA--the University ought not to be an

ivory tower. It ought to convey to the community some of the values, the ideas, the knowledge, that it's producing. As a result of that we got a great many gifts from businessmen who became acquainted with the work of the University and believed in it and thought they should support it.

A primary activity during the years 1945-1947, immediately following World War II, was to assist President Hutchins in raising funds to finance the new Institutes of Nuclear Studies, Metals, and Biophysics that were established to keep together the talented scientific teams that had developed the atomic bomb. You may remember that the basic scientific work of the Manhattan Project was done at the University of Chicago. It was under old Stagg athletic field that Enrico Fermi first demonstrated the controlled release of atomic energy. This made the fission bomb possible. President Hutchins wanted to hold together these scientists to explore peaceful uses of the new atomic science. We visited foundations and large business corporations in physical science, and formed friendships with men like Leo Szilard and Enrico Fermi.

I worked very hard with Maurice Goldblatt, of the Goldblatt Department Store family of Chicago. We raised several million dollars to build the Goldblatt Cancer Hospital, which was constructed as part of the medical center as a memorial to Nathan Goldblatt, his older brother who had

died of cancer. We set up a "Business Problems Bureau."

Faculty members would undertake to solve problems of considerable intellectual difficulty for businesses, and the businessmen would make contributions to the University. We undertook a great many innovative programs of this kind to augment community support. It required imagination, an awful lot of footwork and patience, and endless contacts with people.

MINK: A moment ago you compared this citizens' program to the University Explorer series at UCLA. Were you aware of the University Explorer series at this time?

JACOBY: No, I was not.

MINK: Was "secretary and vice-president" the title you had from the beginning?

JACOBY: No, I was secretary from 1942 to 1945. Then my title was changed to vice-president. But the nature of the job remained essentially the same.

MINK: You feel that this is a description of what you did during this whole period. Is there anything else important you want to mention?

JACOBY: May I emphasize that I continued to be an active professor of finance in the business school. I taught courses regularly, both on the campus and downtown in the Executive Program for practicing businessmen. I continued to do research and to write. When I left Chicago at the end of 1947 I had authored seven books, six chapters in books, and eight ar-

ticles in professional journals. I have never stopped being a scholar.

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MINK: We're coming in time to the period when you first became interested in possibly making a change and coming to UCLA. When is the first time that you ever heard discussion of UCLA, and what did you hear?

JACOBY: The very first mention of UCLA that I recall was by one of my fellow graduate students at the University of Chicago, Rex Morthland. That was early in 1938. [He] had taken his undergraduate work here and was very enthusiastic about it.

MINK: In economics?

JACOBY: In economics. Rex had then gone on to the Graduate School of Economics of Chicago. He's now president of the First National Bank of Selma, Alabama. Rex often mentioned to me the pleasant times and the intellectual stimulation of his work at UCLA.

MINK: Was he particularly impressed by any members in the department?

JACOBY: He mentioned Marvel Stockwell, who, at that time, taught government finances. Since this was the field that Morthland specialized in, I dare say Stockwell was the most influential professor from his point of view. He mentioned Earl Miller, and I think he also mentioned Paul Dodd, who at

that time was a young assistant professor.

MINK: What other evaluations did you have from colleagues about UCLA prior to your coming?

JACOBY: The next contact I had with UCLA came during a visit to the West Coast that my wife and I made in the fall of 1938. I'd recently gotten the PhD degree and received an appointment as assistant professor at the University of Chicago. It happened that the National Tax Association was holding its annual convention in San Francisco. I had been a member for quite a few years. I was giving a paper at the convention. After the convention, we came to Los Angeles. Of course, whenever I travel I always go to see the universities, so we came to Westwood. We were simply enchanted with the beauty of the community. At that time Westwood, you know, was a Mediterranean village, a suburban village, very quiet, and altogether delightful. We liked the Italian Renaissance buildings here on the campus. In fact, my wife and I remember saying to each other at that time, "This is where we want to live." We were getting tired of the crush and the grime of Chicago. So that stuck in our memories, vividly.

MINK: At that time, in 1938, did you have an opportunity during your visit to meet and talk to any of the faculty in the economics department?

JACOBY: I did not. I remember calling at the campus. I asked to see Dean Howard Noble, who was dean of what was then

the College of Business Administration, but he was not in. I didn't know any of the other faculty members. So actually I didn't make a personal contact.

MINK: The Centennial Record [of the University of California] contains histories of the various departments, schools, and institutes of the University. There is a brief history of the College of Business Administration, which later became, of course, the Graduate School of Business Administration.

JACOBY: I have talked with George Robbins, who served with me for many years as associate dean, and [who], I may say, spent his entire career at UCLA. He first was a student, and then later in University Extension, and still later in the business school faculty. [He] has been a very loyal and valuable man in the development of the business school, and indeed of this whole UCLA campus. From Robbins, and from discussions with others, it was evident that some business courses that were offered in these early years were pretty rudimentary. For example, [they included] typing, and shorthand; and there was even a course in penmanship in the curriculum of this school when I came here!

MINK: Weren't these courses designed to teach people how to teach others to do this?

JACOBY: Yes, but they were also taken for credit by students who did not enter the teaching profession.

MINK: They stemmed from the old . . .

JACOBY: From the old normal school origin of UCLA. When the College of Business Administration was established in 1937, under the deanship of Howard Noble, an effort was begun to upgrade courses [and] get away from teaching teachers. The big thrust was to develop work in accounting. Accounting at that time was believed to be the central intellectual discipline of a business school.

MINK: Nineteen thirty-six marks the resignation, or [some would say] forced resignation, of Ernest Carroll Moore as first provost of UCLA and vice-president of the University. His influence had been primarily in education, and we have had informants who have assessed Ernest Carroll Moore's primary objective as making UCLA the Columbia Teachers' College of the Pacific Coast. Would you say that with his resignation, the way was clear to bring out this more positive aspect to the education of people who would be going into business?

JACOBY: I can only surmise this, because I was not here and I did not know Mr. Moore until later. I met him only casually. What you say is certainly consistent with my own observation and experience. Up to the foundation of the College of Business Administration in 1937, which occurred after Provost Moore's resignation, the emphasis had been strictly on the teaching of vocational business skills. The founding of the college, it seems to me in retrospect,

liberated it from so menial and narrow a mission. It opened up the opportunity to introduce new intellectual disciplines. Dean Noble was an accountant by profession. He considered accounting to be extremely important. The college did develop a very good undergraduate accounting program under his leadership, during the late 1930s and early 1940s.

MINK: Did you have an opportunity to talk with Dean Noble many times?

JACOBY: No, I did not, and I regret this.

MINK: You did not?

JACOBY: Let me explain how I happened to come to UCLA.

MINK: I think maybe that would be appropriate at this point.

JACOBY: At the end of 1946 I was continuing as professor of finance and vice-president of the University of Chicago. I had been working very hard without vacations. Our son at that time had a very serious and chronic problem. It was diagnosed as laryngeal-tracheal bronchitis, [and] the Chicago climate seemed to be very hard on him. My wife and I asked for a three-month leave. We thought we would come to Los Angeles for the winter months--January, February and March of 1947. We took a little house on Keniston Avenue. We simply wanted to shake the grime and dust and the rigors of the Chicago winter from our feet.

Wondering how I was going to spend these three months--

because I'm a very active person with a large charge of energy--I wrote to the University of Southern California, to the dean of their business school, saying that I was going to be in Los Angeles for a while. I said I would be willing to give some lectures on business cycles and monetary policy and their applications to investment. This was a subject I had developed and taught at Chicago. The dean of the business school at the University of Southern California referred this correspondence to George Robbins, who at that time was head of UCLA's Business Administration Extension. The next thing was I had a letter from Robbins saying that he would be very happy to organize a high-level extension course for some of the financial executives of Los Angeles, if I would teach it. So I undertook to deliver a series of ten weekly lectures.

MINK: Through extension?

JACOBY: Through extension. It was a very successful course, attended by men like Allen Harper, who became vice-president of Pacific Mutual Life; Donald Royce, who was the head of William R. Staats Company, the leading investment banking firm here; and other financial executives of that caliber. The course was so successful I think Robbins was favorably impressed by my ability as a teacher. We became acquainted.

We went back to Chicago in March of 1947. The next event was that Robbins telephoned me and said that Noble had

resigned as dean and they were seeking a new dean for the school, and that he would like to propose me.

MINK: What had been the reason for Noble's resignation?

JACOBY: I'm not sure that I can answer that question completely. I was told by Robbins, by Provost Dykstra, and by other persons to whom I talked about this general matter, that apparently Noble had not given vigorous and imaginative leadership to the college. That he had developed a good undergraduate accounting program cannot be denied. His faculty had written leading texts in accounting. But what Provost Dykstra wanted, as he told me in so many words, was a school that would "train the future business leaders of Southern California," and accounting was not enough. You needed to get into finance, marketing, personnel, management, and the emerging fields of operations research and computer science.

MINK: This certainly would have been a high priority for Clarence A. Dykstra because of his previous interest and background as city manager of Cincinnati, Ohio. He was a businessman at heart.

JACOBY: Exactly. He knew that management was a discipline as applied to government. Of course, much of the same discipline is applied to the business organization. He had an important concept, and apparently Dean Noble was either unable or unwilling to implement it.

MINK: Or to change the . . .

JACOBY: Or to change this rather rigid curriculum in undergraduate accounting.

MINK: Robbins, perhaps, would be able to provide further information on this point.

JACOBY: I believe so. But let me add just one other element. While my family had been in Los Angeles during the spring of 1947, Paul Dodd had learned that I was here. He made strong entrepreneurial efforts in behalf of building the UCLA faculty and bringing people here. He was one of the great builders of this campus. Paul got in touch with me, and we became acquainted, and he arranged a luncheon at which I met Provost Dykstra.

MINK: At this point, 1947, Paul Dodd was dean of the College of Letters and Science, right?

JACOBY: I think at that time he was an assistant dean. Dykstra and I took a liking to each other at the first meeting. While no formal offer was made at that time, I could tell that Dykstra was trying to put his plans before me, and seeking to interest me in the opportunity to build a leading graduate business school focussed on management as a discipline.

Those were the two events that occurred up to the summer of 1947, when Robbins visited me in Chicago and said that he wanted to put forward my name as a candidate for the dean-ship, and hoped that I would be willing to do this.

After thinking the matter over in that summer, I told him that I would seriously consider it, if the job were offered me. I suppose a natural question is, "Why would I consider it?" There were several factors present. First was the health of our son. He had found California a much better place to be, and this was very important. Life is too short to have spent one's time fighting illness. Another factor was that I had become somewhat frustrated and disillusioned in my job at Chicago--not in my academic work in the business school, but my administrative work as vice-president. Robert Hutchins at that time had run into personal problems. He and Mrs. Hutchins were divorced, I think, in 1946 or '47. He was understandably disturbed, and our collaboration suffered badly.

MINK: Isn't it also true that in this same period, as I recall, Hutchins had come under a certain amount of criticism for the development of what was known as the "Chicago Plan?"

JACOBY: Yes. That was the program to admit talented young people to the University of Chicago College at the end of their second year of high school, and to put them through an integrated four-year course of study to the bachelor's degree.

MINK: Perhaps you didn't feel critical about it, but maybe you would make some comments.

JACOBY: I wouldn't myself be critical of the "Chicago Plan,"

but I would be critical of certain other actions of Hutchins's. He has been, really, one of the great leaders in American education. Today it's hard to point to a contemporary figure that matches his stature. But as I said, he ran into personal problems and he was unable to work with me on developmental matters. Many plans and projects that I had afoot simply fell by the wayside, because as the leader and the head of the institution he wasn't able to work with me to carry them through. So I became increasingly frustrated. I felt that I was not getting his support.

I was unhappy, too, about certain things that had taken place at Chicago. One was the deterioration of the physical environment of the campus. Hutchins and the trustees of Chicago were apparently oblivious to, or indifferent to, the deplorable physical deterioration of the whole neighborhood. Buildings were dilapidated; crime was increasing. It was becoming a worse and worse place in which to live. People didn't want to send their young sons and daughters to the University.

MINK: This is on the south side.

JACOBY: On the south side of Chicago, along the Midway. The number of rapes and muggings and so forth were increasing. In 1945 and 1946 I served as a financial advisor to the Committee on Finance of the Board of Trustees. I recommended that the University dispose of its extensive real estate in

the Loop, which it had received through estates and gifts. I said, "Sell this and reinvest the funds in the redevelopment of property around the University, between, say, Fifty-seventh Street and Sixty-third Street." At that time, for a few million dollars, you could have bought up the whole area and established a control over it.

MINK: In other words, what you were suggesting is what the University of Southern California to some extent has done, but perhaps again too late.

JACOBY: Exactly! To try to rebuild a good environment around the institution, so that students could live there and work there without fear. Unfortunately, the trustees didn't act affirmatively on my proposal. This made me very unhappy. I lived in the area myself and I experienced its constant degradation.

Another thing that disturbed me about the University of Chicago was that Hutchins had invested, or pledged, practically all the reserves of the University to establish the new Institutes of Nuclear Studies, Metals, and Biophysics and Radiobiology. He had made great commitments to bring leaders there, and to build expensive buildings to house their research. It was a grand conception that Chicago should continue these teams after the war to work on the problems of metals and alloys, the effects of radiation upon human tissue, and so forth.

Unfortunately the University of Chicago didn't have the financial resources to do this and at the same time finance its other parts. So the University was getting into financial difficulties.

To recapitulate: my own problems of health with my son, my frustrations at not getting Hutchins's support on developmental projects, my observation of strategic mistakes in the University's financing, and my growing conviction about the prospect of developing a great graduate school of management at UCLA--all led me to be receptive to an offer of UCLA.

MINK: When did you first come officially to assume your duties here as dean?

JACOBY: My appointment as dean of the College of Business Administration became effective January 1, 1948. I physically reported for duty in room 250, Royce Hall, at the little office that was then the administrative headquarters of this college, January 9, 1948.

MINK: At this point a number of things were coming to a head. The new building, then known as the Business Administration-Economics building, from the outset, obviously was being made to house a group of operations, some of which ought not to have been there. There really was a clash for space. What was your role in this problem and what were you able to bring about as a reasonable solution?

JACOBY: As you have said, the Business Administration and Economics building, [the] BAE, as it was officially called, had been planned and construction had begun prior to my coming here. I had no role whatever in the planning of the building. Its design and the character of its physical facilities had already been created.

MINK: You were inheriting a situation that was far from optimum.

JACOBY: Oh, definitely. The trouble with this building was that it had been designed primarily for use as undergraduate classrooms. It had a series of large rooms intended to hold eighty to a hundred students each, and lecture podiums where the instructor would lecture at a hundred people. The building was not designed for graduate instruction, you see. Graduate instruction requires a different kind of facility. It requires a large number of seminar rooms, where groups from ten to twenty can assemble around the discussion leader. You have round tables, because a great deal of graduate education does and should involve active dialogue between the instructor and the student, not the instructor standing on the podium and talking at students.

The building was badly designed. It lacked laboratories. We didn't have adequate laboratories for our production-management work or our statistics. On the other hand, the building had certain laboratories that ought not to have

been in a university business school. It had typing laboratories and shorthand laboratories. Indeed, one of my first battles was in convincing our faculty and the [Academic] Senate that typing and shorthand had no place in a university-level business school. Private secretarial schools, or the junior colleges in their vocational courses, should teach these subjects. There is nothing wrong with typing. Indeed, I have typed all my life and I think it's one of the most useful skills I have. But it's not an intellectual discipline. My view has always been that the university should function at an intellectual level of some sophistication.

MINK: Well, this building really was designed around the concepts that Noble had, as to the mission of his College of Business Administration.

JACOBY: Exactly.

MINK: It was supposed also to house the economics department and then, to heap more coals on the fire, the Institute of Industrial Relations.

JACOBY: Yes. This was a very hot and acrimonious problem that I inherited when I came here--much to my surprise. The Institute of Industrial Relations had been established on this campus in 1946, largely at the insistence of Paul Dodd, an economist primarily interested in labor economics and industrial relations. You may remember that, in the years right after World War II, we passed through a troubled time

of union-management relations, and the institute had been established by the University of California, first at Berkeley and later at Los Angeles, with the idea that academic study might contribute to a more amicable union-management relationship.

MINK: Irving Bernstein, from the outset, was a member of that institute, [and] has become a national figure in the area of arbitration and labor studies.

JACOBY: Yes, and also Benjamin Aaron. At that time, Edgar Warren was the director of the institute. He died some years ago, unfortunately.

I found my faculty, or at least a majority of them, outraged at the fact that this building had been constructed for the Departments of Business Administration and Economics, and yet some of the most select space in the building was to be occupied by the members and the staff of the new institute.

MINK: Was this Paul Dodd's doing?

JACOBY: I think that Dodd, who had been a strong sponsor of the institute on the Los Angeles campus, did push hard to put it in this building. He was right in this. It's true that when the building was planned the institute had not been created on this campus, and therefore its placement in the building was, in a sense, an afterthought. And it did push out other uses that we had had in mind. Nonetheless, an in-

stitute of industrial relations is intellectually related more closely to business administration and economics than to any other disciplines, and therefore should be physically housed near or with those disciplines. I did my best to try to reconcile the dissentient members of my own faculty to the location of the institute.

MINK: Who among your faculty were most vociferous in their opposition to this infringement?

JACOBY: Well, I remember a good deal of criticism being expressed by Professor Ralph Cassady, who was professor of marketing; Associate Professor Wilbert Karrenbrock, who was in accounting; Professor Ira Frisbee, who also was in accounting. There were others, but those I specifically remember.

MINK: Not only did you have the problem of the institute, it was also understood that the economics department would also occupy this as a joint tenant with the College [of Business Administration]. Perhaps there was some friction between the college and the economics department as to how much space each would have. You submitted a note of cooperation between the Department of Economics and the College of Business Administration, drafted February 15, 1948, and which is marked "confidential." I may be assuming, but it looks as though there might have been friction.

JACOBY: Yes, there was friction.

MINK: Why?

JACOBY: Some members of the economics department were fearful of "empire building" by me as a new dean. They had learned how to work with my predecessor, and had pretty well confined him and boxed him into the field of accounting. I made it clear when I came that the mission Provost Dykstra had assigned me was to build a leading graduate school of management. To reiterate his own words: "I want to create an institution that will educate the business leaders of Southern California." To carry out that mission I had to fight two battles: one to expand the academic jurisdiction of my college, and the other to get the money and resources necessary to build a management school.

MINK: [Did] you think there might be people in the economics department who felt that it would be the tendency of the College of Business Administration to eclipse the economics department, spacewise as well as curriculumwise?

JACOBY: I think some of them had that suspicion. In fact, several of them expressed it to me. Professor Dudley Pegrum expressed the view that the College of Business Administration should construct its curriculum largely out of courses already offered on the campus by the Departments of Political Science and Economics and other departments. It ought not, itself, to develop courses, but should function as a curriculum builder.

I did not agree with this view. It had been the stance of the economics department, to which my predecessor had subordinated himself, and which I think had got him into trouble, because he had not developed a curriculum that would educate business leaders.

MINK: Let me ask you just one question at this point. Is this a--to go to the broader scene--historic and chronic situation that exists in other universities throughout the country?

JACOBY: Yes. Tension between the department of economics and the business school is one of the historic facts on all American university campuses with which I'm acquainted in this country.

MINK: It was so at Chicago?

JACOBY: There was some of it at Chicago. Because both the business school and the economics department there were better developed, each had seen that it had a separate mission of its own, the tension was less, and there was more cooperation. But here it existed in the late 1940s. It was a pathological condition.

MINK: Well, what did you see as the role of the economics department vis-à-vis that of the College of Business Administration?

JACOBY: I sent this out in a memorandum on that very subject to the members of my faculty and the economics faculty and

to Provost Dykstra. Therein I proposed that the mission of the economics department is to study the institutions and theories of economics, and that students majoring in that subject are preparing themselves for careers of teaching and research, or as staff economists to government agencies or businesses. The mission of the business school, in contrast, is to study the organization and management of enterprises or governmental organizations. Their students must master the various functional fields of management, which include production, marketing, personnel, finance, accounting and control. Students who major in this field, if you're looking at them from a professional standpoint, are preparing themselves as active executives. This requires a different curriculum and a different kind of education. Now, there are commonalities between the two curricula. They do interlock at points. But the missions are different, and the curricula should be different.

MINK: Would you say that this memorandum was received happily by the economics department? Did they see this? Were they more, or less, willing to battle for what your predecessor had allowed?

JACOBY: I would say that it took quite a few years before the majority of the economics department accepted this view. In the early years as dean of the College of Business Administration, later to be renamed the school, I fought an uphill fight against many members of the economics department in

getting faculty appointments and courses approved. They were still trying to keep the school in the cage that Dean Noble had been imprisoned in.

MINK: In order to keep the school in this cage, they would have had a certain amount of influence. How did they bring this influence to bear in attempting to keep you in this cage? Was it through secret faculty committees that they served on?

JACOBY: Yes. A member of the Department of Economics was normally appointed to serve on an ad hoc appointment committee for the school. If [a prospective new faculty member] was being brought to teach a new field that they thought properly belonged to economics, they would block the appointment, or at least seek to block it. I faced a great deal of this. In instances where we designed a new course that we considered essential for our curriculum, a member of the economics department would sit on the [Academic] Senate Committee on the Courses, and would sound off static against it. They didn't succeed in blocking us in the end, but they certainly impeded our progress greatly.

I would like to emphasize that my stance in this controversy was not one of simply saying, "We want to go our own way and we don't care about your views." I proposed, through the chancellor, many devices for collaboration with the Department of Economics. To be specific, I proposed

that we set up an interdepartmental Business Administration-Economics Committee to review cases where we thought there were overlaps of jurisdiction. That committee was later established. I proposed that we might jointly, or concurrently, offer courses that were designed to fit the needs of students. Over a period of years, that has also been done. I proposed concurrent appointments of distinguished men to the faculties of both departments. These were scholars whose interests and talents included both economic theory and its applications to management problems. That idea has never gone as far as it should, in my view. In fact, the only joint appointment with economics that we ever made, and which existed up to the time of his retirement, was that of Professor Jacob Marschak, a distinguished econometrician.

MINK: Did you find Marvel Stockwell an easy man to work with?

JACOBY: I found Marvel Stockwell to be more reasonable and tractable and open-minded than certain other older members of the department.

MINK: Did your struggle for academic jurisdiction bring you into conflict with other departments on the campus?

JACOBY: Not to the same degree as with economics. The College of Engineering could have competed with the College of Business Administration over the field of industrial engineering. But Dean Boelter of engineering met with me and we quickly

agreed that this field--which we called "Production Management"--should be offered by the business school. To head up this field, we brought Professor Ralph M. Barnes, a worldwide authority in motion and time study, to our faculty. Later, the Department of Engineering gave him a part-time appointment. Also, there could have been friction with the Department of Political Science about who should offer curricula in public administration--which comes close to business administration. However, it never developed, because of the cooperative attitude of Professor Winston Crouch.

TAPE NUMBER: II, SIDE ONE

APRIL 3, 1971

MINK: You indicated that you had a few additional remarks that you wanted to make about the relationship of the school with the Department of Economics.

JACOBY: In my memorandum of March 18, 1948, to Provost Dykstra, I pointed out that the relationships between the departments of economics and business administration on American university campuses varied. The prevalent pattern at that time was to include the department of economics within the school of business administration. On some campuses, including, I think, some of the strongest and best, such as Harvard, Chicago, Berkeley, and Stanford, economics was a department within the college of liberal arts and sciences, and business administration had its own college. I favored the latter kind of organization, because it was clear to me that the two departments have very distinct missions and that their curricula should be significantly different. What was necessary was to have understanding and collaboration between the two. I'm quite sure that some members of the Department of Economics were fearful, when I became dean, that I would be an empire builder and would try to take over the economics department. Nothing could have been farther from the truth. In fact, the Department of Economics at that

time was itself in need of strong development and leadership.

MINK: Was this your personal assessment or was this by word of mouth from other faculty members?

JACOBY: It was my personal assessment, and it was also the opinion that I had heard when I attended meetings of the American Economic Association around the country.

MINK: That UCLA didn't have such a hot economics department?

JACOBY: It needed strong leadership to build its strength in various fields. In 1949 or 1950 I was visited by Dean McHenry, who was then dean of the social sciences at UCLA. (Now, of course, [he's] chancellor at the Santa Cruz campus.) He said that he had become convinced that the department needed stronger leadership, and would I consent to become chairman of both the Department of Economics and the Department of Business Administration. I demurred immediately on the ground that the two departments had separate missions and separate curricula, and that it would be a mistake to make one man, any one man, the head of both of them. It would tend to stultify their development adequately to perform these separate missions. May I add that our Department of Economics has long since overcome its shortcomings. In my opinion, it is among the ten strongest departments in the United States at the present time.

MINK: Now I wonder if we could turn to another document which appears in the chancellor's files for 1948. [It is] an or-

ganization chart, apparently drawn up by you or at your request, indicating how the College of Business Administration was to be reorganized. I wonder if you could comment on this chart.

JACOBY: When I first moved into the office of the dean of the College of Business Administration on January 9, 1948, the administration consisted of myself and a secretary. We had, as I remember, eleven regular members in service. This was in room 250, Royce Hall. The whole administration of the school occupied one very modest-sized office. Mrs. Wooton, who was my secretary, served also as typist and [did] filing. I served as departmental chairman as well as dean. We all did a great variety of things.

We had an annual budget, as I remember, of \$72,000 to operate the Department of Business Administration. The only thing we had plenty of was students. I think we had about 1,300 students. This was at the peak of the postwar GI wave, which was inundating the universities. Virtually all of them were undergraduates. There was no formal organization of the administration of the school. This was what I inherited.

One of my first tasks, therefore, was to try to establish an organizational structure that would accommodate the growth of the school along the lines that Provost Dykstra wished, namely, a high-level school of management.

MINK: You said there was no formal organization. There must have been some, I hope there wasn't chaos. [laughter]

JACOBY: We had periodical faculty meetings, but, after all, with a faculty of eleven members a pretty rudimentary organization would suffice. I had to design an organization that would serve a faculty of much larger size, that would be involved in graduate teaching and research and many more sophisticated activities.

MINK: So what you drew here was really, just at that point, only on paper.

JACOBY: Yes, it was an organization chart which I submitted to the chancellor with an accompanying memorandum on September 10, 1948. Also, I supplied a copy to Professor George Robbins, who became associate dean.

MINK: As I understand it, Robbins was never asked to become dean or demurred from so doing.

JACOBY: As far as I know, he had not been invited to take the deanship. He thought an educator from the outside should be brought in, and he proposed me. After my appointment I sought his services as associate dean, and we enjoyed a warm friendship and a fruitful collaboration for more than twenty years.

The administrative organization that I proposed called for the establishment of an Executive Committee for the College

of Business Administration. The basic organizational unit of the University of California is the department. The department was to have a committee on extension activities; a committee on student affairs concerned with recruitment, admission, counseling and scholarship and so on; a committee on library and facilities; a committee on curricula and courses; a committee on staffing; and then a joint committee with the Department of Economics on personnel and courses, which grew out of the memorandum we previously discussed. This organization was adopted subsequently by our faculty and served us well for a number of years.

MINK: There is another document, filed in the chancellor's files for 1952, in which you outlined the accomplishments of the school since you assumed the deanship in January of 1948. This document provides the topics with which we should concern ourselves in delineating the history of the school in these years.

First is the question of faculty strength, how it was increased from eleven full-time members in 1948 to forty-four full-time members by June, 1952. The file is full of proposals that you made for recruiting of various members. Could you address yourself to this general matter of recruiting faculty?

JACOBY: Faculty recruitment was a responsibility to which I gave a major part of my time in the early years. I served

not only as dean of the college but also as chairman of the department. I think I served as chairman up to 1955, when the two jobs simply got to be far too heavy for one man to carry, and a separate chairman was appointed. The main job of the chairman of any growing department, of course, is faculty recruitment. One must remember that we had a very tiny faculty in 1948.

We had a good deal of strength in accounting. It was the one field that my predecessor Noble had developed extensively. But we had very little strength in the other fields of management. We had no one expert in the field of management theory and policy. Although I am an economist who specialized in finance, I undertook to organize and teach the original courses in management theory and policy because I considered them central to a good curriculum in management. In 1950, we brought Professors Harold Koontz and Cyril O'Donnell into our faculty, and they have become world authorities in this field. I should say here, parenthetically, that not only have I been a dean over the years, but I have taught every semester since coming to UCLA, in addition to doing research and writing. Looking back, it's incredible that I tried to do all the things that I did. MINK: Well, they're things, after all, that are expected of anybody in a high-level position--research, writing, teaching.

JACOBY: This is true; but deans today on the UCLA campus tend to concentrate on administration. Our present dean, Harold Williams, spends much time in the external relations of the school with the community, which is very important. He does no regular teaching or researching. He delegates curricula and recruitment matters to the associate dean and to the departmental chairman. But in these early years I was covering a lot of bases. I spent a good deal of time traveling around the country, corresponding with deans of other business schools, trying to spot promising young men. We brought in a number of the best young men from the University of Chicago.

MINK: Well, this is a question I was going to ask you. The early files indicate that a great number of recommendations made by you to Dykstra and others were for the recruitment of Chicago people. Was it because these were the people you felt happiest with, having known their work, knowing their abilities, their shortcomings? Or was it simply that Chicago was just so outstanding that this was where the outstanding people were?

JACOBY: I think it was some of both. Chicago was then, and still is, an outstanding center of graduate study of business. It produces more than its proportionate share of the best young scholars. So it was natural that Chicago would be an important source of faculty. But I can't deny

that I was personally acquainted with more of their products, perhaps, than I was with those of Harvard or Stanford or Wharton. Knowing these people, I recommended more than I otherwise would have. In any event, UCLA has reason to be happy with the Chicago people who joined us. They include some very distinguished scholars who have proved themselves: Professor J.F. Weston, in finance and business economics, is one of the nation's leading scholars in these fields; Professor Robert Tannenbaum in behavioral science has been one of the leaders in the development of that field; Professor Clay Sprowls has been a leader in the fields of statistics and computer science. He directed our Western Data Processing Center here for many years. Professor Robert Buchele--now in the faculty of the University of Hawaii--was a major architect and promoter of our Executive Program. We didn't have any duds. While some of my critics thought that we had drawn too heavily on Chicago, I think our school benefitted.

MINK: You were accused, then, of overloading it with Chicago people?

JACOBY: I never consciously tried to do this.

MINK: But you were accused of it.

JACOBY: Yes, I was accused of it.

MINK: These people you've been mentioning, would you say they represent the important people that you've brought in?

JACOBY: They were in the early years. As time went on, comparatively fewer came from Chicago. We drew more faculty from other good centers: Carnegie-Mellon, the Sloan School at MIT, Stanford, Columbia, Purdue and so forth.

MINK: It seems to me a remarkable record, this increase in faculty from eleven in 1948 to forty-four in 1952. It doubled every year?

JACOBY: It represented a heroic effort at recruitment. Remember, each of these men had to go through faculty reviews, and we had to get the requisite budget support. It was a job of heroic dimensions.

MINK: The budget would have had to double every year. It seems incredible because so many other departments had not been able to get people.

JACOBY: You must remember that the UCLA business school had been starved for resources. It had a very large student enrollment. My recollection is that there were about 1,350 business students in 1948, which must have been something like fifteen percent of the total student body of the UCLA campus at that time. Yet we had only a dozen faculty members plus some teaching assistants. The school had been starved for resources. This was generally recognized. Compare this school with its counterpart at Berkeley, [which] already had in 1948 forty-four or forty-five faculty. We were in a process of desperately trying to catch up with the faculty-

student standards that prevailed on the UCLA and Berkeley campuses.

MINK: Could you influence the faculty committees, which are secret, that are appointed to consider appointments?

JACOBY: Practice in the appointment of these committees has varied over the years. My recollection is that during the early 1950s the chairman, the recommending officer, and the dean were not advised on their composition at all. Later, the budget committee, which makes these ad hoc committee appointments, decided that it would be wise to clear with the chairman or dean the name of the representative of his own faculty proposed to serve on the ad hoc committee. For a number of years I was consulted by the budget committee as to whom I would wish appointed as the departmental representative. Of course, the names of other members of the committee were held in confidence.

MINK: I looked at some of the reports of the ad hoc faculty committees. I suppose after a while they are filed in the business administration file for that year. They're no longer secret because they're long gone by the boards.

JACOBY: No, by no means! In twenty years I have never seen the report of an ad hoc committee reporting on one of my recommendations.

MINK: Well, maybe we shall see. [laughter]

JACOBY: It would be a new experience.

MINK: I was surprised to see these in the file. The committees, generally speaking, acted favorably on most of your recommendations. When anyone is appointed as a new dean, who comes in from outside, he probably has a honeymoon period with the administration, in which he's more likely to get what he asks for. As he becomes more well known, and maybe as the administration turns its attention to other areas, this honeymoon period ends.

JACOBY: That's usually true.

MINK: [laughter] Would you be willing to say what you think your honeymoon period was with the administration? Maybe it never ended; I don't know.

JACOBY: My recollection is it was a rather short honeymoon. After the first few months of my tenancy in the deanship, I was involved in pretty tough battles for resources, and with difficult controversies over the plans and the recommendations I made. I don't think I was ever treated with tenderness.

MINK: It's a fact, isn't it, that a conversation with a provost or a conversation with an influential dean can set out a very glowing picture and can create a feeling that help will be infinite? And yet, when you come down to the cold facts of the budget, there is disappointment?

