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IN CONVERSATION WITH DREW FAUST AND LAWRENCE SUMMERS

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IN CONVERSATION WITH DREW FAUST AND LAWRENCE SUMMERS

MR. ISAACSON: And it’s a pleasure to have this discussion of academics, universities in America in the 21st century. With us, we have Drew Faust, who is the 28th President of Harvard University and the Lincoln Professor of History at Harvard. And we have Larry Summers, who is the 27th President of Harvard University, and I think the 71st Secretary of the Treasury of the United States. Harvard is much older than the treasury department of the United States, but the treasury department goes to chiefs much faster than Harvard does, those of you who can do the math can try to figure it out.

I wanted to start by the theme of this festival is since we are on our tenth anniversary of the Aspen Ideas Festival, what the world would look like ten years from now. I want to start with Larry, if I may, what do you think universities will look like ten years from now? How will they have been changed?

MR. SUMMERS: I don’t know. Let me tell you how I hope they will have changed. I hope they will have embraced technology in a major way and we’ll see reaching - and here I am speaking of the leading universities, reaching hundreds of thousands of people each year, if not millions of people which will be the really important contribution they can make to providing equality of opportunity around the world.

I hope they’ll have redefined their modes of governance to being much less governed by tradition, much more youthful in the set of people who teach within them, much less concerned with security and prerogative and much more prepared to innovate and when necessary, to fail fast. I hope the leading universities will have recognized that the other side of the inequality phenomenon that we are dealing with, is at the Forbes 400 sits with two trillion dollars, that many within it aspire to have the kind of impact on the world going forward than the Rockefellers or the Carnegies did and the universities will have presented bold visions for curing and conquering disease, for promoting international understanding for transforming the elementary and secondary educations on which they depend, and that they will be able to present themselves as credible dynamic entrepreneurial stewards of those fortunes as they try to make an
enormous difference.

And I hope that they will have rededicated themselves to making a difference in the lives of individual students, that in too many universities in too many ways, the basic university function of teaching and learning has given way to a focus on extracurricular life, to a focus on things away than preparation for the challenges of careers in the 21st century. So I hope that this will have – that the next decade will have been a period of more change in higher education and elite higher education than the last third of a century or half a century was. But whether or not that will happen, frankly, I am not entirely sure.

MR. ISAACSON: Drew?

MS. FAUST: You want me to answer the same question?

MR. ISAACSON: Yeah, sure. 2024?

MS. FAUST: Well, much of what Larry says, I entirely embrace them. I think a lot of it is happening right now. We have a initiative, HarvardX, edX actually Larry is quite involved in it through his own engagement and Elisa New's engagement in which we have jumped into the online learning world, not knowing exactly where it’s going, but feeling that we need to be a part of this and to shape it as it unfolds. We’ve had more than a million individuals around the world take our HarvardX courses over the last couple of years. And some of these experiences are so moving and the impact that they’ve had on individuals who simply would not have had access to that kind of knowledge.

One of my favorite of these examples is public health course in biostatistics and epidemiology, offered by our School of Public Health. And the first iteration of this, you can tell it’s not – you need a little bit of background in order to jump right into this. But the tremendous hunger for knowledge about global health around the world led to the embrace of this course worldwide, but I was particularly moved having just traveled in India, the semester before the course came out and having met so many people in the public health field or in government in India who said, can we do more with your School of Public Health, which we are in fact
doing face to face. But eight thousand people in India took that course the first time it was offered.

So if you consider you know small towns in India, little villages where people are looking for public health knowledge, a hospital the entire staff took it together, you think it out what this can mean. And it’s quite extraordinary.

Another aspect of how we think about the technology is in fact how we’re going to transform teaching in our universities. And I believe that is a critical aspect of what we'll see change in the next ten years. There is a contagion at Harvard about teaching and we have a university-wide initiative on learning and teaching that has excited faculty in a way that I have not seen in my now almost 40 years in higher education.

It was not something when I got my graduate degree at the University of Pennsylvania, the faculty was not talking about teaching, they were so focused on their research. But now I think this is much discovery to be made in teaching, as there is in the research fields, in which those faculty are engaged. And that is so exciting that it has lured people into considering this as one of the most dynamic and important parts of the faculty role, so that I think will change as well.

MR. ISAACSON: So you are saying that the online gives you a feedback for teaching?

