

**Abusing Donor Intent: The Robertson Family’s Epic Lawsuit against Princeton University**, by Doug White. Saint Paul, MN: Paragon House, 2014, 328 pp., \$19.95 paperback.

### **Honoring the Past, Securing the Present**

**Michael Toscano**

Published online: 14 February 2015

© Springer Science+Business Media New York 2015

In *Abusing Donor Intent*, Doug White, director of the Master of Science in Fundraising Management program at Columbia University, offers, appropriately, a managerial account of *Robertson v. Princeton*, or as the book’s subtitle puts it, *The Robertson Family’s Epic Lawsuit against Princeton University*. The lawsuit was indeed epic, pitting a prestigious university against its own largest donor in the glaring light of the national press. For Princeton, it was a PR disaster; for the Robertsons, it was

a seemingly quixotic charge against the impregnable ivory tower.

But it wasn’t quixotic and it wasn’t impregnable. After a long, wearying fight, the Robertsons won. In a settlement that avoided trial, Princeton paid the family \$50 million, plus legal fees, and, if only for a moment, it lost the trust of a good many of America’s wealthiest donors. But in another, higher sense, the Robertsons lost. In 1961, they established an academic program at Princeton that was intended, like a law or medical school, to provide professionally trained graduates for careers in the federal government, with an emphasis on international relations. After five decades and oh-so-many-millions of dollars, the Robertsons were forced to admit that their project had failed. Princeton would take the money—but it wouldn’t put in the needed effort to fulfill the bequest.

Here’s the backstory. In 1961, Charles and Marie Robertson, of A&P grocery chain money, gave Princeton a one-time \$35 million grant to help establish a graduate school “where men and women dedicated to public service may prepare themselves for careers in government service, with particular emphasis on careers in those areas of the Federal Government that are concerned with international relations

---

**Michael Toscano** is director of research projects, National Association of Scholars, 8 West 38th Street, Suite 503, New York, NY 10018-6229; toscano@nas.org.

and affairs.” This was to become the renowned Woodrow Wilson School of Public and International Affairs.

In 2002, the Robertson descendants sued Princeton, shocking alumni, philanthropists, and observers of higher education—establishment and critics alike.

Surely the gift, which from wise investment had grown into a nearly \$900 million endowment, had been put to good use—no graduate school for international affairs in America had more resources, and few had more prestigious alumni. But therein, according to the Robertsons, lay the problem: no graduate school for international affairs was *wasting* more resources and too few alumni were working in fields and positions the school was meant to fill. Only 18 percent of its many graduates were employed by the federal government, as compared to the 19 percent employed by NGOs, and the much larger percentage not employed by either.

In most circumstances, those numbers would impress, unless the school was created to funnel graduates into federal work on the international stage, in which case an 18 percent success rate would mean nothing short of failure. The Robertsons were dissatisfied. They regarded the high rate of employment at NGOs a distraction from the Woodrow Wilson School’s main purpose, not an addition to the rate

of graduates employed by the federal government. Worse, internal and third-party investigations into its admissions practices showed that throughout much of its history, the program put little emphasis on recruiting students who even demonstrated interest in federal service and international affairs.

Such conditions led Paul Volcker, chairman of the Federal Reserve under the Carter and Reagan administrations and a graduate of the Woodrow Wilson School, to write then Princeton president Shirley Tilghman in 2001, challenging her to turn the ship around. Is the Woodrow Wilson School, he asked, helping to curtail waning faith in American government? Volcker particularly objected to the program’s academic structure:

It has almost no faculty that it can call its own. The curriculum is diffuse, and little directed toward the management of government as opposed to vague public policy... But the fact is the School is run mainly as an adjunct to other faculties, with their own sense of a particular discipline, professional rewards and status, and preoccupations.

Without knowing what the curriculum consisted of (and *Abusing Donor Intent* fails to supply a description), it’s hard to interpret Volcker’s criticisms with

precision. And despite the traditionalist ring (“the curriculum is diffuse”) to Volcker’s critiques, one also senses the tincture of pragmatism and professionalization. This is most apparent when he complains of “theoretical abstractions, further and further removed from public policy, and far from management.” The rhetoric of Volcker’s criticism frames the dispute as between pragmatic managerialists and scholarly specialists.

