Significant changes have occurred since we met two months ago, from the beginning of important transitions here on campus to the outbreak of war and other historic events around the world. Now, as we gather at this time of commencement, we are reminded what remains constant about our mission together. Once again we are surrounded by spring flowers in bloom, by parents arriving on campus with cameras and euphoric smiles, and by students embarking on lives for which Duke has prepared them so well.

Since I announced at our last meeting my plans to step down as president, occasions such as commencement have become even more precious to me. They reaffirm what all of us - the board, the faculty, the administration and the rest of the Duke community - strive to accomplish together for our students, and for the world beyond us. I am so pleased to welcome you back to campus at this wonderful season.

Our ceremony this year will be especially notable because of our commencement speaker, U.N. Secretary-General Kofi Annan, who recently received the Nobel Peace Prize and has been at the center of so much world attention in recent weeks. He will receive an honorary degree along with four other distinguished recipients: U.S. Navy Admiral Frank L. "Skip" Bowman; artist, author and feminist Judy Chicago; physician-scientist Dr. Richard D. Klausner; and dance leader Charles L. Reinhart.

Before we don our robes to salute these honorees and the latest group of outstanding Duke graduates, let me bring you up to date on some of the key events and honors within our community since we last met in February.

**Duke and the War**

Here at Duke, as elsewhere in our country, the war in Iraq has been the dominant event of the past several weeks. We raised the level of campus security during the first days of the war, and quickly organized a number of forums and public discussions, most of which were remarkably well attended. Several professors wrote about issues involving the war in op-ed articles, which we've gathered online along with a list of Duke experts and other war-related material on our news site.

As you would expect, we also have experienced some protests and much lively discussion from many political viewpoints. In general, the debate has been thoughtful and respectful, and we have been committed from the outset to maintaining this openness. Recently, after hearing from some faculty members and others, notably people who are not American citizens, that they feel uneasy about voicing their opinions in the current climate, Provost Peter Lange and I issued a statement reaffirming the university's commitment to academic freedom for all members of the university community in a time of war and conflict.

You can find a copy of the statement online, but I will share with you the concluding paragraph: "As this academic year draws to a close, we believe that the faculty and the students of this university have done well in maintaining the breadth of our community discourse, fostering public discussion and debate and bringing to bear on the issues of the day the expertise which we house and foster. Now many among us are preparing to
leave -- for the summer, for new opportunities beyond Duke, or simply to set aside our normal teaching roles to dedicate ourselves to research or other pursuits. As our minds turn to other things, wherever we may be, it is important that we continue to support the values of free and open speech that Duke embraces, and that we remain committed to expanding our understanding of a complex world through openness to those of many different backgrounds and perspectives."

Even as this debate and discussion unfolded, the University and Health System approved a policy that will provide supplemental pay to Duke employees who were called to active military duty. The policy also waives dependent health care premiums for up to six months. As Clint Davidson, vice president for Human Resources, noted, "We want to help such families of the Duke community manage the stress of these extraordinary times by easing the financial strain that they may experience."

**Administrative Transitions**

You will recall that our last meeting began with a magnificent last-minute scramble by Allison Haltom and her staff to relocate our retreat to a new venue, and concluded with Spike Yoh and myself heading back to campus for a news conference where I announced my plans to step down as president in June 2004. In the days that followed, a number of other senior administrators also announced plans to leave Duke. In June 2004, Dr. Ralph Snyderman will step down as president and CEO of the Duke University Health System, and Bill Chafe will return to teaching and research after serving as the dean of Arts & Sciences. Others announcing plans to leave Duke include Joe Pietrantoni of Auxiliary Services, Jerry Black of Facilities Management, Sally Dickson of the Office of Institutional Equity and Mike Mandl of Financial Services. Such transitions are to be expected, and we will probably see others before the new president assumes office. Yet Duke's sense of direction remains essentially unchanged, guided by a clear strategic plan, substantial continuity in the faculty and administration and a Board that is unwavering in its own stewardship. As the university begins its search for new leadership, our future is as bright as it has ever been.

I have spoken extensively with Dr. Snyderman and Dean Chafe about their plans, and I know they are as committed as I am to making these final months full and productive. My own focus will be on several remaining priorities, such as filling the remaining "buckets" in the Campaign for Duke, reviewing the structure of the health system, clarifying our overall vision for undergraduate education, and maintaining our progress with the recruitment and retention of minority administrators.

