

THE AYN RAND INSTITUTE

Newsletter

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• The Center for the Advancement of Objectivism •

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INSTITUTE: THE FIRST FIVE YEARS

On the eve of The Ayn Rand Institute's fifth anniversary, its founders and contributors have much to celebrate. Successes in both fundraising and project implementation have enabled ARI to develop from a small one-man office in 1985 into an established organization with a staff of six and several major ongoing projects to advance Objectivism. The major battleground in the fight for rational ideas is in the educational institutions, where young minds are shaped; in keeping with its primary aim--to move Objectivism into the universities--educational projects are the heart of the Institute's activities.

Essay Contest

To date, over 10,000 high-school students have entered ARI's essay contest on *The Fountainhead*. For details on this highly successful project, see page three.

Campus Clubs

Since Objectivist ideas are not currently taught in philosophy courses nor elsewhere in the curriculum, campus clubs are the primary means of raising awareness of Objectivism on college campuses and educating students about Ayn Rand's ideas. When the Institute began, there were only six such clubs. At present, there are 75 active clubs and another 25 either in the start-up phase or temporarily inactive, in 28 U.S. states and Canadian provinces as well as Australia, Denmark, Israel, and Norway.

Institute assistance to these independ-

ent, student-run groups begins with organizational advice and, if necessary, financial help in starting a club. Once a club is established, ARI loans videotapes of Objectivist speakers and provides large quantities of printed materials on Objectivism to help clubs promote the philosophy in the academic community. To date, ARI has made possible 500 club-sponsored video presentations and provided 125,000 pamphlets and other printed matter for dissemination. The Institute has also helped fund and organize 105 campus talks and debates by Objectivist speakers, with an average attendance of 100 (mostly students) per event. Through these efforts, thousands of students have been exposed to Objectivist ideas and their application.

In addition, the Institute has subsidized more than 500 students' tuition in nearly 100 Objectivist taped lecture courses. ARI also sponsors campus club workshops at Objectivist conferences and other gatherings.

Following the events in Tiananmen Square last spring ARI produced a poster for use by the clubs, utilizing the photograph of the Chinese student standing before a line of Red Army tanks and adding a quote from *Anthem*.

Publishing

The Institute has produced videotapes and published several essays by Ayn Rand and Leonard Peikoff in pamphlet form, primarily for distribution to students

but also to the business community and various professions.

To keep contributors informed, ARI publishes a newsletter three times a year, and *IMPACT*, an update of Objectivist activities, six times a year.

ARI developed the revised edition of *Introduction to Objectivist Epistemology* and will make it available to the philosophical profession upon publication by NAL in April of this year. Other academic publishing includes Harry Binswanger's forthcoming book, *The Biological Basis of Teleological Concepts*, and future scholarly books and monographs on technical issues in philosophy.

Perhaps the most dramatic publishing project the Institute has undertaken so far has been the financing of a Polish translation of *The Virtue of Selfishness* which is now available to Polish citizens; a Polish translation of *Atlas Shrugged* is in progress. ARI is currently exploring ways to advance Objectivism in Eastern Europe, amidst the apparent crumbling of the communist bloc.

Academic Training

The Institute's graduate training program began in 1987, in recognition of the need for young philosophers to enter the teaching profession. Harry Binswanger led a seminar, via telephone conference calls, with four Objectivist graduate students in Ph.D. programs around the country, conducting an in-depth study of *Introduction to Objectivist Epistemology*. One of the
(See *Institute*, p. 4)

BINSWANGER ADDRESSES PHILOSOPHICAL SOCIETY

Harry Binswanger delivered a paper entitled "The Biological Basis of Teleological Concepts," at the second regular meeting of the Ayn Rand Society, an affiliated society of the American Philosophical Association (APA). He was the featured speaker at the two-hour meeting, which was held in Atlanta on December 28, 1989 in conjunction with the annual convention of the Eastern Division of the APA.

The talk was based on Dr. Bins-

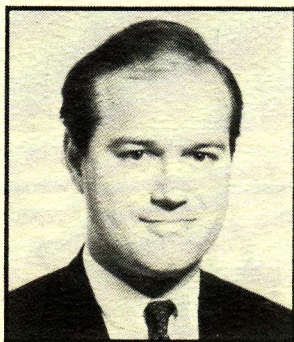
wanger's forthcoming book of the same title, which will be published by ARI. His presentation concluded with a section on the implications for validating man's life as the standard of value, in which, quoting liberally from Ayn Rand's "The Objectivist Ethics," he argued that "a living organism's struggle to maintain its life is what gives rise to the whole phenomenon of means and ends, action to achieve goals, needs and their potential for satisfaction and

frustration."