MS. FAUST: Well, I think that’s part of what’s excited people, but there is a lot of other innovation that’s happening in teaching too. Part of it is what we know about the brain, increasing amount of knowledge about how people learn and how we can improve teaching, recognizing the discoveries and research that’s being done on the brain.

Another thing we see is students are so interested in hands on learning. Engineering is booming partly because it's a great field for which to find a job, but also because of the excitement of building something, of making something. That has influenced students in the arts too. And arts, design and engineering are melding in a lot of students' minds and interests. They don’t just want to think, they want to do. That
means they want to build, but it also means they want to have an internship, connect their work in government or sociology with perhaps some kind of activity in the community, with the local government, so to bring the real world into the university. Now -

MR. ISAACSON: Are you saying that the shift though to becoming more practical and bringing the real world into learning than it used to be?

MS. FAUST: It’s more practical on one level, but it’s also recognized in that cognition doesn’t just happen. Learning doesn’t just happen through abstract thinking.

MR. ISAACSON: Got you.

MS. FAUST: And that I think is key. But I would like to underscore one thing that maybe is a little different from how Larry described the future. And he put a big emphasis on innovation and jobs and all of that is of course critically important and we must do that. And universities must learn to be institutions that can change. And that’s something I think we all recognize. I see Nick Dirks from Berkeley over here, and he and I’ve had some conversations about this in the recent past.

But we also need to recognize that universities are special institutions and they are charged with thinking about the long term. And we must not in our hurry to change and be immediate and to be relevant, abandon the kind of thinking about long term solution to problems, thinking about where we came from hundreds of years ago, where we are going hundreds of years from now, because we have been blessed not to be accountable to the quarter, the bottom line every quarter. We are not charged with the same kind of immediate delivery of goods, we must educate our graduates not just for that first job, but with the habits of mind, the kinds of perspectives on the world that will enable them to get the fifth job or the tenth job, the job that doesn’t yet exist.

So we must be sure as we are increasingly relating ourselves to this rapidly changing world that we don’t forget that part of what
Universities almost uniquely in society have as their charge.

MR. SUMMERS: Drew, I agree completely on the importance of the long run. I think what Universities do will be judged not by any impact this had three years from now, but by the impact that we’ve had 50 years from now and the way people look back at the history. I’m less serene than Drew is that the trajectories we’re on optimize with respect to that. You know I think about an indicator and I don’t know exactly what the numbers are like the ratio of money spent on libraries to money spent on online education. And my guess is that right now for the leading universities that ratio is on the order of twenty five or thirty to one in favor of libraries. Now obviously, it’s central –

(Laughter)

MR. ISAACSON: Go ahead Drew, step in.

MS. FAUST: Go ahead, you finish and then I’ll start.

(Laughter)

MR. SUMMERS: Now obviously it’s central to preserve great collections but equally obviously what a library should be is very different than what it was in an era before you could get on your iPad or your Kindle what you can now question to digitization are central. And I think the test that people are going to look back on is how rapidly we were able to adapt to changing technologies.

I mean I look for example and – I know a number of leading universities, I don’t know all of them. If you look at their structure, it is remarkably similar to what it was when I was a student 40 years ago. Look at most other institutions they’re structure has been quite profoundly changed. Their organization has been quite profoundly changed.

Harvard is not atypical. It reforms its curriculum about once every 30 or 35 years. Maybe – maybe that’s right. But it seems to me that if one wants to be ahead of the curve in getting ready for 2050 you have to ask the question how rapidly are you changing and in particular, you
have to ask the question how many experiments are you doing, how many things are you trying with the expectation that half of them will fail and half of them will be spectacular and unbalanced, you will be - you will be way, way ahead.

My concern is that universities have very traditional structures that tend not to encourage dramatic kinds of experimentation in the way that other leading institutions I think have been more successful in experimenting.

MR. ISAACSON: President Faust, while we start with our library that you wanted and then I want to get to the governance issues too. But -

MS. FAUST: Okay. Just on libraries, libraries and universities are unrecognizable in comparison with what they were just a very short time ago. We say library, we are not talking now just about books on a shelf and acquisition of collections. We define access to information as the foundation of what a library should be. So our librarians are the pioneers really of the digital future. And are the guides for our faculty and students on how to get access to the kinds of information that are available in digitalized databases and a whole series of transformed materials that are the foundation of libraries.