I am also looking forward to finalizing - and implementing - recommendations from the Women's Initiative. This effort, which I have described previously, is exploring issues of special importance to women at Duke. The Steering Committee, which I lead, along with psychology professor Susan Roth, has already produced important results, such as an expansion of Duke's on-campus child care center and proposed changes in our parental leave policies that will be presented to the Academic Council. The committee is considering other important initiatives, and will present a final report to the campus in September.

On a related topic, I was pleased to learn that The Duke Children's Campus was awarded a five-star license from the North Carolina Division of Child Development. Less than one in ten child care centers in the state receives this top rating.

**Rankings**

High rankings were also the theme when U.S. News & World Report published its latest listings of the nation's top graduate and professional programs. Duke's School of Medicine and the Fuqua School of Business ranked fourth and seventh in their categories. The School of Law was ranked 12th, the same position as last year. The Pratt School of Engineering rose one place to a tie for 33rd place, with the biomedical engineering program
climbing from fourth to second in the nation, behind Johns Hopkins. Other Duke specialty programs also received high rankings, including the physician assistants program, which was rated No. 1.

As always, we take these rankings with a grain of salt, recognizing that they have methodological limitations, and that an institution's placement can be affected by tiny numerical differences of questionable significance. Yet we do take satisfaction in seeing Duke do so well overall across many disciplines.

SARS

Like other universities, we have been watching closely the outbreak of Severe Acute Respiratory Syndrome (SARS) in East Asia and other parts of the world. Duke has chosen to move its summer study-abroad program from Beijing, where more than 50 students were to go in mid-June for an intensive Chinese language program, to our Marine Lab in Beaufort, on the North Carolina coast. We will soon face another similar decision on whether to proceed with a fall study-abroad program in Hangzhou, in southeast China.

The spread of the disease has also affected other university plans, including official university trips, alumni events and a summer program run by the law school that has been moved from Hong Kong to Fukuoka, Japan. In addition, Fuqua officials canceled an alumni event in Hong Kong, scheduled this month for Fuqua students in Asia. I also called off a trip to visit alumni and parents with development colleagues in Asia in late May.

Research Highlights

Duke researchers continue to be at the forefront of many exciting and potentially life-altering studies. Although large in importance, however, some of our recent advances have occurred on a very small scale. Photonics and ultrasound engineering researchers from Duke and George Washington University, for instance, collaborated to design an optical scanner tiny enough to be inserted into the body, where its light beams might someday detect abnormalities hidden in the walls of the colon, bladder or esophagus. The experimental device is described in an article in the April 15 issue of *Optics Letters*. When approved for use in hospitals and clinics, it could provide a new capability for endoscopy procedures. The key researchers are both at the Pratt School of Engineering -- Stephen Smith, professor of biomedical engineering, and Joseph Izatt, associate professor of biomedical engineering.

Another group of Duke researchers has been developing a laser-beam scalpel so fine it can inscribe words on the surface of a fly egg. An interdisciplinary team of biologists, physicists and a mathematician collaborated to refine the laser scalpel for microsurgery. The team has been using the device to decipher a key process in the embryonic development of fruit flies, work that could shed light on cellular mechanisms that underlie wound-healing and spina bifida in humans. Lead author Shane Hutson, a postdoctoral fellow in Duke's Free Electron Laser Laboratory (FELL), reported the team's accomplishments in *Science*. The research was sponsored by the Air Force Office of Scientific Research and the National Institutes of Health.

