

## A Growing Confidence in Our Performance, Future



Dean Dry

With the 2005–06 academic year under way, we have a lot to report to our alumni, faculty, staff, students, and friends. It all adds up to a growing *confidence in the GSB community about our performance and our future*. As **Brady Dougan, AB '81, MBA '82**, CEO of Credit Suisse First Boston, said at a recent discussion about the future of his industry, “This is the dawn of the Chicago era.”

*London:* We opened our London campus on August 1 for the beginning of classes for the Executive MBA Program Europe. **Leann Paul, '87**, combined her awesome project management skills with some magic to pull it off. Our facility and staff will be of great value to our faculty, Management Labs, and MBA students interested in London-based opportunities.

*Executive MBA Programs:* We have the most global programs in the world. The incoming executives who will use the Chicago, London, and Singapore platforms reside in a total of 38 countries and represent 48 countries of origin.

*Full-Time MBA Program:* Is it possible? The Class of 2007 is even stronger in terms of academic qualifications than the profiles over the last decade. And of the approximately 550 entering students, 28 percent are women, 33 percent are not U.S. citizens or Green Card holders, and 7 percent are underrepresented U.S. minorities.

*Evening and Weekend MBA Programs:* Many prospective students see a great advantage in continuing their careers while getting their Chicago MBA. Eighty-three students began the program in the summer. And our new Chicago Business Fellows program attracted 18 terrific younger students who have recently begun careers in Chicago.

*Fundraising and Financials:* We met our fundraising goal for our last fiscal year, which gives me the opportunity to thank all those who supported the school financially. Also, for 10 out of the last 11 years, we have met our target surplus goal.

What does all this mean? We have earned yet more degrees of freedom to chart our own course. Are we, as Brady Dougan suggested, at the beginning of a new Chicago era? The short answer is *yes*. At a time when many business schools seem hamstrung by questions about what to teach and the relevance of the MBA, we're on the right track and have clear objectives:

1. Faculty should do great research and challenge our students. We shouldn't micromanage.
2. Students should learn how organizations work and the power of competition, drawing on fundamental disciplines (economics, psychology, and sociology). They should also develop deep expertise in marketing, finance, accounting, and operations.
3. The school should provide exceptional support for students and alumni and should build yet stronger relationships with companies around the globe.
4. We should seek feedback to improve on all dimensions.
5. We should continue to work for yet greater recognition for Chicago GSB and our alumni, but we have a strong sense of identity that is independent of media rankings.

In closing, I want to thank university president **Don Randel** for his leadership. Like many of you, I admire his values and appreciate his effectiveness in representing the special character of a university that is the “truest of the true.” I look forward to working with him in his last year and am confident that we'll have a good transition process.

A handwritten signature in black ink, appearing to read 'TED' with a stylized flourish extending from the 'D'.

**Edward A. Snyder**

Dean and George Pratt Shultz Professor of Economics

## Every Gift Counts toward Our Success



Matthew Gilson

Capital campaign co-chairs  
**Dennis Keller, '68**, (left) and  
**Andrew Alper, AB '80, MBA '81**

As the new academic year kicks off, the moment seems right to reflect briefly on what the GSB Campaign has achieved to date. All our alumni and supporters can take great pride in our progress—see the big number below! That impressive number is, of course, important, but what is truly meaningful is the “back story” of shared vision and aspirations realized through commitment and generosity.

One part of this back story is the number of gifts and donors: more than 44,000 gifts and grants, including some 37,000 alumni gifts. Among the donors are individuals, families, and companies now honored in the Hyde Park Center: **Bob Rothman, '77**, who stepped up to name the Rothman Winter Garden; **Peter May, AB '64, MBA '65**, whose support is recognized with the Peter W. May Student Lounge and Terrace; **Richard Ryan, '66**, who has generously named the Richard O. Ryan Deans' Suite (see “Ryan Gift Names Deans' Suite,” page 6); the **Lehman Brothers** Classroom honoring **Sherman Lewis, '64**; and more.

Other donors are making a critical difference for faculty and student support: **Jerry Levin, '68**, and his wife, **Carol**, fully funded a professorship this past year; **Lee Hillman, '79**, pledged support for MBA scholarships in

marketing; **Kathryn Gould, '78**, established the Gould Faculty Research Endowment at the Polsky Center; and GSB alumni at **William Blair & Company** joined together to create a new scholarship fund. And the **class of 2005** here in Chicago set new records, pledging the highest amount of any graduating full-time MBA class and having the highest average contribution per donor. Well done, class of 2005!

Clearly, *every* gift counts in our success.