So I think that libraries is actually an example of something that has changed significantly and that will continue to change in order to bring universities and the possibilities for research and teaching into new places. And libraries are also very closely related to teaching innovation because again many librarians who are familiar with the digital world and live in that world are helping faculty to figure out how to teach in different ways and how to use the materials that wouldn’t have been available a short time ago.

So I think libraries are actually an example of something that has a different definition almost than what I would’ve thought of as a library when I was in college.

MR. ISAACSON: Right, but President Summers brings up
something that’s larger, which is the governance of the university looks the way it did 400 years ago in certain ways, which is tenured professors that pretty much have control of their departments, no mandatory retirement now. It makes it harder to change. Is there a way to change the governance structure of the university?

MS. FAUST: Well –

MR. ISAACSON: And to create one Harvard like you’re trying to do?

MS. FAUST: Sure. I mean – you too both know and many of you in the audience may know, Harvard did change its governance structure for the first time since 1650, four years ago in terms of just the trust, the governing Board. So that aspect is one dimension of a change. I think Larry would probably say that’s pretty minor considering what he would like to do, which is I think change the whole notion of faculty governance. Universities remind –

MR. SUMMERS: In a grand scheme of things, six more members of the corporation I mean that’s an important and positive change, but it probably be something that people would be unlikely to look back on.

MR. ISAACSON: But look at the faculty governance.

MR. SUMMERS: It’s transformative.

MS. FAUST: Yeah. Faculty governance is rooted in the notion that these fields and disciplines are best understood by faculty. And there are many institutions right now where there’s considerable friction going on about exactly what is the extent of faculty governance. To what extent do faculty have prerogatives beyond deciding who is the better history professor than someone else? Do they have the right to comment on budgets? Do they have the right to decide is a university going to expand into a certain part of New York City?

So we’re seeing a lot of friction in certain institutions it’s been
called institution name I won’t mention spring you know sort of is there an uprising on faculty – on the part of faculty. So I think we’re going to see over the next ten years, as long as we’re predicting ten years a lot of negotiating, maybe some confrontations, some debates about exactly where decision making should rest in universities. And the extent to which the kind of specialization of certain areas of university life require a level of expertise that faculty may not have.

I think there are budgeting issues and complexity of how you allocate resources, aspects of development of property, real estate that I would think I mean as a faculty member I would rather do my work. You know do southern history and civil war history than spend my time getting to know all the details of budgeting. But how does that play out as we see the increasing complexity of universities and how to divide those roles?

We also see, across the country, an increasing number of non-tenured instructional faculty and other staff.

MR. ISAACSON: Do you see that in Harvard, and Ivy's and Stanford too?

MS. FAUST: It’s happening already. I mean you have lab directors who aren’t tenured. You have lines for young faculty, and one of the difficulties right now facing young PhDs is getting a job and so many institutions have created this non-tenure line jobs to partly just to give those young students – I mean young professors a chance to get into the regular stream of faculty career. Those are untenured people.

So as we see an increasing proportion of the instructional staff non-tenured I think that’s going to ask questions about is it just the small elite of the tenured faculty who have the say in academic matters? Do faculty have the say beyond academic matters? How do we sort all of this out? And so I think it’s very much important –

MR. ISAACSON: Yeah, I even noticed that when there was an online – the issue of edX, it was a dispute of whether it’s just tenured faculty that got to decide the instruction. And let me elevate it back, if I may, to online and the disruptive nature of that.
I think you both read both Jill Lepore, Clayton Christensen debate over how disruptive is disruptiveness. How - should I be surprised at how disruptive online and edX have been or should I be surprised at how non-disruptive it's been because not as much has happened other than Larry and Elisa and others going online as I would've expected ten years ago?

Larry you want to start?

MR. SUMMERS: Let me say I read the colloquium both directions on the disruption theory. And I guess I'd have to say that well, there are plenty of questions around disruption theory, it seemed to me that Clay got substantially the better of that dialogue. I think the evidence is at the edge of overwhelming that a large part of major change comes from non-incumbents and comes from non-traditional organizations because traditional organizations have a very hard time doing something new that they are bad at rather than something old that they are good at. The classic example is Kodak digital film. And I think Jill Lepore didn't really fully recognize in her critique the statistical aspect of social science theories and that to observe that some companies have continued to remain strong for a long time doesn't really challenge what was the core of the disruption of that. And I think it's going to be a crucial issue for higher education as it confronts technology, which is, will the leaders in this 25 years from now be Harvard and Yale or will they be the likes of Coursera and Udacity.

