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Saw

TO: all Stanford faculty  
FROM: the April Third Movement  
RE: Stanford and SRI

Late this afternoon, the Academic Senate will discuss the University's future relationship with SRI. There is no guarantee that the Stanford trustees will accept the Senate's recommendations, but a faculty resolution backing the basic thrust of both the Movement and the 3500 students voting at Frost last Friday would present a very formidable united front to the trustees.

Over the course of the last month, a large part of the Stanford community has come to accept its moral and social responsibility to set up guidelines for research at Stanford and SRI--guidelines based not only on free dissemination of results, but also on the effects that research has on the lives of other human beings both at home and in the Third World. Specifically, the Movement has proposed guidelines that would rule out CW research, counterinsurgency research at home and abroad, research in support of the wars in SE Asia, applied military research, and classified research.

Keeping in mind the basic moral problem of war research, the Lyman-Scott position in the SRI Committee Report is unacceptable. Sale of SRI without a restrictive covenant would certainly maximize the university's financial gain, but it would neither restrict war research nor encourage socially constructive research at SRI. In addition, many of SRI's best people have indicated that they will leave the Institute if it is sold to Litton or some other conglomerate.

The Majority Report is unacceptable to both SRI staff and the April Third Movement. SRI would "buy itself from Stanford" at the rate of \$2 million a year for 20 years, during which time a restrictive covenant would presumably prohibit some of SRI's war research. It has been emphasized repeatedly that there are no authoritative legal precedents for this type of covenant, that it would be very difficult to word the covenant precisely enough to satisfy the conservative California judiciary and to keep up with new developments, and that the trustees would have to bring suit in each individual case of breach of covenant. We cannot rule out the possibility that a covenant would stick, but we cannot settle for less than a 100% guarantee of success.

The terms of sale suggested in the Majority Report enrage SRI employees to a man. After it loses most of its more lucrative defense contracts, there is no possible way that SRI could hand over \$2 million a year to Stanford. Indeed, there is no reason why SRI should.

Over the years, the Stanford trustees have refused to allow SRI to engage in endowment fund raising for fear of conflict with the University's fund raising efforts. In addition, Stanford apparently persuaded SRI to contribute \$525,000 to the Pace program in the years 1962-65. Adding on the terms of sale contemplated by the Majority Report, one finds an SRI staff member offering the following interpretation of the Scott Report: "You've been a bunch of successful whores, so now we'll sell you for \$35 million." Stanford would be appropriating much of SRI's discretionary cash flow, estimated to be between \$1.5 and \$4 million annually. SRI presently uses these monies to finance in-house exploratory research, which is exactly the research we want to encourage.

Guaging from the response of SRI people themselves, the proposals set forth by the Majority Report would clearly milk SRI of the surplus funds it would need in order to lessen its dependence on the governmental and corporate marketplace. Many of the most imaginative researchers at SRI would leave.

Assuming that both the control of war research and the encouragement of socially constructive research at SRI must be part of any solution, retaining SRI within the University is the only possible solution that has been proposed so far. Though it involves problems of considerable magnitude, bringing SRI closer to Stanford holds out a great deal of promise.

A community research review board composed of Stanford faculty and students, SRI employees, the BSU, and Third World students, entrusted with the responsibility of controlling Stanford and SRI's war research, would be a significant step in the direction of community decision-making at Stanford. Since some parts of its research structure are more flexible than comparable parts of the university, SRI could move rapidly in the direction of doing more exploratory applied research in critical social and economic areas. Not only would the conception of the basic educational function of the university be expanded to include constructive applied research, but the Stanford community would be providing a nationwide model for making the transition from war research to peace research.

The Minority Report pointed to the potential of a closer Stanford-SRI partnership, yet failed to take on the very real problems involved in retaining and controlling SRI. If the guidelines of the April Third Movement were applied to SRI, some 30% of SRI's work would be terminated (certainly the counterinsurgency) or allowed to run out over the contract year. It might be expected that many of SRI's researchers who would be affected by the guidelines would take jobs with the government, with other companies, or would set up their own spin-off research institutes. Yet there are indications that a large number of SRI defense researchers and supporting staff would like to stay on at the Institute to do non-military research or would like to go back to school to pick up new skills. Having allowed SRI to hook itself into the defense economy over the last 20 years, the University has a clear responsibility to assist SRI staff who wish to apply their skills to pressing social problems.

The University might have to reach into its endowment for a several million dollar loan to SRI for the next few years of transition. Stanford would no longer act as a brake on SRI's efforts to raise an endowment. During that transitional period, Stanford and SRI would lobby very strongly to open up new sources of funding for socially constructive research. It might also be expected that the University would improve its financial position by initiating a more aggressive investment policy and by negotiating profit-sharing plans and more favorable leases on the new Industrial Park. Some of the better endowed trustees might be asked to kick in some of their millions for such a worthy project.

Stanford would clearly have to dip into its resources if it wanted to assist the efforts of many people at SRI to transform the Institute into a socially constructive research institute. But this would certainly not destroy the university. The effort would clearly absorb more of the limited time and energy of Stanford faculty, students, and administrators, as well as the even shorter time of SRI employees.

If we continue to speak of 'reordering national priorities', we must be willing to tighten our belts and make the commitment of time and energy that will be needed to work out a fully operational plan for bringing Stanford and SRI closer over the next few years. In short, we must be willing to assume the burden entailed by reordering our local priorities.

The question then, this afternoon, is whether the Senate will recommend that war-related and classified research at SRI be controlled. Just as importantly, the Stanford community will be looking to the Senate for a commitment of time and resources to work out the considerable problems which the full assumption of social responsibility will entail. It could not be otherwise in the United States, in 1969.