JACOBY: Yes. You have just stated a very important truth. It was particularly important in the University of California

where authority to make decisions was at that time highly centralized at Berkeley. My relations with Provost Dykstra were excellent. He had a vision of what a first-rate graduate school of management should be, which I shared. I had his support. But his authority to get things done was limited. As I observed him in the later years of his life--he died of a heart attack in 1950, tragically--I think that his frustration was a contributory cause of his premature demise.

In those years, the provosts on the UCLA campus had very little authority. Robert Sproul, the president of the University, had grown up when Berkeley was the only campus of any consequence in the state. He continued to run the University, even after the Los Angeles campus became quite large, as a kind of a personal fief. He came down to the Los Angeles campus every week or two for a day or so--my impression was that he subconsciously resented the fact that he had to make these trips. I wonder whether his heart was ever in the development of the Los Angeles campus. On many occasions when Provost Dykstra and I would agree that certain steps should be taken, Dykstra would say, "You have my support of this." Later on, the action would be countermanded by Sproul. I know this was a source of frustration to Dykstra, as it was to me.

MINK: There's another level of honeymoon, too. Both Dykstra

and Allen were promised a great deal of latitude in running the campus, a great deal of authority to make decisions and the promise of having those decisions backed up by the president, only to learn that they weren't going to be at all.

It was certainly true of Chancellor Raymond B. Allen when he came. He came here with understandings [that] he was to have more authority than Dykstra. It was a very wise move by Franklin D. Murphy when he made it an absolute condition of his coming that he would have authority.

JACOBY: Yes, it took a long time to get adequate decentralization. Mr. Sproul's answer to overcentralization always was, "Well, the regents haven't delegated this authority to me, and they haven't authorized me to redelegate it to you." But I question whether Mr. Sproul ever tried very hard to get the authority from the regents. He liked to run the University with a strong hand and to be the only man to deal with the regents. That was his style.

MINK: Well, do you feel that your efforts at recruiting and at acquiring money for new faculty positions in this period ran about fifty percent?

JACOBY: Oh, I think the batting average was a little better than that. I haven't computed the percent. But what was so frustrating were the delays. Often we would be competing with another university for an excellent man and we'd have his commitment. He could say, "If you get the invitation in

my hands by such and such a date, I'll accept." Then there'd be these interminable delays as files went up to Berkeley, sometimes got lost, and Sproul would be away, and we'd not get an answer in time, and the man would go to the other institution. This was heartbreaking.

MINK: Were there ever instances when, even though you hadn't gotten the clearance from Sproul, you went ahead and hired the man with Dykstra's blessing?

JACOBY: No, that couldn't be done. But I do remember one instance which occurred somewhat later on. It was around 1960. Our faculty agreed that we had to bring in a first-rate econometrician to head the Western Institute of Management Science that had been established the year before under a \$1.6 million grant by the Ford Foundation. After reviewing the field carefully we decided that Professor Jacob Marschak was the best man for the job. He is one of the leading econometricians in the world. I got in touch with Professor Marschak. It happened that Carnegie-Mellon University, as it's now called, had made him an offer. They insisted on his specific answer by a certain date. He said, "I will come to UCLA if you can match their offer, but I'll have to know by that date." I accelerated the process of review; the campus supported it; the chancellor here supported it. (Vern Knudsen was then acting chancellor.) He gave me complete support. The file went to Berkeley. Clark

Kerr was president, and it happened that he was down in Chile, on some mission. Harry Wellman was the academic vice-president of the University, but he refused to act. We had the money in the budget, but he refused to approve the appointment. He said that Kerr would have to do so. There was no way of getting in touch with Kerr. I then went directly to Edward Carter, who was chairman of the Educational Policy Committee of the Board of Regents at the time.

MINK: Did you know Carter personally?

JACOBY: Oh, yes, I knew him very well. I said, "Ed, I am taking an action that I don't like to take at all, because I always want to respect lines of authority in the University. But this is so vital to the future of our school that I feel justified in coming directly to you and asking for your approval of this appointment." The Educational Policy Committee thereupon okayed the appointment, and we got Professor Marschak.

Mr. Wellman, of course, was very much put out by this. But how can you run a great university when nobody is here with authority to make decisions? The president's travelling around the world and nobody's "tending the store." Professor Marschak was a great acquisition by the University. I deplored the fact that we were not able to get final approval of professorial appointments on this campus--a campus with 25,000 students and a faculty of 2,000. To think that an in-

stitution of this size was run by remote control, and had to get a decision 500 miles away, was an absurdity.

MINK: This is what Murphy obliterated--this problem--in his administration, because he insisted on it.

JACOBY: Yes, he finally succeeded. By the mid-1960s, UCLA was no longer operated as an appendage of Berkeley.

MINK: There's a consequence in taking such a step, in that then those whom you have gone around, what will their future attitude be toward you? Will this mean that in the long haul you won't get as much out of them as you might have, even if you had lost the appointment?

JACOBY: I weighed those consequences before I went to the board. I felt that this was so vital to the University that I would simply have to risk disaffection with Mr. Wellman in the future.

MINK: Did it affect your relations with Kerr and Wellman?

JACOBY: I don't think it affected our relations, not as far as I can tell.

MINK: Had you been at all close to Wellman?

JACOBY: No. Not at all.

MINK: You have no way of appraising his administrative ability except in this one instance?

JACOBY: No. I assume he did his duty as he saw it--and so did I.

MINK: Do you think there's anything further that you might

like to speak about in the area of recruitment of faculty in this early period?

JACOBY: I don't think of anything additional. It was an enormous task. It was beset with many difficulties, but we did get it done.

MINK: Were there moneys beginning to come in, from outside sources, extramural funds which would in some degree help you to finance this increase in faculty?

JACOBY: We were beginning to bring in a widening flow of research support, from government agencies and from businesses. However, we were not able to attract faculty salary money from other sources than the regents. We did have to look to the regents for basic faculty salary financing.

MINK: Would you comment upon the change in the name from "college" to "school" and the deemphasizing of lower division course work?

JACOBY: It seemed to me that the description "College" of Business Administration was inaccurate, because we did have some graduate work. The college had been approved by the AACSB in 1939 for graduate studies leading to the MBA degree. We did have a few MBAs every year. So I proposed to the [Academic] Senate and the regents approved a change of name to School of Business Administration in 1950. The school took in students at the junior year. The new theory was that the first two years should be spent in

a wide liberal arts education, and that no specialized courses in business administration should be introduced until the third year. This move was debated very hotly within our faculty. We had a number of doubting Thomases who felt that it was a mistake not to bring students in at the freshman level. Their argument was that only if they came into the business school at the freshman level, could we be sure that they would be indoctrinated into our field and continue. If we only admitted students at the junior level, many would go into other fields, we would lose students, and this would impair our budgetary support. I argued that this consequence would not occur, that we should operate the school at the level at which the educational requirements dictated, not for the purpose of maximizing budgetary support. Professor John Clendenin was one of our faculty who originally opposed the change; but later he came to believe that the move had been a good one. So we became then an upper division and graduate school in 1950.

MINK: That was very shortly after you came.

JACOBY: That was two years after I came.

MINK: I wonder if you'd say something about the dedication of the [BAE] building. You had asked President Sproul to speak at the dedication. He pointed out that he would be very happy to officiate, but that he did not want to make a long speech. This was typical of Sproul. Everybody thought

that Sproul could speak right off the cuff, but he used to spend hours memorizing the speeches which he prepared himself.

JACOBY: The school officially moved into the Business Administration and Economics building during 1949. It fell to me, as dean, to take the initiative in arranging some kind of dedication ceremony. My first effort was to try to persuade President Sproul to make the keynote address, as the chief executive of the University. He responded that he was heavily committed and didn't have the time to prepare the sort of address that he felt necessary to the occasion. I can understand. He was a very heavily burdened man, partly because he resisted delegating authority to others. [laughter]

I then spoke to Provost Dykstra. He didn't think that he should do it, since he was the local officer on the campus. So I suggested to him that we invite Garfield Cox, dean of the Graduate School of Business at the University of Chicago, who was a mature, eminent figure in management education in this country. Dean Cox did come, and he made an excellent dedication address.

MINK: A point that is quite interesting here is that again [this] had to be approved by Sproul. There was some argument that went on, I guess, as to whether it was going to be charged to the general university budget, or whether it would be charged to Dykstra's budget.

JACOBY: Well, I didn't get involved in that, thank goodness. It seemed to me a rather picayune matter to argue about a few hundred dollars of travel expense, particularly on an occasion when it seemed desirable to bring in an outsider to view our opportunities and prospects in California. The dedication went off in good order. We did have talks by the chairman of the Department of Economics. I made a brief response as dean of the business school. The provost said a few words. The ship was launched.

MINK: Very shortly after you came to UCLA, you were invited to participate in the revenue forecasting group by the State Department of Finance. You did go to Sacramento and Sproul got the bill for your travel expenses. At least, the bill was sent to the University and came to his attention, and he in turn reprimanded you, if you want to call it that. [laughter]

JACOBY: Yes, this was a real tempest in a teapot. The state director of finance had a small group of economists that he called together a couple of times a year, in Sacramento, to advise him regarding revenue estimates, on a basis of which the state budget could be made. I was invited to be one of these advisors. There was no fee or pay involved; it was purely a public service. When I put in a bill for my travel expenses the Department of Finance, to my astonish-

ment, said, "The University should pay this bill." Well, I wasn't concerned as to who should pay it. I felt that since I'd committed my own time, out of the goodness of my heart, somebody should at least reimburse my travel expenses. So I sent the bill to the University. Again, to my astonishment, the matter came to Mr. Sproul's attention. I didn't think he would be involved in minutiae of this kind.

MINK: It's probably indicative of how involved he was in the totality. . .

JACOBY: Yes, it was really pathetic that he did not delegate, down the line, authority to his subordinates to dispose of such matters so he could free his own time for the important intellectual leadership that the University needed. However, another element may have been involved. Mr. Sproul may have suspected I was going to Sacramento to lobby in the legislature on behalf of my school, which of course was not at all the case. He seemed to be very sensitive about such moves. He was dedicated to the interests of the University of California.

TAPE NUMBER: II, SIDE TWO

APRIL 10, 1971

MINK: I hand you a document, dated 1949, relating to the action of the committee appointed to pass on the qualifications of Willard J. Graham, whom you had recommended for appointment to the faculty of the school. Perhaps you'd like to comment on that, because you have indicated that it was rather typical of some of the problems you faced.

JACOBY: I would like to emphasize the enormous effort that was required to bring new scholars into the faculty. The fact that our faculty grew should not be interpreted to mean that the environment was congenial to growth and that growth came easily. The case of Professor Willard J. Graham, a very distinguished scholar in the field of accounting, is typical of many cases of new faculty acquisitions.

After I had surveyed our situation in accounting at UCLA, it was clear to me that in the school we did have a very adequate program of preparation for the CPA certificate.

MINK: Would this have been built up primarily by Dean Noble? His specialty [was] in accounting.

JACOBY: That is correct. I believed, however, that we needed, in addition to this professionally oriented program in accounting, a mature scholar who was an able theorist and who was interested in working in the field that lies between accounting and managerial economics, the field of managerial accounting. After surveying the country carefully

and consulting Professor W.A. Paton of the School of Business Administration at the University of Michigan (who at that time was the dean of accounting scholars in this country), we decided that Professor Willard J. Graham, then at **the University** of Chicago, was the most promising candidate. In due course I recommended Professor Graham's appointment at a salary of \$8,400 a year. This was some \$800 more than the top professor salary scale provided at that time. The salary had been questioned by a few members of my own faculty, not on the grounds of Professor Graham's scholarly capability, but on the ground that he did not justify an overscale salary.

MINK: Was this because of his research and publications or his abilities as a teacher?

JACBOY: It was simply that these critics were themselves top professors, and they didn't feel that anybody ought to get a higher salary than they were receiving. It's a human reaction.

In any case, the appointment was reviewed by an ad hoc committee, in accordance with procedure. I understand that, although the ad hoc committee is supposed only to review a man's scholarly competence and not go into the question of salary, the review committee did go into the salary question. Three members felt that the offer involved a higher salary than was justified, whereas two supported the appointment.

The matter then went to President Sproul for decision, Provost Dykstra having supported my recommendation. President Sproul himself reviewed all professorial appointments at that time.

MINK: Do you think this was typical of the whole Los Angeles campus, or do you think that he was just scrutinizing certain professional schools? I say this because I think it brings up another point. In this early period we have to remember that there was a lot of opposition to the establishment of professional schools on this campus.

JACOBY: Well, I can't be sure of the answer. I can only speak from firsthand knowledge about tenure appointments to the faculty of this school. There, I know that he did intervene personally. In fact, I was told, on pretty good authority, that he cleared at least some of my recommendations with the dean of the business school at Berkeley. I don't like to think that this is the case; but he may have had more confidence in the Berkeley deans than he did in the deans here. In the case of my recommendation of Professor Graham, President Sproul did support the appointment at the relatively high salary I had recommended. However, much to my sorrow, Professor Graham, after having indicated to me informally that he would accept the appointment if offered, wrote that his circumstances had changed and he had decided not to accept it, because of illness in his family. I learned,

however, that the University of Chicago had raised his salary from \$10,000 to \$11,000; perhaps that had something to do with it as well.

MINK: That was a little above the "climate differential" that we could offer him in terms of a nicer situation here.

JACOBY: We shamelessly traded on the delights of Westwood as a place to live and the salubrious climate. There's no question that it was a strong attraction to many people, good scholars who came here at lower salaries than they were receiving elsewhere. I can cite my own case. I took a thirty-three percent salary cut to come to UCLA. My salary was \$15,000 a year in 1947 when I left the University of Chicago to come here as dean at a salary of \$10,000.

MINK: In supporting your recommendation to appoint Professor Graham, Sproul overrode the recommendations of the committee as related to the \$800?

JACOBY: Yes. President Sproul did not consider that he had to be guided by the committee's recommendations on salary. The ad hoc committee had, of course, supported the professional rank involved.

MINK: Well, now, you said that this case was typical, and that it provided you with some remark that you wanted to make with regard to Dr. Sproul's intervention in other appointments.

JACOBY: It was typical in several respects: first, the fact

that we often had to bid higher than our university scale, which was very low at that time, in order to attract first-rate scholars; secondly, that I had to overcome a good deal of opposition in my own faculty and on this campus to bringing in well-salaried men; third, that President Sproul actively reviewed professorial appointments himself; fourthly, that often after expending a great deal of effort, emotional and political, to get appointments approved, the scholar wouldn't come at all.

MINK: Well, perhaps that's reminiscent of what you did in going over the head of Vice-President Wellman in order to get one appointment, having been frustrated through the years by this sort of delay.

JACOBY: You can imagine the amount of time and effort that went into the Graham matter, and it ended in nothing, so...

MINK: One can tell when the files are as thick as they are, there was a lot of effort expended. During this period, 1948-1952, new courses, curricula and fields of concentration were introduced, for example, in personnel management and industrial relations. It was in this period that the Institute of Industrial Relations was formed, about 1947. I wonder if you could comment on some of these areas of new courses, why they were introduced, what were their importance.

JACOBY: When I came to UCLA at the beginning of 1948, we had a good basic curriculum in undergraduate accounting. We

did not have well-developed specializations in any other field of business administration. One of our strong thrusts, therefore, was to develop fields of concentration for students and to build up the faculty and research strength in other areas.

One of them was personnel management and industrial relations. To head this work we brought in Professor Robert Tannenbaum from the University of Chicago. He did yeoman service in creating a good faculty in that area. Another field was what we then called "production management," since renamed "operations management." We brought to our faculty, from the University of Iowa, the leading authority in the world on time and motion study, Professor Ralph M. Barnes. Professor Barnes, since retired, had a very distinguished career here. After he was here a few years Dean Llewellyn M.K. Boelter of the School of Engineering wanted to buy some of his time, so he served jointly on our faculty and engineering.

Other fields were transportation and traffic management, and general management. In order to head up work in that area we brought in Professor Harold D. Koontz, who was a graduate of Yale, a specialist in the transportation and management fields, who had had practical experience as an executive of TWA and of Convair Aircraft.

MINK: I have a question here. During this period, or shortly thereafter, the Institute of Transportation and Traffic

[Engineering] was formed. Did Professor Koontz play a role in this? Did you play a role in the establishment of this institute?

JACOBY: No, I think not. Perhaps this represented something of a miscarriage in planning, because that institute was engineering-oriented and had to do primarily with highway transportation and traffic studies, density studies, safety studies, rather than the economic and management aspects which we covered in the business school.

MINK: The school has never had anything to do with that institute?

JACOBY: Not much. Another field that we began was in real estate and urban land economics. Southern California, you know, has been one of the great centers of national real estate activity and construction, and I felt it very important that it have a scholarly base in our school. For that purpose we brought in Professors Fred E. Case and James Gillies, who were at that time young scholars from the University of Indiana, which had a strong program in that field. They gave a great forward thrust to our work.

The final area where we established a distinguished faculty was in the field of management theory and policy. Here the two faculty leaders were Professor Harold Koontz, whom I mentioned earlier in connection with transportation, and Professor Cyril O'Donnell. And I may say that out of

their early work in this field came the classic Principles of Management which has become the largest selling textbook ever published by McGraw-Hill Book Company, with the single exception of Samuelson's Principles of Economics. This is evidence that we did bring into our faculty men of vision who organized knowledge and played a great role in the development of the field.

MINK: A file from the chancellor's records for 1949 summarizes the development of the idea of offerings in real estate, both north and south. You have some comments you'd like to make about this file?

JACOBY: Yes. Not long after I became dean at UCLA, I was asked to address the forty-fifth annual convention of the California Real Estate Association in Long Beach. I pointed out that Southern California, centered in Los Angeles, had by far the largest real estate market in the world, and it was a very important market to the regional economy. It seemed to me that the University had an opportunity, indeed a responsibility, to launch research into trends of growth of the metropolis, the nature of the demand for housing by the population, the nature of the housing supply with respect to its cost and its type, the role of government, the records of investment in real estate, the record of construction, and so on.

In the spring of 1949 I had had some discussions with

Mr. Leland P. Reeder, who at that time was president of the California Real Estate Board, regarding the initiation of a program of advanced education and research in the general field of urban land economics and real estate management. I sent a note to Provost Dykstra, reporting on that conference and also on a conference held on this campus between President Sproul and Dean Ewald Grether of the business school at Berkeley and myself concerning the initiation of this program. I took the position that, since Los Angeles County was one of the largest real estate markets in the nation and in fact fourteen percent of all the realtors affiliated with the National Association of Real Estate Boards were located in Los Angeles County, the University should initiate the program here at UCLA.

Dean Grether of the Berkeley school opposed this. He argued that the Berkeley campus had already begun a program and he doubted that the University should launch work on both campuses. I did not accept this. It seemed to me that there was plenty for both campuses to do, and I reported this to Provost Dykstra, who wrote later to President Sproul, supporting my view and asking that the president support a major appointment of a scholar at UCLA to head up the program. Later on, President Sproul acceded to this view; in October he said that "this proposal of work in land economics has my blessing." We then brought in Professors Case and

Gillies. Since that time we have developed one of the most distinguished centers of education and research in real estate in the country.

MINK: The organized research program on real estate was directly related to the efforts of the school?

JACOBY: Yes. We established here in Los Angeles a "program" of research, and it was given general guidance by a committee known as the President's Real Estate Advisory Committee, which represented not only members of the real estate profession, but academic people. It met once or twice a year with President Sproul or his designee.

MINK: The program was both teaching and research, but it was through organized research funds that it developed?

JACOBY: The program of research was financed by the license fees that salesmen and brokers of real estate paid to the State of California.

MINK: There was one other program noted in the file which apparently turned out to be somewhat abortive. That was an effort to draw the Air Force into an advanced management curriculum here at UCLA. [Tape off]

JACOBY: Our school was invited to design a program of advanced management education for Air Force officers. The inquiry came in December of 1948.

MINK: Was this inquiry invited, or was this initiated by them directly?

JACOBY: This was an approach by the Air Force directly to the dean of the College of Business Administration.

MINK: You had no inkling that it was coming?

JACOBY: No, we had done nothing to solicit it. However, after discussing the matter with my faculty, I wrote to Provost Dykstra on December 15, 1948, informing him that I thought we should offer to put on the program. I felt that the evolution and offering of such a program would have certain benefits. It would stimulate our faculty to work at a higher level in the management field, which so far had been undeveloped. It would provide incentive to perfecting our regular graduate program in management education, because we'd have students, we'd have to administer their needs. It would provide the occasion for working out courses and instructional techniques that we could later use in extension programs for executive education downtown.

MINK: In other words, it would be like a laboratory experience for your faculty to develop a more sophisticated management program later on?

JACOBY: Exactly. These were the large benefits. Of course, the Air Force was willing to pay the out-of-pocket costs. Provost Dykstra supported the idea, sent it on to Berkeley-- everything went to President Sproul at that time. On April 12, 1949, Mr. Sproul wrote a note to Mr. Dykstra raising certain difficulties: all courses had to be approved by

the University Committee on Courses; admissions were in the hands of the director of admissions; and he wondered whether it wouldn't be better to have University Extension put on this program, because it was free of these academic constraints.

As it turned out, the Air Force decided to establish its advanced management program at only one university, and they decided to do it at the University of Pittsburgh, because Pittsburgh was already running an advanced management program. Whether that decision also reflected unhappiness with the decision-making delays of the University of California I'm not sure. In any case, that was the way it turned out.

MINK: Maybe we could turn next to the pamphlet that was issued in 1952. This is, in fact, a resume of business research at UCLA from '48 to '52. Could you say how this came about? Was this something that you instituted as a means of showing what had gone on in the school? [Tape off]

JACOBY: When I became dean at UCLA I found that we had no organized research in business administration, and very little individual faculty research. Practically all the writing of the faculty members under the regime of Dean Howard Noble had been textbooks. Textbook writing is a perfectly respectable scholarly activity; but usually it doesn't involve the discovery of new knowledge, but rather an effort

to present a systematic account of what's already known. I considered it one of my major responsibilities to enlarge our research effort.

My first move was to foster the establishment, on the Los Angeles campus, of the Bureau of Business and Economic Research. This bureau had been initiated on the Berkeley campus I think in 1941, but a branch had never been established at UCLA. I entered into discussions with Dean Grether at Berkeley and with Professor Frank Kidner, who at that time was director of the bureau, and I found them quite hospitable to the idea of establishing a bureau here. That bureau was established here in 1949. I invited Professor Ralph Cassady, Jr., to be its first director, and he got it started.

As we gradually built up our faculty in various fields, these men began writing and publishing, many of them with financial support from the Bureau of Business and Economic Research. By 1952 it seemed timely to let the world know that the business school at UCLA was an important agency of research. So we arranged to have published a brochure entitled Business Research at UCLA, a Recent Record, which summarized the research publications by our faculty during the period July 1, 1948, to December 31, 1952. The document listed publications, broken down by the major fields of business economics, business statistics, accounting, finance,

production management, personnel management and industrial relations, marketing, transportation and traffic management, real estate and land economics, and management theory and policy. We distributed it to the business community in the hope that it would convey information about publications that they could use.

MINK: To return to management for a moment, perhaps we ought to get into the record the conference on "Strategic Problems of Business Management" which was held in 1949, in conjunction with the dedication ceremonies for the new Business Administration-Economics building. We have talked about that dedication, but I wonder if you could add something about it. How was it that it was decided that this particular topic would be highlighted at the dedication of the building?

JACOBY: I consulted a committee of the faculty in business administration, and also in economics, to decide how best we could signify and celebrate the opening of the new building, which was dedicated at a conference on January 13, 1949. We decided, jointly, that we ought to have a day's program devoted to the theme "Strategic Problems of Business Management."

MINK: When you consulted with the economics department, wouldn't they have thought that perhaps it would have been better to have featured some sort of program which would have been around an economic theme? I'm talking of economics

in the classic sense.

JACOBY: We were using the term "business management" in the broadest context, which, of course, includes what's known as "microeconomics" as well as management theory and policy. In other words, this was a theme of common interest to both departments, and of common interest, also, to the other two agencies with whom we shared the building--the Institute of Industrial Relations and the Bureau of Business and Economic Research. So the economics department had a role in this conference.

We published a brochure in which the program of the conference was set out, and which also described the Department of Economics, the Institute of Industrial Relations, the Bureau of Business and Economic Research, as well as the College of Business Administration. Provost Dykstra gave a welcome. I remember inviting Charles Luckman, who at that time was president of Lever Brothers Company, to address us on the theme of improving the climate of American business.

Then we had a discussion in which Dr. Edgar Warren, director of the Institute of Industrial Relations, and Dr. Earl Miller, who was chairman of economics, participated. During the afternoon we had tours of the building and exhibition of films on management. There was a dinner at which President Sproul made dedicatory remarks.

MINK: We had mentioned earlier that he was approached to make a more in-depth talk but was unable to do so because of other commitments.

JACOBY: Yes. He did agree to make what he referred to as "dedicatory remarks," and they were quite effective. A major talk was made by Dr. Garfield Cox, who then was dean of the School of Business at Chicago. I thought the program was suitable and served to draw to the attention of the Los Angeles community the fact that UCLA had a professional business school, and it could be of help to business.

MINK: Did you come to know Regent Edward Dickson, sometimes called "the father of UCLA," after you moved to Los Angeles?

JACOBY: With respect to Regent Dickson, I would like to say that he and his marvelous wife Wilhelmina Dickson were among the first people in Southern California to entertain Mrs. Jacoby and myself socially, to invite us to their home, and that they remained warm friends of ours right up to their deaths.

MINK: How did this come about? Was it through the University or did you meet them prior to your alliance with the University here?

JACOBY: Our first meeting with the Dicksons was at a reception they held for us at their home in January of 1948, a few weeks after we had moved to Southern California. Regent Dickson had known of me through my work with the

University of Chicago and the Chicago Round Table. He appeared to have views about public policy that were pretty much in agreement with mine, so we hit it off very well. There were a number of deans and citizens of the community present at the reception to whom we were introduced. My wife and I formed a very warm regard for both of the Dicksons. They were cultivated people, sophisticated people, people who had high moral and ethical standards, as well as standards of taste in literature and music and conversation. Through the years we had dinner many times at their home

MINK: Did you entertain them in your home at all?

JACOBY: Yes, they were at our home once or twice. But their home was much larger and more capacious. We were there much more often. Their dinners, at which they brought men of affairs and scholars together, were characterized by conversations and discussions which to me were enormously stimulating. These continued up to Mr. Dickson's death in 1957. After that, Mrs. Jacoby and I continued our friendship with Mrs. Dickson. She passed away during 1971, and it was with great sorrow that I attended her funeral.

MINK: Could you tell me something about Dickson's economic views as you saw them, things that you remember that he might have said that stuck in your mind?

JACOBY: He was a conservative man in his economic and social

philosophy, but not a "standpatter" in any sense. I think that I described myself, during our colloquy on the Eisenhower administration*, as a "progressive conservative." I would categorize Mr. Dickson similarly. He recognized the need for change in our society. But he also believed that there were many features of our society that should be preserved. He was very critical of what he referred to as "crackpot" movements, idiosyncratic political movements of one kind or another.

MINK: Can you think of anything in particular at that time that would have been a target for criticism by Dickson?

JACOBY: I remember a dinner conversation in his home about 1950 where he was very critical of Senator [Joseph] McCarthy. He felt that McCarthy's tactics and his philosophy, his inquisitions, were threatening American political values and freedoms. He was opposed to the way in which the so-called loyalty oath was imposed on the University of California faculty as an outgrowth of the McCarthy madness. He felt that Robert Sproul had made a serious mistake in pushing it through.

MINK: Was he critical of the way that the oath itself was, shall we say, perpetrated on the University? I don't think that he was critical of the oath itself, because we have evidence in the record to show that he did take out, with a group of faculty members from the University

*Jacoby-Mink interview series (1970) for Columbia University Oral History Research Office's Eisenhower project.

here, a full-page ad in the L.A. Times favoring the loyalty oath.

JACOBY: He may have felt that the oath was a good way of guarding the University against public criticism of radicalism. But I think he was critical of Mr. Sproul for not having consulted the faculty, for not having used the normal mechanisms of consultation, before having precipitately gone ahead and prescribed this oath.

MINCK: To your knowledge, was he ever willing to make allowances for the fact that the legislature itself was about to impose such an oath on state employees, which would have included the University? Because of this--apparently it's good tactics--he and Jim Corley decided on the spur of the moment that they ought to ask the regents to impose this oath, and then they sprung it on the board. I suppose he felt that this was precipitous, perhaps.

JACOBY: My recollection is that he did criticize the undue speed with which Sproul moved in on the matter. While Mr. Dickson supported the oath, I think it is a measure of his tolerance that his friendship with me never diminished although I publicly opposed the oath as an unconstitutional requirement. In fact, I took a lead in organizing the Committee for Responsible University Government, which raised money to pay the salaries of the nonsigners--Professor John Caughey and then-Assistant Professor David Saxon, who is now the vice-chancellor at UCLA.

MINK: Did he ever talk to you about the campus, about his hopes for it? Was he critical of things that were done on the campus?

JACOBY: My recollection is that whenever we discussed the campus there were two themes that he emphasized. The first was his insistence on quality. He deplored the humble origin of the Southern Branch as a teachers' college and he wanted to do everything he could to elevate UCLA into the status of a first-rate university. The other theme was his pride at the way in which the institution had developed. He was proud of the new professional schools that were established, the caliber of the men, the scholars that had come in. Emphasis on quality and pride of accomplishment were the two subjects that he emphasized in our discussions. I don't remember him as being a critic of university policy in the sense in which, let's say, Regent Norton Simon has been. Dickson was part of the Establishment. He felt himself to be the leader of a movement to create a great university in Los Angeles. All men tend to regard their own achievements as being important and worthwhile, and he felt that way about UCLA.

MINK: Did he ever discuss with you his role in California politics? Did he ever reminisce about his role behind the scenes in the establishment of the Progressive Party here?

JACOBY: No, I don't recall ever discussing that subject.

MINK: Well, it wouldn't be a dinner conversation.

JACOBY: Most of our conversations had to do with current events, either in the national or the California political scenes, or in the development of the University.

MINK: What was his attitude toward Earl Warren? Did he ever discuss this with you?

JACOBY: He was critical of Warren. He felt that Warren was far too liberal, or, as he might have put it, "radical" a politician. At the moment I don't remember specific subjects of criticism.

TAPE NUMBER: III, SIDE ONE

APRIL 10, 1971

MINK: You were commenting on a letter which you wrote to Edward A. Dickson. You made a comment about the reason for having written the letter. Perhaps you'd like to indicate what that was.

JACOBY: In November of 1952 a formal dinner was held in Los Angeles honoring the new chancellor, Raymond B. Allen. It was an installation dinner. Regent Edward Dickson spoke about the remarkable development of the UCLA campus. Among the milestones of progress that he mentioned was the establishment of three professional schools--engineering, medicine, and law. He didn't refer to the oldest and then the largest of these professional schools, which was established at UCLA after the 1930 move to Westwood. That, of course, was the School of Business Administration. I must confess that, having worked very hard to build this school, I felt miffed by his omission of it from his list of achievements.

MINK: A little surprising, isn't it, in view of the fact that Dickson was in essence a businessman, and for many, many years director and president and on the board of the Western Federal Savings and Loan?

JACOBY: It was a surprising omission, that I'm sure was inadvertent, because as I have explained earlier, Mr. and Mrs. Dickson were warm friends of my wife and myself. I pointed

out that omission in a letter I wrote to him on November 19, and noted that our school had come forward very rapidly and even at that time was being rated among the top schools of business administration in the United States. I sent copies of my letter to President Sproul and Chancellor Allen and southern members of the Board of Regents. President Sproul responded, saying that he was sure that Regent Dickson understood this and that his omission was inadvertent. I don't recall that I ever did have a formal reply from Mr. Dickson.

MINK: I note that Sproul assured you that his views of the professions did not confine themselves simply to law and medicine. They went beyond that.

JACOBY: This is a good point to make in this context. Management is one of the youngest and most recent of the professions. We changed the name of the school to the Graduate School of Management in 1971. It's taken a long time for people to understand this. Law, medicine, and engineering are the traditional professions. For that reason, perhaps our school was neglected by traditionalists as one of the strong professional schools of the UCLA campus.

MINK: At this point at which Raymond B. Allen is inaugurated would you delineate his administration critically? Perhaps you can use Dykstra as a contrast, because you were here during two years, at least, of his administration, and then you were here during the whole Allen administration,

from 1952 to 1959.

JACOBY: I feel that Raymond Allen's contributions to UCLA have not been as fully appreciated as they should be. His contributions have not been evaluated as liberally as those of such other campus chief executives as Dykstra or Murphy.

MINK: Perhaps do you think that it has anything to do with the fact that Murphy's administration so much overshadowed Allen's in terms of accomplishments which would have come along anyway? [Murphy's] was a period of great affluence as far as the University's budgets were concerned.

JACOBY: I think you might put it in terms of a construction analogy. During the Allen years, many of the foundations of the UCLA campus were put into place. The various departments and schools were engaged in faculty building. Planning was going forward, for physical facilities as well as human resources. It was only later, during the sixties, when Murphy became chancellor, that much of the superstructure was built. Without meaning in any sense to detract from Chancellor Murphy's talents as an administrator, which were excellent, I believe that for reasons that were beyond his control or Allen's, he got credit for achievements that Allen should have received.