Following the standard format for professional academic meetings, the session included prepared comments by Professor William Bechtel of Georgia State University, after which Dr. Binswanger gave a brief response. Then the meeting was turned over to a question and answer period. In attendance were about thirty professional philosophers. ■

Institute Interview: RICHARD SALSMAN

by Kathy Kroeger



Richard Salsman is a vice president at Citibank in New York City. He writes and speaks on monetary issues and works to advance Objectivism in the business community as President of the Association of Objectivist Businessmen. He also serves on ARI's Board of Advisors.

Q: How did your interest in Objectivism evolve?

A: I heard free-market, limited-government views at home, and grew up with a positive image of business and a respect for ideas. In college I read my parents' copy of *Capitalism: The Unknown Ideal*--they had read some of Ayn Rand's books but had not explored Objectivism further. I expected a book about how businesses operate and how the American economic system worked. That capitalism might be an "ideal," an ideology, interested me. I found her arguments fascinating, especially her critique of conservatism. I had known free enterprise as a mix of altruism and self-interest, of charity and money-making, and I couldn't understand why the Republicans were so ineffective in opposing the welfare state. Ayn Rand validated a view of capitalism that I had accepted implicitly but never formulated explicitly. I was also intrigued by the fact that she wrote about economics and business issues both intellectually and passionately; I had thought that reason and emotion were opposed. Over the next three years, I read all of her books.

Q: How did your study of Objectivism affect your career goals?

A: Mostly, it made me more serious and purposeful about them. In college I was interested in pursuing law and possibly politics. Reading Ayn Rand made me want to read and study even more, because ideas mattered to me more than ever. I was very impressed with Francisco's "money" speech in *Atlas Shrugged*, with the argument that money-making is a virtue and that money is the barometer of a culture's direction. I

began to think seriously about banking, and I made a gradual but conscious decision to pursue a career in economics and banking. For me, banking is like a vast economic laboratory, the one industry that deals with all the other industries.

Q: What are your professional goals?

A: In addition to being a successful banker, I want to increase my activity as a spokesman for sound ideas in money and banking. I already give media interviews and campus talks on a regular basis, and I've written a book on central versus free banking, to be published by the American Institute for Economic Research. It's an outgrowth of the MBA thesis I did at NYU, showing how government undermines the banking system, why free banking is more stable, and how to achieve a *laissez-faire* system based on the gold standard.

Q: Does Objectivism help in your work?

A: Yes, definitely. As a lender I must be extremely rational when I conduct research and make decisions about which companies should receive loans. There is a mass of information and detail, a tremendous context to absorb in identifying the industries that are rising and falling, the companies that do well by design, not by chance. Also, lending decisions aren't made in isolation; appealing to facts--not wishes or needs--gets a loan approved in the bank, as well as repaid. Overall, Objectivism provides a consistent, integrated framework for understanding my work and my industry and their role in the economy. And it says to enjoy my success guilt-free.

There are frustrations, however. Some bankers aren't rational in their research and lending practices. Government intervention contributes to this problem, promoting and protecting irrational practices. Rationality often goes out the window as government-induced inflations and "booms" whip up a frenzy of lending, and bankers are pressured to generate immediate business. It proves unsound in the "bust," yet the failures get bailed out. Also, few bankers know how money and credit really operate and how the government sabotages prudent banking principles. Most don't understand banking in its historical context.

Q: Would you comment on the current view of money-making in our culture?

A: I think receptivity to the right ideas has grown considerably in the last decade. For example, there is now a greater respect for entrepreneurship, and business historians

are interpreting 19th-century industrialists correctly--as heroes, not villains. Pragmatism still prevails in the business world, so it is difficult to convey the message that principles matter, that morality is practical. But the general attitude toward business is much better now than in the sixties and seventies.

Q: Would you describe the development of the Association of Objectivist Businessmen (AOB)?

A: I was encouraged by the formation of ARI in 1985, by businessmen and philosophers working together to advance Objectivism. With ARI's help, AOB had an exploratory meeting at TJS in 1987; later discussions resulted in an official organization by 1989. We now have ten people in various industries nationwide who serve on our Executive Committee and set strategy, and a membership of about 125, for whom we publish a quarterly newsletter. Some members write OpEd articles and appear on television and radio. Our plan is two-fold: to introduce and promote Objectivism in the business community, and to encourage the business community to finance the spread of Objectivism. We try to identify business figures who may be receptive, who may advocate procapitalist positions or be unjustly criticized for their virtues. Our approach is personal contact or a letter with Objectivist literature enclosed, always including "The Meaning of Money" pamphlet. Primarily, we put the message of Objectivist intellectuals in their hands. We tell them that what they're doing is moral, that they should feel proud of themselves and their achievements, and that they should consider a moral defense to fight their attackers. Progress is slow, but we have to be patient and persistent. The support of only a few can make a big difference.

