

# Regents Must Block NYU-Polytech Merger

By Joel Hirschhorn

The academic world is not without its corporate takeover madness. Unless the New York Board of Regents steps in this month to put the brakes on the so-called merger of New York University and Polytechnic University, something quite nefarious will happen.

To call the transaction a merger and remains a boldfaced lie. With its 50,000 students compared to about 3,000 for Poly, and annual revenues twenty times larger, the giant NYU wants to acquire Poly. In particular, with its considerable expansion plans, it wants the prime downtown Brooklyn real estate owned by Poly. Like so many other Poly alumni I have been appalled by the shenanigans of the administrators of both institutions. After 154 years of independence and considerable contributions to city, state and nation, Poly is about to be gobbled up by the Goliath NYU.

To begin with, in 1972 the state passed a law requiring NYU, then having a fiscal crisis, to merge its School of Engineering and Science into Poly. Back in 1973 NYU's President Hester acknowledged that an agreement with the New York State Commissioner of Education required that "New York University would not be authorized to offer engineering instruction at Washington Square or elsewhere." Indeed, several subsequent attempts in 1976, 1977 and 1981 to acquire an engineering college were rebuffed by the state Education Department because of the 1973 agreement. Now comes yet another attempt by NYU and it is up to the state to stop the deal.

Considerable propaganda has been disseminated by the management of both institutions, making it sound as if Poly is getting a good deal. It is not. But the telltale sign that something is amiss is that very few people have been told the many details of the transaction. We now have a report by the New York Senate Committee on Higher Education: "Proposed Affiliation: Polytechnic University and New York University." In several contested areas this report found evidence that backs opponents to the "merger."

It cites testimony from several Poly trustees that backs the contention that the board majority decided early on in favor of the merger and attempted "to marginalize the participation of those individuals who opposed the affiliation." The report said this behavior "is not consistent with the duty of loyalty that a board owes to an institution." It raises important questions, such as whether there are appropriate procedures to make sure the interests of all appropriate parties are considered and when various constituencies should be made aware of negotiations.

The report concluded that "it is impossible to ascertain the true value of this institution's real property at this time." This is a central issue, because opponents to the transaction believe that Poly is not getting a good financial deal. Further, the report found that the Board's "failure to obtain an updated appraisal, regardless of the cost involved, is inconsistent with the duty of care that the Board owed to Polytech." Moreover, it found that the facts substantiate "the Alumni Association's position that the Board was attempting to portray Polytech as being in financial straits in order to garner support for the affiliation with NYU." That's why there is little credibility to what the Poly board has agreed to.

Now it is up to the Regents to use all this information and analysis to objectively and fairly evaluate not the "merger" but the acquisition. Like so many others, I fear that unless the Regents stop this deal Poly will lose its identity and academic independence. It is being sold out by incompetent managers that failed to continue the success Poly had enjoyed for over 100 years. NYU needs Poly more than Poly needs NYU, and NYU would end up making money, not paying handsomely for or investing in Poly.

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