Allen came to UCLA from the presidency of the University of Washington, so he was an experienced administrator. He was, like Murphy, a physician. He was a man of great humanity,

of personal warmth, I found in my experience with him. He always put the individual before the institution.

MINK: Do you think Murphy did that as much?

JACOBY: Not as much. Murphy was a more logical, rational analyst of situations. His personal relations were not as warm as Allen's. But he was more decisive. Allen, I think, sometimes let his emotions and his feelings about people--which were always humanitarian--get in the way of decisions. I'll give you some examples.

Looking back, I would say that Ray Allen's great mistakes here were in not, during the honeymoon period of his chancellorship, taking some hard but necessary decisions, such as the abolition of the Department of Home Economics, the abolition of the College of Applied Arts, which really has no place in a university of high standing. It was a vocationally oriented curriculum.

MINK: That would be Dean [David F.] Jackey's establishment?

JACOBY: Yes. This is no reflection personally on Dean Jackey, who has always been my friend and whom I like very much. This was a case where Chancellor Allen should have bitten the bullet. He could have achieved a reorganization at that time that would have eliminated these vocational excrescences on the campus. Later he was criticized by the Board of Regents for not having taken these steps. I remember that Ed Carter mentioned this to me, and I think Ed Pauley also did

so--two of our most influential southern regents. Now, why didn't Allen do it? I suspect he just couldn't bring himself to face the human stresses that would have been created by these decisions.

MINK: One of our informants has said that Dykstra was totally frustrated by Sproul. Dykstra was promised a great deal more autonomy than he actually ended up having, and the same was true of Allen. Allen was promised a great deal of authority and soon learned that he actually didn't have it at all.

JACOBY: I can't, of course, speak with first-hand knowledge about what he may have been promised when he took the job. I can say, however, from first-hand knowledge that, like Dykstra, Allen was a very frustrated man. After having been the head of the large University of Washington, he found intolerable a situation where he could not make final decisions within the budget. He couldn't even finally approve the appointment of an assistant professor on this campus! The papers had to be shipped 400 miles away to a center of remote control. This was extremely galling to a man who had been a chief executive of a large university.

But I was struck by the way in which Allen, I think because of his humane quality, somehow seemed able to live with these frustrations better than Dykstra did. I think they killed Dykstra. They didn't kill Allen, physically. [They did] in a political sense. He didn't fight the battles

for upgrading the campus that he should have in early years, and this was the cause, ultimately, of his downfall.

MINK: He really was asked to resign?

JACOBY: As I understand it, he was. I think he lost the support of the regents, one by one, for various unrelated reasons.

For example, he lost the support of certain regents because of his firing of Dale Coffman as the dean of the law school. Coffman had cultivated certain regents, sedulously, and when he was fired he said Allen did it. These regents turned their fire on Allen. Then there were other causes that arose in which Allen took a stand that caused him to lose the support of certain other regents. So, one by one, his regental support was whittled away to the point where finally a majority of them, when the chips were down, opposed him.

MINK: Would you say that you were able to work better with Allen as chancellor while you were dean than you were with Dykstra?

JACOBY: No, I wouldn't say that. I had excellent support from both men. They were both outspoken men, both appeared to share my vision of what the business school should be and what the campus should be. I enjoyed productive relations, and also warm personal relations, with both men.

MINK: Would you say that a man's spouse may hamper his progress,

his image, his activities? Do you ever think, to your knowledge, that this was true of Dorothy Allen?

JACOBY: This is a hard question to evaluate.

MINK: Some of these oral history interview questions are pretty hard. [laughter]

JACOBY: My wife and I knew the Allens socially very well. They were friendly to us. We were at many affairs in the chancellor's residence, when they were entertaining foreign visitors and distinguished scholars. Dorothy Allen was an unusual woman, a woman of great determination and presence, and outspoken to the point where I think one might say she lacked a certain amount of tact.

MINK: She wasn't as bad as Martha Mitchell. [laughter]

JACOBY: Well, she was outspoken, and I'm sure that from time to time she said things that were offensive to certain people, including perhaps important people like regents. I can't recall her ever saying anything within my hearing that I would put into that category. I do know that she was remarkably frank in her statements. She had a certain masculine drive about her that I think some people found uncongenial. Possibly, her personality and her behavior was a contributory cause to Raymond Allen's loss of political influence in the University.

MINK: Some informants have said that she didn't take the great interest in campus affairs that perhaps the chancellor's

wife would be expected to take.

JACOBY: I would not agree with that. The contrary was true. When the Allens were the first family on the UCLA campus, they opened their home on more occasions to more people--visitors, distinguished diplomats, and scholars--than either their predecessor or successor as chancellor. My impression was--and I haven't made a systematic assessment of her time allocations--that Dorothy Allen worked very hard as chancellor's wife here, carrying the social end of the job.

MINK: Maybe I'm failing to draw the distinction between purely social entertainment, which is perhaps expected of the chancellor and his wife, and the areas in which perhaps a chancellor's wife might interest herself that are tangential to the University. An example is the Art Council.

JACOBY: That area was outside my own range of observation. I can only speak from the perspective of a dean who was very often asked to come to the chancellor's residence to meet guests of the University. I found Mrs. Allen invariably to be an excellent hostess. Her dinners were beautifully arranged and planned and she made her guests feel at home. She demonstrated great social skill, I thought. As to the matter of her involvement with various campus organizations like the Art Council, the Affiliates and so on, I don't know enough to speak.

MINK: It was during this period that the regular meetings of the deans began. Maybe Dykstra had such meetings, but under Allen it became rather formalized.

JACOBY: That is true. There were not regular weekly meetings of the deans under Dykstra. Allen did initiate what he called the Deans' Advisory Council, DAC. The council met with him regularly. It had an agenda of items that were discussed. I think Allen used it quite effectively.

MINK: In your experience in sitting on that council, how did you feel about it? It gave you a good chance to look at him as an administrator.

JACOBY: My impression of Allen was of a man who sought advice genuinely. He wasn't just going through the motions. He listened to people. This of course was a desirable quality because it made the deans feel that what they thought had something to do with what was happening. On the negative side, however, I think that Allen sometimes displayed a certain indecisiveness which was disturbing. He shrank away from tough, hard decisions.

MINK: Could you give me some examples? You mentioned the problems of the home economics department.

JACOBY: And the College of Applied Arts. I can't think of others right now. I simply wanted to try to describe certain pros and cons about his behavior as chairman of the Deans' Advisory Council.

MINK: I didn't mean to put you on the spot. You spoke about his humane qualities. From what I know of the handling of the Coffman affair, perhaps here too was a rather humane attitude in spite of Coffman's allegations to the contrary. As I understand it, this affair came to a head [when] a certain element of the law faculty complained to Allen about Coffman's administration of the law school, particularly in the area of racial prejudice. Allen [established] a committee [to] hear and decide it, and he said he would follow the recommendations. He could just have fired him [Coffman] outright, I suppose, but not before he had a hearing before the [Academic] Senate. As I understand it, you served on that committee.

JACOBY: Yes, I was drafted. Chancellor Allen asked a committee of three deans to serve as a hearing and advisory committee on Dean Coffman's performance.

MINK: As specifically as you can remember, what were the allegations that were brought against Dean Coffman?

JACOBY: Well, you mentioned one--that he administered the school with a certain ethnic or racial bias. It hadn't anything to do with blacks. The allegation was that he was anti-Semitic. Apart from that, there were allegations that he was dictatorial, undemocratic, and autocratic in his mode of administration. I had heard rumblings of this around the campus.

MINK: I suppose that there were incidents cited to back up the these charges?

JACOBY: Yes, there were many, involving both students and faculty members. I have always tried to follow the policy of attending to my own knitting. I had enough problems here in the business school to cope with. I was reluctant to become involved until Chancellor Allen pressed me to serve along with two other deans.

MINK: How did you feel about that?

JACOBY: I understood the problem Allen had, and I felt that, had I been chancellor, I would have done the same. To try a man by a jury of his peers is the democratic mode of action. So with reluctance I agreed to serve. The committee held several meetings. We invited Dean Coffman to appear, which he did. We invited him to state his views about his administration and his methods, which he did in detail. Then we asked the dissident faculty members to appear, one by one, and we heard their statements. Then, if I'm not mistaken, we invited Dean Coffman to come back again to hear his response.

As a result of all these hearings, the committee came to a unanimous conclusion--that Coffman's administration of the law school had been intolerably autocratic. I don't recall that we reached a decision that there was hard evidence of racism or anti-Semitism. But we did conclude that there

had been a lack of adequate consultation with his faculty, that he was autocratic in making decisions. He ran the school in the manner of a despot. He may have believed that he was being benevolent, but he was nonetheless despotic. This was contrary to the regulations of the University, which do require that a dean consult with his faculty on key decisions --they don't require him to accept faculty advice but they do require him to seek it. Coffman had specifically violated that rule on several occasions.

MINK: There was evidence of no consultation?

JACOBY: Yes, and for that reason, the committee advised Chancellor Allen that his usefulness as dean had ended. It was for me a most unpleasant duty. Mr. Coffman has never talked to me in the fifteen years that have passed since that time.

MINK: As a tenured member of the law school he continues to serve on the faculty?

JACOBY: Yes, I see him every now and then.

I'd like to tell a story that illustrates the humanity of Raymond Allen. There was then a member of my faculty who got into personal difficulties. He left his wife and children and went off with another woman and set up a residence. The affair became rather notorious. I felt that it couldn't be ignored any longer. After all, the behavior-- the moral behavior--of the faculty has to be a matter of

administrative concern. We are trying to educate the young; we have a responsibility to abide by a code of conduct which, if not blameless, at least is not notoriously flouting of social conventions. So I called the man in, and I said, "This has to stop."

Well, it didn't stop. So I went to see Chancellor Allen and asked, "What do you think we should do?" He replied, "There may be something here that we don't understand in the relations between husband and wife. I think you should not do anything about it now." I was prepared, if he had approved, to fire this man on grounds of moral turpitude. We had evidence that would have stood up in the Committee on Privilege and Tenure.

MINK: Would you be able to do that after he had a hearing before the Committee on Privilege and Tenure?

JACOBY: Oh, yes, he would have been entitled to such a hearing; but we had hard evidence that would have supported the charge of moral turpitude. But Chancellor Allen advised not to do this. He said, "Give this man a chance. I counsel patience." "All right," I said. Sure enough, this man did come to his senses, and went back to his wife and family. He's been an extremely valuable scholar. I often think of this episode. Allen's humane and patient attitude toward this man may have saved a career that might otherwise have been seriously hurt. I learned a lesson. The story illustrates

a facet of Allen's character.

MINK: In 1950 you and [Dean] Knudsen jointly submitted to Mr. Sproul, the president, a memorandum for formal administrative recognition of an off-campus organization designated as the Association of Teaching Assistants of the College of Business Administration. Since you were applying for recognition of this organization, I take it that this association was not being formed in any sense as a union to safeguard the--[laughter]--better wages and the well-being of the teaching assistants? They were perfectly happy with their lot here in the school?

JACOBY: No, there was no wage, hour, or working condition issue involved. They wanted to form an association that they felt would foster good fellowship and scholarship among a group of men that had certain common goals and interest. I had forgotten about this matter; but I'm pleased to be reminded that President Sproul did approve of the organization of the Association of Teaching Assistants, making it clear that they had no authority to represent the faculty of the department. Again, isn't it very interesting that a minor organizational development of this kind received the attention of the president of the University of California?

MINK: So they did organize?

JACOBY: Yes. The organization later fell apart for lack of leadership, as volunteer organizations often do. [Tape off]

MINK: I also hand you a file from the provost's files for '49, relating to the formation of a Joint Productivity Clinic, as it was called. I wonder if you would care to respond to this and recall something about the reasons for the organization.

JACOBY: I recall this very clearly. In the middle of 1949, we had brought Professors Ralph M. Barnes into our faculty. You may remember that I described him as a world authority on motion and time study. He was very much interested in methods on increasing the productivity of industrial work. This interest was shared by the Institute of Industrial Relations that had been established on our campus here in 1947, and which was then under the direction of Edgar L. Warren. I was eager to find areas of common research activity for the business school and the institute. With the help of Professor Barnes we conceived a "Joint Productivity Clinic." This institution would carry on research in work measurement and motivational factors in the industrial situation in conjunction with the Institute of Industrial Relations. It would convey its findings through conferences and seminars to the business and industrial community.

We proposed a modest budget of \$37,000 a year to launch the effort. I sought approval of the proposal by Provost Dykstra and President Sproul. In July of 1949 Mr. Sproul sent a note to Provost Dykstra that the finance committee of the regents had approved the recommendation. I was authorized to

seek financing.

My recollection is that I did approach Charles Luckman and other businessmen for financing, but that we were unsuccessful at getting the project underwritten. That didn't mean, of course, that we abandoned research in the field. It simply meant that our research was not as complete and comprehensive as it would have been otherwise.

MINK: To conclude this morning's session, I have a roster of the school's [faculty] as of 1952. Fifty-two has been a pivotal date here.

JACOBY: That was because of the coming of a new chancellor, Raymond Allen.

MINK: Right. I thought we could take a look at the faculty then and a little later. I hope that you will be frank. Are you game for that?

JACOBY: Go ahead.

MINK: First of all, William Beranek was a lecturer in finance in the school in 1952.

JACOBY: He was a young man who came up in UCLA, received his doctorate degree here, and went on in the world of scholarship. He's now professor of finance at the University of Wisconsin.

MINK: Erling A. Brechan was an acting instructor in the school.

JACOBY: I think he was appointed acting assistant professor.

I believe that Mr. Brechan was here only a year. I've forgotten the details, but his association with the school was really quite short.

MINK: Professor William F. Brown was an associate professor of marketing and taught marketing law.

JACOBY: Bill Brown was a product of UCLA, a student of Professor Cassady in the field of marketing. He went to Northwestern University to do graduate work and got his PhD. Interestingly, he wanted very much to return to UCLA. I think he didn't find the physical and social climate of Chicago very congenial. Even before I moved west, he came to see me in Chicago and told me of his wish to return here. I checked into his record and we invited him back. He has spent his career here. He's gone up the ladder and become a full professor.

Bill Brown has been a very hard-working, useful and loyal member of our faculty. He has always been a conscientious teacher, and has taken on the tasks that he's been asked to do and performed them conscientiously.

MINK: Robert W. Buttrey was a lecturer in accounting.

JACOBY: He is still a lecturer.

MINK: What happened to him?

JACOBY: He elected to go into the practice of law and accounting. He has a degree in law, as well as a CPA. He is now a member of a law firm, but he does continue to give part time to the school as a lecturer. His main career has been in private practice. A very able teacher.

MINK: Joseph D. Carrabino, lecturer in production management.

JACOBY: Joe Carrabino continues to be a member of the faculty and was promoted to the full professorship. He is a man of great energy. He directed the Executive Program quite effectively for several years. He is a widely sought and valuable business consultant. He served as chairman of the Los Angeles Harbor Commission for several years. He may have allowed his business consulting to get in the way of his scholarly productivity at times.

MINK: Professor Albert B. Carson was an associate professor of accounting.

JACOBY: Carson was appointed to the faculty by Dean Noble, my predecessor. He has made his full academic career here. I would say Carson has been a fine teacher, skillful, competent and enthusiastic teacher. He has written a good textbook. He has not, however, made large contributions to the scholarly field of accounting through research.

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MINK: We started to talk about Professor Carson, but you wanted to mention something further about Professor Carrabino.

JACOBY: I wish to emphasize the large contribution he made to the successful operation of our Executive Program. This is the first yearlong program at the MBA level for senior practicing business executives established on the West Coast. I think it is still unique in that respect. It involves a great deal of administration to keep over 100 executives--we admit a class of fifty to sixty men twice a year--in a constructive mood toward the program and to maintain their morale. Carrabino did this very effectively.

MINK: You mentioned in the case of Carson that his contributions in the area of publication had not been substantial.

JACOBY: Yes. I think his contribution to the University is in the realm of instruction. He is a very fine teacher, not only of young people on the campus, but he taught the accounting sequence in the Executive Program with great effect for many years.

MINK: Of course, the other two areas that we look for in evaluating people on the faculty are university service and community service. Maybe we should bear that in mind as we go along.

JACOBY: Right.

MINK: Fred E. Case was assistant professor of real estate and land economics in 1952.

JACOBY: Now a full professor, Case heads the Research Program in Real Estate, Housing, and Urban Land Economics, which has become a very substantial program on this campus. He's a nationally recognized scholar in this field. He continues to teach and to write and conduct research. He has served on a great many organizations having to do with community planning, with construction, with environmental enhancement. He's been an extremely valuable member of the academic community.

MINK: Someone else who's come up several times already is Professor Ralph Cassady, who served as professor of marketing and was at that time ('52) a full professor.

JACOBY: Professor Cassady has written and published extensively in the field of marketing. He has done some fine work in, for example, the marketing of petroleum products. He did a very intensive study of retail gasoline marketing in the Los Angeles area which gave new insight into the way in which such markets are structured and behave. He's done a fine study of auction marketing around the world. As a researcher in the field of marketing, I think Professor Cassady, who has since retired, was of first rank.

He was, however, a "loner," and did not bring along

many graduate students. Students found it difficult to work with him. This was a real misfortune because he does have great ability. He seemed able to inspire only a few students in the field of his own interest.

MINK: Was he not also interested in motion picture economics?

JACOBY: Yes, in the very early years that was his initial interest--motion picture production and distribution.

MINK: He never followed that up?

JACOBY: He did. I may say also that he directed the Bureau of Business and Economic Research, from the time it ~~was~~ established here in 1949 until it was abolished.

MINK: What was the cause of the demise of that bureau?

JACOBY: It was abolished because we needed in the business school an agency of organized research that had more autonomy and more entrepreneurial drive to raise funds. I found it necessary to sponsor the establishment of the Division of Research in, I think, 1953. Professor George Steiner was made its director. It had a charter that permitted it to go out and raise money from government, from businesses. It was concerned only with business administration and was not a joint venture, either with the economics department or with the Berkeley campus. The BBER was handicapped by having to clear everything with several departments and sometimes several campuses. The Division of Research proved to be a much more aggressive and successful agency

for obtaining research support. It was finally decided that the bureau had outlived its usefulness, and with Professor Cassady's retirement, the bureau was abolished.

MINK: And the money that was used to finance that went where?

JACOBY: I had left the deanship by that time. Probably, it would have gone into the Division of Research.

MINK: Professor Joseph Clawson was an assistant professor of marketing in 1952.

JACOBY: Yes. He was a man who seemed to have great potential. He had done graduate, doctoral-level work in both economics and psychology. I was hopeful that he would bring new approaches into marketing. But he ran into some serious personal problems and was forced to resign from the University. When last I heard of him, he was a consultant in marketing in this region.

MINK: John C. Clendenin, a well-known name, was a professor of finance. I imagine he began during the administration of Dean Noble?

JACOBY: He was one of the senior members of the faculty when I came to UCLA in 1948, and he continued to have a distinguished career in finance. He became full professor and published a leading textbook on the principles of investment. Investment was his main interest. He was an excellent teacher. He retired prematurely about 1967, when he was only sixty or

sixty-one, and returned to Illinois, which was his native state.

MINK: Ira N. Frisbee was a professor of accounting in 1952 and probably also a former member of Noble's administration.

JACOBY: Yes. He was a highly successful accountant. He had founded his own accounting firm, known as Frisbee and Ruggles, in Beverly Hills, with branches in Long Beach and elsewhere. Actually, he was devoting only part of his time to teaching in the school. About 1955 he retired. He was a leader of the California accounting profession. He was not active in the school after my coming.

MINK: I have a notion, as we go about examining the history of the University, that there are a certain number of people who became tenured very early in the history of the University. Some have been unproductive in research, and their teaching hasn't always been considered of highest caliber. I imagine that there were some people like that here in the school that were "holdovers." I wish you'd note that, as we go through the roster, if there are any.

JACOBY: Yes.

MINK: James M. Gillies was an assistant professor of real estate and land economics in 1952.

JACOBY: We brought him here as a recently minted PhD from Indiana University, where he'd specialized in the urban land and economics field under Professor [A.M.] Weimer. He was a

very aggressive young man, a good teacher, quite productive in research and writing, and an ambitious administrator. He made the full professorship here. During 1969, I think, he left UCLA to become vice-chancellor of York University in Toronto, Canada. He was a Canadian by birth. Then, still later, he became dean of the graduate business school of York University, where he is now a professor. He has had quite a successful career. I appointed him an assistant dean, and he got his administrative training in our school. He has proved to be an able man, is still comparatively young, and I think he's going to make his mark in the world.

MINK: George R. Hawkes was a lecturer in accounting in 1952.

JACOBY: His term of service at UCLA was quite short. He was just filling in, and he left after a year or so. I haven't followed his career.

MINK: Is the same true of Malcolm Heslip, who was a lecturer in business administration and also headed up the Business Administration Extension program?

JACOBY: Malcolm Heslip succeeded George Robbins as head of Business Administration Extension in the Southern California region.

MINK: Did he remain here?

JACOBY: Yes. Heslip continued to be a lecturer here to the time of his retirement. He had a career in the U.S. Navy before going into academia. I think he rose to the rank of

commander. Malcolm was not a great scholar and published little. He was quite a good teacher and he had administrative talent. He had a penchant for doing detailed work. In fact, the task of moving into this building in 1962 involved enormous attention to all kinds of details and logistical problems. I asked Malcolm Heslip to take these in hand, and we all owe him a debt of gratitude for the magnificent job he did.

MINK: I judge then that he also did a very good job with the extension work, in that the program flourished under him.

JACOBY: Yes. The program flourished under his direction. His contribution was primarily administrative. He retired several years ago and is still living in Santa Monica.

MINK: Professor Harold D. Koontz was a professor of business policy and transportation in 1952.

JACOBY: Professor Harold Koontz has been our most distinguished figure in the field of management theory and policy. He was the coauthor, with Professor Cyril O'Donnell, of the Principles of Management book that I mentioned earlier. He was the founder and the first president of the Academy of Management in the United States. He's an honorary member of the International Academy of Management. His works in management are probably more generally cited than those of any other man. He's an excellent teacher, both of executives and of students, graduate and undergraduate.

MINK: He wasn't a holdover from Noble?

MINK: No, I invited him to UCLA in 1950. He had management

experience as director of planning of TWA and as vice-president of sales of Convair. He's been a real academic star--there's no question of this--and still quite active.

MINK: Wilbert B. Karrenbrock was associate professor of accounting in 1952.

JACOBY: Yes. He continued in that rank until his resignation in 1966.

MINK: I take it then that he was not productive, say, in publication?

JACOBY: No. He was a coauthor of a textbook in intermediate accounting that was somewhat successful; but he did not engage in research in the sense of developing new ideas and insights into accounting. In fact, he expressed a disinterest in research, and for that reason he was not promoted. Within his own limitations he was an effective teacher among undergraduate accounting students.

MINK: That is to say, he was never recommended by the department for a promotion?

JACOBY: That is correct. His textbook was not considered to be a work of research. It was really a teaching aid.

MINK: Joseph Lazar was a lecturer in business law in 1952.

JACOBY: Yes. We brought him in about 1951. He had a JD degree in law from the University of Chicago School of Law. He also had advanced work in psychology and sociology. I was hopeful that he would develop a multidisciplinary approach

to the field of business law. Somehow, it never jelled. Lazar had a "rolling stone" career in a number of different universities. He has published, and was quite an effective teacher. Somehow, he never organized his scholarly work along a consistent line of investigation.

MINK: Wayne L. McNaughton, who was an associate professor in personnel management and industrial relations, is a well-known name on campus.

JACOBY: McNaughton was here prior to my coming. He had been an appointee of Dean Noble's. He taught our basic work in industrial organization and personnel management. Wayne was very conscientious in carrying out his duties as a teacher. He also served ably for a number of years as editor of the California Management Review, which was the professional journal we founded here in 1959. Wayne retired in 1969, I believe, after completing nearly all his career here.

MINK: We'll probably get to talking about that a little later. James McNulty was an assistant professor in business economics in 1952.

JACOBY: McNulty was a young man who took his doctor's degree from Harvard whom we brought to UCLA. Later, he went to the Wharton School of the University of Pennsylvania, and he has since died. While here, he taught business economics, and we regarded him as a very promising young man.

MINK: Associate professor of business economics in 1952 was

Philip Neff.

JACOBY: Neff was appointed to our faculty on my recommendation in 1949. He was at that time an assistant professor at one of the Claremont colleges, and he'd written a good work on California business cycles, jointly with Frank Kidner. He was a brilliant lecturer, very able on the platform, and he seemed to be an extremely promising researcher. He worked quite effectively in his field for several years. Then he got involved in consulting work. There were also some personal problems that developed. There was a divorce in his family and other involvements which led him to take leave from UCLA. He didn't resign immediately. He became associated with Planning Research Corporation, a private profit-seeking research company headquartered in Westwood. After several years of leave, he resigned from the University.

MINK: Alfred Nicols was an associate professor of business economics in 1952?

JACOBY: Yes. Alfred Nicols had just come into the faculty when I became dean. He had taken his PhD in economics at Harvard. He had worked with Professor [E.H.] Chamberlin there and had written a very fine doctoral dissertation. He seemed to be a man of great promise. He continues to be an associate professor because, like Karrenbrock, he hasn't published much. Nicols is, I think, an effective teacher. He takes his teaching duties seriously, and he's challenging

and provocative, using the Socratic technique. He's never made professor because of his lack of adequate research and publication. He has produced a few good articles.

MINK: To give some variety, so it doesn't seem to be like a long list of cataloged names, here's a philosophical question. What are the limits to which a dean can go in trying to turn a man on? I'm sure you have to use some reticence. You can't hammer him over the head! The reason I ask this question is because you've been mentioning a number of different people who seemed to have great promise and suddenly sort of withered on the vine. What could you have done, or what didn't you do, in retrospect, looking at yourself critically perhaps?

JACOBY: Let me reply by saying, first of all, that I considered it one of my primary responsibilities to try to motivate faculty members, to assist them with resources and, to the extent I could, with intellectual stimulation and leadership, to develop their careers. I do not say that I did all I could. I'm sure I made many mistakes, both of omission and commission.

Let's refer to the case of Alfred Nicols. As a fellow economist, I had a good deal in common with him. We were friends, socially as well as professionally. I read and criticized a good deal of his writing. He was interested in a more accurate theory of competition. About 1950, Dr. Stephen

Dubrul, then the chief economist of General Motors Corporation whom I had known, visited our school. He was interested in work that Nicols was doing. I had persuaded General Motors to make a very substantial gift of funds-- I think it was \$20,000--to support Nicols's work in competition.

MINK: Was this statistical work?

JACOBY: It was partly statistical and it was partly theoretical and speculative. Nicols worked away on this study, and I remember reading his materials and commenting on them. But nothing was ever published. I cite this only to illustrate the tangible help I tried to give. In some cases it bore fruit and in other [cases] it didn't. There are limits to what any dean, any administrative officer, can do to motivate his faculty members. There are a hundred reasons for lack of productivity--ill health, family problems, divorce, or too much affluence.

MINK: Is [it effective to use] a negative type of approach to motivation--I think we've seen it used--by bringing it up in faculty meetings and saying, "Now, look, Joe, you haven't and these people have? Now get off the dime."

JACOBY: Well, I don't think it's effective to deal with individual cases in an open faculty meeting. The better way is to meet the man at the lunch table or in your office and to talk to him privately, not to criticize or humiliate

him in front of his fellows. I did a lot of this, too. I tried repeatedly to interest Professor Karrenbrock in research in accounting, but his mind was closed. He was a very peculiar man.

MINK: Frank E. Norton was an assistant professor of business administration in 1952.

JACOBY: He's become an associate professor. He, too, is an extremely effective, conscientious teacher of both graduate and undergraduate students. I think Frank Norton's nemesis has been perfectionism. He's never quite satisfied with a paper. He fusses with it, and fiddles with it, and revises it year after year until perhaps the subject has become outdated. If he would be satisfied with 98.5 percent perfection, he'd get it out and publish it. But Frank Norton is a very competent economist who has done pioneering work in the application of control theory to economic policy. The publications he has produced are of high quality. However, there haven't been as many of them as there should be.

MINK: Cyril O'Donnell was an associate professor of business administration in 1952.

JACOBY: He went on to become a full professor and retired about 1968. His career was quite effective. He was the coauthor, with Koontz, of the book I've mentioned, Principles of Management. He also contributed importantly to the development of case materials in the school. He taught business

policy in our Executive Program for a number of years. This is a difficult course to teach well. We were hard put to find a successor when he left that assignment. So I think that one could fairly say that O'Donnell proved to be a very useful and distinguished scholar.

MINK: I don't know whether you want to comment on the subject of Dean Robbins [as a member of the faculty] or not?

JACOBY: Yes, I would like to comment.

MINK: In '52 he was associate professor of marketing and associate dean of student affairs.

JACOBY: George Robbins had more to do with my coming to UCLA than any other single person. He is a graduate of UCLA.

He spent his entire professional career here. He has been dedicated to the development of this campus and of this school. I cannot speak too favorably of the contributions that he has made. When I came, I quickly saw that the school was going to grow, and I couldn't handle it by myself. So I persuaded him to become associate dean.

MINK: Of all the people that were here when you came, you considered him to have the most promise?

JACOBY: As an administrative officer, yes. He had an encyclopedic knowledge of the University, which is a very intricate structure, of university regulations, and of the [Academic] Senate as an institution. His advice and support in dealing with administrative matters were invaluable. He served as

associate dean very effectively for many years and became dean following my resignation on June 30, 1968.

George's contribution to UCLA and to the school has been primarily administrative. He did make professor. I went to bat for that promotion, and I bled copious quantities of blood to get it.

MINK: Is there any further comment you want to make about Robbins?

JACOBY: George Robbins has been not only a valued colleague in administering and building this school, but a personal friend. UCLA owes him a great debt of gratitude for his dedication to the institution.

MINK: Ronald Roeschlaub was a lecturer in business law in 1952.

JACOBY: He served only temporarily. Later he got his law degree and has since had a very successful career as an attorney in Los Angeles.

MINK: Joseph C. Schabacker was a lecturer in business administration and assistant head of the extension.

JACOBY: Joe was one of the first PhDs from this school. He is now, I believe, vice-chancellor of the University of Arizona. He is pursuing a notable career in academic administration.

MINK: He was only here for a few years?

JACOBY: He took his doctorate, went out as a teacher, and

later became vice-chancellor of the University of Arizona.

MINK: John J. Schwartz was instructor of business administration and psychology.

JACOBY: He was a member of the faculty only quite temporarily.

MINK: Harry Simons was a lecturer in accounting.

JACOBY: Harry Simons has since become a professor of accounting. He was one of Dean Noble's students. He has been coauthor of several textbooks on accounting. He shared Dean Noble's philosophy that accounting is a professional practice. He was basically interested in training professional practitioners. He's still teaching actively. He's a superb teacher of the basic courses leading to the CPA certificate.

MINK: R. Clay Sprowls was an assistant professor of business statistics.

JACOBY: He has since become professor. He was a PhD from Chicago in statistics. Clay Sprowls has made contributions of many kinds to this school. As a teacher of statistics, he's the author of an excellent textbook in intermediate statistics. When the computer began to evolve as an important instrument, he was one of the early students of computer science. I asked him to serve as director of the Western Data Processing Center after George Brown, its first director, resigned to become dean of the Graduate School of Administration at the Irvine campus. Clay Sprowls's contribu-

tions, therefore, have been in instruction and in research and in administration, in the whole field of statistics and business data processing.

MINK: When we get to talking about the development of that center in connection with the school here, we'll probably be talking more about Sprowls.

Leon C. Steres was a lecturer in accounting.

JACOBY: That was a temporary matter. He graduated and, when I last heard, was a partner in a successful public accounting firm.

MINK: There's one name that's marked out, Claude W. Stimson, who was associate professor of business law.

JACOBY: Well, that was a sad case. I could recite a long story here.

MINK: Put as much in the record as you feel is judicious.

JACOBY: Well, I will only say that the file on this case is sealed. It does not have any role in a history of the development of the business school. It involved some very painful negotiations on my part.

MINK: Robert Tannenbaum was associate professor of personnel management and industrial relations. I think we've mentioned Professor Tannenbaum in some of our earlier sessions.

JACOBY: Tannenbaum is now a professor of behavioral sciences in the school. He's had a very distinguished career as a leader in the development of the field that we now call

behavioral science. He's published very extensively. He established our behavioral science laboratory here, which is a rather unique facility. He was the innovator behind the introduction on this campus of sensitivity training, known as T-groups, an activity which has its critics, but certainly also has its potentialities.

MINK: John R. Van de Water was assistant professor of business law in 1952.

JACOBY: He later was advanced to associate professor and, still later, resigned in order to enter the private practice of law. He's been extremely successful as a counselor and consultant to business firms in labor and industrial relations matters. John is a brilliant forensic artist, one of the most effective men on a platform I've known. He would have been a great preacher. He has that moral fervor, that magnetic personality that makes a great teacher.

He was somewhat of a controversial figure on this campus because of his involvement with the Moral Rearmament Movement. He was one of the leaders in moral rearmament in this region. There were some in the faculty who felt that he was interjecting too much of his own personal credo into his teaching. I had occasion to caution him, to admonish him, about this several times, because we are a secular school; we're not trying to promote any particular religious doctrine. John, of course, would assure me that he was not doing this.