Just as fruit flies help us understand the molecular and cellular workings of other organisms, so can the study of mammalian species give us insight into larger biological and global patterns. In research supported by the National Science Foundation and Duke, two Duke biologists have been tracing the evolutionary family tree of squirrels to find out the influence of climate and geology on the way each species spreads across the globe. John M. Mercer, assistant professor of the practice of biology, and V. Louise Roth, associate professor of biology, biological anthropology and anatomy, used DNA and fossil records to trace back the genealogies of 50 of the 51 squirrel genera. They found strong evidence that geological and climatic change influenced how the ancestors of the squirrels evolved and spread over 36 million years from just one part of ancient North America to nearly all of today's world. The researchers posted their findings in the Feb. 20 edition of Science Express, the online version of the journal Science. Another group of Duke researchers has, for the first time,
"eavesdropped" on the brains of mice as they go about the normal behaviors of detecting in other animals the subtle chemical signals called pheromones. Postdoctoral fellow Minmin Luo and Howard Hughes Medical Institute investigator Lawrence Katz learned that pheromone-processing machinery in the mouse's brain forms a specific "pheromonal image" of another animal. This may be the rodent equivalent of face recognition in higher primates and humans, the scientists said. They reported their findings in Science, and in a talk delivered at the annual meeting of the American Association for the Advancement of Science.

In research involving humans more directly, a Duke team found that the drug zonisamide (Zonegran), an anticonvulsant used to treat some types of epileptic seizures, has appetite-reducing effects that could eventually offer hope to thousands of people who need to lose weight. "We need to find more weapons to fight obesity," said Dr. Kishore Gadde, who is director of the obesity clinical trials program at Duke and principal investigator of the study, which appeared in the April 9 issue of the Journal of the American Medical Association.

A survey by Duke researchers suggests that college students are engaging in significantly risky behaviors during alcohol-related memory "blackouts." Female students may be at greater risk during a blackout, according to Dr. Aaron White, assistant research professor of psychiatry and lead author of the study. The results, which are based on surveys with Duke students, appear in the issue of the Journal of American College Health released in February. Nearly three-fourths of all respondents reported consuming alcohol in the two-week period prior to the survey. Of those, nearly one in 10 had experienced at least one blackout during that same time period, while 40 percent reported having experienced at least one during the previous year. Other Duke researchers are seeking to help elderly patients with a new clinical trial supported by a $2.57 million grant from the National Institute on Aging. Principal investigator Dr. Madan Kwatra, a Duke pharmacologist, hopes to unravel the genetic and molecular basis for delirium, a complication that commonly affects elderly patients after major surgery, prolonging their recovery. One in 1,000 children is diagnosed with autism, but the complex nature of this developmental disorder has made it difficult to locate the genetic risk factors. Duke researchers have created a new statistical genetic "fishing net" to find the elusive genetic basis of autism. Lead investigator Dr. Margaret Pericak-Vance, director of the Center for Human Genetics, said the new method will also help in studying the genetic risk factors for complex diseases such as hypertension, diabetes and multiple sclerosis. The team's work, which has been supported by the National Institutes of Health and the National Alliance of Autism Research, was published in the March issue of the American Journal of Human Genetics.

The unprecedented advances in genomics and related fields that are propelling these discoveries have the potential to transform not only the practice of medicine for individual patients but also our health care system more broadly. Yet that system has yet to change in ways that reflect these new possibilities. In an editorial in the April 25 issue of Science, three of Duke's top health administrators called for a radically new health system that will use cutting-edge science to transform the delivery of medical care. They said a "prospective health care system" could do much more to prevent chronic disease by focusing on the health risks and needs of individuals. Such an approach could improve health and control health expenditures, the Duke team said. The editorial was written by Dr. R. Sanders Williams, dean of the School of Medicine, Dr. Snyderman and Huntington F. Willard, director of Duke's Institute for Genome Sciences and Policy. The authors said Duke has already committed to promoting these changes and has launched a "strategic health plan" study to assess how specific lifestyle improvements might affect a person's risk for diseases such as heart attack, stroke and diabetes.

The Campaign for Duke

The Campaign for Duke has now surpassed its $2 billion goal by more than $50 million. Three campaign divisions -- arts and sciences, divinity and the university libraries - remain short of their goals but are well within striking distance. We continue to stress, however, that the campaign is far from over, and we still need
funds for financial aid for students, faculty support and facilities. Thanks to the continued generosity of the Duke community, we continue to make progress in all three of these areas. The Nicholas Faculty Leadership Initiative is playing an especially important role in generating support for the faculty, while the Carolinas Challenge gives us strong leverage to seek scholarship support for students from North and South Carolina.

Since we last met, we've held three very successful campaign university dinners, in Tampa and Miami in March, and in Charlotte in late April. Our final dinner will be held in New York City in June. Hundreds of Duke alumni, parents and friends continue to turn out for these events, which provide not only financial support but also a wonderful sense of fellowship for people who may not have an opportunity to visit Durham often.