And I would bet that a large part of it will come from the private sector, precisely because leading universities will feel a set of pressures and you see it in the discussions on every campus about it, not to elevate too many people as superstars, different from ordinary - different from ordinary faculty in their teaching, to give everybody an equal chance, to make the mission of online education be centrally related to the mission of on the campus education rather than - rather than optimizing it purely to reach hundreds of thousands of people to assure to be very protective of existing areas of excellence.

So, I think this has moved a fair amount, but I think that again, if
you look at quantities of resources, if five percent – if ten percent of great universities operating budgets were linked to online education a decade from now, I would be very pleasantly – I would be very pleasantly surprised about the extent to which the transformation has taken place. So, I think Drew’s persuaded exactly the right strategy for a university to maximize its chances by setting up a separate unit and all of that. But I think it’s going to be very challenging and is going to require ultimately pressure from outside competition and pressure from alumni and pressure from those who are providing financial support because I think the same dynamics that apply at Kodak are going to apply within universities, and professors are not going to move to radically change the mission that they have grown up with, and it is connected to the issues of governance and tenure that we touched on, you know the median age of faculty, tenured faculty at leading universities is somewhere in the high 50s.

Now, that means half of them are more. And if you think about leading companies, if you think about leading artists, if you think about most other spheres of activity, control rests with substantially younger people and that’s a reflection of the combination we have of tenure and control. So, I think there are going to be real challenges not in doing fantastic things, I have no doubt that fantastic things will be done, but in maximizing the potential of this to be changed in the world.

MR. ISAACSON: Before Drew gets into, just real quickly, may be you could explain your edX course and Elisa’s –

MR. SUMMERS: No, I don’t have an edX course, Elisa has a fantastic – Elisa has a – Elisa has a fantastic edX course.

MR. ISAACSON: Elisa, well Elisa New, who the Professor of English at Harvard.

MR. SUMMERS: And she will have an opportunity to speak for her –

MR. ISAACSON: Are you going to do one?

MR. SUMMERS: – to speak about it. I am sure I will do if
they’ll have me. I will be happy to doing at some point. Elisa has really been -

MR. ISAACSON: Elisa stand up or wave or something.

MR. SUMMERS: Elisa has really been innovating in with respect to what I think is one of the really important insights with respect to technology, which is this. The first movies were basically people taking pictures of a play presented on a stage on film and then putting it out. And after a while, people realized that there were really much better things you could do with a movie than take a picture of a play. And Elisa is traveling all over getting – showing the vitality of poetry by getting all kinds of people you wouldn’t necessarily associate with poetry.

MR. ISAACSON: Yeah, she has made it into the wastelands, so this is a –

MR. SUMMERS: Well, you are bad off.

MS. FAUST: To take the whole wasteland.

MR. SUMMERS: John McCain – John McCain talking about the poem that help keep him going in the Hanoi Hilton, Bill Clinton in his office at Harlem talking about Langston Hughes, Woody Allen talking about the complexities of human relationships through poetry, but all of that is producing something that looks very, very different from a class that has been videoed.

MR. ISAACSON: Right.

MR. SUMMERS: And I think that that’s going to require doing that for Elisa and doing that for a large number of hugely innovative people who could do things is going to require really substantial resource commitments and you know my hope is that the higher education community broadly is able to mobilize those kinds of resource commitments.

MR. ISAACSON: Why don't you explain what edX is doing
and how that fit in?

MS. FAUST: Sure, so, edX which is a platform we share with MIT, HarvardX is the courses that we produce at Harvard that are made available broadly. We are doing a lot of experimentation and moving away from the old notion of just filming people standing at a podium and having that be available. Lot of this is interactive, there is a lot of technology that’s been developed to enable people to weigh in and be active participants, not simply to listen.

I had the privilege of being part of Elisa’s experiment in a conversation with students about civil war poetry and we had some manuscripts from the Harvard libraries before as we did it. And it was fun because we didn’t know what was going to happen, it happened in real time and that kind of action, one of the things we know about learning now is that students learn better when they are active. So, how do you make students active even in a digital setting and that kind of tech requires technology -

MR. ISAACSON: And I was just hearing talking about that wonderful feedback you get when you can make it interactive.