But the dividing lines are rather fine. In any case, the faculty refused to put him up to full professorship, and I think he finally felt that he would have a more satisfying career as a consultant and a lawyer.

MINK: Karl Venter, was a lecturer in business administration and assistant head of the Business Administration Extension.

JACOBY: Karl Venter became head of our whole program of real estate extension education in the south. His contribution was primarily administrative. He stopped teaching, but he has organized and conducted a very large program of extension education in the whole field of real estate--I guess, the nation's largest. I think he's still involved in this activity.

MINK: Irving R. Weschler was assistant professor of personnel management.

JACOBY: He later was advanced to associate professor. He was one of Tannenbaum's colleagues and proteges in the behavioral science field. Unfortunately, he was cut off in the middle of his career by an auto accident.

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MINK: There were just two more names that I thought you'd wish to comment on who were faculty at this time in 1952.

J. Fred Weston was an associate professor of finance.

JACOBY: Fred Weston came to our school at my invitation in 1949. He was one of my first recommended appointments.

MINK: Was he a Chicago man?

JACOBY: He was. He had taken his doctor's degree at Chicago, writing a remarkable thesis on the theory and management of profit. I had suggested the subject to him when I was a professor there and had, in fact, been a member of his doctoral committee. I knew his high intellectual quality, and I was very eager to bring him here to head our work in finance. Subsequently, Professor Weston has developed into a true star in the field. He served as president of the American Finance Association, president of the Western Economic Association. He organized and taught our graduate courses in the field of finance area for many years. More recently, he has directed the Research Program in Competition and Business Policy, which is causing a reexamination of oligopoly theory. He must be ranked among one of the top ten American scholars in the fields of business economics and finance.

MINK: Robert M. Williams at this time, in 1952, was assistant professor of business economics.

JACOBY: Williams was a member of the faculty when I came as dean. He had taken the doctorate at Harvard in economics, with particular emphasis on economic statistics. He was teaching both business economics and statistics courses. Since then, Williams has advanced to the professorship. He, like Professor Weston, has been a leading member of our faculty in this field. Perhaps his most outstanding achievement was his establishment of the Business Forecasting Seminar.

MINK: That organization now has a prominent sign here on the sixth floor of the school?

JACOBY: Yes. In fact, it's now more than a seminar. It's a research project, where we undertake investigations of forecasting methodology as a means of improving our annual forecasts of the national and the California economies. We enlist in this activity the efforts of leading businesses in our area. Professor Williams has been the leader of this. The UCLA annual business forecast in December is looked to as one of the most authoritative in the country. It has an excellent record of accuracy.

MINK: Well, business forecasting has been in existence for perhaps fifty years or more. Was this seminar one of the early efforts in business schools?

JACOBY: It was. Economic forecasting, of course, has been going on for a long time. One can point to the Harvard "three markets method" which dates back to the twenties, but I would say that scientific economic forecasting began only after World War II.

MINK: Well, that's what I was thinking--the type of thing that is done for an overall view of the business situation.

JACOBY: It was only after World War II that we had national income accounts and macroeconomic models of the economy that enabled us to apply a more scientific procedure to forecasting. Professor Williams has been one of the leaders in this area.

MINK: Now, you had indicated that you had a document you wished to discuss which delineates the key dates in the school. Perhaps, at the halfway mark of the interview, it would be interesting to take stock of some of the important dates. You also mentioned that these have been incorporated into a "time-line" wall in the foyer of the Graduate School of Management building. How did this idea come about?

JACOBY: It came about in a rather interesting way. After my resignation as dean, July 1, 1968, to become a full-time scholar, the Executive Program Association, which is an organization of the graduates of our Executive Program, raised a fund to have my portrait painted in oils and hung in the GSM building.

MINK: Did you have to pose for it?

JACOBY: Indeed I did. I had to pose five or six weeks running for it.

MINK: Who was the artist?

JACOBY: The artist is a Dutchman, Jan Hoowij, a talented and eminent portrait artist, who lives in Encino, in our area. I began thinking about this portrait. I had seen so many portraits of people hanging on the walls of buildings, and they're not identified. The freshmen glance at them as they go by and they think, "I wonder who was that old duffer on the wall?" There's no identity. One day my wife made an excellent suggestion. She said, "What our young people need nowadays is a greater appreciation of the development of institutions in our society. These portraits would have some meaning if the people depicted in them were associated with the developments they initiated."

Further discussion led me to Professor Jack Carter of the Department of Art. He is the talented man who arranges all of our art exhibitions in the ethnic art gallery and the Dickson art gallery. He suggested a time-line display, a kind of mural history which would proceed chronologically and incorporate the portraits of the deans of the school along with other key events on a wall at the proper spaces in time. So I sat down and prepared for his guidance a list of what seemed to me these key events.

MINK: May I ask before you begin to discuss this list: is

this your list or did you consult with other people before you prepared it?

JACOBY: Oh, I consulted with many other people.

MINK: Whom did you consult with?

JACOBY: I consulted with George Robbins. I spoke with Erwin Keithley, who was an assistant dean for many years. I talked with Mrs. [Belle] Shawhart, who from the beginning was an officer of the Executive Program Association. In the end, these dates and events were picked by me with their advice.

Here they are. Nineteen thirty-seven, College of Business Administration established as a four-year undergraduate college. In that year we occupied our first offices in Royce Hall.

MINK: This is where we began?

JACOBY: This is where we began. Then in 1939 an MBA program was authorized, and in 1949 the Business Administration and Economics building was occupied. In 1950 we changed from a college to an upper-division and graduate School of Business Administration. In 1953 our PhD program was authorized. In 1954 the Executive Program was initiated. In 1955 we established the Graduate School of Business Administration, giving only graduate degrees. In 1956 we organized the Division of Research, and in that same year we founded the Western Data Processing Center. In 1958 the California Management Review was founded. In that same year the UCLA

Business Research Associates were organized. In 1959 the Western Management Science Institute was founded with a \$1.6 million gift from the Ford Foundation. In 1961 we founded the Business Administration Library, and we occupied the Graduate Business Administration building, the edifice in which we're now sitting. In 1964 we launched our integrated MBA program and our specialized master of science programs. In 1967 we organized the Visiting Committee of the school, a worldwide group of top businessmen whom we call together once or twice a year to inform them of our activities and to seek their advice on new programs. Looking back on all this with the perspective one gets over the years, it does appear that the last half of the fifties, the years 1955 through 1960, were years of exceptional achievement.

MINK: These were the years for which there certainly would have to be more than one plaque, anyway?

JACOBY: Yes, indeed.

MINK: It stops in 1967, this time-line. I'm sure this doesn't mean that nothing has happened since then.

JACOBY: Oh, by no means.

MINK: But I was wondering why you decided not to bring it any further.

JACOBY: Well, the academic year ending July 1, 1968, was the last year of my deanship. But this time-line concept should be carried forward--it's a perpetual, a continuing develop-

ment. It's up to my successor to do that!

MINK: I see. I have a question about the authorization of the PhD program. Frequently professional schools run into problems getting PhD programs authorized. I think of a program to offer the PhD in the school of library science at Berkeley, which kept coming back and back and back to the [Academic] Senate and the incumbent dean had hired research assistants to compile lists of proposed doctoral dissertations. Every time that the program would come before the senate, it would say, "Well, this list is not satisfactory. This dissertation can be done in the English department," or "This could be done in economics," and so on. Could you tell me some of the problems that you faced in trying to inaugurate the PhD program in business administration at UCLA? Or did you face any?

JACOBY: Yes. Problems had to be faced. There were in the UCLA faculty a number of traditionalists, skeptics, who believed that business administration was an applied field of scholarship and that doctoral-level work ought to be done in the old-line departments of economics, psychology, and so on. However, we were able, in the end, to convince the Graduate Council, which was the ultimate decision-making agency on this campus, that the discipline of management, broadly defined, was a unique field of scholarship that had an extensive literature and that posed difficult intellectual

problems which required sophisticated methods for their treatment.

We overcame the initial skepticism that existed on the campus partly by a campaign of education in the nature of management as a scholarly discipline and partly by very careful preparation of our case. We spent well over a year and a half in developing our presentation of the proposal for the doctoral program in business administration. When it went to the Graduate Council, we had covered all the bases. We had an extensive and well-organized statement of our goals, of the kinds of problems, of the characteristic literature, and of the opportunities for scholarship. Our proposal went through the Graduate Council by an overwhelming vote and later, with its approval, through the Academic Senate.

MINK: Preparing documentation to support the inauguration of such a program is not an easy task, and it takes a long time. The program itself was authorized in '53. Therefore, when actually did you begin to prepare the dossier, so to speak, that would support this program?

JACOBY: I think we began in 1951, at least a year and a half ahead of the date of approval.

MINK: Was the fact that your proposal for the establishment of a Business Administration Library, which is dated 1960, any deterrent? To justify a PhD program you must also, it

seems to me, be prepared to show the existence of broad library resources to back up such a program, not just literature in the general field, but literature in depth--periodicals, reviews, even primary types of data that could be used for research purposes.

JACOBY: Well, up to the time of the establishment of the separate Business Administration Library in 1961, we relied upon the Industrial Relations Library. Remember that the Institute of Industrial Relations, which was established at UCLA in 1946, was the first agency in our field to have specific appropriations for a library. They were able to develop a library which contained a good deal of material that was useful for our faculty. We cited the existence of this library in our proposal for the doctoral program. At the same time, we made clear our intention of proposing a Business Administration Library, and in fact, that proposal was made in 1960 and the library was established in 1961.

The document to which you referred is entitled "A Plan of Development of a Graduate School of Business Administration Library," that I transmitted to the chancellor in 1960. It was intended to lay a long-term plan to give UCLA a leading national library in business administration. That, too, was a carefully prepared plan of development. I found some funds and commissioned a very able librarian to visit all of the major business libraries in the United States. It was

upon the basis of their experience and the judgment of their librarians that we formulated plans for the evolution of our own library. We planned for an ultimate collection of 300,000 volumes and have not far from one-third of that number today. We were lucky to get Miss Charlotte Georgi as business administration librarian. The development of the library has been largely her handiwork.

MINK: It also is necessary, in trying to justify a PhD program, to be able to show that the caliber of the faculty is such that they are prepared to offer graduate instruction and that the experience of the faculty in this area is sufficient to warrant the establishment of the program. Were there any difficulties in this area?

JACOBY: No. I don't recall any. At that time we had been successful in developing our tenured faculty sufficiently so that we had competent scholars in all of the major fields. The stumbling block was not the caliber of the faculty--it was to obtain acceptance of management as a separate scholarly discipline.

MINK: This was the difficulty that traditionalists on the faculty did not accept?

JACOBY: Yes. They were skeptical of it.

MINK: The faculty that you actually began your PhD program with was the faculty that you've already described?

JACOBY: That is correct.

MINK: Could you now discuss something about the organization of the Executive Program, how it came about that the program was initiated, who were the moving spirits in the origin of this program?

JACOBY: When I came to UCLA, one of my aims was to establish a program at the master's degree level for practicing Los Angeles business executives. My belief in the need for this program had arisen out of my own experience as a teacher in the Executive Program of the University of Chicago Business School. There, I taught a sequence of lectures in finance. Now, the Chicago program was a degree program. It was a very heavy program, involving the dedication of two afternoons and evenings a week by these executives. When one recalls that these men were all in mid-career and had demanding jobs, to require them to take on two afternoons and evenings a week of study, in addition, was to put them under great strain. That strain showed up in nervous breakdowns and divorces. I thought, therefore, that it was unwise for us to go for a degree program.

MINK: You are talking about your experience at Chicago?

JACOBY: Yes.

MINK: Just out of curiosity, did the wives feel that their husbands spent too much time away from home?

JACOBY: Yes. Not enough time with their wives, not enough time for recreation. Many became nervous, irritable, as

people will become when they're under prolonged pressure.

MINK: This was a degree program?

JACOBY: It led to the MBA degree at Chicago. It carried the same examinations that the campus MBA program carried, the same reading and laboratory work.

MINK: Why would it be necessary for an executive who is already on top to need an MBA under his belt?

JACOBY: It seemed to our faculty that what was important was the ideas and the intellectual development that the program involved, not the degree. Therefore, we aimed for a certificate program which would require only one afternoon and evening a week, and did not require as much laboratory work or as extensive reading or the taking of examinations. Because it was a certificate program it meant, too, that we didn't have to go to the Academic Senate for approval. We could and did operate it through University Extension. You asked who were the leading people involved. We brought to UCLA a young man who had gone through the Chicago program by the name of Robert Buchele.

MINK: We mentioned him when we were talking about the faculty.

JACOBY: Yes. He's since gone to the University of Hawaii and is a professor now in its business school. Bob Buchele did yeoman service in working with the faculty to formulate the curriculum and then going out into the business community

and visiting literally hundreds of executives in their offices.

MINK: Did he go out to get them interested, or to find out what they would think ought to be the format of such a program?

JACOBY: Both. We were seeking both inputs for curriculum design, and we were also seeking support of the program by business firms. We were successful in getting about eight very important firms initially to support the program. They included the Bank of America, North American Aviation, Lockheed, United California Bank, and there were four or five others that sent their executives into every class of the program. The format that we adopted was to admit a class of fifty executives twice a year. Since the program was a year long, that meant that we had two classes going at any given time. The program was immediately successful.

MINK: Executives felt they got something out of it?

JACOBY: All of the tests and checks we've made--and I've tried to make them independently to avoid bias--indicate that the men who went through the program (today there have been almost 1,500 Southern California executives who've completed it) are almost unanimously enthusiastic about the program. They believe that it broadened their intellectual horizons, that it equipped them with new skills in management, that it helped them advance up the executive ladder in their

own firms. And, apart from that, I think it made them broader and better citizens.

MINK: A method which came into popularity in the late fifties --I may be slightly off chronologically--and early sixties was connected with what perhaps has now come to be known as "sensitivity training," but which at that time I remember as being called "industrial headshrinking." Did the school ever monkey around with this kind of thing?

JACOBY: Yes, it did. Professor Robert Tannenbaum, our leading faculty member in the field of behavioral science, launched a sensitivity training program, which you described colloquially as "industrial headshrinking." Another way of putting it, I suppose, might be a collective or poor man's psychotherapy.

MINK: Well, that's what I had in mind: a group of businessmen come together and sit around, and they may be from the same organization at different steps on the ladder, and they really have at each other and try to develop themselves into more effective administrators.

JACOBY: The aim is to make each executive more aware of his fellow workers--both his superiors and his inferiors in the organization--to make him sensitive to their aims, their goals and their needs, so that his own decisions and reactions can be more constructive. I'm sure there is merit in the idea. Like all ideas, however, it can be carried to extremes.

It can be carried out by people who are not thoroughly trained psychologists. There is a potential for harm in sensitivity training as well as for good.

MINK: You say this and it makes me think that you have some knowledge of, shall we say, independent consultants in this area who have never been connected with UCLA who carried out this program and caused some difficulties perhaps?

JACOBY: Well, I made it my business to consult psychiatrists and psychologists to get their professional opinion of sensitivity training. As I said earlier, the consensus was very clear that unless these T-groups were led and guided by people with in-depth training in psychology they could produce psychological damage in people. In a T-group, you can frequently tear off intellectual scar tissue that's been formed over some past traumatic experience of a person, and expose that person to terrible psychological disturbance, which has to be treated. If you just tear off the scab and let the person go, you may have damaged him seriously. This is something that has to be given constant attention. Fortunately, I can't point to any particular episodes in our T-group programs that had bad consequences.

MINK: I was referring to independent psychological consultants who have been called in by companies, that were perhaps misguided and ill-informed in doing this. They may come to the management and say, "Look, we can do this for you."

Then they form these T-groups, as you say, and tend to build up terrible feelings of inadequacy among top management, which has done irreparable damage to the company and led to their dismissal.

JACOBY: I'm sure this has happened.

MINK: I wondered if you were aware of any such consulting firms who were notorious in this area?

JACOBY: We have had here in the Westwood university community a number of industrial psychology consultants who have engaged in this sort of work. But I haven't analyzed their practice to see what the results have been.

MINK: In 1955 the Graduate School of Business Administration, giving graduate degrees only, was established. This is something I understand you had worked towards from the beginning, right?

JACOBY: That is true.

MINK: Why were you concerned about dumping the undergraduates? Did you feel that they got in the way?

JACOBY: No. You have chosen a very provocative way of putting the question. But the answer is in the negative. Our decision to establish a Graduate School of Business Administration offering only graduate degrees was made on two grounds.

First, the developing state college system in California was making perfectly good undergraduate bachelors' programs in business administration widely available. There was a place where the young person who wanted a bachelor's program

could get it in his community. Secondly, our resources at the University of California were limited, and the California Master Plan for Higher Education called upon the University to conduct educational programs "at the highest professional level." This was obviously the graduate level when applied to our field.

MINK: It's a funny comment, then, on the kind of criticism you frequently find being leveled at the University, particularly right now. This is a good way of trying to bear out the fact that oral history is supposed to link the immediate past with the present in a meaningful way. The cry goes out for more thorough teaching of undergraduates, and yet, the same legislative body approved the master plan which brings graduate programs into emphasis in the University--making it even more of an ivory tower!

JACOBY: Not an ivory tower. Professional schools of the University are intrinsically related to the practice of professions in the community. They must have close and continuous relations with the external community. Certainly this is true in business administration. The University can't do everything in education. It's precisely for this reason that we have a three-level system in California: the university at the pinnacle, so to speak; the four-year state colleges; and then the two-year junior colleges which offer both vocational and college preparatory work. I've

always thought that this tripartite division of labor in higher education represented a master stroke of imagination. This pattern originated in California and has been widely copied by other states and by other countries. An implication is that the University should do the thing only it can do well, which is graduate and professional education at the highest level.

MINK: Then, what is your observation on what now appears to be sort of a distortion of this pattern by the most recent announcement that we're going to begin granting joint PhDs with the state colleges. In fact, UCLA just received into the [University] Archives its first dissertation done with [San Fernando] Valley State College.

JACOBY: Well, there are questions in my mind about the validity of this. It violates the principle of division of labor and specialization of function. If I were a president of a state college I know that I would be under tremendous pressures by my faculty to validate some doctoral work. Surely, the adoption of joint programs with University of California schools is a better way of relieving that pressure than the alternative of permitting the state colleges to offer their own, necessarily second-rate PhD programs. San Diego State College worked out a joint doctoral program with our school in business administration.

MINK: Then you had been approached in the past to try to

work out joint degrees with other state institutions which do not grant the PhD?

JACOBY: Yes. We now have an operating program with San Diego State College.

MINK: This having been approved by the UCLA Graduate Council?

JACOBY: Yes, indeed.

MINK: The Division of Research was organized in 1956. Could you outline the steps leading up to it in the same way you've just discussed the Executive Program? Tell who some of the key movers were in the school.

JACOBY: It became quite clear in the early 1950s, as our faculty was growing and diversifying, that we needed an agency of organized research in the school. The Bureau of Business and Economic Research, the only organized research agency in our field, was not serving the purpose for several reasons. In the first place, it was an independent agency whose director reported originally to the president of the University. Its policies therefore were not under control of our faculty.

MINK: Did you have occasion to lock horns with the director?

JACOBY: Well, no. Our relations were cordial. Also, the BBER was a joint activity of the economics department and the business administration. This meant that it always was making compromises of objectives. The third, and perhaps the most important drawback, was that Professor Cassady was

not successful in raising substantial outside money for research. The bureau was financed entirely by a rather modest grant funded by the Board of Regents. It was totally inadequate to our needs.

I concluded that we had to establish a new agency. We would let the bureau function within its own sphere, and we would establish a Division of Research. Here I took a page out of the book of the Harvard Business School, which had a Division of Research with a director responsible only to the dean and faculty of the school. It was this need to get an expanded base of financial support that was the primary motivating force. I asked Professor George Steiner to become the first director. He did, and he continued in this role over the years.

To give you some idea of the way in which the Division of Research has burgeoned, starting with a very modest regental support of some \$25,000 a year, and which has continued at that low level, the Division of Research was attracting research funds on the order of \$1 million a year by 1970. It administered these grants. It stimulated research activity, helped to organize faculty research teams, monitored the results, and saw that they were published. It doesn't try in any way to direct the research interests of faculty members, but rather to provide a means of expressing them.

MINK: Also in the same year [1956] the Western Data Processing Center was founded. This represents one of the major areas of extramural support which the school has had, doesn't it?

JACOBY: Yes.

MINK: How were people attracted to the idea? It was really quite an achievement.

JACOBY: Yes, it was a great achievement for this school.

MINK: You got the building funded from outside sources, didn't you?

JACOBY: Yes. The center was established as an organization in 1956, pursuant to a gift by the International Business Machines Corporation. The background was roughly this. In 1955 it became known that IBM had decided to establish, somewhere in the West, a university data processing center. Remember, at that time, the computer was still a fairly rudimentary instrument, in its infancy, and electronic data processing was rare. IBM had the vision--we must credit them with this vision--to see that a critical barrier to the expansion of computer usage was a lack of trained young people--systems analysts, programmers and so forth--who knew computers and their potentials. So they decided that they would establish two data processing centers in American universities. They established one at MIT in the East, which was primarily concerned with science. Then they decided they

would put another one on the West Coast, primarily oriented to management. There was the most intense competition.

MINK: When did the word first reach here and did it first reach you or somebody on your faculty?

JACOBY: I can't remember how that word first came to me.

In any case, I do recall the strenuous competition. Stanford wanted this center. USC was very eager to have it. As private institutions, they made a strong case with IBM that it, as a private corporation, should help the private university rather than a state-supported university. Even within the UCLA campus, the School of Engineering was very eager to have it. Dean Boelter, who was dean of engineering at that time, tried to persuade IBM **to put it in his college**. In the end, however, IBM decided to establish it in the graduate business school at UCLA.

MINK: Well, then your influence prevailed. Who was most active in making it prevail? You?

JACOBY: Well, I was very active. I don't know of anyone who was more active!

MINK: What did you do?

JACOBY: Well, I had numerous conferences with the IBM executives. I got quite well acquainted with Thomas Watson, Jr., son of the founder of IBM, who took a personal interest in this project. I spent a great deal of time with Chancellor Allen, and I had his support. He thought that this

computer center should be management-oriented, particularly since IBM had put its science-oriented computer center at MIT. He was most helpful. I made a presentation to the Board of Regents, which was rather unusual for a dean, with the active support of Chancellor Allen and the somewhat reluctant support of President Sproul.

MINK: Oh, really? Sproul didn't want you to go?

JACOBY: He was skittish about having deans appear before the Board of Regents.

MINK: [Stafford L.] Warren has told us--and this is no secret--that in his capacity as the founding dean of the School of Medicine he frequently made appearances before the Board of Regents and would lay out his plans. Then they would tell him they weren't buying, and he'd have to go back and redo them and come and present them again.

JACOBY: That may have been true of medicine, but not of business administration. I recall vividly meeting with the full Board of Regents one afternoon, presenting our plan for the establishment of what we called the Western Data Processing Center, and outlining the financial terms. IBM would contribute half the cost of the building, which is now part of our Graduate School of Management building. The total cost was \$800,000; IBM would put up half and the regents would put up the other half. IBM would install in the building the most advanced type of computer equipment

available.

MINK: At their cost?

JACOBY: At their cost, with no charge whatever. This involved a gift of several million dollars worth of electronic data processing machinery, along with annual maintenance expenditures costing hundreds of thousands of dollars a year.

MINK: Did that include the furnishing of the building as well?

JACOBY: Yes, it included everything.

MINK: That was a munificent offer.

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MINK: We were talking about [your] presentation of IBM's offer to the Board of Regents. You indicated that the School of Business Administration had never been called on to do this, and that Sproul was somewhat miffed. Incidentally, did he say anything to you about it? Did he rap your knuckles or anything?

JACOBY: No, it was cleared with him in advance.

MINK: But you heard that he wasn't very happy about it?

JACOBY: Chancellor Allen had recommended that I make the presentation and Mr. Sproul assented, but with some reluctance. Presumably, he liked to minimize the appearance of deans before the Board of Regents.

MINK: Well, who would have done it if you didn't?

JACOBY: Maybe Sproul thought that Allen should have done it. In view of what seemed to me the extraordinarily generous terms of the IBM offer, I had thought the Board of Regents would approve the project quickly with enthusiasm. To my astonishment, one member of the board attacked the proposal vehemently on the ground that acceptance of the IBM gift and the establishment of this center with IBM equipment in it would give IBM a competitive advantage over other computer makers in the country. He thought this was a bad policy for the regents. Later, I found out that this man

was a director and the investment banker for the Burroughs Corporation and obviously was grinding his own axe. In my response to him before the board, I said that if Burroughs or any other computer maker wished to come forward with an offer of equipment like IBM's, we would be happy to recommend its acceptance.

MINK: Would you have run into trouble with IBM if you tried to get other companies into the same center?

JACOBY: Well, we might have. Fortunately, the Board of Regents rejected the arguments of this man, and did accept the IBM gift. This was a signal event in the history of the business school and of UCLA. In one fell swoop it put this school and this campus in the leadership, in the West, in the scientific study of computers and data processing in business and social science.

MINK: Do you consider this to be a major event which contributed to the primacy of the school in the country?

JACOBY: It was certainly a major event, but there were others as well. One that should be placed in the same bracket was the gift of \$1.6 million to this school by the Ford Foundation in 1959 to found the Western Management Science Institute. That was, in a real sense, a complementary new organization to the Western Data Processing Center.

MINK: In other words, as I understand it, if it hadn't been for the WDPC grant by IBM, probably this wouldn't have come?

JACOBY: That's probably true. Foundations, like other people, like to build on strength. Seeing here this magnificent data processing center, I'm sure the Ford Foundation was motivated to establish here the Western Management Science Institute. They knew that scholars here would have access to the most powerful and modern data processing equipment.

MINK: As long as you're talking about that, perhaps you could outline briefly what this grant implied? What did it mean to the school in terms of staff, facilities, and programs? [Tape off]

JACOBY: The Ford Foundation desired to foster the development of a field that came to be known as management science. This is the application of advanced mathematical and statistical methods to the solution of all kinds of business problems, optimization problems, production scheduling, inventory control, plant location, marketing, routing of manpower and commodities, and so on. Working with the Ford Foundation people, we decided to set up this institute for these purposes. Again, there was strenuous competition among Western universities for this institute, when it became known that the Ford Foundation wanted to put money into management science. Again, USC and Stanford were two serious competitors, but Ford decided to put it here, because they had confidence in our school. Thomas Carroll, who at that

time was vice-president of the Ford Foundation in charge of programs in economics and administration, was a long-time personal friend. In the early years of the Ford Foundation, I had been one of his advisors in program design. I think our personal relation was helpful in getting the gift.

MINK: Did you exercise any of the advantages which a personal relationship would give you with this gentleman?

JACOBY: Well, I bought him more than one cocktail and luncheon, and entertained him when he was in Los Angeles! But I think the dominant consideration was that we had a strong school, that we had the WDPC here already, and that we had committed ourselves to bring in top scholars in management science. The leading one was Professor Jacob Marschak, the circumstances of whose appointment I described in an earlier interview.

MINK: Parenthetically, you said that you bought a few cocktails. I had noticed in the files frequent, and even persistent, requests for expense money for the dean's office to do just this sort of thing. Apparently these requests ran up against some objections at a higher level?

JACOBY: Yes. My requests ran up against a stone wall of opposition which was impenetrable. In all my years as a dean, I never did get allowance for entertainment or faculty recruitment or development of the school. I paid them out

of my own pocket. It seemed to me that, in view of the fact that these expenses were expected of me by virtue of my position, at least I should be entitled to deduct them as business expenses in filing my income-tax returns. But I even had to plead to get from the chancellor's office a statement that these were necessary expenses which were not reimbursed by the University. It took me several years to get that letter.

MINK: From Allen?

JACOBY: I think it finally came from Vice-Chancellor Foster Sherwood about 1965?

MINK: Well, the thing that struck me when I was reviewing these requests was that the administration didn't understand that business people, perhaps more than recruiting for money grants or faculty and other fields, expect this sort of entertainment.

JACOBY: Yes, it's standard practice in executive circles in business--one is taken to lunch, wined, and dined. Usually some business is done. Whoever is host regards it as a legitimate business expense. As dean I had to do these things. But in academia this is not regarded as a legitimate expense. At least, it wasn't by the University of California.

MINK: Although the chancellor's office does have such a fund, it doesn't extend down the ladder. I'm sure you did discuss this with other deans and got their opinions about

it. Did they feel the same way? Did they see this as a barrier to the furtherance of their schools in terms of recruitment of faculty, and so on? (I'm talking of the professional schools.)

JACOBY: We had, at one time, an informal council of the deans of the professional schools on the UCLA campus.

MINK: How did this get started?

JACOBY: Well, it was a very informal thing. It had no secretary, no regular meeting date or agenda. This was in the early sixties, [and it included] Dean Warren of the medical school, Dean Boelter of the engineering school, Dean [Richard C.] Maxwell of the law school, and myself.

MINK: No public health or nursing?

JACOBY: I think at one time Miss Lulu Wolf [Hassenplug] was involved. We would sit down at luncheon and talk over some of the common problems of the professional schools, which differed from those of the letters and science deans, who functioned more within the ivory tower. We had community responsibilities, professional relations. We were concerned that our colleagues on the campus often seemed to forget this and were unsympathetic to our special problems and needs. I don't think much came of it. It was kind of a mutual handholding operation. After a year or two these meetings were discontinued because we just got involved in other responsibilities.

MINK: Do you recall any of the things that you discussed at length seriously?

JACOBY: We talked at length about the problem of faculty appointments. We were all concerned at the fact that the Academic Senate and its committees were then dominated by the College of Letters and Science. I think this was mentioned in an earlier interview.

MINK: It was mentioned by me as one of the questions I did very much want you to respond to.

JACOBY: Well this was then the most important common problem of the professional schools at UCLA. We felt that our needs for men with professional talents in various fields, whether law, dentistry, medicine, business administration or engineering, were not being recognized. We had to have our recommendations reviewed and approved by committees dominated by purely academic scholars, and they were not being sympathetically and adequately dealt with.

MINK: Did you ever, for instance, consider seriously a review committee for professional schools for appointments and promotions that would be more realistically called a peer group of these people?

JACOBY: Yes, we did. The medical school was more successful in solving its problem. It had the wisdom to organize a large number of departments at the beginning. With a battery of departments, the medical school had many members on each committee. But engineering, law, and business

administration were one-department schools. The pattern was that each ad hoc committee to review the qualifications of a scholar for appointment would contain only one member of the recommending department. In the case of medicine they could have someone from internal medicine, someone from surgery, and so forth--but they all were in the medical school--whereas, in our case, we'd have only one man from business administration, or engineering would have one engineer. The committees were heavily weighted against us.

MINK: I had heard a statement that for many years in the Academic Senate the Committee on Committees was dominated by letters and science people. This, then, controlled the Committee on Budget and Interdepartmental Relations which appoints the ad hoc appointing committees, and the business administration people had not received salary increases. This was one school against which a great deal of this kind of opposition zeroed in on or pinpointed. Do you believe that to be true?

JACOBY: Whether the business school was singled out among the other professional schools for adverse treatment, I do not know. I doubt it. I would rather believe that there was a bias against the professional schools as a group. In any case, our point of view was very badly underrepresented on committees. This was a matter of acrimony for many years between me and the chancellor's office and the budget committee. I appeared before the budget committee several times

to make this clear. Not being a revolutionary by nature, I believe that institutions can be modified and evolve so as to accommodate and solve problems. What I was asking for was not to break out of the whole university system, as the School of Law did. The law school, under Coffman's leadership, gained autonomy in faculty appointments. I didn't ask for the autonomy--only for adequate representation.

MINK: I understand. Isn't it true at the law school that they had a lot going in this direction, in that traditionally law schools have been autonomous in the country?

JACOBY: Yes. If you look at other good universities, like Harvard, MIT, Columbia, Chicago, you'll find that the faculties of their professional schools are autonomous as regards their own appointments and promotions. We were being subjected at UCLA to a form of control that was far more extensive than in any other large university I know of.

MINK: Isn't it a fact, too, that in certain professions, and therefore in their professional schools, they have an image to overcome, an image that perhaps in part is created by traditional public and academic attitudes, toward their profession? I think, of course, that librarians are always, in the public eye, considered to be little old ladies, with bones through their topknot, [with] pince-nez glasses, that say, "Shhh;" and engineers sometimes are looked upon as being dummies in all areas of academic endeavor except perhaps their own. What kind of an image, or quasi-image, did the School of Business Administration have that it fought against over the years?

JACOBY: Well, I think that not an inconsiderable number of our colleagues on the campus, in the old-line departments of letters and science, perceived us as a kind of vocationally-oriented group of people, money-grubbers, our faculty heavily engaged in consulting work, more interested in events off campus than on. I think we had to live down the reputation of the old college, which, as I told you, had courses in typewriting and stenography, even in penmanship, when I arrived on the campus, and was dedicated to a narrowly professional approach to accounting. As you know there is always a lag in the image of an institution behind the facts. The facts change, but it may take a decade for the image to change. We were caught in this hiatus for some time.

MINK: That's the image that the faculty or the institution had toward you. Then there is also a public image that may also be reflected by attitudes of the institution. I think of the public image of the business administration major as being young, wide-eyed, blond, on the run. Perhaps he is very astute when it comes to matters of economics and finance; but he is not very much interested in anything else in the university in cultural terms and what people outside of the School of Business Administration would call the solid academic subjects. Did you find that you had this sort of an image?