Q: Your positive attitude is inspiring. How do you sustain it?

A: By focusing on values. When I first studied Objectivism, I thought, "This is a great philosophy, great things are possible." Then I looked around and saw a world considerably less inspiring than Ayn Rand's vision. I didn't want to shrink into cynicism and malevolence, nor, conversely, charge ahead with blind optimism. Objectivism teaches that evil is impotent without the sanction of the valuers--so it's important to me to create values and seek out valuers. In AOB, for instance, we waste

(See Salsman, p. 4)

BEHIND THE SCENES: THE ESSAY CONTEST

Since it began in 1986, the *Fountainhead* essay contest has become one of the Institute's most effective projects, stimulating a wealth of enthusiasm from students and teachers. Many ARI contributors have expressed interest in knowing more about how we promote the competition and choose the winners.

Publicizing the Contest

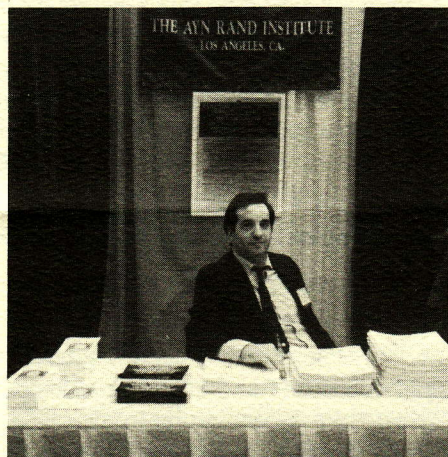
Our work begins late each summer, when we finalize the essay questions for the coming year's contest and print the information flyer. During the fall, we mail nearly 70,000 flyers and cover letters, to every public and private high school in North America as well as to American schools overseas and thousands of educators, students, and other individuals. The mailings are targeted to different segments in the educational community, e.g., English departments, Advanced Placement and Honors English teachers, philosophy teachers, psychology teachers, gifted-student teachers, scholarship advisors, and school district supervisors. In addition, each year we distribute—on request from teachers—over 3,000 copies of the "The Teacher's Guide to *The Fountainhead*."

As the academic year progresses, we design, produce, and place ads for the contest in professional periodicals such as *English Journal*, *Education Week*, and *Guidepost*, as well as assorted financial-aid publications. Last fall we sponsored a display booth at the National Council of Teachers of English conference, attended by thousands of teachers from around the country. Dr. Andrew Bernstein hosted the booth, distributing information and "Teacher's Guides" (written by Dr. Bernstein) and answering questions about *The Fountainhead*, Ayn Rand's ideas, and the contest.

We also work with Objectivist groups around the country, helping to organize regional tie-ins to the national contest. Community groups promote the national contest heavily in their areas, offering added incentive for students by collecting contributions from their members for extra prizes. We supply contest flyers, "Teacher's Guides," and other printed materials as needed. In 1989 there were ten regional contests awarding an additional \$7,700 in prizes to 26 students.

The results of all the preparation and promotion become evident during the fall, when inquiries from teachers and students overwhelm our mail and telephone lines,

and we hire part-time help to process all the requests for contest information and "Teacher's Guides." The first essays begin to arrive in December. Each essay is logged and given an identification number. In the winter and spring the number of incoming essays grows from one or two per week to hundreds per day; we receive 80% of the essays during the last week before the April 15 deadline.



Andy Bernstein at the NCTE booth.

Judging the Essays

After the deadline, we send all the essays (an average of 2,400 per year) to a national testing service for the first round of grading. The testing service uses high-school English teachers to grade the essays for literary quality (not philosophic content), giving marks for style, coherence, and correctness of grammar, punctuation, and spelling. Each essay receives a number grade between one and five; all essays scoring four or five are read again, by a different grader. Only those with a combined score of nine or higher, usually about 8% of the total, become semi-finalists. All judging is anonymous—at each stage, the graders are unaware of the identities of the essay writers.

In May, our panel of about fifteen Objectivist teachers and writers, armed with copies of previous winning essays and our lists of standards and guidelines, grades the semi-finalists' papers to determine who the finalists will be. Each essay is graded by two graders, each of whom assigns a letter grade. An essay must receive at least one "A" to become a finalist. Members of the panel report that grading the essays is a difficult but rewarding process, as they read and re-read each essay, rank them, and then read again.