This also appears to be the Robertsons’ view of the contest. According to White, their suit was solely concerned with the bottom line: How can we get more graduates to seek employment in the U.S. Department of State or some other internationally-oriented federal office? They never took issue with the curriculum *per se*.

Their discontent boiled over when Princeton folded Robertson funds (heretofore a separate financial entity) into the larger assets of PRINCO, Princeton’s investment company—and did so even though the Robertson funds had long outperformed the Princeton portfolio. At issue for the Robertsons, obviously, was donor intent: the intentions of Charles and Marie, who died in 1981 and 1972, respectively, were now actively circumvented by Princeton. When one considers the evidence, it’s hard not to think that a judge would have ruled in their favor, should the suit have gone to trial.

Donor intent matters a great deal, whatever the nature of the dispute. We Americans reflexively assume that our great universities and colleges are fulfilling their obligations to us. But the Robertson case showed otherwise; not even the wealthy and powerful earn the respect of American higher education.

There are other lessons surrounding notions of legacy and heritage, all of which are wrapped up in the unique structure of the original Robertson gift. The Robertson descendants had standing to sue: Hoping that he would be able to steer the use of the gift and to ensure the success of the school, Charles Robertson established The Robertson Foundation, a charitable organization separate from Princeton’s institutional infrastructure with the sole purpose of providing a joint governing structure of the new graduate school. Princeton was given the right to appoint four members to the board, including its president, and the Robertsons appointed three, giving Princeton a majority, but also giving the Robertsons a voice.

That’s also why the merging of the Robertson funds into PRINCO was so disturbing to the family. By doing so, Princeton was effectively cutting the Robertsons out of any fiduciary role. And they had long objected to the possibility of comingling the funds. As Charles Robertson wrote in a 1971 memo, “I would like to see [the Robertson

funds] carried on the University books as a distinctly separate account...and not be made available to the University on a loan basis.” To be cut out of fund management, the Robertsons thought, was to be cut out of the Woodrow Wilson School.

Had Princeton known a little more about *Bill* Robertson, who had been appointed to the board in the early 1970s and who spearheaded the campaign against Princeton, it would not have taken this step. Bill’s loyalty to his father, Charles, runs deep. Equally important, Charles had been grooming his adopted son to protect his vision of the school. On July 3, 1962, about one year after the Woodrow Wilson School’s establishment, Charles wrote Bill a letter about its purpose. Bill was twelve then, and his father did not give it to him until six years later, when he reached age eighteen. “It may well be that your life and the lives of those who follow you will be enriched by reason of your and of their identity with this project,” Charles wrote, concluding, “cherish and protect it.”

I mentioned at the outset of this review that White offered a managerial account of *Robertson v. Princeton*. White shows little interest in the larger implications that the Robertson campaign had for higher education in general, and he is certainly not interested in higher education reform. His goal is to tease out the legal ambiguities of

donor intent. *Abusing Donor Intent* reads like a primer for questions surrounding the management of donated funds. This is to be expected, given White’s specialization. But it is a noticeable shortcoming of the book. His abiding question is: How does an organization guarantee that promises made today will be fulfilled by generations in the future? Of course, the answer is that it cannot—and White would agree. But he puzzles through a series of contractual mechanisms that might strengthen donor intent in generations to come. His speculations are interesting—but here is where White’s specialized approach ends up obscuring the living answer right before his eyes. It’s Bill Robertson. If White had greater facility with the humanistic disciplines, with their emphases on understanding the past, living as a member of one’s own heritage, and honoring the laws and deeds of one’s own tradition, he would have recognized this. For it was his father’s tutelage and Bill’s respect for the past that pushed him to challenge Princeton.

If Princeton had a similar commitment to fulfilling its prior obligations, this would not have been an issue. Respect for the past must be taught. The young must be educated in their own traditions and learn that their forebears can make demands on current actions. This is something that Princeton—and nearly every other institution of higher education—is

failing to do, and not only in matters of donations. Agreements made today will wither into nothing, as did the

1961 agreement between Princeton University and Charles and Marie Robertson.