JACOBY: If you ask the question, "What image did the business school have in the business community of Los Angeles?" I would reply that again there was a cultural lag between the facts of our attainments and people's perception of them. Since we originated as a four-year college, the business leaders of the community didn't think of us as a source of personnel for top executive positions. They looked eastward--to Harvard, Chicago, and Wharton--and it was only after we became a graduate school and developed a high-level, truly professional curriculum, that we gradually changed this image and became a source of executive leadership in Southern California and elsewhere.

MINK: Let's use that as a jumping-off place to discuss this document which refers to accomplishments projected from '52 to '57. Item number two is job placement service. Could you discuss that for a minute? How was it formed? And who was most active in it? And what were its accomplishments? A job placement service to assist businessmen and executives in solving personnel problems was established. Is this a service that would be for the community or a service to get your graduates placed in business in the community?

JACOBY: Primarily the latter. We did achieve that objective, but not quite in the way that we had expected.

MINK: How was that?

JACOBY: At that time--this is going back now to the middle fifties--we did not have a student placement service on the campus. I felt the need for an agency that would maintain consistent contacts with the community to place our graduates--not just finding jobs for them, but finding the best career opportunities for each man to do a professional job. It was as a result of that perceived need that I included [a job placement service] in the list of our objectives. However, subsequently there was established the student placement service on the campus . . .

MINK: Alumni and Student Placement Center, I believe, it's called now.

JACOBY: We agreed, therefore, to integrate our own job placement functions with that center.

MINK: Well, how well has that center performed its duties in connection with your school? We know that the center came under a great deal of criticism from the student body in the more recent Vietnam War situation. You remember the "Dow riots," [Dow representatives] came to interview prospective chemists and engineers. How well has the center done for you?

JACOBY: My impression is that we have, with their aid, placed our graduates quite effectively. I must qualify by saying that during the business recession of 1969-1970, for the first time in our history, we had some difficulty in adequate placement, but up to that time we had no difficulty.

The Student and Alumni Placement Center must take an important part of the credit. Our school does a lot of placement outside of the center by direct reference. Professors recommend a young man, or they're asked by businessmen, "Do you know a young man who's an expert in finance?" A lot of placement is done directly. But the placement service has been, from our standpoint, effective.

MINK: Over the years, have you had, as they do in some professional schools, visitations from businessmen to interview in the school?

JACOBY: Yes.

MINK: Or is that the Placement Center?

JACOBY: That's the Placement Center's format. They schedule, in advance, visits of personnel officers of corporations of all kinds, and then they get out mimeographed sheets to students so that they may know what companies are coming and what kind of people they're looking for. The student can then check off the particular representatives he would like to see.

MINK: Since the establishment of that center, most of this has occurred physically not right here in the school but over in the center?

JACOBY: Yes, correct.

MINK: The number three item on that 1952 list of objectives is the business advisory council of top Southern California businessmen to advise the faculty on curriculum and research.

JACOBY: That objective has been achieved but quite a long time after.

MINK: Not between '52 and '57?

JACOBY: No, it was not until 1967, another decade, that we established the Visiting Committee of the business school. Here, again, we took a page out of the Harvard history book. The Harvard professional schools each have visiting committees of prominent and knowledgeable citizens who visit the schools at least annually, talk with the faculty and the students, meet with the deans, and offer advice and counsel. We formed a Visiting Committee in 1967. We conceived of it not as a Southern California group--although Southern California business executives predominate--but as a national and even as an international group. We brought into the Visiting Committee, with the approval of Chancellor Murphy, three foreign executives--Dr. Ernst Mommsen, head of the Thyssen Steel Company of West Germany; Mr. Bruno Pagliai, who is leading industrialist in Mexico; and Mr. Matsumoto, who is now president of Nissan Motors of Japan. These men were active in the Visiting Committee. The domestic members include some New Yorkers and Middle Westerners as well as Southern Californians.

MINK: Business case collection and student internship programs to assist business and improve instruction were listed as goals for the '52-'57 period. How well along did that plan come?

JACOBY: Those two objectives have been only partly attained. They are still worthy objectives, but we have not progressed as far toward them as I had hoped. As a professional school, the business school needs clinical material to enrich its curriculum. That's what business cases are--clinical materials.

MINK: Do you envision them as being housed in the business library?

JACOBY: Case materials should be in the business library. But the development of good business cases is a very expensive and time-consuming undertaking. In medicine, you know, we have to construct \$30 million worth of hospitals and laboratories to provide clinical facilities for one hundred medical students. It doesn't take nearly that much resources in our field, but it does take hundreds of thousands of dollars a year to develop good business case materials. Professors and trained assistants have to go out in the field, get access to businesses, collect facts, interview executives, study records and organize and write up the cases in detail. We never got the financial support to launch a sustained case development program, nor did we have a senior faculty member willing to make this his major assignment.

MINK: Did you try?

JACOBY: Yes, we did try, and we have developed some cases. Professor Cyril O'Donnell, for instance, produced a very good casebook. But we never were able to match the excellent case program of the Harvard Business School.

As far as student internships in business are concerned, we have made some progress there. We do send out students, particularly in our integrated MBA program, to work on actual business problems. They function as a kind of junior business consultant. They are given access to the records of the firm; they study the problem; they make analyses, using computers on occasion; and they write up their results and present them, not only to our faculty but to the business executive of the firm involved. Some reports have been very useful to those executives.

MINK: Maybe you could give me a couple of examples. I find this interesting. It's a contribution the school makes to the community, and, in turn, it's a learning process whereby the student is able to apply the things he learns in the school in a practical way in the field.

JACOBY: I have in mind an example which concerns a medium-sized manufacturing company in Southern California. The problem confronted by the management of this company, which was growing very rapidly, was to forecast its needs for funds and for new financing over a ten-year period ahead. A team of our students worked in the company, studied its operations, developed and plotted curves showing the growth of sales and the working capital requirements. They estimated the growth in sales over the next ten years and how much cash would be required to finance that additional volume--cash for enlargement of physical facilities and

processing equipment, cash to finance additional working capital, cash for payrolls and inventories, cash for receivables. They developed a computer model of the firm's cash flow. I was present at the meeting at which they presented this model to the president of the firm. He was perfectly delighted with it. They were able to tell him how much new money he would need from his bankers, at what times. He was then able to go to his bankers with a coherent and plausible explanation of financing needs. Since the firm was profitable, I am quite sure he was able to arrange the financing he needed.

MINK: I should imagine that in this sort of activity you were supplying a great deal of useful advice. The firm probably feels, I suppose, that in spending a lot of time with the students, it doesn't owe you anything, and this is a learning process for them?

JACOBY: Yes.

MINK: Does this program have direct or indirect results in subsidies for the school from businesses?

JACOBY: Occasionally, businessmen will feel they've gotten real values in excess of the learning experience they provided our students and will make grants to the school, either an unrestricted gift or more frequently, a grant to support further research in some field that they're interested in.

MINK: You discussed the expansion of business research, indicated as goal number six, I think, you discussed in talking about the Western Data Processing Center and the Ford Foundation grant. One of the things that would reflect the expansion of business research, I suppose, to some extent would be the establishment of a professional journal. The California Management Review was established around 1958.

JACOBY: Yes, planning began for it in 1957, but the California Management Review was first actually published in 1958.

MINK: Can you tell me who was involved in this? Whose idea was it to start such a journal?

JACOBY: Without meaning to be immodest, I think it was my idea that we needed a journal in the field of management on the West Coast. At that time there was no professional journal published on the West Coast in the field of management, nor indeed in the related fields of economics or industrial relations. It seemed to me that the West had passed through its period of adolescence in the academic world, that we were an important part of the nation, that it was time to start a reverse flow of publication from West to East. Apart from that broad philosophical consideration, there was the more practical consideration that many able young men in our faculty were producing good papers that

didn't find an outlet. We should have our own journal, so that the world could know more about the work that was going on here. Why should Californians always have to ship their writings back East for publication?

MINK: And there they'd be in competition with people from all over the country anyway.

JACOBY: Our faculty was enthusiastic, and I talked this idea over with Chancellor Allen and got his support. We believed that a journal ought not to be published only by the graduate business school at Los Angeles, but that it be a joint enterprise with our sister school at Berkeley. So I took the matter up with Dean Grether of that school; he discussed it with his faculty, and they agreed that it ought to be done. It was launched in 1958 with a subsidy by the regents as a joint venture of the two schools, with an editorial board composed equally of representatives from the two campuses.

MINK: Ordinarily a learned publication comes as the result of an association. I think, in my own area, of such journals as the Pacific Historical Review or the American Historical Review or the Mississippi Valley Historical Review--all products of an association of scholars--whereas, this venture was the product of a school, or two schools. Was this a customary thing in the University, for the regents to underwrite the establishment of a journal?

JACOBY: Yes. I pointed to the precedents of the UCLA Law Review and the Berkeley Law Review, that have a regental subsidy. I argued that, in the field of business administration, we ought to have at least one journal transmitting to the practicing manager the knowledge and wisdom that we were generating in the University.

MINK: Wouldn't you get the argument that you had already an outlet in University Press publication series in business?

JACOBY: There was no such series. There was a series known as the Bureau of Business and Economic Research publications. In a sense, they formed a mode of communication between academia and the marketplace. But their output was rather small, a book or two a year, whereas the need was for a journal that would come out at least quarterly and provide a large number of shorter articles of pragmatic interest to businessmen.

MINK: Who was involved here? [Tape off]

JACOBY: Many members of the faculties of the business schools at both Berkeley and Los Angeles have contributed over the years to CMR, as we call it for short. Elwood Buffa, who is now associate dean here, was an editor; George Steiner served as an editor; Professor Wayne McNaughton served as an editor; Professor Cyril O'Donnell and several others [served also]. All of the faculty at one time or another take a hand as readers and critics of materials that

are submitted. During the last four months I have evaluated half a dozen articles for inclusion in CMR. It is a faculty-wide undertaking.

One other move that we made was to set up an Advisory Board of Editors, composed of the deans of business schools that did not have any journals of their own. The initial board included Dean [Ernest C.] Arbuckle at Stanford, Dean [George L.] Bach at Carnegie Institute, Dean [Maurice W.] Lee of North Carolina, Dean [Harold M.] Somers of the University of Buffalo (who has since come here as professor of economics), Dean [Ross M.] Trump of Washington University, and Dean [Willis J.] Winn of the Wharton School. We have tried to give the CMR a national thrust.

MINK: Some of these joint ventures undertaken between the Berkeley and Los Angeles campuses have not always proceeded in a smooth way because of rivalry, particularly if a UCLA contingent suggests something that maybe the Berkeley people think they should have thought of long since. Did you have any problems in this connection?

JACOBY: You're quite right in saying that our sisterly relations have not always been amicable and smooth; but in the case of the California Management Review, I think they have been on the whole very amicable. The principal editor has to be located on one campus or another; you can't have joint editors. The format that we evolved is to alternate

the principal editorship on the Berkeley campus for three years, and then to the LA campus. My impression is that this has worked out well; CMR has the support of both faculties in every issue. We had had, generally speaking, a meeting of minds on what the proper policy and content of the journal should be.

MINK: Sometimes, you might expect to find a tendency for the Los Angeles people to criticize because there are too many Berkeley articles when you have a Berkeley editor, and vice versa.

JACOBY: The editors themselves have been conscious of the need for attaining a reasonable balance.

TAPE NUMBER: V, SIDE ONE

APRIL 24, 1971

MINK: Before we turned the tape recorder on you were talking briefly about the time when you left President Eisenhower's Council of Economic Advisors, and some things that occurred at that time with regard to the business school in terms of whether or not you would return to UCLA.

JACOBY: Well, my decision to return was not an easy one. My service on the council had been met with approval by both the chairman, Dr. [Arthur] Burns, and President Eisenhower, and I had been strongly urged to stay in Washington.

MINK: Now, this would have been approximately June, 1954?

JACOBY: No, this was early in 1955. There was a distinct possibility that, had I decided to remain on the council, I would have succeeded Dr. Burns as chairman.

MINK: Do you think that Dr. Burns would probably have recommended you to the president to succeed him?

JACOBY: Well, I remember that Dr. [Walter] Stewart, my other colleague in the council said that he certainly would. He urged me to stay, and thought I was making a mistake to return to UCLA.

MINK: Was Dr. Burns thinking of resigning at this time?

JACOBY: Not at that time. He did tell me, however, that he had no idea of making a career out of the council.

MINK: And, of course, he didn't.

JACOBY: My decision to return to UCLA and to resume the deanship was not easily made. But having made it--indeed even before having made it--I determined to make a very strong effort to get a strong graduate school of business administration going on the campus. I had become disillusioned in preceding years with my inability to obtain from the chancellor or the president or even the Board of Regents, any real commitment to the development, on a long-term basis, of the graduate school.

Even before I returned to UCLA I talked this over with Chancellor Allen. I got his unqualified support of the idea of developing a graduate business school of great merit. After returning, I organized a series of planning sessions in our faculty, and developed a program of development of the Graduate School of Business Administration. This ultimately took the form of a presentation to the Board of Regents on February 17, 1956.

MINK: Was this the point that you were talking about in the interview last Saturday, where this was secured more or less reluctantly over Sproul? He didn't like to have his deans talking to the regents?

JACOBY: Well, President Sproul did not actively encourage this effort, but in the end he agreed to the presentation of the plan of development to the regents.

MINK: Was this another time?

JACOBY: The other time had to do with the acceptance of the IBM gift to establish the Western Data Processing Center.

MINK: In that too, he was quite reluctant?

JACOBY: Rather hesitant, yes. In any case, our plan presented to the Board of Regents in February, 1956, pointed out the great opportunity that existed to create at UCLA a graduate center of management education and research of worldwide importance. We noted that management was an area of education in which the U.S. had world leadership, and that Southern California was expanding very rapidly. The regents had already launched strong schools of engineering, law and medicine, each with its own buildings, libraries and laboratories. The next step was to provide these facilities for the Graduate School of Business Administration, which had been established in August of 1955, a few months after my return from Washington. We pointed out that the school had been invited by the Ford Foundation to submit a statement of its research interests and needs, and that we had already received more support from the Ford Foundation than any other business school in a public university.

So the elements of the proposed program were: first, to establish a ten-year goal of about 800 students in the graduate school, to be reached some time between 1965 and 1970; secondly, to establish a "Business Administration

Center," comprising a ten- to fifteen-acre area north of the old Business Administration and Economics building--and on which would be a classroom and office building--and with a library and computer center; third, to give high priority to the construction of this building as soon as possible. We were planning a building of 100,00 square feet, costing something like \$4.5 million.

MINK: There were already plans in existence to expand the old Business [Administration] and Economics building. At this point, then, you were proposing scrapping those plans and going to a larger center to the north, is that it?

JACOBY: We proposed to convert the proposal to add a north wing to the old Business Administration and Economics building.

MINK: To a new building?

JACOBY: To use that money in constructing a new building for the graduate business school. Our plan also called for phased increases in operation budget support. What I was looking for, basically, was a commitment by the regents to a long-term development plan. This was, I think, then a novel concept to the Board of Regents. Never before had they been approached with a proposal of this kind.

Their first reaction was to say, "Well, if the graduate business school of UCLA has long-term plans, what about the school at Berkeley?" This touched off a planning process

in the business school at Berkeley, and later in other schools in both campuses. I suspect that [this presentation] innovated purposive, long-range educational planning in the University of California, which led ultimately to the Master Plan for Higher Education in California in 1959. In short, this may have been an historic turning point in the University of California as well as in the history of the business school. Up to that time there had been long-range planning of new entities, but not of established ones.

MINK: It's an interesting commentary going back to something we were discussing in an earlier session. When you more or less made this long-range development plan a condition of your return to UCLA, and obtained Allen's support, were you aware of the fact that in many instances Allen's blessing and support were not as meaningful as the later chancellors' support had been? He didn't have the autonomy that later chancellors have had. Sproul hadn't given him this autonomy, even though he promised it to him.

JACOBY: This was true. But, of course, looking at it in the negative aspect, Allen could have blocked the plan. The fact that he did strongly acquiesce was very helpful, even though he didn't have the authority to implement the plan. Our program of development of the graduate business school really exposed to the regents a vision of what could be done at UCLA in management education.

MINK: At the time that you presented your proposal for the gift of the data center, you told me that there were some regents that opposed this. One, in particular, had a conflict of interest. Were there any regents who opposed the ten-year plan, or it was such a brand-new scheme to them that they just were completely neutral about it, perhaps?

JACOBY: I don't recall any express opposition to the plan. A number of questions were asked. In general, the idea met with a hospitable reception, although at that time a non-committal one.

But I was insistent on knowing where we were going. I was devoting the best years of my life to the building of an institution, and I wanted to feel that the governing body of the University held the same vision and was behind me.

After my presentation, President Sproul asked Dean Grether to design a long-range plan for the business school on the Berkeley campus. His faculty went through the same exercise our faculty had gone through, and came up with a plan which he presented to the president. The president then asked Grether and myself to try to reconcile the two plans. We had several meetings, and we did reconcile many points; but we concluded that for a good reason there was no need to make the plans stereotypes of each other. We had certain special opportunities and responsibilities in Southern California, just as they had in the Bay Area.

MINK: Could you elaborate on that a little to indicate the areas of difference?

JACOBY: One difference in the plans lay in our belief that the field of production management, which we now call "operations management," was an important part of the business school. The Berkeley school felt that that work should continue to be offered in the engineering school. Another distinction was that the Berkeley school was not, at that time, committed to work in advanced management education, whereas we considered it to be an important aspect of our work. Also, we contemplated the ultimate discontinuance of all undergraduate programs on the UCLA campus, whereas the Berkeley faculty has continued to operate an undergraduate degree program, long after we abandoned ours in 1955.

MINK: Did Grether ever give you any of his reasoning on why he felt undergraduate education in management should be continued on the Berkeley campus?

JACOBY: Yes, he did. One important reason was his feeling that if they moved exclusively to the graduate level, the size of the school at Berkeley would be very much smaller and this would cause a reduction in their budgetary support. Here, serving a local economy about three times larger than that served by the Berkeley school in the San Francisco Bay Area, we had no fear of a lack of students at the graduate level. This was one reason for the difference in the Berkeley plan.

MINK: Going back to our chronology, our time-line, we come, in 1959, to the establishment of the Western Management Science Institute. In connection with that, you have indicated a document from the files, addressed to the Ford Foundation, dated February 1, 1956, a statement of "research interests and needs for the years '56 through '60," which was submitted in response to a suggestion by the foundation. Could you indicate to me who suggested this and why? Was it suggested directly to you at some meeting or at a social gathering or what?

JACOBY: Earlier during our interviews I mentioned my friendship with Thomas Carroll, who for a number of years was vice-president in charge of the economic administration programs of the Ford Foundation. Partly because of this good personal relation with Carroll and his staff, and partly because we had begun to build a strong faculty, our school received strong support from the foundation. As I pointed out a few years later, in a memorandum to our Board of Regents, our school had received more Ford support than any other business school in a public university. Of course, the Ford Foundation gave even greater support to some business schools in private institutions like Stanford and Harvard.

The submission that you mentioned on February 1, 1956, had been made in response to a suggestion by the Ford Foundation. Either Thomas Carroll or Marshall Robinson, who succeeded him, may have made it. We proposed the

establishment of a summer research program to bring junior faculty members to our campus for advance discussions of various subjects. We proposed the establishment of a fluid research fund. We proposed to expand our management science research project. The total we asked for was \$615,000. My recollection is that the foundation gave us what we asked for, excepting for the expansion of the management science research project. In this connection they asked us to lift our sights. They said, "You're not planning boldly enough." Management science is a relatively new and very promising field for scholarly work, and now that you have the Western Data Processing Center, we would like you to do something very significant." This touched off further planning by our faculty. It evolved into a proposal to establish the Western Management Science Institute, as a permanent, multidisciplinary institute on the UCLA campus, to be administered by the Graduate School of Business Administration.

MINK: This would be, like the real estate program, an organized research program?

JACOBY: Yes.

MINK: Were you asking the regents to put money into this as the nucleus support?

JACOBY: No, we did not ask the regents for any support of the Management Science Research Institute, apart, of course, from the provision of office space.

MINK: And you expected, then, to get the money to run it . . .

JACOBY: From the Ford Foundation.

MINK: And other sources?

JACOBY: Extramural sources. We submitted our proposal to the Ford Foundation, I think, in 1958, asking for \$1.3 million over a five-year period to get the program of the Western Management Science Institute going. The Ford Foundation grant was made. We brought in Professor Jacob Marschak, who at that time was professor of econometrics at Yale University, to become professor of business administration and the first director of the Western Management Science Institute. That's a thumbnail sketch of how the institution got going.

MINK: Who was instrumental in getting Marschak?

JACOBY: I was instrumental in getting Marschak. I had known him many years earlier. He had been the director of the Cowles Commission for Research and Economics at the University of Chicago, and I served on its advisory committee. Subsequently, the Cowles Commission transferred to Yale University, and Marschak had gone with it. Marschak is one of the founders and a leading world scholar of

econometrics. He was very much interested in the applications of econometrics to management problems. It was that knowledge and interest that led me to take the initiative in inviting him here after, of course, the matter had been cleared by our faculty.

MINK: There were no problems about getting adequate salary for him?

JACOBY: Well . . . [laughter]

MINK: You know the University's inability so many times to match existing salaries of high-powered people.

JACOBY: There was difficulty. Professor Marschak's salary at Yale at that time was quite high, something like \$28,000 a year. He needed at least that amount to come to UCLA. I recommended that amount, and I think I described earlier that the rather unusual recommendation faced difficulty because President Kerr was in Chile and President Wellman refused to act in his absence. I felt obliged to go directly to the Educational Policy Committee of the Board of Regents.

MINK: You went to Regent Carter, its chairman?

JACOBY: I went to Regent Carter. He said, "Well, Neil, this is a higher salary than you're making." I replied, "Marschak is a more eminent scholar than I am. This doesn't bother me. I am only interested in building a great business school, and he will help us do it." I give Regent Carter great credit and thanks for supporting the recommendation.

MINK: In 1957, Dean Robbins was associate dean and acting dean. You must have been on sabbatical.

JACOBY: That was when I was serving as U.S. representative in ECOSOC [Economic and Social Council of the United Nations].

MINK: He prepared a long-range plan on the educational policy and program of the school. I wonder if you'd comment on this report, since you selected it out of the files as something you feel that's important.

JACOBY: Yes, I would like to commend George Robbins for his leadership in developing this detailed statement of educational policy and program for the business school.

MINK: It's a weighty document.

JACOBY: This was an outgrowth of the whole planning process that had been launched as a result of my presentation to the Board of Regents in February of 1956. Each of the schools on the UCLA campus were then asked to bring forth a detailed statement of their policies and programs over the next ten years. The one brought forth in March of 1957 by our school set out systematically and in detail what we proposed to do in education and research, in university and community service. It had detailed targets for registration of both graduate and undergraduate students.

Up to the fifties, planning in the University of California, as I see it, had been a rather passive process, a matter of estimating how many students are going to present themselves at the academic gate for admission.

MINK: Enrollment projection was usually the basis for short-range and long-range budget planning, I think.

JACOBY: Yes. What my document did was to introduce a different concept of planning, namely, that we were the architects of our own fate. We should have a positive policy for student selection, for setting targets of admission. Our planning ought not to be passive and reactive, but initiatory in nature.

MINK: I suppose that the enrollment projections that were done in these earlier periods were based upon population projections, such things as would predict the expansion of the area?

JACOBY: Yes, factors of that kind.

MINK: But what this did was not to rely on this sort of information necessarily.

JACOBY: No. In the case of the business school we asked, "What is the optimum number of graduate students to run a school of first-rate quality?" We decided that something between eight and nine hundred was optimal. It was enough to get diversity and to meet our responsibility, but it was not so large as to bread down personal intercommunication. Our targets were set not to fit the number of students we thought would apply, but the number of students we thought we could serve most effectively.

MINK: Now, this is the sort of thing that you see going over into the whole higher education master plan. I wonder

if you could comment on this? The libraries came under this same sort of planning. It was said that the optimum number of volumes that the University Library should have on this campus was, say, 3 million and the optimum number in Berkeley would be 4 million. The librarians have been very much upset by this kind of ceiling because they have felt, and I think rightly so, that there never is a maximum number of volumes or pieces of research material that is necessary to support all the research programs that go on in a university.

JACOBY: Yes.

MINK: So I'm wondering if this doesn't have a negative aspect to it, too?

JACOBY: The problem of planning for a library differs from that of a professional school. I would be willing to accept the proposition that there is no upper limit for a library of optimum quality, whereas I would contend that there is an upper limit to the number of students that can be accommodated in a professional school of optimum quality.

MINK: Let me ask you this: have you found a community or agreement among the deans of the professional schools on this campus as to that proposition?

JACOBY: Here again, the optimum number in a school of medicine will differ from that in a school of law, and both of them will be different from the number from a school of business administration.

MINK: But did you find that they agree in principle about this?

JACOBY: They do agree with the principle that for each kind of professional school, there is an optimal size. But those optima will differ from school to school.

We concluded--and there is an element of judgment in this--that something between eight and nine hundred graduate students was about right.

MINK: Well, why did you think 800 or 900, why not 1,500?

JACOBY: If we attempted to run a school with 1,500 graduate students, we felt that we would have so large a student body and faculty that the opportunities for interpersonal communication, for knowing each other, for exchanging ideas would be less than they would be with a smaller school. Educational quality would decline.

MINK: Like most professional schools do, this area of having to cut and trim the less desirable students in terms of academic performance and so on has certain stages. Did you consider that you would take in and train 900 students, or did you plan on taking in a larger base and then weeding?

JACOBY: We planned to accept many more than 900 applications and then to winnow out the 900 most promising applicants for admission. Remember that when this plan was presented to the Board of Regents in early 1956 we only had 250 graduate students. We planned to almost quadruple the graduate student enrollment then in existence. At that time it looked like a bold objective.

MINK: The next document is one that you submitted on June 9, 1958, to Chancellor Allen, proposing a program of executive education called "great books from the management viewpoint." This apparently came out of a weekend conference of deans that was held at Lake Arrowhead in May, 1958. You indicate also that you had, in preparing this proposal, discussed this idea at length with Professor Abbott Kaplan. Do you wish to comment on this?

JACOBY: I remember this proposal, which grew out of a weekend meeting of deans that Chancellor Allen had called at our Lake Arrowhead Conference Center. Our concept was that the business executives who had gone through our Executive Program, which is focused squarely upon management principles and processes, and who had achieved a certain state of class community would like to continue in an educational program. We thought that we could introduce them to some of the great literature of the world, which has been concerned broadly with leadership and the management of states, of kingdoms, of military and church organizations. The idea put forth in this memo to Chancellor Allen was that we could build a whole series of class sessions around the "great books of management."

MINK: Was this a Chicago idea?

JACOBY: Well, the idea of there being a set of great books for general education came out of Chicago. We really adapted it to education for management. For instance, Machiavelli's The Prince would qualify to go on this list.

MINK: What about Hobbes?

JACOBY: Hobbes's Leviathan would qualify. A great deal of the great literature of political theory, some of Caesar's writings on military organization and tactics, von Clausewitz's work--this was the kind of literature that we had in mind. They seemed to be appealing to a business manager because they dealt with the problems of how to organize human effort, and how to direct and monitor the progress of an organization toward its goals.

MINK: [You intended this series for] people who actually didn't go to college, who had come up the hard way, so to speak, did not have a degree, probably never had been exposed to this kind of material before?

JACOBY: Nearly all of our Executive Program graduates had a college degree or some college work. It would be a way of really leading them into a more liberal education. I mentioned, for instance, Gibbons's Decline [and Fall] of the Roman Empire, Toynbee's Study of History, Spengler's Decline of the West, Plato's Republic, and Mills's Essay on Liberty as examples.

MINK: Did you every know Ralph P. Merritt?

JACOBY: No, I think not.

MINK: Ralph P. Merritt was the first comptroller of the University, the head of Sun-Maid Cooperative Raisin Growers in the San Joaquin Valley, and then as head of the MTA, the Metropolitan Transit Authority. To a great degree he advocated for business people, for executives, this notion

of there being a core of books. I just wondered if you had met him ever?

JACOBY: No, I hadn't, but apparently he had the same idea.

MINK: On November 25, 1958, there was a meeting that looked toward the establishment of the UCLA Business Research Associates. In a document under that date, there are a series of remarks made by you as well as by Robert Gross of Lockheed and Ray Allen, [the] chancellor, at the California Club in Los Angeles. Would you comment on that idea and how it got started?

JACOBY: The main protagonist of this idea was Professor George Steiner, who was director of our Division of Research. Our discussions of the idea of forming an organization known as the UCLA Business Research Associates go back to early 1957. Here, again, we took a page out of the Harvard Business School book. The Harvard Business Research Associates had been in existence many years. They consisted of a group of business firms, each of which pledged \$2,000 a year to support research in the Harvard Business School. We planned to ask Southern California businesses each to put in \$1,000 a year each to support research in our school. We felt that it was necessary to do this because, when we had gotten a grant from the Ford Foundation in 1956, we had committed ourselves to seek matching funds from the business community. Also, we needed fluid research money, that is, money that was not given for specific research that we could allocate as we chose.

We did a good deal of spadework, George Steiner and I. It ended up with a luncheon at the California Club, held November 25, 1958, at which the UCLA Business Research Associates was formally launched. The printed program shows that Clark Kerr, then president of the University, wrote a brief foreword. Robert E. Gross, then chairman of the board of Lockheed Aircraft, was chairman of the associates, and spoke to the assembled businessmen on "why we are here." In his remarks, he enthusiastically portrayed the opportunities for management research. Robert Gross was a man of great vision, and I came to know him well. Every month or so we had lunch at the Burbank Airport Tower. His death was great loss to the community. Lockheed lost its dynamic leadership.

In any case, Mr. Gross's remarks were followed by a talk by Chancellor Allen on the business system and the universities as "Partners in Progress." I made some remarks on "better management through research." Finally, Chairman Gross terminated the meeting with a brief statement, "What You Can Do."

MINK: That was an exploratory meeting, to see if you could do some fund raising?

JACOBY: Yes. The sequel was quite promising. Within a reasonable time we got about forty members in--about \$40,000 a year.

MINK: Did you have to go out after the meeting and say to these guys, "Now, come on," or did they approach you?

JACOBY: Some of them pledged support right there at the dinner and sent their checks in. Others we solicited by letter. Still others we had to go out and visit. It was clear that this was a promising money-raising organization. However, we soon ran into an unexpected obstacle.

MINK: What was that?

JACOBY: The University of Southern California. The dean of their business school, Robert Dockson, went to his president, Dr. [Norman] Topping, who in turn went to the chairman of their trustees, Asa Call. He then called Edwin Pauley, one of our regents, and said, in effect, "What are you people doing here, trying to poach on our preserves? Your university is supported by the taxpayer. We have to look to business. Now you're becoming greedy and going to business as well." So later the word came down from Chancellor Allen that we should cease and desist our efforts to get further Business Research Associates. I won't go into detail, but severe restrictions were placed on our efforts to solicit, under which the associates lost their forward spirit. We lost our chairman, and the organization then fell into a period of decline.

MINK: What kind of restrictions did they put on you that killed it?

JACOBY: Of course, I can understand the reaction of USC in the matter.

MINK: Caltech has felt this way, too, in the area of science.

JACOBY: President Kerr insisted that we should not solicit any corporation which was not headed by an alumnus of UCLA, or by a close friend who had given before. We were unable to go out to seek new associates. Also, we were under the restriction of not making any public statement, or engaging in any mass solicitation. It had to be a very quiet "low-profile" operation. My observation is that organizations either grow and thrive, or they decline. There's no in-between. Hence these restrictions killed the associates in the end. May I just add one thought? USC was short-sighted in blocking us in this regard. I suggested to Chancellor Allen to meet with President Topping and try to persuade him that there was plenty of money in the community to support business research at both universities. Our efforts to raise this money would not frustrate but would fortify SC's efforts. You know that Woolworth likes to be located next to Newberry because it draws customers to both. So if we were beating the drums for support of management research, it would help SC in their efforts.

MINK: Sure. Because they could point and say, "Well, see, UCLA's doing this, and we should do it too."

JACOBY: Yes. However, we were unsuccessful in getting this point of view across. USC felt that our efforts were competitive and not complementary.

MINK: Were you unable to get them across to Allen?

JACOBY: No, I think Chancellor Allen agreed, but he was not, I guess, able to persuade the people at SC that this was the right point of view.

TAPE NUMBER: V, SIDE TWO

APRIL 24, 1971

MINK: Just a general question. Most regents of the University of California are businessmen, and therefore it seems to me that the business school might have some slight edge in attention, support, and so on, from regents that other professional schools perhaps wouldn't have. You've mentioned Carter. I was wondering if you've ever talked to Pauley, and what you thought of Pauley as a regent and a businessman?

JACOBY: Well, let me address myself to your first question: whether the fact that most of the Board of Regents had been men of business was helpful or hurtful to the development of the business school.

MINK: You would say that was a fair proposition, that the majority of board are businessmen of the highest order?

JACOBY: Yes, this is true. You raise a good question. My reaction is that it was not especially helpful to the business school. Most regents were highly successful businessmen; but, with the exception of Regent Carter, who was a graduate of the Harvard Business School, they had not had professional management education. Therefore, they had not had a personal opportunity to see how management education could contribute to their value as business executives; and

perhaps, some were skeptical about it. After all, they had become successful without going through a business school!