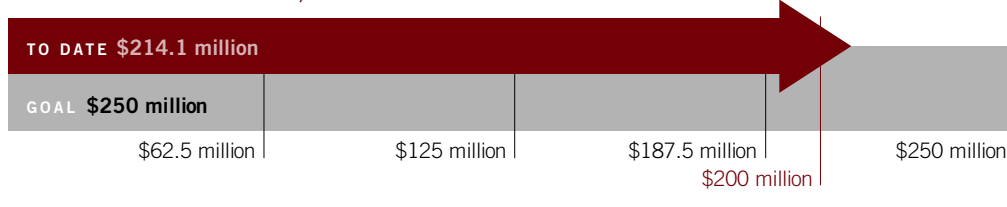
In his annual report to university president **Don Randel**, GSB Council chair **Jim Kilts, '74**, remarked, “Looking ahead, we are excited about building on the important progress we made this year. It is my personal goal to continue to improve the GSB’s recognition as the best business school in the world.”

What lies ahead? New initiatives get under way this fall—the Art Initiative, chaired by **Dennis Chookaszian, '68**; Chicago Fellowships for Women, sponsored by **Robert W. Baird & Co.** (headed by **Paul Purcell, '71**) and **Deutsche Bank**, with the first fellows on campus this fall; and many more. Naming opportunities remain for some terrific spaces in the Hyde Park Center.

Join in our success as we reach new milestones in Chicago GSB history.

# \$214.1 million and counting

GIFTS AS OF JULY 31, 2005



## Stifling Innovation

I find astonishing the assertion that **Tobias Moskowitz** makes in “The Returns to Entrepreneurial



**ON THE WEB** To read “The Returns to Entrepreneurial Investment” (Winter 2005), go to [gsbwww.uchicago.edu/news/gsbchicago/win05](http://gsbwww.uchicago.edu/news/gsbchicago/win05).

Investment” (Winter 2005). He actually prescribes, in response to an entrepreneurial bias toward risk taking, that “for entrepreneurs who understand the risks but are just making bets, policymakers should consider

the effect of progressive taxation of high-income individuals, which may dampen incentives to launch new companies.”

I suppose then we are to assume that omniscient policymakers are somehow able to identify which entrepreneurs in a given economy are making irrational bets. Then those entrepreneurs are to be somehow singled out for progressive taxation. Or worse, we correctly assume that we can’t identify the irrational entrepreneurs, so we impose progressive taxation on entrepreneurs generally, “to dampen incentives to launch new companies.” Is there a better recipe for stifling innovation? Innovation, let’s remember, propels an economy by creating new and better products (often at lower prices), all the while creating new and better jobs.

There’s a word for delegating authority to bureaucratic elites: socialism. Refer to the mass of recent geopolitical evidence and to the works of the University of Chicago’s own F. A. von Hayek for further illustration.

**David Thayer, ’99**  
Newtown Square, Pennsylvania

## A Need for Charity

When I read that the GSB community raised \$5,500 to benefit tsunami victims (“Student Groups Raise \$5,500 for Tsunami Victims,” Spring/Summer 2005), I was underwhelmed. Every dollar is better than none, to be sure, but this will not go down as a great moment in philanthropy. Our family gave via other channels in response to this crisis, and I hope that this was the case for many others. Failing that, \$5,500 would be to me an embarrassment, and not something to celebrate.

My sense of proportion was further put to the test, however, when I gathered from your article on poker (“Poker’s Wild,” Spring/Summer 2005) that a larger sum of money was collectively invested by the 64 players representing Chicago at the tournament in Las Vegas. Take travel expenses into account and the situation gets even more lopsided. I note this not to shame the people who attended—though I do hope their passion for charity exceeds their zeal for gambling—but rather as a reminder that we should always soberly remember the opportunity cost of the money that we spend on entertainment. May I suggest that a greater slice of that pot go to charity next year? In the meantime, I hope that we as a community will not fail to take note of the situation in Niger. Sadly, by the time this letter gets printed, perhaps 100,000 young children there will have died from starvation.

For the record, tonight I will invest \$20 at a Texas Hold’em gathering with neighbors on my block. Wish me luck.

**Brian Wells, ’96**  
Wheaton, Illinois

**SOUND OFF!** What do you think about this issue? E-mail us at [editor@ChicagoGSB.edu](mailto:editor@ChicagoGSB.edu).

## Correction

A photo of London’s Woolgate Exchange that appeared in the Spring/Summer 2005 issue was incorrectly labeled as a GSB file photo. In fact, the photo was taken by Nathan Todd Monger. Chicago GSB regrets the error.