The finalists' papers (in 1989 there

were twenty-nine) are then sent to Harry Binswanger, who chooses the sixteen winning essays. This final stage of judging takes about three days. Dr. Binswanger reports that he spends the first two days reading through all the finalists' papers with a skeptical eye, making marginal comments and giving each one a score between zero and ten, in half-point increments. After reading six or seven essays, he reconsiders the scores he gave the first ones, checking his initial decisions to ensure consistency. He makes any necessary adjustments and continues until all the essays have been graded. After ranking the essays according to their number grades, he then undertakes the difficult process of evaluating the borderline cases. By the time he finishes, he will have read some of these essays half a dozen times and added more marginal comments each time. As soon as the winning essays have been selected, we telephone the winners and their schools with the results so that they can be announced before graduation. A few days later, we send press releases to newspapers in the winners' communities and issue checks for the \$15,000 in prize money to the sixteen winners.

Post-contest Follow-up

After the announcement of the winners, we mail a follow-up letter to every entrant. We send special letters to the semi-finalists and finalists, and also to their teachers, hoping to encourage continued participation. We reprint the winning essay in our fall newsletter, along with an article about that year's contest and winners, and we send copies of the newsletter to entrants on request.

In 1989, for the first time, we enclosed a return postcard in the students' mailing inviting them to ask ARI for more information about Objectivism. The 175 interested students who responded (7.5% of the total) received a packet containing: (1) "Introducing Objectivism," a one-page flyer published by ARI; (2) "An Objectivist Bibliography," also published by ARI; (3) a copy of "Playboy's Interview with Ayn Rand"; (4) information about Leonard Peikoff's taped lecture courses on Objectivism; (5) an Institute brochure. Each packet also contained a cover letter from Campus Club Coordinator Kathy Kroeger, responding to the students' questions and comments and providing them with information about college Objectivist clubs and student contacts in their area.

(See *Essay*, p. 4)

(Institute, continued from p. 1)

seminar members completed her degree last year and is now teaching at a major university. The same four young scholars are currently engaged in another seminar with Dr. Binswanger covering all aspects of philosophical writing.

ARI also awards scholarships to Objectivist conferences to students majoring in philosophy and related fields, offering them an alternative to what they are being taught in the universities.

Professional Groups

ARI has assisted in the creation and development of several independent organizations of professionals working to bring Ayn Rand's ideas to their colleagues and halt the growth of government controls. The professions represented so far are business, education, health care, and law.

General Public

The Institute has placed two full-page philosophic advertisements of Leonard Peikoff's "Medicine: The Death of a Profession," as well as an ad in *Barron's* offering a "Capitalist's Self-Defense Kit." Responses to these ads have totalled 2,000. ARI has also had OpEd articles published in newspapers around the country, on such topics as racism on college campuses, California's insurance proposal, and animal "rights" (which led to debates on radio and television).

These and other projects have been funded by contributions from individuals who value ARI's goals and find them worthy of investment. Special fundraising

events have included a screening of *We the Living* in 1988 and two banquet/auctions in 1986 and 1987 featuring memorabilia from Ayn Rand's estate; another such auction is being considered.

The Institute had a record year on all counts in 1989, due to the generosity of its contributors and the efforts of the many people involved in its projects. As a new decade begins, we look forward to continued growth and success, to the celebration of the golden anniversary of *The Fountainhead* in 1993, and to a new century in which rational ideas and freedom will prevail. The task ahead is difficult, but thanks to contributor support, we have the momentum and resources to meet the challenge. ■

(Essay, continued from p. 3)

Plans for the Future

We are currently surveying teachers and counselors and conducting detailed research on expanding the contest. Plans for the future center around more extensive publicity, more prizes, and/or larger awards. We are also considering the possibility of an *Anthem* contest for high-school freshmen and sophomores.

To date, nearly 10,000 students from all over the United States and Canada, as well as some foreign countries, have read the *The Fountainhead* and submitted their essays to the contest; 90% of them had not

read anything by Ayn Rand prior to the contest, and anecdotal evidence indicates that many more students read the book but did not enter the contest. Many entrants have gone on to start or join campus Objectivist clubs in college, and some, such as Jon Gordon at Yale and Andrew Hazlett at Wesleyan, have earned ARI scholarships to Objectivist conferences.

Contributor support has made it possible for us to reach thousands of students while their minds are open to new ideas. We look forward to reaching thousands more each year, and to the time when *The Fountainhead* will be part of every high-school student's education. ■

(Salsman, continued from p. 2)

our time and passion if we only fight the vocal maligners of capitalism. Our energies are better spent finding the few principled, intelligent, often quiet creators who make values possible. We need to support them, and ask them to support us. This value-centered activism is a key to my motivation. I want to fight for greatness, not tangle with the unworthy. When I find it, I feel as if I've discovered a gold nugget. Then I'm in that world Ayn Rand envisioned.

For more information on AOB contact: Association of Objectivist Businessmen, P.O. Box 1285, Ridgewood, NJ, 07451. ■

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