MINK: You're talking about the "bootstrap" type.

JACOBY: Yes. Many regents were fundamentally more interested in medicine, let us say, because either they or members of their family had had some serious medical problem and they felt a great medical school was an essential asset to the community. Some regents were lawyers, and to practice law you have to go through a professional school, unlike practicing business in our society. For these reasons, I doubt that we got any special break from the Board of Regents.

MINK: The second question: was Pauley an example of a businessman par excellence? Did you know him? You commented upon him in connection with the demise of the associates.

JACOBY: I have known Edwin Pauley ever since 1948, when I first came to UCLA. He is a man who founded his own oil exploration and production company, achieved considerable success in the field, and became very wealthy. We know that he has been generous in his gifts to the University. His gift established the Pauley Pavilion on the UCLA campus, and there's also a large Pauley building on the Berkeley campus. So he has demonstrated his generosity and interest.

I can't say, however, that he ever did anything in particular for the business school, or showed any special interest in it. In this regard, I would contrast him with

Regent Carter, who was a graduate of the Harvard Business School and believed in graduate management education. He was probably the most important regent supporter of the founding of the Graduate School of Business Administration in 1955. He established the Carter Fellowships in this school, which are a rough counterpart of the Baker Fellowships at Harvard. We did have a good supporter in Regent Carter. Regent Pauley's interests apparently lay in another direction.

MINK: Well, I don't want to encourage you to comment on the business ethics of Mr. Pauley, but it did interest me. I believe that the quote has been attributed to him, "I made my dollars in the good old American way." You perhaps have heard that?

JACOBY: Yes.

MINK: Perhaps he's more representative of, shall we say, the Hopkinses and the Huntingtons and the Stanfords of the nineteenth century in terms of his business practices and outlook.

JACOBY: He is a classical type of entrepreneur. The oil production business is a rough-and-tumble business. You're dealing with tough bargainers and some people who aren't very scrupulous. To survive in that game, you have to be pretty tough yourself.

For example, Mexico expropriated the entire U.S. petroleum industry in 1938. For years, its government would never admit an American company to engage in the exploration for oil. Ed Pauley was the first American to reenter Mexican oil exploration, and this was a great negotiating achievement. He had, I think, a very successful experience there in finding oil.

MINK: Another regent who certainly would be considered to be a businessman par excellence is Norton Simon. I wonder if you knew Mr. Simon, had ever talked with him, and if he'd ever shown any interest in the school?

JACOBY: I met with Norton Simon on two occasions that I remember, possibly more frequently, for general discussions of the behavioral sciences in the business school.

MINK: The "headshrinking" business?

JACOBY: We discussed the question whether the behavioral or psychological approaches are likely to give us better insights into management. Simon was interested in this. I introduced him to Professor Tannenbaum of our faculty, and I think they had some meetings later. I don't recall that Simon ever took any special interest in the business school. He never gave us financial support, nor came to the campus and met with us. He seemed to be quite neutral.

MINK: I suppose Mrs. Chandler, to a degree, is a businesswoman. The Chandler enterprises are certainly widespread,

and Dorothy Chandler, of course, was a member of the Board of Regents. Perhaps her interests lay more in the School of Journalism, which is now under scrutiny?

JACOBY: I know both Norman and Dorothy Chandler and have met with them on different occasions over the years. They have not had any special interest in the business school. I think Dorothy Chandler's interests have been focused on the Music Center and the downtown central city development in Los Angeles, to which, of course, she's made a vital contribution. The Times Mirror Company was one of the underwriters of our Executive Program when it was founded in 1953, and they have consistently sent their executives into that program for training. This was also true of Hunt Foods, now known as Norton Simon Enterprises. Mr. Simon asked me to be a referee of applications for scholarships from the Hunt Foods and Industries Foundation. The company had a program of scholarships for sons and daughters of their employees. He asked me to serve on the selection board along with Lloyd Austin of the Security Pacific Bank. I did this for a number of years.

MINK: Regent [William M.] Roth has Matson Line connections, isn't that correct?

JACOBY: Yes.

MINK: Has he ever shown any specific interest in the school?

JACOBY: He became a regent only during the middle 1960s, toward the end of my deanship, and I did not get to know him. I understand he's a very fine, civic-minded person.

[Tape off]

MINK: Going on to talk about Mr. Gross from Lockheed, again you had mentioned him in connection with the establishment of the UCLA Business Associates. He was also instrumental in developing a business history collection in the business library. How did this interest come about? Was this something that you talked about with him, over the years, at lunch?

JACOBY: We usually discussed international and military affairs at the luncheons because, of course, Lockheed was a maker of high-technology military hardware. It was also involved in the sale of commercial airplanes on a worldwide basis. That was still the age, you may remember, of the famous "Connie," the Constellation.

Robert Gross died, I believe, in 1963. His widow, Mary Gross, arranged to give his personal papers regarding the foundation and development of Lockheed Aircraft Corporation to the Management Library. Chancellor Murphy, who has always been deeply interested in the development of library resources on this campus, was instrumental in getting this gift. In addition, the Robert Gross Estate made a substantial gift to establish a collection.

MINK: Fifty thousand, I think it was.

JACOBY: Fifty thousand dollars to establish the Robert E. Gross Memorial Collection in Business History. We have utilized those funds in acquiring some rare items in the development of accounting and business history in the Western world. We have the beginnings of a collection that could be of great use to business historians in future years. We should start a program in business history. There's an awfully good book to be written on the history of the Lockheed Aircraft Corporation, for which we have the basic documents.

MINK: Perhaps [because] you've been so involved in developing business as a scientific, or quasi-scientific, academic pursuit (which is something relatively new within the history of education), there has not been an interest to develop a business historical program. We have on this campus a strong program in the history of medicine. I think that there are also similar efforts in law and nursing and so on.

JACOBY: One of the fields to be developed in the Graduate School of Management at UCLA is the evolution of the business enterprises from a historical point of view. I took a minor in history as an undergraduate. I have always believed in the virtues of historical approaches to the study of institutions. They offer insights and knowledge that cannot be

acquired by more mechanistic or mathematical analyses.

It's an aspect of business we should not neglect.

MINK: What about Harvard: Harvard, of course, is the institution that everyone looks to in this area, the development of the Baker Library.

JACOBY: Harvard has the most distinguished program in business history of any American university. That program makes use of the Baker Library and of the Kress Library, both excellent collections of materials in the history of American business. The Harvard faculty, through the years, has contained distinguished scholars who have produced contributions to business history.

MINK: Maybe this is a good time to talk about the school's own library. I have here a document you selected from the files dated April 27, 1960, directed by you to Chancellor Vern Knudsen; Page Ackerman of the library; Stanley E. McCaffrey, vice-president of the University [of California]: "A Plan for the Development of the Graduate School of Business Administration Library." I gather that up until this time you had been relying primarily on the IIR Library, which had developed quite a collection on business.

JACOBY: Yes. When the Business Administration Library was formerly established, that part of the [Institute of] Industrial Relations Library which pertained to business was transferred to the new BA Library and became the nucleus of its collection.

Later on, Miss Charlotte Georgi was brought in to be the first business administration librarian, a post which she has filled with great distinction and aggressive leadership. However, Miss Georgi was not content with this small nuclear collection. The big new Graduate Business Administration building was funded in 1957, construction began in 1958; in 1960 the building was nearing completion, and we actually occupied it, I believe, in 1961.

MINK: Hence this plan for the development of the library?

JACOBY: A well-planned new edifice to house the library was on the way, but we didn't have much to put in it. With Miss Georgi's strong staff support and assistance, we made a national survey of business libraries throughout the country.

MINK: Did you go yourself, or did you send someone?

JACOBY: No, we sent a qualified librarian, Paul Miles, to make this study.

MINK: He was the librarian of the old Institute of Industrial Relations Library.

JACOBY: Correct. He made a very careful study of all important business administration libraries of the country, their collections, their financing, their space requirements and facilities. As a result of his report, a plan was formulated which I presented formally to Chancellor Knudsen and to Miss Ackerman, who was acting librarian on our campus, on April 27, 1960.

What we called for, in brief, was a staff of fifteen to twenty-five qualified people. We thought our first target should be a collection of 100,000 volumes acquired at the rate of 7,000 per year, and 5,000 current periodical titles. To build up the library over the period 1960 through 1975 we would need on an annual basis over this fifteen-year period about \$211,000, of which we asked the University to put up \$162,000, and we would find about \$50,000 outside.

MINK: Well, was the plan fulfilled?

JACOBY: Yes and no. We did complete the library building, which is designed to accommodate 300,000 volumes when all of the stack space is used for books. Now a good deal of it is being used as carrels for graduate students. By 1971 our collections were about 75,000 volumes.

MINK: It's got a long way to go.

JACOBY: Yes, but it's still possible that we could achieve the planned 100,000 volumes by 1975. Our achievement is not too far off target. However, the budgetary support for personnel, reference librarians, cataloging and bibliographic work never developed on the scale that we planned, because the money hasn't been forthcoming.

MINK: I'm wondering if you agree with this [regarding] the reference aspect of it. There are so many times that all of us, for one reason or another, turn to reference needs in the area of business. There is no reference department, is there?

JACOBY: We do have a reference librarian, but she is quite pressed. She can't cover all the bases that need to be covered. Nevertheless, we can be proud of what we've done with this library in a ten-year period. It's easily the best business library today on the West Coast, and is widely used not only by students and members of our faculty, but also by other faculties on the campus, businessmen, financial executives and others.

MINK: Of course, it would be very easy to fill up these stacks if the library were to go in the direction of, say, the Baker Library, and begin to acquire great masses of records of corporations which could be studied by incipient PhD, and full-fledged PhD people. Has there ever been any talk in the school about going in this direction?

JACOBY: From time to time we have had discussions within the business school, of bringing in a business historian to whom we would look for planning and leadership in this field. It would be poor policy for us simply to receive all kinds of corporate records, you know, without having a well-conceived plan for classifying and utilizing them. We need a specialist in this area to guide development, and we never have gotten him.

MINK: I would like to ask you about a memorandum that was submitted in 1959, not dated, from the faculty in accounting to all voting members of the faculty of the Graduate School

of Business Administration and to the Department of Business Administration, entitled, "Proposal for a Five-Year Program of University Education for Preparation of the Public Accounting Profession." I wonder if you would want to comment on that?

JACOBY: This proposal was for a forward adaptation of education for the accounting profession to include the new management education that we offered. We had had at the undergraduate level a four-year program with a major in accounting. Now, we were looking forward to making the Master of Business Administration degree our central program. This involved at least a year of study beyond the bachelor's degree. We had many students who were interested in going into the professional practice of accounting.

What we proposed here, then, was to expand the old four-year program into a five-year program, which would give the budding young accounting a broader view of management and an MBA degree. It would treat accounting not simply as a matter of keeping and auditing books, but also as a tool of management--as an instrument for assembling and processing the information that would help managers make good decisions. We wanted to treat accounting as an information system, which put a new twist on the accounting curriculum.

MINK: You think it had the tendency also to upgrade it academically?

JACOBY: Very definitely. It made the accountant more of a professional in his training and his point of view. It was

a liberalizing move. This proposal was made to our faculty; it was adopted; and as in other fields of management education, it helped us set a new trend in accounting education in California and perhaps in other states.

MINK: Another report was submitted to the faculty of the School of Business Administration by Cyril O'Donnell, who was chairman of the Committee on Undergraduate Curricula and Courses. This report was on the revision of courses. Particularly it discusses the philosophy of undergraduate education in business administration. I think we have touched on this. However, you may wish to comment on this memo.

JACOBY: Yes. The Committee on Undergraduate Curricula and Courses made proposals for changes in our undergraduate program for the bachelor's degree.

MINK: Was this in connection with the change towards the master's program?

JACOBY: In a way it was.

MINK: Ultimately, the doctoral program too?

JACOBY: At that time, April, 1959, our faculty had not yet decided to terminate the bachelor's degree program. I think it was in 1962 that we began to plan to phase out the bachelor's program. I made specific proposals to do this in 1964. In 1965 the Academic Senate and the regents acted to terminate the undergraduate school.

MINK: This same date the specialized MS program was initiated?

JACOBY: Yes. You can see, retrospectively, that a number of steps were involved in the transformation of the school from a purely undergraduate institution, which it was when I came in 1948, to a purely graduate institution, which it became finally in 1965. The O'Donnell report proposed certain changes in the undergraduate curriculum designed to make it more liberal and to rid it of certain professional courses. It represented the last effort of our school to revise the undergraduate curriculum before we finally dropped it entirely.

MINK: I see. Finally, I wonder if you would comment on this letter you selected from the files, dated April 24, 1961, which you sent to Chancellor Murphy. I assume that this letter represented an effort to acquaint Murphy, at the beginning of his administration as chancellor, with the achievements and the present status of the Graduate School of Business Administration as a center of advanced scholarly activity? That is the title under which the letter was sent.

JACOBY: You're correct regarding the motive of the letter. Franklin Murphy had become chancellor in 1960. He was in process of getting acquainted with the various deans on the campus and the professional schools and their programs. I have forgotten whether he solicited the letter, or whether I took the initiative in drafting it. In any case, I tried to summarize for him the status that the Graduate School of Business Administration had acquired, and some of the pioneering and innovating things that it had done.

For example, I pointed to the fact that our faculty had specified mathematics through basic calculus as an entrance prerequisite way back in 1956. This subsequently upgraded the whole system of business administration in California. I noted that IBM had selected our school over all others to establish their management-oriented data processing center; that the Ford Foundation had given us more money than any other tax-supported business school in the country and had made us their chosen instrument to foster management science in the West. I mentioned that foreign universities and governments had requested our assistance to establish management programs in Spain, Italy, India, Rhodesia, and Chile. We had one of the largest PhD programs in the United States at that time, with 120 active candidates. Our management science project, founded in '52, was the first research laboratory in industrial logistics to be supported by the Office of Naval Research. I referred to our real estate research program, to Professor Marschak's Interdisciplinary Colloquium on Mathematics, as examples of the way in which we were attempting to build bridges to other departments of the campus.

MINK: I wonder if we could take the remaining part of this session to comment on your chairmanship of the planning committee on this campus, which you assumed quite early in your tenure here as dean. How did it help the school for you to be chairman of this committee? I imagine that it probably did.

JACOBY: Chancellor Allen appointed me chairman of the Committee on Building and Campus Development in 1952.

MINK: That would be four years after you came.

JACOBY: Yes. I continued in this post until I left for the Council of Economic Advisors in 1953; and then I resumed the chairmanship again in 1955, when I returned from Washington, and held the post through 1956.

MINK: You served in a period when some very crucial planning was going on in the heart of the postwar building development on the UCLA campus.

JACOBY: This is true, although I think the tempo of construction mounted even higher through the late fifties and the early sixties. But a good many strategic decisions were made in the early fifties.

MINK: Could you outline briefly some of the accomplishments of the committee while you were chairman?

JACOBY: We accomplished a number of desirable aims. We reviewed the general plans brought forth by the Office of Architects and Engineers, headed at that time on this campus by Mr. [Carl C.] McElvey, for the general layout of buildings. We agreed upon the principle that buildings should be related to each other physically in accordance with the intellectual linkages of work conducted therein. This is why, for instance, in the Court of the Sciences, the southern buildings are the biological sciences which feed into the medical center, which lies at the south end of the campus. As we come north on the

Court of the Sciences, the engineering school and geology and mathematical sciences and astronomy are linked together. The new north court of the campus known as the Murphy Sculpture Garden, on which our building is fortunate to be located, is joined to the social sciences on the west, and by law to the south. There are obvious intellectual linkages between business, law and social sciences. On the extreme north of the campus we have the theater and art departments, which are close to music and architecture, with which they have linkages. This basic design of the physical development of the campus was adopted in this period. It's held up very well.

MINK: You know, it all seems so damn logical, but there's no doubt but that a great deal of static went on in making these decisions. What were some of the objections that were raised against the committee's work in connection with this?

JACOBY: Each building project had its own guiding or advisory committee, usually composed of members of the faculty who would make use of the building. Of course, they had their own ideas as to where the building should be located and what it should look like. Their ideas often came into conflict with those of Mr. McElvey and his architectural and engineering group; and also with the supervising architect, Welton Becket, who had a kind of overriding surveillance over the

whole campus; and the compatibility of each particular project with the total environment. Many of these issues came before our committee. We tried to hear all sides and to reconcile them, but of course some people were unhappy after the decision was made. Our committee was advisory to the chancellor. We had no executive power to make a final decision. But I think that he knew that we were doing our best to try to find the largest common denominator, and he usually accepted our advice.

MINK: Your serving on the committee helped the school--I think that's obvious. You were in a position as chairman of the committee to have a forum from which to advocate your plan for the school on the acreage above the old economics and business building.

JACOBY: And even more than the preemption of a good site was the problem of getting the Graduate Business Administration building project placed high on the list of campus building priorities. Remember that each campus has a list of major physical improvements which are rated consecutively down the line. The state appropriation each year is sufficient to fund only a certain number of projects. So every department on the campus that needs a new facility strives to boost its project high on the priority list to get funded. As chairman of the building and campus development committee, I had the responsibility of submitting to the chancellor the list of recommended priorities each year. I was able to

boost the position of the Graduate Business Administration building. Of course, I did this through the submission of facts about our needs to the committee. But I had a political power as well, because I also had some control over the priorities of other buildings. Thus, I was in a position to do a little trading and logrolling to get our project high on the list. I confess, without shame, that I exerted all of the political power I had in that direction.

MINK: You would say, to put it blatantly, "If you will support my contention for raising the priority of the business school, I will support your contention for raising the priority of your own project?" [laughter]

JACOBY: Yes. There was always an element of judgment, of intuition in these matter. To some extent you can rationalize, by facts and figures, a priority list; but in the end you have to introduce elements of judgment. It's here, I think, where political factors have a weight. In any case, this was how we got the Graduate Business Administration building, a very substantial project, near the top of the list. It was funded by the legislature in 1957.

MINK: Well, maybe that would be a good place to stop.

TAPE NUMBER: VI, SIDE ONE

May 1, 1971

MINK: You had indicated to me that you felt that your tenure as dean was divided into three periods. This morning we are going to start discussing that third period. For the record, generally sketch in those periods as to chronology and so on.

JACOBY: This thought came to me after our conversations had begun. As one looks over the past with the benefit of perspective, events fall into place a little more clearly than they do when they occur. Looking back over my twenty-one years as dean of UCLA's business school, it does now appear to divide into three periods. The first, the five years from 1948 through 1952, was a period of foundation-building, during which we laid out the main areas of concentration in our curricula and began to build faculty strength in a variety of fields. The second period, the ten years from 1953 through 1962, could be characterized as building the institutional superstructure. Taking the foundations of faculty strength and curricula that we had laid in the first period, we then constructed on top a number of institutions for the conduct of our work. I have in mind particularly the Division of Research, the Western Data Processing Center, the Western Management Science Institute, the Business Administration Library, the Executive Program, and the Graduate Business Administration building.

The third period, running six years from 1963 through 1968, can be characterized as expanding our educational and research operations within this institutional framework. In this third period, we undertook to lay out new and pioneering curricula, such as those in behavioral science, in socio-technical systems, in comparative and international management. These were new, innovative, pioneering areas. We also greatly expanded our research work in comparative and international management, in accounting and information systems, in business forecasting, and other fields. At the same time in this third period, we built up our graduate student body from a couple of hundred to around nine hundred.

MINK: I wonder if the occupation of the Business Administration Center in August of '61 in some ways marks the beginning of this period? Now you have the house to operate in and to build in this third period. But I wonder if, just for a minute, you could give me some recollections of moving into this building. It must have been a happy occasion after all the planning that went into it.

JACOBY: Indeed it was! Our moving was a heroic undertaking, which in retrospect resembles something like Hannibal crossing the Alps. [laughter] There was great confusion about the assignment of offices to faculty, how we would locate the various faculty areas so that they would properly reflect intellectual ties, equipment problems, whether offices should have tables as well as desks, etc. Many of these matters were minutiae, but at the time they generated much debate.

MINK: What kind of a celebration did you have for the opening of the building? Anything of significance that strikes your mind?

JACOBY: We did have a celebration. My memory is foggy on its nature. We had the concept, at that time, of a Business Administration Center, comprising not only the central building for lecturing and faculty offices, but also the [Western] Data Processing Center and the library. Indeed, we issued a pamphlet that described the center and its facilities. Somehow, over the years, this concept was lost. Now our building is simply known with its pertinent structures as GBA, Graduate Business Administration. [Changed in 1971 to GSM, Graduate School of Management.]

MINK: In 1962 you presented a plan for loans to students in GSBA. This plan was only implemented in 1969, seven years later.

JACOBY: Perhaps, this episode illustrates the glacial speed with which developments often take place in the University of California, a subject to which I'd like to return. As early as 1962 we saw that lack of financial resources would be a serious impediment to the growth of our school. We didn't want it to admit only young men and women coming out of well-to-do families. We wanted it to serve talented, ambitious young people of all economic strata. For that purpose, I felt that we had to make loans available to students on generous terms to help them through. As tuitions have gone up, this has become still more important.

James Gillies, who at that time was assistant dean for graduate programs--and who since has become dean of the business school at York University in Canada--worked out with the Security First National Bank of Los Angeles a very interesting agreement. If we could get \$1,000 of support, the bank would use this as collateral for loans up to \$5,000. In other words, we could leverage each \$1,000 of our own equity into \$5,000 of loans, the \$1,000 equity functioning as a reserve against defaults or losses.

MINK: That seems like a very small sum to ask for.

JACOBY: Of course, we were asking the regents for more than \$1,000. We were asking for a starting sum of something like \$20,000; so we could loan \$100,000.

MINK: I see.

JACOBY: The Security Bank very generously agreed to apply to UCLA the same formula they had previously applied to the Stanford business school. I presented this to the chancellor and he to the president in 1962.

MINK: That would be Murphy.

JACOBY: That was Chancellor Murphy. As is usual, the president said, "If this is something the regents should do for the business school at UCLA, what about the business school at Berkeley? What about the medical school at UCLA?" As has so often been the case, an innovative idea from our school precipitated a university-wide review. After lengthy discussions, the Committee on Finance of the Board of Regents turned down the idea.

MINK: Have you any idea why they did?

JACOBY: They felt that if the idea were applied to this school on the UCLA campus, it would have to be made university-wide, and this might involve a very large commitment of money. Well, we struggled along without support. Finally, it seemed so imperative that we provide loan funds for students that I took the initiative in establishing a private foundation in 1969. It's known as the Business Student Aid Foundation. Its trustees consist primarily of members of our faculty, George Robbins, Erwin Keithley, Wendell Buttrey and myself.

MINK: Did these people all put up money?

JACOBY: All of them did. I gave most of the original capital. There was some loose money lying around, I found out about. John Factor, a philanthropist who came from Chicago, had given \$5,000 for student loans. I persuaded the regents to turn that over to our foundation. Then, with subsequent gifts from the Executive Program Association, we now have about \$25,000 capital in this little foundation, and we have outstanding about \$50,000 of loans. I want to give the association great credit for supporting this foundation. They believed in these loans. They liked the idea that a student should repay, and they like the idea of leveraging their gift.

MINK: Have you found that the students are punctilious about paying back what they owe you?

JACOBY: So far (and I'm rapping on wood) the record has been pretty good. There are very few loans in default and we have written off only four or five loans.

MINK: The next item that catches my attention here is what happened in 1963, and that was the establishment of the behavioral science field of concentration for the MBA. We talked about behavioral science, I think I referred to it as "industrial headshrinking." Would you like to comment on that?

JACOBY: We did talk about behavioral science as a scholarly field of study, and the fact that we had brought behavioral scientists to our faculty and established courses.

MINK: Tannenbaum is one?

JACOBY: Robert Tannenbaum was the leading figure. Later on other men like William McWhinney and James Clark came into the field. We had in our school one of the most distinguished groups of behavioral scientists in the country. It was only, however, in 1963 that we established it as a major field of concentration for the MBA.

MINK: Also in '63, a seminar was organized on multinational corporate planning, [held] at Fontainebleau. I think you referred to that as something of great importance that you wished to discuss.

JACOBY: It was an unusual occasion in the sense that our school joined with a French institute for the study of management--its initials are INSEAD.

MINK: Institut européen d'administration d'affaires.

JACOBY: Correct. George Steiner must be given credit for organizing this week-long seminar at the Palace of Fountainebleau. He persuaded Prince Bernhardt of the Netherlands to be its honorary chairman, and the prince did attend and participate actively. Some of the most prominent European industrial leaders attended. And a book came out of the seminar, edited by Professor Steiner, entitled Multinational Corporate Planning, which has been translated into several languages.

MINK: In 1964 there were a number of events. The termination of the undergraduate program comes at this time. I think we referred to this, in passing, before. It was one of the goals to terminate this program gradually.

JACOBY: As a matter of fact, the whole twenty-one year period of my deanship, from 1948 through '68, was in a way a transition from undergraduate-level education in business to graduate-level education. This involved a number of steps. The first was to add graduate courses to the college curriculum. The second was to transform the college into a school, offering both graduate and undergraduate work. The third step was to establish a separate graduate school. The fourth was to terminate the undergraduate school. We're now referring to this fourth step.

In 1964 I wrote Chancellor Murphy, informing him that our faculty had voted to cease admitting students to the undergraduate school after September of 1966 and to discon-

tinue the school altogether after the students who were in the pipeline had been served. I proposed a terminal date of July 1, 1969. I made it clear that this decision was the result of long debate and discussion. There were many who felt that undergraduate education in business was desirable. An interesting proposal, which I supported at the time, was to convert the undergraduate BS program from a professional curriculum in business administration to a liberal curriculum focused on business as a social institution of Western society. Our faculty committee formulated what was known as the "business institutions" curriculum. We recommended to the faculty of the College of Letters and Science that it adopt this curriculum as one of its majors, in the same way that it had curricula in "social institutions" and in "political institutions."

MINK: They refused to do this, and I was wondering what was their reasoning for rejecting this proposal?

JACOBY: They did not offer reasons that seemed to me persuasive. But they did reject it. We then said, "All right, we'll abandon undergraduate education entirely, with the exception of certain service courses, such as basic courses in accounting and statistics, needed to make up deficiencies of students that came into our own graduate school, but also to serve the students of other colleges who elected them."

MINK: The business institutions proposal just didn't seem to go anywhere. Maybe the College of Letters and Science faculty felt that not too many people would take it. What type of person would major in such a course of instruction, and what would it get him in the end?

JACOBY: Probably, students who were destined for the graduate study of business would major in a business institutions undergraduate curriculum, or students destined for law school would do so. It would form a very natural basis for graduate education in business or law.

MINK: Once the undergraduate program in business administration was eliminated, how would a student at UCLA applying for admission to the Graduate School of Business satisfy its requirements? Or were they so broad in letters and science that there weren't any particular required courses that would not now be given?

JACOBY: The specific course prerequisites for entering into the graduate business school were few. And to the extent that a student had any deficiencies, he was permitted to remove them during his first semester of work. I think there are only four specific requirements; math through calculus was one.

MINK: That, of course, you could get in letters and science.

JACOBY: Basic accounting was one.

MINK: You didn't discontinue the course in basic accounting, so they could get that?

JACOBY: That could be gotten here. There were two others, basic economics and psychology. These requirements formed no barrier to entry.

MINK: Was there any opposition on the part of the administration, or on the part of other faculties, to the withdrawing of the undergraduate curriculum in business administration?

JACOBY: No objection from other faculties on the campus. In fact, we were encouraged by other faculties to move to the graduate level. There was, however, some apprehension in our own faculty. Some felt that if we no longer offered an undergraduate degree the numbers of our students might fall precipitously and our budget would be cut by the regents. Those fears proved to be unfounded.

MINK: At this same time, in 1964, the MBA integrated program was initiated. What exactly was meant by the MBA integrated program?

JACOBY: This was an innovative master's degree curriculum which differed from the regular MBA program in several respects. In the first place, students were admitted as a class to the program. They attended the same program of instruction together. The curriculum itself was integrated in the sense that a faculty team taught the entire curriculum.

MINK: Team teaching?

JACOBY: It was team teaching. The students were "block booked," as we say.

MINK: Could you explain that?

JACOBY: It's a term that came out of the motion-picture industry, where the motion-picture producer would tell an exhibitor that "you have to take all the pictures we turn out this year or none." Exhibitors were obliged to book all the pictures in the block that year. Well, similarly we booked the students for all courses in the curricula. And they all took the same courses at the same time.

MINK: No elective?

JACOBY: That is right. Classing of students and block booking of curricula is the pattern used in the best professional schools, both of business and of law.

MINK: Law I was thinking of particularly. Well, how did it turn out?

JACOBY: It turned out well. We launched the integrated MBA program in 1964 and it has continued ever since. We've had between thirty and fifty students each year in it. They have been among our best graduates.

MINK: Right off the top of my head, I'd say that it would make for heated competition.

JACOBY: Exactly. Students educate each other to a much greater degree than professors educate them. These students were forced to work together, unlike the regular MBA. The difficulty, of course, in putting our entire MBA program on the integrated basis was that we always have served a

great many students who are working part time. Unless we are to arbitrarily say, as some schools do, "No outside work; if you enter our school you devote all of your time to study," you have to modify the curriculum to enable each student to do outside work. Now, over the years we have gradually reduced the amount of outside work permitted. Today, no student whether he's on the integrated program or not is permitted more than twenty hours of work per week outside the university.

MINK: In 1965 some specialized programs for the Master of Science degree were initiated.

JACOBY: Yes. The separate Master of Science specializations were initiated in order to meet the needs of students who were not destined for general management, but who were interested in becoming staff specialists in, let's say, marketing or in finance or in operations research. The MS programs, therefore, were less general and permitted a heavier specialization in one particular field.

MINK: Then you gave an MS as opposed to an MBA?

JACOBY: That is right.

MINK: What were the significant differences?

JACOBY: I think the degree itself explains the difference. The MBA, as I said, denoted competence in general management, whereas Master of Science denoted competence in some specialty, such as accounting, finance, operations research.

MINK: This is really sort of like line and staff?

JACOBY: You have put the distinction well. The MBA was designed to produce line managers, generalists; and the MS, staff specialists.

MINK: In 1965 also, Professor Leo Grebler inaugurated the Mexican-American Study Project. Now, this is pretty early for minority attention in the University. I don't think in '65 we were being too concerned.

JACOBY: This project was a forward-looking effort of the Ford Foundation to find out more about the social and economic status and the problems of the second largest minority in our country--namely, the Mexican-American, or, as he's now popularly called, the Chicano. Professor Grebler is one of the nation's most distinguished students of urban land economics and real estate finance. He is a very broad-gauged person. The Ford Foundation was eager to have him conduct this study because of his thorough scholarship, his objectivity, and the rigor of his analytical methods.

MINK: Did he apply for the grant or did the foundation invite him?

JACOBY: The foundation invited him to accept this responsibility. At that time he was within a couple of years of retirement. I suppose relatively few men, at that state in their lives, would want to take on a very major project of this kind. It lasted some five years, and terminated with the publication in 1970, by the Free Press, of a very massive and impressive book entitled, The Mexican-American

People, The Nation's Second Largest Minority. It shows Professors Joan Moore and Ralph Guzman as coauthors with Leo Grebler.

MINK: Now, this did not involve a thrust to enroll more Chicanos in business administration?

JACOBY: No, it did not. It was viewed rather as an effort to identify the social and economic status of this minority, following up much work that had been done for the similar purpose of identifying the Negro minority. You may remember that the Swedish social scientist, Gunnar Myrdal, wrote The American Dilemma many years ago. Here, an outsider to our society conducted a study of the Negro-American. We called Leo "the Gunnar Myrdal of the Mexican-American."

MINK: Out of Gunnar Myrdal's study came a rather impressive collection, which I believe is housed either at the New York Public Library or the Library of Congress. I wonder if any such thing came from Professor Grebler's study, the relevant data and so on?

JACOBY: There is a large body of data, documents that have been accumulated, and as far as I know, they're right here in the UCLA Library.

MINK: In 1966 the Comparative and International Management Studies Program was inaugurated. Would you want to comment on that?

JACOBY: This was one of the most important innovative steps our school has taken in recent years. It's become apparent, since World War II, that business across national boundary

lines is taking on ever rising dimensions. The amount of direct investment by American companies abroad has gone from something like \$8 billion in 1946 to over \$70 billion in 1970. Now, this phenomenon has the gravest of political and economic implications. It also has great implications for management. Managers have to be able to function effectively in foreign cultural, legal and social environments. They have to understand those environments, and how the management process needs to be adapted to the environment as well as how, on occasion, the environment needs to be adapted to more efficient processes. There's a two-way adaptation.

So we launched this field and we brought in a number of very able young men. I would mention especially Professor Barry Richman, a Canadian out of McGill University, who has already published weighty works on industrial management in India, China and the Soviet Union. We now have an active program of studies in comparative and international management.

MINK: Was this something that was particularly innovated by one or two people on the faculty, or was this something that the faculty of the school all agreed to do?

JACOBY: It was development that was widely supported by our faculty. Our interest in it arose out of the participation a number of us had had in establishing business schools in other countries. This, I may say, was an activity in which Associate Dean George Robbins was especially active.

MINK: We'll have to talk to him about that.

JACOBY: You should do so. Our advisory activities in setting up foreign business schools made more of us aware of the potentiality of comparative and international management studies. When we got the right men to head the program, we went ahead with full support.