MS. FAUST: And so there is a lot of experimentation with this and failures. We had a course taught by a professor in the law school on intellectual property and he taught it in several different formats simultaneously. He had a group of students in Jamaica sitting in a classroom together taking it, he had different – he had students taking it live in Cambridge, he had it streamed around the world with students in Cambridge acting as discussion leaders and then at the end he assessed, said what worked, what didn’t and then gave it again differently the next time.

So, there is a learning curve as we move through the different years of this. On the innovation front and digital learning, one of the things that I don’t know the answer to is, but I am convinced of that there is a substantial desire by humans to learn together, to have face-to-face interaction. Look at us, why are we here? We are not here because we believe that we could have all sat home and had the same experience
online. And so as people have this hunger to be together, how does that interact with the digital opportunities that are now available to us.

Does it mean that we are going to have groups of people like this one here all around the world taking these courses together perhaps with a live instructor supplementing, what's going on on the screen? Will we have, and I believe we will, institutions like Harvard and the Yale where people will come for extended periods of time because the developmental interaction overtime, we don't just come together for one course or one day, we are part of a community of learning where we come upon one another in surprising manners, bumping into each other in the hall and learning things that we never set out explicitly to learn.

So I believe there is a future for face-to-face education, for residential education. We are investing heavily in that at Harvard. But we want to understand how these digital opportunities can enhance that.

Now one of my deepest worries about the future of digital education is it will have a two tier system, where some lucky people will get to go and be in residence at Harvard or Yale or Berkeley or wherever they might be, (inaudible), and then there would be others for whom the public force will say, "well, it's good enough, they can just do it online and we don't even need to try anymore to try to make the extraordinary experience of a university education available." I think that would be a tragedy.

Certainly, it's better to have some kind of information available and to have these courses out there for people who otherwise aren't going to have the access to them. But we can't use that as an excuse to give up on what I think is a transformative experience of being gathered together in a community where we learn from one another, we surprise one another, we bump into one another and we are different people as we're still be.

MR. ISAACSON: So how does it transform the notion of what we do, play spaced and - I mean would a two line university maybe give up an Italian Renaissance faculty where it's not going to be specialist, but focus on its play spaced activities?
MS. FAUST: I think that is something we have to all decide and to figure out, can we share things because of this, are there things that we will do with more intensity -

MR. ISAACSON: Are you sharing things with MIT more because of this? I know Larry started the broad and others and you're now really together.

MS. FAUST: We have a lot of collaborations with MIT. We have other scientific collaborations. We collaborate around things like library acquisitions, our students can take one another's courses, there is a lot of -

MR. ISAACSON: But do you think edX will help you be more collaborative with MIT?

MS. FAUST: Certainly. I mean they’re - as we look at the courses we offer, we think about what they’re doing and then we don’t duplicate that and try to have a menu altogether that makes sense.

MR. ISAACSON: You know -

MR. SUMMERS: I put it -

MR. ISAACSON: Well, go ahead.

MR. SUMMERS: I'll put it this way in terms of sort of how transformational you want to be. I made an estimate, I don't know if it’s exactly right, but it’s close. Thirty five thousand, at least thirty five thousand times every autumn somebody stands in front of a blackboard and explains to some number of pupils sitting in front of her or him, that the derivative of Sin X is Cos Sin X and explains the basics of introductory calculus. Thirty five thousand times somebody's reaching over a million people, sitting in the back, sitting in a classroom, watching somebody stand in front of a blackboard or a whiteboard teaching that.

Now it surely must be the case that if that happened four hundred times and the best four hundred expositors provided the
exposition that it would happen with substantially more clarity and with substantially more effective communication, and if that’s going to happen and what’s true in calculus is truly in a large number of fields. It’s just not right that Hamlet is exoposed fifteen or twenty five thousand times in senior - in high schools and in colleges.

And so just as 100 years ago, every professor wrote out their own notes for their students. And then we realized that probably some people could write the best textbooks. And those textbooks came to be used and the role of what a professor did who hadn’t written a textbook was changed fundamentally. Something of that kind has to happen in higher education. That doesn’t mean there aren’t roles for a large number of people. But those are going to be very different roles. Those are going to be roles that are involved less with presentation and more with discussion.

And that is going to change the nature of the activity. It probably isn’t a good idea for thirty five thousand people each to give their own take on calculus. And so I think we have to embrace the fact that this is going to mean that most colleges and universities are going to look and have very different kinds of relations between faculty and students, very different concepts of what a class is than the model that we have today.

