

(or perhaps a Givotian stooge such as Steve Dasbach, post-man from Indiana) will run for national chair, preparatory for a drive for Nancy Lord for President in '96. (Only in the Libertarian Party does a rotten race by a presidential ticket automatically set up the failed Vice-President for a promotion four years hence.) The opposition will coalesce either around Mary Gingell for reelection, or for one of her henchpeople to succeed her. Other factions may well surface. A combination of ideological split and personal enmity should set up conditions for a doozy of a schism after Salt Lake, with the losers walking out, and the Party shattering to smithereens.

The crazy thing is that, if he wanted to, the scam artist Andre Marrou could come roaring back to Take It All. For even though all the party elite are thoroughly disillusioned with Andre, the news about Andre was carefully kept from the party rank-and-file, who may still be walking around worshiping Andre and blaming the electoral disaster on Perot. But Andre, for some reason best known to himself, saved the bacon of the various elite factions by announcing shortly after Election Day, his permanent retirement from the LP political scene. It is reported that, on hearing the news at a Farewell-to-Andre dinner, Steve Givot rushed to the men's room to dance a jig of joy. But Steve may have celebrated too soon. Andre, after all, is a shrewd cookie to have come all this way on nothing but hot air. Maybe he's leaving because as a keen scamster-

entrepreneur, he realizes before the other that the Party's over, that the members and donors have been picked clean, and that the time has come to follow the Indian hustler Russell Means into other and greener pastures. Maybe some day the rest of the party will absorb the same lesson. ■

John Silber: Doing Well Doing Neocon Good

By M.N.R.

Neocons, armed with lots of foundation money and media support, keep four favorite politicians in their stable. Three are the stiff, droning Jack Kemp; the thuggish Bill Bennett; and the airhead Danny Quayle. Perhaps the least prepossessing of this grisly crew is dour, prickly John Silber, president of Boston University [BU]. Silber, who has been riding herd on Boston University for over two decades, was the Democratic nominee for governor of Massachusetts in 1990, losing to William Weld, now the darling of the Republican Left and, as a biggie in the new Kempian front, Empower America, presumably in the Kemp camp for 1996. (Those neocons will get you coming or going.) Silber, gearing up for a rerun in 1994 (you can't keep a bad man down!), is being rocked by a series of charges and disclosures in the Boston press (in the conservative *Boston Herald* as well the left-liberal *Boston Globe*).

If luck is with us, these charges will serve as a successful preemptive strike against a Silber redux in Massachusetts politics.

In the first place, unlike most academics, Silber has been making out like a bandit at BU, although, as the *New York Times* (Feb. 9) coyly adds, the "news articles have produced no clear evidence of illegality by Dr. Silber." Thus, Silber earned a total in 1991 of \$414,715 in salary and bonuses from this nonprofit institution of higher learning. And that's only the *cash* payout. For over the years, BU has granted him \$638,000 in "loans" at little or no interest, including an interest-free loan of \$138,921 to buy a posh residence from the university itself at below-market cost. In addition to this "loan"-purchase, Silber lives in yet another university-owned mansion, and enjoys the services of a BU-supplied car and chauffeur. On top of all that, every five years BU grants Dr. Silber a year's extra salary, as an alleged "leave benefit" or sabbatical, although Silber never actually took a leave until six years ago.

But Silber profited in still other ways from his university post. BU granted Silber permission to acquire stock options in Seradyn, Inc., a medical research company owned by the university. Some records seem to show that BU subsequently loaned Silber the money to buy Seradyn stock, upon which he made a profit of \$386,700 in 1989. Silber, however, denies borrowing the money or buying the stock.

More damaging to John Silber's reputation is a considerable

amount of what looks like hanky-panky with BU's trustees. Economic theory tells us that, in a non-profit organization lacking owners or stockholders, the organization's revenue will tend to be siphoned off in uneconomic and quasi-crooked ways to the managers and trustees. Since trustees and managers own no capital and can make no profits, they don't have to worry about maximizing profits; they enjoy a very wide zone for inefficiency and hanky-panky which cannot exist in profit-making firms. The non-profit outfit need not even care much about losses, short of bankruptcy, and even bankruptcy doesn't affect the trustees' personal assets. When the New Left invaded the offices of Columbia University during the student riots of the late 1960s, they discovered some interesting peccadilloes by Columbia and its trustees: one trustee, a well-known building contractor, would get the contracts to construct the university's buildings, another would get the job of banker or insurer for that builder, and so on.

At Boston University, Dr. Silber seems to have showered lucrative contracts upon trustees who, in particular, are members of the five-man executive committee on compensation that votes on Silber's extravagant pay. Thus, BU paid \$246,730 to a law firm headed by Edward Masterman, a member of this executive committee. In addition, Silber has asked the well-known accounting firm of Coopers & Lybrand to conduct an independent audit of all the charges against him. But the

problem here is that this same firm has received more than \$400,000 a year over the past several years for accounting and auditing work from the university. Furthermore, Coopers & Lybrand managing partner in Boston, Frank A. Doyle, was a fund-raiser for Silber's failed gubernatorial bid in 1990.

It is instructive to see the way in which BU spokesmen reply to these damning conflict-of-interest charges. After first pointing out that the university has a "strict conflict-of-interest policy," they say, about Coopers & Lybrand, "When you hire them, you are buying their independence." Huh? Eh, what? As for Frank Doyle and his fund-raising effort, says BU, "An individual is free to exercise his right to support a candidate." Well sure, but so what?

As for conflict-of-interest charges and the powerful trustees, BU doubletalk continues: "We recruit trustees precisely because they are leaders in their professions, and so on occasion we do use law firms that have members who are on the board of trustees." Yea, sure.

Dr. Silber and Boston University are now undergoing a continuing investigation by the Massachusetts Attorney-General's office. Complicating the issue is the fact that the Attorney-

General, L. Scott Harshbarger, is not only himself an adjunct professor of law at BU, but may also run against Silber for the Democratic nomination for governor next year.

Regardless of the outcome of this investigation, the political pot is boiling in Massachusetts, and John Silber may get singed. As the Zoe Baird caper demonstrated, you don't have to be actually indicted to become a political has-been. ■

Race and Reality by Samuel Francis

About ten years ago, I recall, I had a conversation with a friend of mine, a prominent

conservative journalist and editor, who told me he believed the United States had essentially solved its racial problems. The dislocations caused by the civil rights movement, the black nationalism of the 1960s, and the riots of that era were over, he argued, and now all that remained was for blacks to scamper up the ladder of economic and political opportunity. The welfare state and liberal civil rights policies, he thought, were the principal obstacles preventing blacks from making the ascent.

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