"Squawk Box" Interview Themes

In my personal, professional, and philanthropic endeavors, the theme that ties everything together is my awareness of the ubiquity of risk and the centrality of averting it, i.e., assuring safety.

1.   **On Being An Immigrant**

    a.   My experience as a refugee, having to leave everything we had behind in Nazi Germany and arriving in the United States essentially penniless, was a formative one.

    b.   Being so close to losing everything, including one's life, has formed the anxiety against which my desire for safety struggled.

    c.   As a result, I have pursued my passions – for psychiatry, for precious metals trading, for commodities, and for scholar rescue – with both enthusiasm and my ever-present sense of danger — danger that someday everything will be lost unless I struggle to keep it safe.

2.   **On Scholar Rescue Fund**

    a.   My background as both a refugee and a scholar suited me to take on the task of establishing an organization within the Institute of International Education (IIE) to provide safe haven to threatened scholars.

    b.   The Institute itself runs the Fulbright program on behalf of the US Department of State (two Fulbright alumni won the Nobel Prize last week), as well as many other exchange programs. Since 1919, it has also operated ad-hoc to rescue students and scholars from world crises and repressive governments, most famously the drama in Nazi Germany, when hundreds of high-level scholars were expelled from Europe and re-settled in America and elsewhere, thanks to IIE and its then-Assistant Director, Edward R. Murrow. These included some of the world's best minds, including Nobel Prize winners Thomas Mann, Max Delbruck, and Felix Bloch..

    c.   In 2002, with the help of Henry Kaufman, Tom Russo, and George Soros, we established the Scholar Rescue Fund.

    d.   So far, we have rescued 368 professors from 43 countries – academics who have been imprisoned, beaten, and threatened with death as a result of their academic work.

    e.   Ron Baron and Baron Capital has helped us greatly in these efforts, faithfully contributing since 2004.

f.   We have also encountered

g.   For example, SRF has rescued 200 very senior, highly threatened scholars from Iraq. Iran may well be the next crisis on the horizon. It is truly amazing -- and disheartening -- how many countries in the world persecute their scholars – we have had over 2,500 applicants from more than 100 countries in our 8 years of operation.

h.   We have raised an endowment of $25 million so far, but scholar oppression is unfortunately a growth industry, and we have more business than we can handle. We need at least $50 million so we are sure there will always be a place to which threatened scholars can turn to pursue their work in freedom and safely.

Three examples:

(1)   When violence targeting ethnic Uzbeks broke out in southern Kyrgyzstan in June 2010, SRF received an appeal for support from an ethnic-Uzbek Kyrgyz scholar barricaded in his home with his young family as his neighborhood fell to violence that would take thousands of lives. An emergency SRF grant provided for his immediate departure. He and his family arrived at Stanford University in late August 2010 and he now writes without fear on legal issues in Central Asia.

(2)   A political scientist who writes on political and armed conflicts in one of the most dangerous corners of the world was threatened with death on multiple occasions : in the Democratic Republic of Congo. With SRF support, the scholar managed to flee his home country shortly before a resurgence in widespread violence, and quickly resumed his SRF fellowship at a research center in Senegal where he has completed research on the ethnicization and sexualization of the armed conflicts in eastern D.R.C.

(3)   An Iraqi geneticist is renowned for her groundbreaking work on a common genetic blood disorder in Iraq perpetuated by family marriage. Her work in this area prompted death threats from extremist groups on her university campus in Baghdad. Assassination attempts ultimately forced her and her family into exile. She is now in safety at a university in Italy since August 2009 and she is now leading genetic research related to the Marsh Arab population of southern Iraq, the area desiccated in a campaign by Saddam Hussein during the 1990s. She and a delegation of Iraqi researchers are now coming to a major genetics conference in the U.S. where she is presenting her latest findings.

3.   **Investment Management and Asset Allocation**

The firm I founded in 1992, Gresham Investment Management, is also concerned with risk and safety -- in terms of preserving wealth and decreasing risk to the individual and institutional investor.

Gresham currently manages approximately $11 billion in long-only, fully collateralized, diversified commodity futures strategies. We manage our programs for more than 1,000 clients, both foreign-based and domestic, and in 2010 Pensions & Investments named Gresham the largest commodities manager of U.S. institutional assets.

The strategy I formulated to invest in commodities, which we call the Tangible Asset Program, or TAP, has found wide acceptance among investors who understand the power and importance of portfolio diversification.

A decade ago, there was in the total market less than $10 billion devoted to commodities as an investment vehicle; today that figure surpasses $300 billion.

This phenomenal growth reflects the increasing recognition that one of the most effective ways to preserve wealth and decrease the risk of ruin is to invest in the widest possible range of assets with positive but non-correlated returns; commodity investments thus belong among traditional portfolio allocations such as equities, real estate, and bonds.

But, in addition to improving risk-adjusted returns (that is to say increasing the amount of return per unit of risk), commodities can also protect portfolios against the ravages of inflation and continued US Dollar weakness.

My other activities, in psychiatry and biotechnology are equally skewed to the risk and safety continuum but - - enough for now.