MR. ISAACSON: Let me open it up, if I may. Yeah Paul (inaudible) sorry. Shout or wait for that little pink think behind you, over to your right, coming to you.

SPEAKER: So let me start with Larry’s favorite phrase which is leading universities. And Drew, I know –

MS. FAUST: Hi Paul.

SPEAKER: How are you? So this is the perplexing thing. When you say leading universities and Harvard is the paradigm right? Everyone wants to get on that list, right? So now you’re talking maybe a hundred institutions or something like that. But meanwhile higher education is thousands of instructions and the problem is much broader
and if the problem to be solved is how to create a better educated population at least in America, then we got to start and broaden the inquiry. And I think that phrase is not a good thing.

It limits everyone’s aspirations. So because they are good, they’re early publics and they’re early privates but most institutions need help. So what you – I would like to think, might want to do is extend the mission to the community colleges, the other state universities that don’t have any resources in this terrible time when you know states were cutting back. It’s like –

MR. ISAACSON: I’m going to let Drew take that, yeah.

MS. FAUST: Thanks, Paul. You bring up a number of important issues. One is to what – in what ways can we use these online courses to strengthen instruction elsewhere. But another aspect of what you are saying, leads me to make a comment about Clay Christensen’s book, published maybe three years ago now on innovative universities. It’s the foundation for his work on disruption.

And one of the things he points out in that book is he kind of exempts Harvard and Yale and the like from the – in that book, maybe he has come to feel differently since. But he says, they can do their thing, they’ll continue to do their thing, but no one else can afford to and everybody else is going to be disrupted. So I – maybe when I read the book three years ago, I found many lessons that I thought applied to Harvard more than he actually said in his book at that time.

But it’s important to recognize that these forces do have differential impact depending on what kind of intuition you are. And something we’ve not talked at all about here today is research. And that is such a fundamental commitment of what Harvard and Berkeley and Yale and Stanford do, and that has a very different set of relationships to changing technology.

So we’ve really been focused on the teaching mission and how do the teaching mission and the research mission fit together. One of Christensen’s critiques is that too many institutions have tried to be research
institutions and to put teachings in a secondary position over the last generation when that should not have happened at those institutions. I would argue it shouldn't have happened at all or it shouldn't be the case at our institutions either. We should have teaching as a central and a significant part of what we do.

So as we think about what makes the difference among these institutions, so we both have to think about changing resources, but also have to attend a bit to what are the differences among us in terms of mission and what we want to be as institutions and how we can then also –

MR. ISAACSON: Right here and –

SPEAKER: I realize that the whole idea of online education versus traditional education is an evolving thing. Could you discuss any – give us some insight into the evolution of your discussions of the economics of it as it relates both to the students and the universities and to the extent we’re going to have four hundred professors as opposed to thirty five thousand, what are the implications of the private sector that starts with a clean slate being able to attract those professors and any sense of competition it might have with traditional universities?

MR. ISAACSON: Larry, you want to?

MR. SUMMERS: Let me – let me say something about the economics in general and Drew will be vastly more familiar than I am with what exactly Harvard is – Harvard is doing. I don’t think anybody knows. I think one of the questions is going to be, what’s the model? One of the things all university presidents say is that, you know, as expensive as it is tuition only covers a quarter or a third or forty percent of the cost of educating an undergraduate. One of the big questions that lies ahead is, are we going to try with online education to cover all our costs or are we going to think as I would advocate that reaching millions of people is a vastly important thing to do and that universities with multi-billion dollar endowments should use some of those resources to year-in, year-out, subsidize reaching those large numbers of people just like today we subsidize reaching the thousands of undergraduates who are on our
My best guess and it is only a guess is that you are not going to be able to cover costs in providing high quality materials. If you are just providing them four people who are interested and who are doing it out of intellectual interest and pay to have access, I don’t think there will be enough people who will pay enough to cover access to support. So, I think where you will be able to mobilize resources is with - is when you provide certification and when you provide credentialing.

And here there is a very fundamental question, which is how do you distinguish between the different things that you have on offer. I have a more permissive view than I think is conventional in higher education. A university like Harvard for a long time has had an extension school that provides extension credit and provides extension degrees even to people who take courses that are very valuable experiences, but probably cover - include the coverage of material that’s significantly different from what Harvard would regularly teach, business software for example. And we give a degree and it’s a different degree than a Harvard degree, but it has been a Harvard bachelor’s degree, but it has a Harvard - it’s a Harvard degree, just a different one.

