

STATEMENT OF
THE GEORGE S. AND DOLORES DORÉ ECCLES FOUNDATION AND
THE MARRINER S. ECCLES FOUNDATION
CONCERNING THE MARRINER S. ECCLES INSTITUTE FOR ECONOMICS AND
QUANTITATIVE ANALYSIS

We are disappointed by the serious misinformation that seems to be spreading in some corners of the internet concerning the gift we have made to establish the Marriner S. Eccles Institute for Economics and Quantitative Analysis at the University of Utah. The Eccles family foundations have supported academic research at the University of Utah for decades and in doing so have been extremely vigilant to protect the academic freedom of the scholars who benefit from that support. The quality and independence of this scholarship is not in doubt: faculty across the university assisted by Eccles donations have won global renown, including the Nobel Prize won by Mario Capecchi at the George S. Eccles Institute of Human Genetics.

We were equally vigilant when approached by the faculty of the David Eccles School of Business with their proposal to establish an institute devoted to furthering the teaching of economics and quantitative analysis at the University of Utah. The gift agreements clearly provide that the University faculty has complete control over decisions on the hiring and promotion of faculty, the grant of student scholarships, the content of the Institute's programming, and the topics of faculty research. None of the donors have any input on those decisions, and we specifically declined the offer to create a governing board which would include representatives of the Eccles foundations in order to make clear that the faculty's freedom is completely preserved. The gift agreements from the Eccles Foundations and the Koch Foundation are identical: the Koch Foundation has no ability to affect any of these decisions either. This is something that we were very careful to ensure.

It is also false to suggest that the Koch Foundation has – or has ever requested – any ability to influence the disbursement of the proposed funds from the Eccles Foundations. First, a large portion of the grants from the Eccles Foundations is to establish a new endowed chair at the business school, completely separate from the annual programming gifts. Second, the Koch Foundation has no ability to affect the disbursement of the annual programming gifts from the Eccles Foundations. Statements that some self-interested parties have made to the contrary are not true and ignore the long history of how all the Eccles Foundations have conducted their support of the University.

We would not have deemed these falsehoods worthy of response had we not learned today that they have deceived even some people who care a great deal about honoring of the memory of Marriner Eccles. The several members of the family that sit on the boards

of the various foundations involved obviously gave this careful thought and believe that this Institute is promoting exactly the kind of careful and dispassionate inquiry into the full range of topics in economics in a way that Marriner would strongly approve. The programming is entirely in the hands of the relevant faculty, and these faculty have enthusiastically supported this gift and the prospects for expanding and strengthening the teaching of economics at the University. The complaints are coming from unrelated faculty members who do not know the facts and don't appear to have read the documents, all of which are publicly available.

Spencer F. Eccles, the Chairman of the both the Marriner S. Eccles Foundation and the George S. and Dolores Dore Eccles Foundation said, "I am Marriner's nephew, wrote my master's thesis on his work at the Federal Reserve with his close involvement, and worked intensively with Marriner every day for nearly 20 years, with my office next to his at First Security Bank. Marriner stood for fiercely independent thought about economics and public policy, and throughout his career was willing to challenge the status quo. That is what this Institute will do, both in the general study of economics and in the study of economics at the University of Utah." Jim Steele, Marriner's grandson who serves on the Marriner S. Eccles Foundation board, said, "My grandfather would be enthusiastic about the program of this Institute. He never hesitated to speak his mind and would love the promotion of vigorous debate over these ideas at the University."

Finally, it was asked whether anyone could imagine Charles Koch making a statement similar to the statement Marriner S. Eccles made to the Economic Club of New York in 1940, urging us as a society to understand that "as a democracy we can't afford to take the position that because economic conditions are satisfactory for many of us, others who are less fortunate can be shunted aside, or merely kept alive by handouts. . . you and I know very well that fine phrases about the inalienable right to work are a meaningless mockery to a man who cannot find a job." Well, in Time Magazine in 2015, to take just one example, Charles Koch wrote ". . . today, America is hurtling headlong . . . away from a free society and towards a two-tiered society. Consequently, our country is increasingly divided between the 'haves' and the 'have-nots'. As the gulf between these two gets larger, we are creating a permanent underclass while doling out welfare for the wealthy. Stopping and reversing this disastrous trend is one of the greatest challenges of our time . . ."

We believe that the University and the cause of academic freedom will be extremely well served by the Marriner S. Eccles Institute for Economics and Quantitative Analysis for generations to come.