Three recent gifts illustrate the generosity and commitment that we continue to see in this campaign. Clarence Chandran and his late wife Beverley are giving the Pratt School of Engineering $1 million in separate gifts for the new Center for Interdisciplinary Engineering, Medicine and Applied Sciences (CIEMAS) and for research in brain tumor imaging. Similarly, the Terry Sanford Institute of Public Policy will receive $1 million from the Coca-Cola Foundation to fund the Multimedia and Instructional Technology Center in the institute's new building. The gift honors former Duke trustee and Coca-Cola board member Susan Bennett King, who also serves on the institute's board of visitors. The multimedia center will be named in her honor.

Trustee emeritus Morris Williams '62 and his wife Ruth '63 have given $500,000 to support programs in the Duke-Durham Neighborhood Partnership. Morris and Ruth have made many gifts to Duke over the years, in areas such as the Divinity School, athletics, medicine, arts and sciences, and scholarship support. Last fall, Morris was present with many of you when the Trustees heard a presentation about how the Neighborhood Partnership is having such a favorable impact on the neighborhoods surrounding our campus, as evidenced by a sharp increase in test scores at several of our partner schools, or the opening of resources such as a teen center in the West End neighborhood. Morris generously stepped forward to offer his own support for this important effort.

**Awards and Recognition**

Two of Duke's outstanding young computer scientists have received 2003 Sloan Research Fellowships from the Alfred P. Sloan Foundation. Assistant professor Amin Vahdat is developing software to improve the performance and reliability of Internet systems. His colleague, assistant professor Ronald Parr, is trying to make computers more helpful in decisions that involve balancing risks against potential rewards, including determining a course of medical treatment. The Sloan Fellowship will help both researchers in their attempts to tackle challenging problems that affect millions of people. Vahdat and Parr are among only 16 Sloan Research Fellowships in computer science awarded this year in the United States and Canada; 26 past recipients have become Nobel Laureates.


Duke undergraduates have also received significant honors, including four who were awarded prestigious Barry M. Goldwater Scholarships to help them pursue careers in science, mathematics or engineering. This year's winners are Ethan D. Eade of Maryland, Lauren M. Childs of New Jersey, Margaret J. Wat of North Carolina and Linda Zhang of Tennessee. All four of Duke's nominees were selected on the basis of academic merit from a national field of 1,093. Duke junior David Arthur, originally from Toronto, has won the 2003 Sun Microsystems and TopCoder Collegiate Challenge held at MIT in Cambridge, Mass. Arthur prevailed over 15 of the world's best Java and C++ programmers to claim the $50,000 grand prize and title as the world's best college programmer. He is on a full academic scholarship here at Duke.
Finally, we recently retired another student's jersey. However, the ceremony was not in Cameron Indoor Stadium, but in the Physics and Math Building, for senior **Melanie Wood**. Of the thousands who competed last December in the 63rd Lowell Putnam Competition, arguably the most prestigious math competition worldwide, Wood placed among the top five scorers. As a result, officials from the Mathematical Association of America, the organization that administers the annual Putnam Competition, named Wood a fellow, making her the first American woman and only the second woman in the world to accomplish such a feat. In addition to her math achievements, Wood is an A.B. Duke scholar and philosophy minor who has taken graduate classes in economics and psycho-linguistics, and directed and produced plays while at Duke. She has won several prestigious scholarships for study at Cambridge University before she returns to the U.S. for graduate school.

**Appointments**

**Dr. Pascal J. Goldschmidt**, chief of the division of cardiology at the Medical Center, has been selected to chair the department of medicine at Duke. Goldschmidt, 48, and his team recently created the Duke Cardiovascular Magnetic Resonance Center. He has initiated research at Duke in genomics and cell biology applied to the diagnosis and prevention of atherosclerosis. National Institutes of Health funding for research in the division of cardiology more than doubled under Goldschmidt's leadership of the division.

**Tod Laursen**, an associate professor and director of undergraduate studies in civil and environmental engineering at the Pratt School, has been appointed the school's senior associate dean for education. In his new position, Laursen will develop a school-wide strategy for recruiting graduate and undergraduate students. He also will work with other Pratt faculty members to expand master's degree offerings and improve the Pratt curriculum, with a special emphasis on the first-year experience.