And I think we are going to need to be prepared to do that in the online area and I think if we are prepared to do that, there is substantially attractive economics in this. You know, another very big issue is going to be the following. If Professor Summers teaches a course, hires six graduate students to be his teaching fellows and research assistants and then writes a textbook based on the course, all of the income from that textbook goes to Professor Summers, hundred percent Harvard shares in it, not at all. If Professor Summers is a professor at the business school and he develops cases for the business school case program that are used in cases and then the business school sells those cases to other universities that use them in their curriculum, zero of the income from Professor Summers’ effort goes to Professor Summers. Where is - how is the right way to think about this issue with respect to online education in the development of online programs? It’s not obvious at all what the right kinds of answers are.
MR. ISAACSON: Let me let Drew.

MS. FAUST: Well, Larry has underscored here some of the most significant unanswered questions about online learning. One is it can lead to individuals being able to institutionalize themselves apart from the institutions with which they are affiliated, and how does that play out and what do they own if their property, intellectual property, can they just go off and make courses themselves and sell them for enormous amounts of money. So, what is the relationship between the faculty member and the institution in this changed world?

Second thing is, should these courses cost something, should they be free? There is a substantial proportion of faculty who believe that it is our obligation to keep the internet free and open and provide these courses forever for nothing. They are very expensive to mount. So even as we try to figure out how to cover the cost, much less get revenue from them, we are challenged to come up with a model and also not just one that is acceptable to faculty, but also one that makes sense in terms of the way to operationalize it and get somebody to take credit. How do you know whether to give credit? Is the person taking the test is actually the person - they say they are, how do you figure out credit and how to charge?

We have not charged at all for our HarvardX courses as yet. The business school this summer, Harvard Business School is offering a suite of three courses that are designed to prepare students for business school, just basic business economics, strategy, I am forgetting what the other thing is, accounting, and they are charging for this, they are doing a pilot of this and they have a very interactive model and so forth, so that’s a test and we will see how that works. So, we are experimenting on how to make it available, how to possibly give credit, we are giving credit for some of our courses through the extension school right now, is that a model for us, who owns these courses, do they belong to the university, do they belong to the faculty who develop them, all of this is up for grabs and so we are just trying to out how to adjust in a world that is changing to so fast in which the rules and the swim lanes aren’t clear.

MR. ISAACSON: Last question right here.
SPEAKER: To the issue about the rules, when you apply to Harvard College or any other institution like, any college, is it - are you going to be applying online in the same way, will that degree have the same credibility as going to Harvard College than doing it online? And like you said, how do you know that student is really taking that class -

MR. ISAACSON: Let me let Drew do that because we are -

SPEAKER: So, the intellectual integrity and the value of that degree and getting into Harvard just in general would never be the same, as doing it online.

MS. FAUST: We already have that distinction because the extension school, you can take any course without being admitted -

SPEAKER: I am not talking about extension.

MS. FAUST: And then you can get a bachelor’s Harvard, bachelor’s in extension studies. And so that you have to get Bs in your initial courses, then you are allowed to be a candidate for that different degree. So, in a sense, could that be a model, do we want that to be a model, we are not sure because often people get confused or try to help others be confused about what that degrees means.

MR. ISAACSON: Let me just end by elevating this a bit to the higher level. You are a historian especially of the civil war, which was about change. And I think I’ve heard you say and I know I’ve read you say that history is really the study of change, why it happens and why people resisted it, how does that apply to what you’ve just been saying?

MS. FAUST: Absolutely, when I am asked about the relevance of being a historian to my current job, I say what Walter has repeated. And we are in a moment now of enormous change and upheaval. How do people respond to it? They don’t respond to it by being threatened, they have to see something in it for themselves, they have to understand a path from there to here to there. And that seems to me the lesson of when we’ve seen change happen in a effective way that brings people on
board in history and when we’ve seen change simply create resistance and impossible situations that don’t bring us to the places we want to be. So, I think about that a lot and I think about examples of when it’s happened.

MR. ISAACSON: Larry and both of us on this, we try to have some thought of leadership here, how it works, you know, what’s many different ways, you worked with President Faust when she ran the Radcliffe Institute and vice versa, what have you learnt from her leadership and what has she may be has learnt from yours?