MINK: Also in the same year, 1966, you made a proposal to change the name of the school to the Graduate School of Management. Obviously that didn't get anywhere?

JACOBY: This illustrates the glacial speed with which things happen in the University of California. I'm amused at your mentioning this episode, because the present dean of the school, Harold Williams, has finally changed the name to Graduate School of Management in 1971. Back in 1966 we had a faculty study of the matter, and we had taken several polls of the faculty. A majority was in favor of changing the name, but there was never a majority in favor of a particular new name.

MINK: What other names?

JACOBY: Well, we considered such other names as Graduate School of Administration, or Graduate School of Business and Public Administration, or Graduate School of Management of Institutions. We had a long list of alternatives. I favored Graduate School of Management because it seemed to me then, and still does, that the distinctive discipline of

the school is management, and that our name should denote that discipline.

MINK: There was also, in the same year, 1966, an external review of the school by Warren Bennis, Paul Garner, and Arthur Weimer.

JACOBY: That came about at the suggestion of Professor Frederic Meyers, whom I had invited to become chairman of the Department of Business Administration. The departmental chairman in the University of California is basically the personnel officer of the faculty. Professor Meyers consented to take on this responsibility, but he laid down a condition. He thought the time had come when we should have some external evaluators come in and spend a week here, talk to students, talk to faculty members, talk to administrators, and, having no axe to grind and being beholden to no one, render an objective evaluation of our school and suggest how we could make it better. The three external evaluators should come from different kinds of schools, with different perspectives.

So we invited Professor Warren Bennis, at that time professor of behavioral science at the Sloan School of Management at MIT; Professor Paul Garner, dean of a large school of business administration at the University of Alabama; and former Dean Arthur Weimer, who had built a very good business school at the University of Indiana.

They came, they saw, and they reported.

On the whole, their reports were quite commendatory of what they found here. They believed in general that we were moving along the right line. The report of Professor Bennis was the most perceptive. He did make some recommendations for changes, some of which have been implemented.

MINK: Nineteen sixty-six was quite a hallmark year. In this same year the school initiated the Sociotechnical Systems studies and the Learning Community in Organizational Development.

JACOBY: These were two other educational innovations. Ours was the first school in the country to establish socio-technical curricula. In 1964 or 1965 we brought Professor Louis E. Davis to our faculty from the School of Engineering at Berkeley. Professor Davis was a specialist in what we might call the sociology as well as the technology of designing jobs. He has believed that, if we are to achieve high productivity in business, we must design jobs to meet the requirements of the human being and his social environment, as well as the technique of production. Unquestionably this is a valid concept; but its working out can be a very complex matter. So we established this new curriculum as a means of educating students in the techniques of organizational and job design.

The Learning Community in Organizational Development was an idea of Professor Tannenbaum. His concept was to bring together for a period of eight weeks a small group of managers coming out of different kinds of organizations, who would work together the whole time under faculty direction and constitute, as Tannenbaum put it, a "learning community." They would return to their jobs with new ideas and new perspectives. I supported this project believing it was a very useful form of extended executive education.

MINK: In this same year, you also initiated an Accounting Research Program. Was this a further attempt to elevate accounting out of the narrowly professional cast that it had in earlier years?

JACOBY: Certainly that was one motive. We had brought Professor John Buckley into the chairmanship of the accounting faculty. He had a wider perspective of the potentialities of accounting education than most accountants. He saw accounting primarily as a business information system. He visualized many fundamental problems in accounting that needed investigation. He proposed in 1966 that we establish an ambitious accounting research program to look into these matters. He believed that we could persuade the large public accounting firms of Southern California to support it.

So we held a number of meetings with them, and got pledges of support. We then announced the program publicly, I remember, with a dinner at the Los Angeles Country Club,

at which the senior partners of the big firms--like Touche, Ross and Company, Arthur Andersen and Company, and Arthur Young and Company, and so on--were present. That program has flowered. I happened to see John Buckley recently and he told me that the program is now operating at the \$100,000-a-year level.

MINK: That's very great. In the same year, 1966, the Business Forecasting Project was also initiated. That grew out of an annual conference on business forecasting, which has been conducted ever since 1953?

JACOBY: Yes. The conference has been held for nineteen years. It was the intellectual child of Professor Robert Williams. At first our public efforts in business forecasting took the form of an annual conference, at which the faculty would present a forecast of the U.S. economy for the coming year. But more recently we converted the annual conference into an ongoing research project, involving continuous research in forecasting methodology. At least four quarterly seminars are held each year, participated in by the business economics faculty and by twenty or so corporations that support the work.

MINK: Do the students ever get in on this?

JACOBY: Oh, the students participate widely. The project has become steadily more refined and ambitious. We have now a mathematical model of the U.S. economy that we can simulate on a computer. We've developed a model of the

Southern California economy, which is linked into the national model. So we forecast for Southern California and for individual industries such as aerospace, as well as for the national economy.

MINK: This is something that I was not aware of. In 1967 came the termination of the Western Data Processing Center and its replacement by the Campus Computing Facility. Did this mean that IBM backed out of the picture at this point?

JACOBY: They backed out of support of the Western Data Processing Center at that point, but not out of support of computer facilities on campus. What happened in brief-- and this summarizes a long, tortuous and, at times, painful episode from the point of view of those of us who had operated the Western Data Processing Center--is that IBM and the officers of the campus who were responsible for computing concluded that a campus-wide facility should replace the Western Data Processing Center; that the technology of computing had developed in such a way that computers of enormous capacity were most efficient; and that what was more efficient, instead of having many different computers around the campus, was to have a gigantic "bomb," as they call the big one now in the Mathematical Sciences Building, serving all areas on the campus through remote input terminals. So now the Western Data Processing Center building has become essentially a locus for terminals that feed into the central computer. A new agency known as the Campus Computing Facility took over.

TAPE NUMBER: VI, SIDE TWO

May 1, 1971

JACOBY: What was formerly the Western Data Processing Center is now the North Node of the Campus Computing Network. WDPC was dissolved as an organization.

MINK: Does that mean computing hardware was moved out?
Sent back to IBM?

JACOBY: Yes. The large computer in the Western Data Processing Center building was removed. CCN's big computer is now located in the Mathematical Sciences Building on campus.

MINK: Did most of the people that were employed in WDPC move over there? There wasn't any loss of jobs?

JACOBY: There was a loss of jobs. Some moved into CCN with the computer facilities; others were terminated. The Western Data Processing Center had been not only a UCLA facility but, as its name applies, a Western university facility. At the time of its dissolution it had, I think, 110 associated institutions.

MINK: Well, this meant something to them, this loss?

JACOBY: It meant that they lost a facility that was serving their faculties and students. Of course, many of these other universities had built up their own computer facilities, so that their loss was not great. But some small institutions had not. For them the loss was crucial.

MINK: Well, you said that this was a decision to have a big "bomb" over in math-science building. Was this the University's decision?

JACOBY: Yes.

MINK: When they decided that they were going to do this, WDPC felt that they were no longer going to be active on campus, or how was it?

JACOBY: The decision was to terminate Western Data Processing Center as an institution. That decision was made by the chancellor on this campus and, I suppose, confirmed by the Board of Regents.

MINK: I see. Didn't you argue against this?

JACOBY: I argued against it at first. I felt--and perhaps this was a parochial point of view--that the management of the Western Data Processing Center by the business school insured that our faculty and students would have ample data processing facilities. We have always been one of the largest users of computing time on the campus, and I was fearful that, if we lost the [Western] Data Processing Center, our access to computing facilities might be reduced to a point that our research and educational program would be crippled.

I took this matter up with Chancellor Murphy. I made such a strong representation that he finally did something he rarely did. He issued a letter in which he promised, in unqualified terms, that as long as he was chancellor the computing needs of the business school would be met fully.

In fact we retained here for some time a small computer (I think it was an IBM-130 system) for small-scale work. Once I had that letter from the chancellor, I felt that the school's interests were protected.

MINK: What about IBM in this matter? They were the ones who originally put up the money and built the building, and where does this leave them?

JACOBY: The IBM top management became convinced that, given the economies of very large-scale computers and the fact that electronic data processing had become common on Western university campuses, the essential functions of WDPC had been achieved. The time for a "new deal" had come.

MINK: They had given the money for the building? They had given the furniture? All this? What did they do, write it off as a loss?

JACOBY: They wrote it off, but it was by no means a loss to IBM! The regents of the University of California inherited that property.

MINK: Just one more point bothers me. Who approached whom about doing this? Did the University say, "We don't need the WDPC anymore; we're going to build our own facility?" Or did IBM come around and say, "Well, we don't think that our facility is needed anymore; it's served its purpose."

JACOBY: Well, I don't think I know all of the facets of this very complicated transaction. It may be that no other

single person does, either. It was a very complicated affair. Campus politics were involved.

MINK: Is this something you'd rather not talk about?

JACOBY: No, by no means. I have nothing to conceal, and I wish to tell you all that I know. You will recall that UCLA has had in the medical center a medical computing facility, which was primarily concerned with biomedical statistical and processing work. We also have had the Institute of Numerical Analysis on the campus.

MINK: That was located up in the western . . .

JACOBY: . . . northwestern part of the campus . . .

MINK: . . . in some of the old temporary buildings there, where the theater arts department was before it moved into Macgowan Hall. Is that correct?

JACOBY: That is correct.

MINK: Wasn't that also a facility that was donated to the University?

JACOBY: I think it came from the Office of Naval Research, the National Science Foundation, or some similar agency.

MINK: Yes, it was the naval research office, I believe. You had nothing to do with the Institute of Numerical Analysis.

JACOBY: I had nothing to do with the Institute of Numerical Analysis, nor, of course, with the medical computing facility. Professor Clay Sprowls, who was the director of the WDPC, told me that the director of the Institute of Numerical Analysis was unhappy that the Western Data Processing

Center controlled and managed so much of the data processing on the campus. He felt that this all should be integrated in with the Institute of Numerical Analysis.

So there was a certain rivalry. It happened that the director of the Institute of Numerical Analysis was quite friendly with one of the IBM executives who had, it seemed, had jurisdiction over WDPC. I was told that they went to the chancellor at UCLA and put forth the idea of one big central large-scale computer replacing these other computing facilities. To the best of my knowledge, this is where the idea for the change originated.

MINK: My first reaction would be, if I were in IBM, that after having gone to all this trouble of getting the building and the hardware, giving it to UCLA, getting the furniture, and then to be told that they weren't wanted anymore, so to speak, would be a blow.

JACOBY: I know Thomas Watson, Jr., then chairman of IBM, and I wrote him inquiring whether he knew what was happening to WDPC and whether he approved of it. IBM, of course, is a giant company, and WDPC was a little detail in the totality of their operations. I wanted to know whether he knew about this proposed change and it had his blessing. I did get a rather ambiguous response, from which I concluded that he was persuaded that the change was desired, and that IBM was ready to terminate the Western Data Processing Center.

MINK: Well, on the face of it it would seem that it didn't make for very good public relations on the part of the University.

JACOBY: Well, it created some misunderstanding at the time.

MINK: We discussed before the idea of commenting on those faculty members who came after 1952 and were here active at the time that you retired in 1968. Elwood S. Buffa was professor of operations management.

JACOBY: Professor Buffa came to UCLA in the fifties as a protégé of Ralph Barnes. He took his doctorate in the School of Engineering. He developed courses in what we then called "production management" and later broadened into "operations management," that is, the principles and theories of managing physical operations of manufacturing, scheduling and so on.

Professor Buffa wrote the leading textbook in this field, out of his experience in teaching and research. He spent a year as a visiting professor at Harvard. Harvard was very eager to have him stay. I spilt a good deal of blood in putting together an offer that attracted him back here, because he was a valuable man that we needed. He's now associate dean, and continuing to contribute to the school importantly.

MINK: Leland S. Burns is professor of urban land economics.

JACOBY: Lee Burns came to us originally to work within the field of real estate and urban land economics. He had done some rather interesting work in programming the reconstruction

of the city of Rotterdam, in Holland, where he worked with the Netherlands Institute of Economic Research. Since coming to UCLA he has done interesting work in attempting to measure the effect of good housing on the productivity of people in the poor countries. This is a tricky problem to try to quantify. He has also become involved in our new School of Architecture and Urban Planning, and is serving now as a joint appointee of that faculty. I think he's now serving also as associate dean of that school.

MINK: Lee Burns is also somewhat of a musician, too.

JACOBY: Yes. He's an excellent musician. He plays the pipe organ; he plays the harpsichord.

MINK: James V. Clark, professor of organizational development.

JACOBY: Jim Clark is a behavioral scientist who came to our school from Harvard and has been one of the kingpins in the development of research and the guidance of doctoral students in the behavioral science field.

MINK: Louis E. Davis is professor of organizational sciences and research socio-technical scientist in the Institute of Industrial Relations.

JACOBY: Yes. I think we mentioned Professor Davis earlier in connection with the new curriculum in socio-technical systems. He has been the leader in that field. He has also served as chairman of the Department of Business Administration, taking an active part in the development of the school.

MINK: Raymond Jessen is professor of business statistics.

JACOBY: Professor Jessen took his graduate work at the University of Iowa quite a few years ago, when Iowa was perhaps the leading center of statistical study in the United States. His speciality has been sampling theory and the design of samples, in order to keep errors of estimate within proper bounds. He has served on the UCLA campus as the initial director of our Survey Research Center. He serves widely as a consultant to governments on census problems and to business on sampling problems.

MINK: Paul Kircher is professor of accounting and information system.

JACOBY: Paul did his graduate work at the University of Chicago. He has worked in a number of fields since coming here. He's a versatile person with a wide-ranging mind. He's worked on such disparate subjects as the national income accounting, the errors in antiballistic missile construction, information systems, and some of the more profound philosophical questions that arise in accounting, such as the meaning of "value." Evaluation problems in accounting are important. If you probe them at a fundamental level, you get into profound issues. Kircher has done this.

MINK: Frederic Meyers is professor of industrial relations and research economist for the IIR.

JACOBY: Well, Fred Meyers came to our faculty from the University of Texas, where he was professor. His field of specialization is that of labor economics and industrial

relations. He's written rather extensively on different systems of industrial relations in European countries as compared with our own country. Certainly, he must be counted as a leading authority in his field. He served as chairman of the Department of Business Administration for several years and contributed to the school's development.

MINK: Professor Irving Pfeffer is professor of insurance.

JACOBY: Pfeffer came out of McGill University in Canada. He wrote a very good book on the theory of insurance. He's been involved rather widely as a consultant to insurance companies. His contribution to the school would have been greater had he been less involved in consulting work.

MINK: There's a temptation there, of course. Barry M. Richman is professor of management and international business.

JACOBY: I mentioned him earlier in connection with our curriculum in comparative and international management. He's a man of enormous energy, has traveled very widely and written extensively for a man of his years. His basic theoretical contribution has been to construct a model of cultural, social, economic and educational factors that characterize the culture of a nation, and to correlate this cultural matrix with management factors. I think we'll hear a great deal more of Barry Richman in the coming years.

MINK: John P. Shelton is professor of finance.

JACOBY: Professor Shelton came to us from Dartmouth College. He's very competent man in the field of finance, particularly

in investment theory. He took leave of our faculty several years ago to become director of research for Merrill Lynch, Pierce, Fenner and Smith, the largest stock brokerage house. I was glad that he returned to UCLA a year or two ago.

MINK: Leo Grebler is professor of urban land economics.

JACOBY: I mentioned him in connection with the Mexican-American study, which he directed with great distinction.

MINK: He's now emeritus.

JACOBY: He's now emeritus, although he has continued to teach on a year-to-year appointment. He is certainly one of the stars of the school, a man of great distinction in the land economics and finance. He has served, I think, as advisor to every important presidential commission in the field.

MINK: Theodore Andersen is associate professor of business economics and finance.

JACOBY: Ted Andersen came to our school from his position as economist for the Ford Motor Company. He has a great talent in teaching. He was director of the Executive Program for a time, and was most effective in conveying theoretical ideas to executives, as well as conveying the business realities to campus students. He builds bridges between the experience of the real world and economic and financial theory more effectively than nearly anyone I know. He has not, however, published a great deal.

MINK: Robert Andrews is associate professor of operations management.

JACOBY: Bob Andrews is a product of UCLA, a protégé of Professor Ralph Barnes, who has already achieved a distinctive role and reputation as a teacher and researcher in operations management. He has taken quite an active hand in the revision of our MBA program. We shall hear more from him.

MINK: John W. Buckley is associate professor of accounting and information systems.

JACOBY: I have mentioned him in connection with the Accounting Research Program. Buckley has given superb leadership to our accounting area, which for a number of years lacked innovative and aggressive leadership. He has led accounting at UCLA into broad concern with information systems, and also with basic problems of accounting theory.

MINK: David K. Eiteman is associate professor of finance.

JACOBY: Eiteman took his doctorate at the University of Michigan, where his father was a professor of finance. He's been especially concerned with the foreign investment by business, and the relation of such investment to development. He's fluent in Spanish and has taken leave to help establish schools of business in Latin America. He's a very useful scholar and capable teacher.

MINK: Walter A. Fogel is associate professor of industrial relations and associate research economist in the Institute of Industrial Relations.

JACOBY: Walter Fogel's specialization is in the analysis of labor markets. He has established, already I think, a very fine reputation, and has published extensively.

MINK: Arthur N. Geoffrion is associate professor of quantitative methods and chairman of the operations research program.

JACOBY: He is also director of the Western Management Science Institute. At the suggestion of Professor Jacob Marschak, who was the first director of the institute, I asked him to undertake that role a number of years ago and he has continued to play it very well. He is a specialist in operations research. He publishes extensively in the field and has a creative and innovative mind.

MINK: Glenn W. Graves is associate professor of quantitative methods.

JACOBY: Graves worked in the same field as Geoffrion. He is a very quiet, introverted person. I think that he has been a useful scholar, but I would have to leave to others the appraisal of his theoretical contribution.

MINK: Alfred E. Hofflander is associate professor of finance and insurance.

JACOBY: We brought in Hofflander, primarily in the field of insurance, as a complement to Professor Irving Pfeffer, whom I mentioned earlier. He's proved to be a marvelous teacher and a very bright, capable scholar. He's still a relatively young man, but he will surely make a fine reputation for himself.

MINK: John Hutchinson is associate professor of industrial relations and associate research political scientist in the Institute of Industrial Relations.

JACOBY: Yes. John has been specially concerned with the history of the labor movement in the United States and in other countries, and has written rather extensively on that subject. He has traveled abroad, and is an acknowledged expert in comparative industrial relations.

MINK: Harold H. Kassarian is associate professor of business administration.

JACOBY: Hal Kassarian's specialty is marketing, with special emphasis on the applications of psychology to marketing problems and the design of marketing policy. He's done ingenious work in this field. Here is another man who will make his mark.

MINK: Archie Kleingartner is associate professor of industrial relations and associate research economist in the Institute of Industrial Relations.

JACOBY: Archie's field is somewhat the same as Walter Fogel's, labor economics and the analysis of labor markets and industrial relations problems. He's a good scholar. During the last several years he has served as chairman of the Department of Business Administration with a sense of dedication. But he is returning to full-time scholarship.

MINK: Fred Massarik is associate professor of behavioral science and industrial relations.

JACOBY: Fred is a behavioral scientist. He applies that discipline to the analysis of problems in industrial relations and general management. He has written much, conducted

seminars in Japan and Nepal and various foreign countries, and his name is well known around the world.

MINK: William H. McWhinney is associate professor of organizational behavior.

JACOBY: Bill McWhinney is a theorist, with a high order of abstract reasoning ability, in the field of organizational behavior. His work is highly regarded among the people in the field.

MINK: Frank G. Mittelbach is associate professor of business administration-in-residence and associate research economist.

JACOBY: Frank Mittelbach has worked with Leo Grebler for many years in our program of research in land economics and real estate. He's a highly competent researcher in that field.

MINK: R. Bruce Ricks is associate professor of finance.

JACOBY: Yes, Bruce Ricks took his doctorate at Berkeley, and we brought him to UCLA immediately after that. He's an aggressive, ambitious and able young man who has attracted research funds from several sources. He left our faculty a couple of years ago on leave to become chief economist of the Federal Home Loan Bank board, and he still is in Washington, where he is having a successful career.

MINK: Peter Vaill is associate professor of business administration.

JACOBY: Peter is also in behavioral science. I believe he resigned and left our faculty. He was a very congenial personality, widely liked, and I'm sorry he didn't stay.

MINK: Michael Y. Yoshino is associate professor of business administration.

JACOBY: Mike Yoshino's special field is in comparative and international management. He works with Barry Richman. He's published an excellent book on Japanese industrial management, which examines the paternalistic mode of management that prevails in Japan. He is a fine scholar in that field. Before we turn to another subject, let me emphasize that the two or three sentence statements I have made about each of these scholars is not, and could not be, a fair appraisal of their work. They are simply quick impressions--facts that quickly come to my mind--and should not be taken as more than that.

MINK: Let us set this in perspective by saying that this is the Graduate School of Business Administration which will soon be the Graduate School of Management. The science of management and its applications are the concern of this school. Naturally, over the years, you would be thinking about some of the problems of managing a corporation. That's what the University of California is, a corporation, with a governing board, a president, and subordinate officers. As you see that system, with some of the philosophical concepts and practical applications of management that have been developed and the theories that have been propounded in this school, I wonder if you would like to comment on it?

JACOBY: I'm glad to comment on the management of the University of California. A dean of a school is a line manager in the university system. He is analogous to a regional or divisional manager in a large national corporation.

MINK: He is at the same time a student and professor of management?

JACOBY: Yes.

MINK: You're a researcher and you teach?

JACOBY: Yes. I have tried to apply my theoretical knowledge of organizations and management processes to the University of California. And I have tried also to compare the management process that goes on in the University with those of large business corporations with which I've been associated as a director or a consultant.

MINK: Do you see any dangers in comparing an educational institution to a business enterprise, as far as the philosophy of its management is concerned?

JACOBY: Yes, of course there are dangers. Any analogy can be pushed to unwarranted extremes. Nevertheless, there are certain more or less universal principles of organization and management, applicable everywhere, which form standards by which one may judge the management of any kind of institution.

MINK: Not to put you on the spot, but just to probe, there's one agency that seems to me to be in conflict with the traditional type of corporation management, and that is the

Academic Senate. It has [been] delegated authority to make many educational decisions. How do you feel about this?

JACOBY: Let me reply to that in a somewhat broader context. Several years ago I was invited by Robert Hutchins, chairman of the Center for the Study of Democratic Institutions in Santa Barbara, to lead a seminar on problems confronting the University of California. The center, as you know, is interested in problems of our society. At that time, the University of California's problems were beginning to emerge. They became much more acute later.

I outlined a seminar discussion, focusing upon what seemed to me the basic sources of the University's problems. I began the seminar by pointing out the great achievements of the University of California. It is, in many ways, a magnificent institution, unparalleled in the history of our country or any other country, for its great size and excellence, the number of its students, and the fact that it's been a prototype for multi-campus state educational systems throughout the nation. It is the leader among the land-grant institutions, and has pioneered in the extension of its services to the masses of the people. I note these achievements because I am proud to be part of this University, and I do not want my criticisms to be viewed as anything more than a desire to make a fine institution better. The explosive postwar growth of the University was not accompanied by timely and appropriate changes in its organizational struc-

ture or its management practices. This is the master source of its problems.

One problem is highly overcentralized administration. The regents have never delegated adequate authority to the president, and he to the chancellors on each of the campuses, nor the chancellors to the deans, to operate their respective parts of the University. The regents therefore occupy far too much of their time with minutiae, with little things that ought to be settled down the line. They have too little time left for study of the large issues--overall planning and the profound questions of financing, such as how much we should rely on tuitions and how much on state subsidies? The consequence of this inadequate delegation has been a diffused responsibility. You can't put your finger on any one man and say, "You are responsible for a bad job having been done in this area." When he didn't have the authority to do a good job, how can you blame him for doing a bad job?

There is often a failure to resolve issues at the proper level. There's a massive amount of paperwork. We still make out forms in octuplicate! There's excessive administrative personnel. There are layers and layers of people through which paper has to pass, because nobody can make a decision. Everybody's looking over the shoulder of everyone else. There's an erosion of leadership. The top man can't make a decision, but has to consult committees and go back to the Board of Regents, who are mainly businessmen unacquainted

with the educational process. The leader gets demoralized and becomes timid.

Another problem--if you disagree with me or have comments to make, please break in--another problem is excessive control of the different school faculties by the committees of the Academic Senate. As you know, the regents have delegated to the Academic Senate very wide authority over courses and curricula and degrees. It should have redelegated to the faculties of the schools and the colleges a wide authority to design their programs and administer them and then to judge them on the results. Good administration requires giving the administrator authority to do a job, and then holding him responsible for doing it. When you don't grant him authority to do the job, and he doesn't do it, he can't be blamed. As a result you tend to perpetuate inefficient administrators in office. The Academic Senate has traditionally mistrusted chancellors and deans. Its committees, therefore, control budgets, appointments, courses, and curricula. They often block innovative changes which individual faculties would like to make, and should be permitted to make. Academic Senate committees function as administrative bodies, when they should be reviewing bodies.

One consequence is that we have an enormous waste of faculty time. The average University of California professor spends a larger fraction of his time sitting in committees than the professor in any other university in the United States.

MINK: Just as an aside there: it's well known that committee service is considered as one of the factors for promotion.

JACOBY: True, because it's such an important part in a faculty man's life. But the basic question is whether this committee work is the most productive use of his time. Too often, faculty members are sitting on committees deciding issues that they're not prepared or qualified to decide. This takes time away from the pursuit of their own specializations for which they are excellently prepared. It is counterproductive. You're forgoing the advantages of the division of labor and the specialization of function by this system.

A third problem that I pointed out at the seminar at the center is the too extensive intrusion by the state government into University affairs. The state officials, for instance, intrude into the question of University salaries; they set standards for University buildings; they require an excessive amount of reporting. Of course, when they don't like what happens in the University, they penalize it by cutting off funds. Now, the constitutional concept of the University of California is that of an autonomous corporation, owned and operated by twenty-four regents, eight of whom are ex-officio and sixteen appointed for sixteen-year terms by the governor. This was intended to give the University a great deal of autonomy. The state has taken away much of that autonomy.

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JACOBY: The excessive intrusion of state government into University affairs derives partly from the fact that, in my opinion, too much of the University's expenses are financed by state grants, and too little by user fees, by tuitions. He who pays the piper calls the tune. If the state government puts up well over 50 percent of the money, which it does, naturally it is going to direct, in one way or another, what goes on. The University of California would be a more independent institution if well over half of its income came from tuition and federal grants. The students who are being educated here whose families can afford it should pay a larger fraction of the costs. The problem of the student coming from a poverty-stricken family should be solved by having generous scholarships for him.

Our present system of heavy University reliance on state subsidy has two bad effects. It's inequitable, in that people in the higher income brackets are getting education that they're not paying for, but which the public as a whole is paying for. Equally important, it's depriving the University of independence. We should shift more heavily to tuition.

The last problem that I described in this seminar of 1966--and I think this point still holds good . . .

MINK: Your points seem to me even more pertinent to the present than perhaps they were then.

JACOBY: The final fault has been unrealistic planning. If you look at the Master Plan for Higher Education, which was put forth in 1959, the goal of the University was to build fourteen Harvards in California! The ultimate aim was to have fourteen campuses, each with a full panoply of professional schools and programs and each of the highest quality. This goal of fourteen Harvards was at that time totally unrealistic, and it now is seen to be so. As you're aware, President Hitch has announced that new data on immigration into California, on birth rates, and on public attitudes indicate a much much smaller student population destined for the University than was planned. So we have dissipated resources in trying to set up full-fledged campuses of top quality in too many places. Much better to have focused our resources upon creating centers of great excellence in fewer places, where the need exists, such as Berkeley or UCLA.

The Irvine campus is an example. In the field of management, for instance, we now have plans to establish graduate schools at Irvine, at Davis, at Santa Barbara, and at Riverside. You simply can't build six graduate centers of real excellence in management education in California, in addition to two of Stanford and Southern California, big and rich as this state is. Much unrealistic planning came out of the notion that the taxpayers of California would support anything. Well, we know that this isn't true.

Well, what do we do about it? How can a great institution be made better? This is the basic issue. I have a few thoughts about this, thoughts I did express in 1966 at the center.

We need a new role for the regents of the University, the principal policy-making agency. The Board of Regents should have a full-time chairman and staff. The chairman of the board should work on the basic issues of financing and planning and external relations. The president should be the officer in charge of operations. In large business corporations you often have a board chairman in charge of external relations and planning, and a president who's in charge of internal operations. This division has been felicitous.

MINK: Are you implying here that you feel the regents should delegate all of the authority they now have in terms of internal operations to the president and make him accountable, and he sinks or he swims?

JACOBY: You say "all of their authority." Perhaps not all, but much more than they have.

MINK: Well, could you elaborate here? What are the areas that you think they now have that they should relinquish to the president?

JACOBY: The basic job of the regents should be to plan the long-range operations and financing of the University as a whole. They see it as a whole. They should support before

the legislature a budget that will finance the appropriate part of those operations, with the rest of it to be financed by tuitions, as I suggested earlier. Then, they should turn that budget over to the president with authority to use it, and say, "Your job is to allocate this among the campuses." When the president has made his allocations to the various chancellors, the chancellors then would have authority to allocate funds among the schools on their campus. A chancellor would give the dean the power to run his school. They would be able to shift funds from one purpose to another, so long as they kept within the budget total. This system would greatly improve performance, reduce delays, and cut costs of administration.

MINK: Well, what about the fact that the regents need to go to the legislature every year and say, "Here is what we have to have." The budget therefore becomes a concern of the Department of Finance, which advises the governor. The legislature is asked to approve. The budget really goes through so many different channels. It goes--correct me if I'm wrong here--to the campus officer, and from the campus officer it goes to Berkeley, and then I believe it goes through the regents and then to the Department of Finance. Is that correct?

JACOBY: I think so.

MINK: And then to the governor, and he submits a budget to the legislature, and . . .

JACOBY: And they submit it to the administrative auditor, who makes a comment upon it.

MINK: Right, and then it goes to the Ways and Means Committee for hearings, right?

JACOBY: Right.

MINK: What about all these steps?

JACOBY: I'm not objecting to these steps in making the budget. What I object to is the fact that, by failing to finance a large enough part of the University's needs through tuitions, the regents must ask the legislature for huge increments, about another \$50 million every year. The legislature balks, believing that the taxpayers have reached the limit of their tolerance. Had the regents designed a more equitable financing plan, raising tuitions and providing scholarships for the needy, [they] would not have had to ask for these large increments. They would have gotten a more hospitable reception in the legislature, and a faster approval of the budget, without cutbacks.

Here, I'm critical of the regents rather than the legislature. The regents need a full-time chairman with a staff working on these large issues instead of having to approve the adjustments in somebody's salary or a small appropriation to plant a lawn somewhere on a campus. This is a waste of time for a body of men of that caliber.

MINK: Would you see authority for budget allocation lying better with the president of the University?

JACOBY: Yes. There should be more delegation of authority to the line officers of administration, with a rigorous post-audit of their performance. In other words, the regents would not be concerned with giving advance consent to some small change in budget expenditure, but would say, "Go ahead and spend the money so as to do the best job you can. But we are going to post-audit your performance, and if you haven't produced the intended result we'll find another officer who does."

MINK: We'll turn from money areas for just a minute. Let's take the case of Angela Davis because it's so notorious. Here is a case where the regents actually interfered in the administration of one campus because they felt--and perhaps rightly so--that here was a Communist who ought not to be teaching in the University. But it doesn't necessarily have to be that. It could be something else. Are these things that should be properly within the purview within the regents?

JACOBY: Yes. The regents, as the ultimate governing authority of the University, occasionally have to step in where a member of the organization gets out of line, and impose penalties or discipline or make changes. Now, I don't know all the facts in the case of Miss Davis. If,

indeed, she did publicly advocate the overthrow of the U.S. government by force and violence, something that her mentor, Herbert Marcuse, who used to be down at San Diego, obviously did, then it seems to me there was ground for her dismissal. If the faculty didn't have the good sense to act, it was up to the regents to do so.

MINK: The faculty maintains that the regents have delegated this authority to them. I think what they sometimes forget is that it is delegated and it could be taken away at any point.

JACOBY: Exactly. The regents are always the judges of whether the delegated authority has been exercised properly, has been used well.

MINK: And so do you see all of this foment in the Academic Senate today as being somewhat futile, in the sense that they can yell as long as they want, but it's not going to get them anywhere because they don't really have that final authority?

JACOBY: Well, I confess to a sense of annoyance with the behavior of the Academic Senate in recent years. What I seem to hear constantly are complaints that academic freedom is being impaired by regental actions, or by something that the governor or the legislature is doing. There's a constant emphasis upon academic freedom. I never hear any talk about faculty responsibility. What are the responsibilities of a faculty member in the universities?

MINK: Well, I think we're beginning to hear that now.

JACOBY: But it's come belatedly, wouldn't you agree?

MINK: Well, I think it's come with a realization on the part of the senate that they jolly well better lay down some guidelines for behavior.

JACOBY: Exactly. We had some UCLA professors, you remember, during the Kent State University affair who were telling students, "You don't have to come to class; we'll give you an A," taking it on themselves unilaterally to abandon the educational process. This was clear dereliction of duty. For a member of the Academic Senate to say that the regents are depriving them of academic freedom by calling attention to this dereliction is absurd. The Academic Senate itself should have done its duty. It's axiomatic that for every grant of freedom there is a correlative responsibility. Has the senate forgotten that axiom?