**Cost-cutting moves**

Five school employees have been laid off and five unfilled positions have been eliminated at the Fuqua School of Business. Dean **Douglas Breeden** said the action, which does not include any faculty positions, was propelled in large part by decreased enrollment in Fuqua's executive MBA programs and non-degree Executive Education programs. The students in these programs are often sponsored by their employers, and many companies have cut back in the face of the economic downturn and rising security concerns. The Fuqua employees who are affected will receive severance benefits, and Duke's Human Resources Department is working with Fuqua to help them find jobs in other departments at Duke, or elsewhere.

The ailing economy was also a factor in the recent decision by Fuqua's Career Management Center to launch a "Hire Up" campaign to help its students find jobs and internships. Led by **Sheryle Dirks**, the center's senior associate director, the campaign uses new technology and innovative marketing techniques to create new partnerships between companies and Fuqua, rejuvenate past partnerships and use Duke's alumni base to develop connections between their companies and Fuqua.

Even as I note these cost-cutting measures, I am struck by how well Duke is faring financially when compared with the budget cuts we are seeing at other universities, including some of our most prominent peers. Our conservative management of resources, emphasis on academic needs over administrative growth, prudent policies for endowment spending and other factors - notably the success of the Campaign for Duke - have enabled us to continue pursuing our strategic goals despite a sharp economic downturn. Needless to say, we will continue to work closely with the Board to plan our options for a variety of economic scenarios in the future.

**Campus Celebrations**

The Center for Human Genetics recently celebrated the grand opening of its new building. The 120,000-square-
foot "Genome Sciences Research Building I" off Research Drive is the first major structure to house Duke's Institute for Genome Sciences and Policy (IGSP), whose five centers include this one. The Center for Human Genetics uses family histories, sophisticated molecular analyses and statistical genetics to reveal the genetic origin of diverse diseases including Alzheimer's disease, multiple sclerosis, heart disease, diabetes, glaucoma, osteoarthritis, mental illness and cancers.

The hip-hop music scene came to Duke this spring when the band Dilated Peoples, deejays and music industry professionals shared the stage with scholars of global hip-hop culture in a week-long academic conference. "Hip Hop Global Flows" combined performances with scholarly exploration of hip hop, including Asian-American music, racial and gender stereotypes and the politics of Japanese hip hop. There were also lectures, films, spoken-word performances, music, break dancing and a concluding "house party" and deejay battle. In April, Duke sponsored a conference on the "Future of Utopia" to honor literature professor Fredric Jameson's 18 years as chair of the Literature Program. Participants included top scholars from around the world who addressed such topics as utopia in mass culture, race and the nation, and the politics of promise and modernity. Utopia is a recurring theme in the work of Jameson, whose leadership is an essential reason why Duke's program in comparative literature and critical theory is often rated as the best of its kind in the country.

A public symposium commemorating the 60th birthday of Duke Medical Center's most honored scientist, Dr. Robert Lefkowitz, was held across the campus at the same time as the utopia conference. Numerous Nobel Prize winners and other leading scientists took part in the symposium on "Receptors and their Signals." Lefkowitz is a Howard Hughes Medical Institute investigator, a James B. Duke Professor of Medicine and a professor of biochemistry who is renowned for his seminal research on "seven-transmembrane-spanning receptors." Basic research on such receptors in the Lefkowitz laboratory is contributing to the development of a wide array of drugs to treat disorders including heart disease, high blood pressure, asthma and pain.

Finally, the President's House has been renamed the Douglas M. and Grace Knight House to honor the achievements of Duke's fifth president. Doug Knight was the first Duke president to live in the President's House, which was completed in September 1966 under the direction of architect Alden Dow, who interned under Frank Lloyd Wright. Knight, Duke's president from 1963-69, and his wife chose Dow as the architect and worked as a team to help design the house. "We designed it to serve a major public function, which was that of being the host to many university functions, and at the same time to have some qualities of privacy," Knight said recently. Several dozen close friends and colleagues of the Knights attended the dedication ceremony.