MR. SUMMERS: I remember when Drew became – when I became president, Drew had only very recently become the dean of the Radcliffe Institute and Radcliffe Institute, which was a kind of institute was – not a kind of – was an institute for advanced study, was a different thing than it existed before at Harvard, and was a different thing than people had previously associated with Radcliffe. And I remember being impressed, really hugely impressed because it wouldn’t have occurred to me, but it was obviously right that Drew was systematically building a connection with every part of the university for the Radcliffe Institute, in part because there were good things to be done jointly between the Radcliffe Institute and other parts of the university, which she wanted to do as many of them as possible.

And in part because she understood what I insufficiently appreciated until I learnt from her example that by doing that, she was creating a very strong foundation for the Radcliffe Institute to be able to innovate with approval, to be able to do things as opportunities presented themselves, and that she was bringing the whole community along in support of her institution. And I watched the way she did that in a variety of different places, and it was a very powerful example for me of what kinds of – not one I was always successful in following, but a very powerful example of what was involved in bringing people along.

MR. ISAACSON: President Faust?

MS. FAUST: So you can see an example today of how Larry always pushes, how can it be better, how can we do it better, how can
we not allow trailing edges that we neglect that are at odds with what we really believe in. And that was - Larry was my boss for six and half years, almost - no, it would have been five years -

MR. SUMMERS: Five years.

MS. FAUST: Because I was at Radcliffe for sixth year, but Larry was my boss for six - for five years. We’d have these meetings and we’d often actually talk about universities, the way we talked about them this morning and try together to dream up how we would bring changes that we thought were important and how I could help make the Radcliffe Institute a part of that. But Larry has also had a big intellectual impact on me, and I’d just like to say two parts of that because it’s partly about how I think generally, but it’s also about how I think as a leader.

He is an economist as you all know, and when I would go into talk to him about the Radcliffe Institute, he would always challenge me to think in the terms of his discipline, not just how is your budget. But just the accountability and the numeracy that was at the heart of how he thought. And I have a chapter in the book I wrote during the last years of my time at Radcliffe, that has a chapter about counting the dead in the civil war, that chapter would never have been there, if I hadn’t been counting everything with Larry Summers for the preceding four years.

(Laughter)

MS. FAUST: It just gave me a different perspective on how thinking through numbers is a world view. There is another part of this too, which maybe the social scientist and the humanist, I would always take we’ve been talking about a problem and my notion of dealing with a problem, be to make it more complex to see more points of view and more things, Larry’s notion of a problem would be to simplify and solve it. And I think that’s partly the economist and the humanist, but it was again a perspective that I found very valuable and that has informed my ways of looking at the world.

MR. SUMMERS: Can I tell one story? I think we both learnt from this, Drew may remember this story differently than I do. But one of
the first times Drew and I met, we had our monthly meeting in my office and I said to Drew, what’s new at the Radcliffe Institute. Drew said, she was considering some distance down the road towards acquiring the set of papers of a prominent feminist for the library. And I asked, how much would they cost? Drew told me, the answer was several hundred – several hundred thousand dollars.

And I asked, I confess, well some of you will regard me as philistine, but I asked a question that seemed reasonable to me, which was, I said, okay, well so you are going to spend this money, so how much will we get for it? Will this be will three faculty devote several years of their research to this, will this be an important resource for several Ph.D. thesis and number of visiting scholars, will it sit in the library and we hope that sometime over the next ten years, one undergraduate will write a thesis, what are we going to get for our two hundred and fifty thousand dollars? My question is question you would have asked at the treasury department and I think it’s probably fair to say that Drew looked at me like I was some kind of philistine lunatic –

(Laughter)

MR. SUMMERS: For asking this question and sort of explained to me the general virtue of archives and all of that. I would say by the end of that conversation and a couple, I think it’s probably fair to say that I had a more catholic and broad perspective on what kinds of things the university should do and how you should think about the accumulation of resources. I think Drew may have been a little more inclined to think in terms of you can’t do everything and you have so much money to spend and you have to think about priorities, and how you compare things and at least for me, it was a very, very educational – very, very educational.

MR. ISAACSON: Very last word.

MS. FAUST: They all goes back to libraries, right?

MR. ISAACSON: Very last word, thank you very much, President Faust, President Summers.
MS. FAUST: Thank you.

MR. ISAACSON: Thank you, awesome, great.

MS. FAUST: Thank you.

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