Well, let us come back to solutions. We need to re-structure our senate committees to allow each school faculty to operate more freely within its own sphere. We need heavier reliance on tuitions to finance the University, with ample scholarships for needy students. We should tailor our plans more realistically. We should plan a maximum of four or five diversified campuses of great excellence, rather than to talk about ten more. Another planning objective should be to get the lower division off the University campus. We have now an excellent system of community colleges

in California. During the first two years, beyond high school, the young person is best served by getting a general education in his own community. When he leaves this community to come to the larger world of the University, he has more maturity and is not thrust into an unstructured environment that many don't know how to handle. We would avoid a great deal of student frustration, unhappiness and unrest if the University admitted students at the junior year. They are then of an age and a maturity that's more compatible with that of the graduate students that we must have on the campus, because we are, after all, the graduate institution of the state. This policy would make our problems much more manageable in the University.

Finally, we have a right to expect more leadership from the regents in explaining the University to the legislature and the people. Why does President Hitch have to do this job? The regents, who are the ultimate authority of the University, are its custodians. They own legal title to its property and appoint the members of the University. They are the men who ought to stand out in front and say, "Here is what the University is trying to do." But we get very little of this out of the Board of Regents today.

MINK: This is not to be argumentative necessarily, but you were saying a while ago that one of the problems of the regents is that not many of them understand the University or what you called "the educational process." Well, if they

don't understand the educational process, how can they be University spokesmen in the legislature, with the governor?

JACOBY: The answer to that question means a more careful selection of regents to appoint to the board. These are positions of great importance. It's necessary that the governors use them, not as a means of paying political debts, but to find the best statesmanlike minds in the state and to persuade them to dedicate a large part of their time to the University.

We have had such regents. We've had some very fine regents who have had vision and who have worked hard. Regent Dickson was a man of that kind. But we don't have enough of them.

MINK: We begin to have too many regents, it seems to me, who have conflicts of interest. Probably, as Stafford Warren said, it is necessarily going to always be this way to some degree. But I wonder how you would respond to the proposition that perhaps the appointive process for the regents ought to be revised in some way. Perhaps the governor ought not to have the sole power, with approval of the legislature, to appoint regents to the University. Perhaps there ought to be some sort of a board that goes out to seek and recommend appointments similar to the way the president or a chancellor is found for the University?

JACOBY: Or you might combine the gubernatorial power of appointment with a requirement that he could appoint only from candidates selected and approved by such a selection board.

MINK: That is what I was implying, that a committee would be formed. Now, who would appoint this committee?

JACOBY: Well, the governor might appoint it, but its members would presumably be people of great distinction and independence, whose opinion he would have to respect.

MINK: Well, if guidelines were set down for the establishment of such a committee, wherein the governor would have to nominate people for appointment to this committee under those guidelines, then the legislature would approve them. If they weren't under the guidelines then they could disapprove.

JACOBY: I hadn't thought about that plan, but offhand it seems to have merit.

MINK: This committee would recommend a list and the governor would be bound to pick from that list?

JACOBY: From that list, yes.

MINK: I'd like to turn to another matter in this area: the question of tenure and how you feel about research as a prime requirement for admission to tenure in the University--research and publication, I should say.

JACOBY: Well, my feeling is that we have laid too much emphasis upon research and publication. Therefore, too little emphasis is put upon excellence in teaching, upon guiding young people, and upon creative innovative administration as justifications for advancement to tenure. Now, I know this has become platitudinous. Everybody says, "You should

take account of teaching." We are taking more account of it now. But when it comes down to the table where the decision is made, it's true still that what a man has written and published is the decisive factor.

How can we overcome this bias, this overweighting, or research and publication? We can do it by designing better quantitative measures of teaching and administrative effectiveness. The essential qualification for tenure--and I use tenure as a synonym for acceptance as a scholar--is creative, innovative activity in the world of ideas. This can be expressed in the form of articles that may be published in professional journals; or it may be expressed in the form of idea-generation in the classroom before students; or it may be expressed in the form of novel administrative arrangements which make the University more effective--creative administrative systems and processes. Any man can demonstrate his fitness for tenure by achievement in any one of those three fields. In order to make this principle come true, we are going to have to measure creativity in teaching and in administration.

Now, in teaching we have done so. For example, in this school we now have an elaborate method of evaluating the teaching performance of every faculty member, every year. An independent evaluator who has questionnaires goes into a classroom in the absence of the professor but with his knowledge, and obtains from students a very searching assessment of how he runs his class and how effective it is.

Since I ceased being a dean, I have been subjected to this process. I'm impressed by its thoroughness and its validity. It goes into the professor's record. He's rated on a scale from one to seven. Anybody who's, let's say, four or under, is obviously not doing his part. He is suspect.

MINK: Maybe I'm just reinforcing what you're saying, but it seems to me that it's seldom that you find a man who combines, in a great degree, the abilities to teach and the abilities to write and do research. Does it not seem a pity that some of our most inspiring teachers have been dropped through the tenure mill? Is this not a facet of the frustration that perhaps the students find in the University system?

JACOBY: Yes, I think it is. It is a pity. The University suffers; the students suffer for this. The dropping of these excellent, inspiring teachers has been due simply to inadequate efforts by faculties to design quantitative measure of teaching excellence, such as we have installed in this school. You read in the Daily Bruin, frequently, complaints that Assistant Professor Zilch has been dropped because he hasn't published. Yet it turns out that hundreds of students on the campus were inspired by his teaching.

MINK: In regard to tenure, is it not true that there has been a percentage of people who have gained tenure for next to nothing in the way of research and have then turned around and used their power against others seeking to obtain

it--to keep people out of the department who might otherwise be the wellspring that would revitalize it. They tend to do this out of motivations of fear, out of feelings of inadequacy, and so on?

JACOBY: I'm sure that the process you described does take place in the University.

MINK: I'm not going to name departments. [laughter]

JACOBY: Looking at this matter in my own perspective, it has not played a large role. There are always, I suppose, a certain percentage of people in academia of mediocre talent and ability who vindictively try to prevent others of greater ability from moving ahead or joining them. I think that the percentage is small. In the case of my own experience, I can think of--of several hundred faculty members that I have intimately been involved with over the years--only two or three that I think conformed to that description. You will find people of this caliber and these mean motives in all kinds of organizations.

MINK: Now, the Academic Senate: we were talking about its power. As a student of the University's history through the oral history research methodology and through my work in the archives, it becomes increasingly clear to me that the Academic Senate as it was set up in the beginning was a struggle. There were some very high-principled people involved in this struggle. It was set up as a direct result of authoritarian tactics on the part of the administration when the provost

himself, back in the early days, would appoint all the committees. His appointments would have no bearing on the expertise needed on the committee. So this group of valiant people got together and they formed a senate, and they were able to get this power taken away from the provost.

Now, it seems as though in recent times, with the behavior of the senate, you see an advocacy for this power to flow back in the other direction, for it to become more centered in the administrators on the campus and the chancellors and the deans. You tend to be advocating this in a way, but maybe not for these reasons. How do you feel about this?

JACOBY: I understand your point and I agree. I'm not, in any sense, attacking the senate. I'm in full agreement with the idea that the Board of Regents should delegate to the Academic Senate broad authority to formulate curricula, degree requirements, admission requirements, and so forth.

MINK: You don't think that this sort of power should be granted to the administration?

JACOBY: No, it should go to the senate. What I have argued for is that the senate, in turn, which is the whole body of the scholars in the University, should delegate to the faculties of each of the schools and colleges (remember that those faculties are committees of the senate under the University constitution) larger authorities over their own curricula, their own courses, admissions requirements and so forth, instead of setting up a whole series of overriding

committees--a committee on courses, a committee on budget, committees on appointments, etc., which attempt to decide on a campus-wide basis what should be done in education.

What has happened is that the faculties of the individual schools and colleges, which are committees of the senate, have been shorn of effective power. Authority of the senate has been lodged in its campus-wide committees. What we need is a redistribution of power from the campus-wide committees of the senate to the faculty committees of the senate.

MINK: But what happens in the school if, for example, the faculty is given more power to set up its courses? Doesn't this mean that more money will have to be spent? A school wants to initiate a new program; it might be done as a prestige factor, to build the school up. This is all very fine, but the money has to come from someone; so there has to be sort of an overriding check.

JACOBY: That's the total budget of the school. That's the overriding check. If the faculty and the dean of the school decide that a new program ought to be launched, and they have a budget of X dollars, that means they're going to have to take X dollars away from existing programs to put into the new one, so that there always is that overriding control over the totality of the resources available to the school. But I would give the faculty and the dean of the school the

authority to launch that new program if they think it's more important than something they're doing now. They should not have to debate this matter months and sometimes years with campus-wide committees of the senate. That has frustrated a lot of innovative development in the University that would have been very desirable.

MINK: Well, let's look again at certain other bodies of the Academic Senate: the Committee on Committees, the Committee on Budget and Interdepartmental Relations. I think we had a little discussion of this before. What is your attitude about reforming this area in connection with appointments and promotions?

JACOBY: The same faults may be found in the Committee on Budget and Interdepartmental Relations that apply to other campus-wide committees. They have reserved too much of the authority that should reside in the faculties. Now, it's clear that the chancellor should consult a committee of the senate on allocating the campus budget among the schools and colleges. This should be the central function of the Committee on Budget and Interdepartmental Relations.

MINK: But not to appoint the ad hoc committees?

JACOBY: But not to go down the line and examine questions of salaries that are paid to individual faculty members. This is not a matter for a campus-wide committee. Nor, in my judgment, should it appoint ad hoc committees. The faculties

of the several schools, at least after they've gotten to a certain point of size and distinction, should be free to govern themselves, to make appointments to their own body.

MINK: To pass upon themselves?

JACOBY: Yes.

MINK: Would it be possible in the School of Business Administration to appoint ad hoc committees at this point to pass on promotions?

JACOBY: The system that I would recommend is this: that the dean of the school should be required to appoint a committee to review the qualifications of a scholar for appointment to the faculty, or at least a tenure appointment. In appointing this committee, he should be required to include members of other faculties to it. The committee probably would be composed primarily of members of the faculty of his own school, with inputs from other faculties. Had this system functioned, the faculty of our school would be better today than it is. We lost many good men we could have brought to the faculty, simply because of delays in the process of campus-wide review, reference to the chancellor, and reference to the president, before a final decision.

MINK: Secrecy is somewhat impaired by having the committees appointed from within the school, isn't it? Or do you feel that the faculty has reached a degree of maturity where it's possible to maintain this confidentiality, even though the appointments are from a smaller body of people? The anonymity of having somebody from the Department of Chemistry

and someone from the Department of Theater Arts sitting on a promotions committee with a representative from the recommending department--is this preserved better this way, or could it be preserved within the school?

JACOBY: There are really two questions embodied in your question. One is whether secrecy is an important factor, and the other is whether changing the composition of the committee would affect secrecy. I have mixed feelings about secrecy. I understand the reasons for it, but I also see the great costs it imposes. I know that it's created much ill will and misunderstanding, apprehension, insecurity, which is behind the feeling in some departments that the system is not well and they don't feel comfortable in it. I think, sometimes that if we abolished it, it would be better all around. Put the cards on the table. However, whether or not this is the right thing to do, I do not see that confidentiality would be less likely in appointment committees that are dominated by the faculties to which the appointment is to be made than by the present kind of ad hoc committee. It seems to me equally possible to maintain whatever degree of confidentiality you wish.

MINK: At the graduate level, the institution of a new doctoral program has to have the approval of the Graduate Council. This is a body of people with the dean of the Graduate Division now serving as an ad hoc member, but not as

chairman. It used to be he served as chairman, and I guess they didn't think that was a good idea. But nevertheless, all of these PhD programs have to go before that council for final approval before they can actually be put into the catalog. How do you feel about this?

JACOBY: I'm in favor of that.

MINK: I'm not trying to argue with you; but doesn't that conflict with what you were saying a moment ago about having the faculty the determining body within its budget as to what program should be initiated, even if it meant cutting out another?

JACOBY: Well, these are matters of degree. With respect to certain questions, such as the integrity of the PhD degree which is an institution's highest scholarly award, there is merit in having university-wide standards and controls over the approved programs leading to that degree. I would, however, be more liberal in letting the individual faculties of schools, let us say, add a course or even a series of courses, if they elected to do so, controlling their whole operation by the budget. But I think that the Master of Science degree and the PhD degree are now properly within the control of the Graduate Council. However, the professional degrees, such as for example a Master of Engineering, the Master of Business Administration, the LLB, are not under the Graduate Council, as you know. They are within the controls of the faculties concerned, because they are professional rather

than scholarly in character. Our present system is good on that score.

MINK: How do you feel about the administration of the incumbent chancellor? Maybe you don't want to comment on this, but, as opposed to previous administrations, do you regard him as a fence-sitter?

JACOBY: My deanship terminated at about the same time that Chancellor Young came into office, so that I really have not had the opportunity to work with him as a line officer of administration and to assess his performance as compared with that of his predecessors. I lack the basis for a statement.

MINK: I think that just about concludes the questions that I had unless you have some further comments on the government of the University.

JACOBY: No, I think we've gone over that subject rather thoroughly.

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May 8, 1971

MINK: In preparing for this final discussion relating to your scholarly career, you were telling me that you felt that it rather naturally divided into four consecutive periods.

JACOBY: Yes, looking back over my scholarly career, which I define to include teaching, research, and writing as opposed to academic administration, it does seem to me that there were four periods. The first, or prewar, period, running from 1930 to 1941, was one in which my interests were focused on government finance and taxation. This interest began during my undergraduate days at the University of Saskatchewan. There Professor William Walker Swanson, who was a University of Chicago PhD, stimulated my interest in government finance and tax problems. As an undergraduate I wrote two essays on Canadian federal and provincial revenue problems, in 1929 and 1930, in the Royal Bank of Canada competition, which won me prizes and which were published. Later, when I got to the University of Chicago as a graduate student, I chose The Economics of Retail Sales Taxation as the subject of my PhD dissertation. A book under that title was published in 1938 by Commerce Clearing House in Chicago. I was also involved in research on the

problems of finance of Illinois, and worked with Professor Leland at Chicago and others in preparing a book known as State-Local Fiscal Relations in Illinois, which went into the tangled fiscal relationships between the state of Illinois and its local city and county governments. This is a timely subject today in California and other states.

MINK: Yes.

JACOBY: The second period began in 1941 and ended around 1955, during which the main focus of my scholarly interest was the field of private finance, money, banking, and investment. This shift began when I served during 1937 as director of the research department of Lawrence Stern and Company, Chicago investment bankers. It continued after I was appointed assistant professor of finance in the School of Business of the University of Chicago in 1938. There it was my official responsibility to direct research in private finance. So I began outlining what seemed to me necessary research in this field. I found that in 1940, quite independently, the National Bureau of Economic Research in New York was formulating a financial research program. They got in touch with me, and I later became a member of the National Bureau staff and merged my efforts into their broader study which was the Financial Research Program of the National Bureau.

It was there that I became acquainted with Professor R.J. Saulnier, who later was my colleague on the Council of Economic Advisors, and still later, chairman of that council.

Saulnier and I, over a period of years, together wrote and published six books in private finance. This was an exceptionally long and warm coauthorship. Our books included Term Lending to Business, published in 1942; Accounts Receivable Financing in 1943; Financing Inventory on Field Warehouse Receipts in 1944; Financing Equipment in 1944; and an integrating study, the most important of all, Business Finance and Banking which was published in 1946. A couple of years later, we were also involved together in a broad study of the federal lending and loan-insuring activities. The outcome of that was the publication in 1958 of a book called Federal Lending and Loan Insurance. These were the principal products of that period.

The third period began about the middle 1950s with my service on President Eisenhower's Council of Economic Advisors, which awakened my interest in the broader problems of economic policy. From about 1955 until the end of 1967, economic policy was the main focus of my concern--policy not only for developed countries but also for less developed countries. Out of that period came quite a number of works. The book Can Prosperity Be Sustained?, published in 1956, was one of them. United States Monetary Policy, which I edited, published by Praeger in 1958, was another of them. I also did with Frank Norton, Bank Deposits and Legal Reserve Requirements. My massive study of United States Aid to Taiwan, which was published in 1966, was

another of the principal works that came out of that period. Finally, I should mention the book European Economics, East and West that I did with James Howell of Stanford, published in 1967. Therein, we contrasted the economic problems and prospects of leading socialist and capitalist countries.

In 1968 the fourth period of my scholarly career began when I took sabbatical leave from UCLA, following my resignation as dean in July 1968, and decided to spend the year as a visiting fellow at the Center for the Study of Democratic Institutions. This center, as you know, is dedicated to multidisciplinary analysis of the great social problems and institutions of our time. My monograph The Progress of Peoples: Toward a Theory and Policy of Development with External Aid was published by the Center for the Study of Democratic Institutions in Santa Barbara. Many articles have appeared in The Center Magazine.

MINK: Could you tell me just how it was that the center came to be located in Santa Barbara?

JACOBY: The center is an outgrowth of a nonprofit corporation known as the Fund for the Republic, which was created, I think, in 1958 as a result of a grant by the Ford Foundation. It was dedicated initially to an effort to extend and equalize civil rights in the United States. Later, as the civil rights problem seemed to be in process of solution, the Center for the Study of Democratic Institutions was founded, under the leadership of Robert M. Hutchins, formerly

president of the University of Chicago. It needed a site. It happened that the old Peabody Estate up on Eucalyptus Hill in Santa Barbara--a beautiful location overlooking the Santa Barbara Channel with the coastal mountains on the other side--was available to the center for the ridiculous price of \$240,000. So the trustees of the Fund of the Republic purchased it. There the center has been located ever since.

MINK: Were you in on the plans of the center from the ground floor up, or did you join in its endeavors at a later date?

JACOBY: I came in later. I had followed it with interest, but from afar. I was not personally involved until I became a visiting fellow in 1968. There my intellectual interests again broadened; and I saw the urgent need for attacking the large problems of our times: peace and establishing world government, making our democracy more effective, getting more justice and equity into our economy. These issues needed to be looked at from the standpoint of sociology, history, philosophy, and politics, as well as economics. Thus began the fourth phase of my scholarly career, in which I have been trying to master the wisdom and knowledge from other disciplines and to combine them with economics in analyzing and proposing solutions to social problems.

MINK: Has there been any major product of the multi-disciplinary experience you have had at the center?

JACOBY: Yes. For four years, beginning in 1968, I have been studying the American business corporation as a central institution of our society, assessing its performance and proposing improvements. The results of that study will be published by the Free Press in 1973, in a book entitled Corporate Power and Social Responsibility.

MINK: I had said to you, before we turned on the recorder, that I thought there was some truth in the premise that an individual who has responsibilities for the administration of a school, and certain scholarly interests in research, will necessarily influence the research direction which the school itself takes. I suggested that perhaps this was a way of approaching a discussion of your scholarly work. To what degree do you feel, for example, that the areas that you were interested in generated interest in research by other members of the staff and the development of programs that might not otherwise have been developed if someone else had been dean?

JACOBY: Perhaps I can illustrate my own philosophical approach to management education by a specific illustration. [As I am] an economist by training, all of my teaching and writing had been in the field of economics and its applications to government and private finance. Then I came to UCLA in 1948.

It was clear to me that any graduate business school, if it were to fulfill its mission, had to have strong scholarly work in the management theory and policy, because that is what distinguishes a business school from other schools--its preoccupation with management as a process. When I came here, there was virtually no work in that field, and we had no one on the faculty to teach it. So I began, while I was deaning and preoccupied with the problems of budgets and personnel and so on, to spend a good part of my fourteen-hour days reading in the field of management. I organized the first graduate seminars in this field. Those seminars were expanded by Professors Koontz and O'Donnell, who came on our faculty later. The structure of those seminars was the basis for the structure of their well-known book, Principles of Management. So my initial scholarly input into the school was, therefore, to put management theory and policy at the center of the stage and to start work in that field.

Later, I saw the importance of indoctrinating students in our school with the importance of the environment. The business enterprise is, after all, only one social institution in a complex society. The manager of that institution has to understand the society, how it changes, the forces behind change, and how his enterprise should react. So I organized a seminar on the subject, which I taught every semester. This seminar was called "Economic Policy in the

Business Environment," showing how government attempted to influence the growth of the gross national product and how this would affect the sales and the profits of the individual business. It described interlinkages between business and the whole economy. More recently, bringing us up to date, I have been deeply concerned with teaching our course Business and Society, which attempts to explain and describe the interlinkages between the enterprise and all of the other institutions of society--labor unions, the school, the church, the family, and governments. In fact, during the past few years I have been converting myself from an economist into a general social scientist!

MINK: Just a comment. Your interest in management had a great deal to do with the establishment of the California Management Review, a publication that the school undertook and which you've previously discussed?

JACOBY: Very much so. We have had a large number of American economic journals, but we have not had many scholarly journals devoted to the publication of materials on management, concerned with the organizing, direction, planning and controlling of enterprises. This was the basic purpose of the California Management Review. The Harvard Business Review had been established for that general purpose on the East Coast, I think initially in the twenties, but nothing had been done on the West Coast. So we broke new ground in the West with the California Review.

MINK: Before you retired as dean, you emphasized the need for the broader view that takes into account all aspects of social problems and how economics interrelated with other disciplines. Had this in any way been manifested in research work undertaken in the school prior to your becoming a fellow at the Center for the Study of Democratic Institutions?

JACOBY: If you are asking whether the school had initiated any research into business-society relations prior to 1968, the answer is yes. Indeed, we had laid the groundwork for the Business and Society course in 1966. This was an achievement for which Professor George Steiner must take the main credit. I had backed this course strongly, but it was he who performed the principal task of outlining and developing materials for it. Out of that effort, in 1971 he published an impressive textbook under the title Business and Society.

MINK: I've wondered about this in connection with the field of history. How is it that a man who does a lot of research suddenly changes his point of view from one area to another? What attracts him? Now I think you've explained pretty well what began your interest in taxation, what began your interest in private finances, and later in economic policy; but what is it that actually changes one's focus?

JACOBY: That's an awfully good question, not easy to answer. It may be that the answer differs for different people.

In my own case, I think the explanation is a two-pronged one. The shift in my intellectual interests arose, on the one hand, out of a tendency I have to be a generalist, an integrator, rather than a specialist. Throughout my life, I have tried to understand the whole system, the whole institution, rather than merely its parts or its economic aspects. This effort to integrate has driven me to try to understand and master a variety of fields. The other factor has been simply the action of fate. Fate gave me certain responsibilities, and I was in the position of having to understand them better in order to deal with them.

MINK: Well, that's it, then. You explained pretty well these circumstances of fate.

JACOBY: Fate took me to the Council of Economic Advisors. There, of course, we were concerned with economic policy. My interest in that area, my curiosity about portions of the field of which I was ignorant, caused me to learn more of it. Then, more recently, when I became a visiting fellow at the Center for [the Study of] Democratic Institutions, I began to see the potentialities of a multidisciplinary attack on social issues. May I add, however, that being a generalist also has disadvantages and pitfalls.

MINK: I was going to ask you about them, but you second-guessed me! They talk about the public library attempting to be all things to all people and ending up being hardly anything to anybody. Some people have said the same thing

about the presidency of Richard Nixon, who tried to get a broad segment of the population in tune with his views, and ended up not pleasing anyone.

JACOBY: We all know the definitions of the generalist as one who knows less and less about more and more until he knows nothing about everything.

MINK: Right.

JACOBY: His opposite, the specialist, knows more and more about less and less, until he knows everything about nothing. It seems to me that universities are organized to encourage overspecialization and to discourage the generalist. It's harder to achieve academic success on a broad intellectual base than by boring into some narrow field for years until you know everything about it. You then become the recognized specialist on this particular subject, whether it's the American money supply or the Australian koala bear.

MINK: Do you mean that the universities are so organized that the generalist who attempts, through his research and publication, to reflect a broader view and to synthesize is more likely to run into trouble with his faculty promotions committee?

JACOBY: Yes, he is. If, for instance, he tries to bring to bear on a problem sociology as well as economics, his economic colleagues will say, "He may be a good sociologist, but he's not a good economist;" and his sociological colleagues will say, "Well, he may be a good economist, but

he's not a good sociologist." You fall between two stools. The system is geared to reward the specialist, the scholar who drives forward in one narrow area, rather than the scholar who tries to put the pieces together.

MINK: Let me ask you another question. It's easy for a specialist going before a promotion committee, which will review his research, to present something that several other people on the committee know nothing about. So what do they have as a yardstick to measure it? Now I understand that they may want to write to Professor So-and-so who is also a specialist in the field and get his opinion. They sometimes do this, don't they?

JACOBY: Oh, yes, but as you say it's harder to find competent critics the more specialized you get. You may find no one else who is exactly a master of the tiny field of specialization of the candidate.

MINK: I think I interrupted you.

JACOBY: Academia is institutionally organized to discourage generalization. The professional journals are discipline-bound. They prefer specialized articles in their discipline to general articles. Hence it's harder for the generalist to get his material published. Academia is suspicious of generalists. Many may feel that a colleague's interest in broader problems and in broader approaches betokens some weakness in his knowledge of his own basic discipline. Of course, sometimes it does. But they are quick to reward and

encourage specialists.

This is a bias in the social sciences we must strive to overcome in the universities. Our society is a very complex system which needs to be examined from several perspectives. If we are to get at the truth about social issues to a point where we can prescribe policies, it must be done on a multidisciplinary basis.

MINK: I wanted to hark back to the most interesting conversation that we had last time, about what was wrong with the University of California. You advanced the thesis that it would be better if the faculty of a school were to pass on the promotion of its colleagues than a general committee of the Academic Senate appointed by the Committee on Budget and Interdepartmental Relations. In judging competence within your own school, where does the generalist get off? Are there people on the faculty of enough competence to judge someone in that school who had become a generalist and had published on business and social psychology, business and anthropological relationships, and so on?

JACOBY: I'm glad you raised that question because . . .

MINK: I'm not trying to "get" you!

JACOBY: I'm truly glad that you raised the question, because it affords me an opportunity to make an observation that is important in this context. The faculty of an excellent graduate business school should be, to a considerable extent, a multidisciplinary faculty. In building the school we had

that constantly in mind. We brought in men with degrees in engineering; we brought in econometricians and statisticians; we brought in men with their basic degrees in psychology, in sociology, in mathematics, in political theory. All of these basic disciplines have an application to an understanding of the business enterprise as an institution in society, and of its internal management and operation. The business school faculty perhaps more than any other in the University--medicine may be an exception--is a multidisciplinary faculty. Therefore, it has a broad competence to judge the capabilities of generalists.

MINK: Another question has cropped into my mind, which perhaps is not pertinent to the subject at hand. In your opinion, the man in pure science who formulates a hypothesis and then uses studies from various sources to test that hypothesis could be called more of a generalist than someone in organic chemistry who works out over many years of research the synthesis of one particular organic compound. Does he come off better than a generalist in the social sciences, in which I think you'd have to categorize business?

JACOBY: I don't know the answer, because I haven't sufficient experience in watching the promotion process in the physical sciences. I'm sure that the generalist comes off less well in the social sciences. Possibly it might be easier for a man who put together some new chemical or organic compound to win promotion than it would have been for,

let us say, Einstein for having evolved his general and special theories of relativity, which were obviously enormous intellectual achievements in generalization in the physical sciences.

MINK: I wanted to ask, too, about the period right after you came back from the work with Eisenhower's Council of Economic Advisors. Can you pinpoint any innovative developments in the school which occurred as a result of your tour of duty in Washington?

JACOBY: A very specific consequence was the seminar on Economic Policy and Business Environment, which I organized and taught after returning from Washington. There were other consequences that were important but less specific in nature. More of us in the school became aware of the impact of the general economy on the fortunes of business. We got more interested in the business-society relationship. These developments date back to roots that were laid in the middle fifties.

MINK: Because of your experiences in the council and on leave from the University to undertake other tasks in government or industry, you must have encouraged such leaves because you yourself indulged in them? What about others who've gone out from the school on such assignments, either in government or private industry, and have come back? Have they made contributions which have resulted in significant changes in the orientation of the school?

JACOBY: There have been many instances of that kind. For example, Professor Ralph Barnes travelled very extensively in foreign countries as a consultant on programs to elevate the science of production management. I know of his work in Latin American countries. Professor Robbins did a great deal of work in studying the management educational needs of countries in Latin America and Asia. He laid out programs, some of which were financed by the Ford Foundation, and resulted in substantial institutions. Professor Harold Koontz has served widely as a consultant to businesses on management problems and as a director of corporations. Professor Tannenbaum has had a great deal of experience in studying organizations, both industrial and social, such as the kibbutzim in Israel. As a result of his observations, he has introduced new material into his classes in behavioral science. These are illustrations of a process that has involved probably the great majority of our faculty. [Tape off]

MINK: While the tape was stopped, you were pointing out a theme that you thought ought to be developed regarding the contributions the school makes to the whole University, even though its own research may be specialized in particular areas of business and management.

JACOBY: It's generally believed that the professional schools of a university are places where theory that is developed in the underlying disciplines of economics, or politics, or sociology, psychology, mathematics, and so

forth, is applied to problems. That is to say, the usual expectation is that the professional school builds a bridge between existing theory and its application. This, of course, is true.

However, I suggest that it's only part of the truth. A great deal of theory is derived from the study of problems. The business manager is faced with a procession of problems. The professor of business has to find out what theoretical structures or intellectual tools are useful in analyzing and resolving those problems. He often finds that existing theory is inadequate; it doesn't offer a rationale. So, out of his study of these problems, he derives a theory of general application. In this way the management school itself originates and refines theory.

I can illustrate this in a number of ways. My own interest has been in problems of public and business policy. My research has been problem-oriented or policy-oriented rather than theoretical in nature. Whatever contributions I have made to theory have derived from my studies of particular problems or policies, and haven't been the result of a frontal attack on theory itself. All of us in the school have made theoretical contributions of one kind or another, as a result of our problem- and policy-oriented work. In the field of business economics, for example, Professor J.F. Weston has revealed errors in the received economic theory of oligopoly, which explains why compe-

tition may be quite effective among a few firms in an industry. He has developed a multidimensional dynamic theory of competition. And he has developed a theory of conglomeration of corporations which explains and justifies this corporate form. Most economists who have been concerned with this matter have failed to see any rationale of the conglomerate. This is an illustration of how, in his effort to understand emerging phenomena of our society, he has produced a theory which contributes to the basic discipline of economics. This process could also be illustrated in sociology, in psychology, and other fields.

MINK: I wonder if you could respond to two more questions. First, when you retired as dean in 1968 to devote your full time to teaching and research, what role did you play in the selection of the new dean of the school?

JACOBY: I played a minor role by choice. As I remember, Chancellor Young asked me to suggest names of persons whom I thought should be considered for the job, and I did submit such a list. But I did not think that it was proper for me to play an active part or attempt to exert strong influence in the selection of my successor. I deliberately refrained from doing that.

MINK: You didn't serve on the selection committee?

JACOBY: No.

MINK: There was such a committee, of course.

JACOBY: Yes, there was, and members of that committee

came to me from time to time to seek my views about particular candidates. This may not have been officially sanctioned, and was done informally. I told them frankly of my opinions, but I had no official role. I stayed behind the scenes.

MINK: I suppose the question ought to be asked, if you want to respond to it. One man was appointed; what about some of the other people who were mentioned? And why do you think they weren't chosen?

JACOBY: Not having been a member of the selection committee nor having participated in discussions of the matter, I can only speculate upon the reasons. Every management school confronted with the problem of choosing a leader can, in general, go down either one of two roads. It either may choose a scholar who has a driving interest in understanding management and business; or it can choose a practicing business executive who has scholarly talents and interests. I was one of the first type--a scholar with a driving interest in the world of business. Dean Harold Williams is of the second type--a successful businessman with practical knowledge of business, who is interested in fostering the science of management. Both types have their drawbacks and advantages.

MINK: I take it then, from what you're saying, you feel that maybe it's a good thing that a different dimension, different point of view, gives balance in the long run?

JACOBY: Yes. One can point to excellent graduate schools of management which have been headed by business executives. Dean Donald David at Harvard is a case in point. Dean Ernest Arbuckle at Stanford, a businessman who resigned several years ago after spending ten years at Stanford and making an excellent record of development of that school, is another example. The main thing is the man: his innate ability and his dedication to the task.

MINK: Right. What do you see in the future for the school? How do you think it's going to develop from now on?

JACOBY: I feel optimistic.

MINK: In spite of the bad times in the University.

JACOBY: In spite of the bad times and adverse turns in the environment. I went through some bad times myself as dean. Despite all of the obstacles to building the Graduate School of Management that we have discussed, we made great progress. Between 1948 and 1968 our regular faculty expanded from eleven to more than ninety members; registered graduate students rose from 100 to nearly 800; master's degrees annually awarded rose from 5 to 350; PhD degrees awarded went from none to about twenty-five per year; and total annual expenditures on educational and research programs soared from \$169,000 to more than \$4 million. I feel optimistic about the future. My optimism derives from several factors. First, we have a strong and well-built school. We've got a fine faculty. On the whole we are well organ-

ized. Our esprit de corps is good. We have many able young men coming up. Secondly, I think that the economic environment is favorable. Despite setbacks in aerospace and certain other industries in Southern California, we are going to resolve our problems of jobs, smog, and traffic. We live in a very blessed and favorable part of the world which is going to grow. It may very well become the great metropolitan center of this nation thirty or forty years from now.

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