**Student Life**

Just as that presentation to the Board last fall helped many of you to learn more about our Durham neighbors, so are we encouraging our current students to become more aware of and engaged with our surrounding community. Duke's Community Service Center recently began offering "This is Durham!" van tours to introduce students and staff to the city. The goal is to show students that Durham has cutting-edge businesses, beautiful natural resources, creative nonprofits and an exciting arts scene. Elaine Madison, director of the community service center, sees the tours as part of her office's larger mission of improving town-gown relations and getting students interested in service. Her plan is to offer the tours on request to new faculty, employees and student groups -- especially undergraduates. Each tour includes a stop at a local business such as GlaxoSmithKline, a nonprofit such as the nationally-heralded Triangle Residential Options for Substance Abusers, and a cultural or historical site such as the Eno River State Park or Bennett Place.

I am disappointed to tell you that Duke's kosher kitchen will close at semester's end. We simply didn't have enough students and community members eating there, and it was not viable economically to keep the kitchen open. Beginning this fall, students and staff who keep kosher will find packaged meals, packaged utensils and kosher-only microwaves available in the Marketplace on East Campus and in the Great Hall on West Campus.
Fortunately, other programs at the Freeman Center for Jewish Life under the leadership of our new director Jonathan Gerstl have been lively and well-attended.

The blackout survey results I reported earlier have underscored the dangers of alcohol abuse on campus. In recent years, Duke has stepped up alcohol education programming and training for students who serve as peer educators, and created several courses that look at alcohol and its effects. Also, a new committee began meeting regularly last fall to share information and improve communication about alcohol issues on campus. The group includes representatives from the Office of Student Affairs, CAPS, Dining Services and Duke Police. As we saw in a recent alcohol-related incident involving six pledges of Sigma Nu fraternity, however, the problem remains daunting. The pledges were dropped off on Old Erwin Road after a night of drinking and were left to find their way back to campus. The fraternity has been placed on suspension, and an internal investigation is now under way. A number of our students are working to make Duke a model campus for environmental sustainability. In April, the student-led Environmental Alliance, in partnership with Duke's Facilities Management Department, launched the Duke Green Power Challenge. The program challenges students, faculty, staff and alumni to take responsibility for the environmental impact of their electricity use by purchasing "green power," thereby promoting the use of electricity generated from a renewable source such as wind or solar power. To encourage participation in the program, the university is lending its own support for every individual who signs up. The students have set ambitious goals, aiming to have 1,000 members of the Duke community purchase green power by the end of the calendar year, a goal that would offset 5 million pounds of carbon dioxide emissions. We also look forward to Duke becoming one of the very few universities that is a member of the EPA's Green Power Partnership.

Environmental Alliance is also working with Procurement Services to implement a green purchasing policy that will help University purchasers identify and procure environmentally preferable products. Duke University Stores has already set the trend in this area by adopting a Green Purchasing Policy in April.

Finally, through a collaboration of graduate and undergraduate students, an umbrella organization for environmental sustainability initiatives on campus has been established. The Duke University Greening Initiative and the office of the Executive Vice President have already brought "green building" to our campus. You will be hearing more about this initiative this weekend.

**Athletics**

The spring season brought many successes to Duke's teams, such as our men's basketball team becoming the first in history to win the ACC championship five years in a row. Duke has won five ACC championships this year, in men's and women's basketball, men's and women's tennis, and women's golf. This is the largest number of championships won by any ACC school in 2003, and we are on track to win the Carlyle Cup in our annual competition with our neighbors down the road in Chapel Hill.

I particularly want to note the recent success of our women's teams. Four of them - basketball, tennis, golf and lacrosse - were all ranked No. 1 in the country at one point this year. As you know, the women's basketball team reached the NCAA Final Four for the second consecutive year, and won the ACC championship for an unprecedented four times in a row. The other three Duke women's teams remain in the hunt for a national championship.

This success reflects a collaborative effort on the part of our coaches, the athletic department and the university to give our women student-athletes a great chance to compete at the highest level. By adding scholarships, hiring strength and conditioning coaches, improving facilities and hiring or retaining top-notch coaches, Duke's athletic program is as strong as it's ever been.
I look forward to joining the rest of you in celebrating many more successes for Duke's athletes, men and women alike, during my remaining time as president - and thereafter. Go Duke!

As always, if you have any questions or want additional information about any item in this report, I trust that you will let me know.