The Growth Investor

Richard Gilder went long on New York City and American history. The payoff? Enormous.

By Myron Magnet

In 1969, legendary investor Richard Gilder moved his stockbrokerage firm’s offices from Wall Street to midtown Manhattan and started walking to work each day across Central Park. The native New Yorker had not realized until then how drastically a few years of bad government had ruined and degraded what he recalled as his idyllic childhood playground. Everywhere, he saw smashed streetlights, shattered benches, drug-dealing thugs, and spaced-out bums. He knew that the trash-choked weeds hid infected heroin needles, and the bushes, muggers. Hardly a blade of grass grew on the lawns, now pocked dustbowls that rain turned to mud.

“I was totally horrified,” Gilder says. “But I think horror is a tremendous thing to have on your side. It is so stark, it just drives you to action.” He launched a two-decade-long campaign to save the 843-acre park, which he capped in 1991 with a $17 million gift—over $27 million today—to restore the Great Lawn at the park’s heart to its Elysian green. That dramatic gesture of daring generosity made us demoralized New Yorkers believe for the first time that our crime-ridden, nearly bankrupt city could become the world’s capital once again. It restored our optimism and self-confidence, reminding us that human ingenuity can solve problems human folly has caused. Some philanthropic gifts, after all, can lift a whole community’s spirit.

Gilder was only getting started as a benefactor. His specialty turned out to be fixing what wasn’t working, burnishing what others had neglected, sometimes even to the point of heroic rescue, as with Central Park. He shined up the dowdy New York Historical Society, built a dazzling new planetarium for the American Museum of Natural History, supercharged the Yale endowment, and, with his investor-friend Lewis Lehrman, built the world’s finest private collection of American historical documents, which the pair then used as a tool to resuscitate and reinvigorate the study of the American past from kindergarten through professorial tenure in every one of the 50 states.

He did all this with what Yale president Richard Levin calls a “deeply rooted entrepreneurial creativity” that could see the seeds of great projects in tentative, unformed ideas and could bring them to fruition not only through his own money and effort but also by finding innovative ways to mobilize the talents, energy, enthusiasm, and resources of others.
Seed Capital

Central Park had been Gilder’s backyard ever since he was a boy. In the 1930s, his New Orleans-born mother, the daughter of Jews from Alsace-Lorraine who settled in Mississippi in the 1830s, walked him daily around the park in his stylish wicker perambulator. He played softball there most afternoons after school at P.S. 166 and then P.S. 6. On weekends he rowed on the lake or sledded down the hills. When he returned to his hometown in the mid-1950s as a young stockbroker—a profession he fell into by accident after school at Mount Hermon, Yale, and an unhappy few months at Yale Law—he played a ferocious game of touch football there with fellow Wall Streeters every single fall and winter Sunday for years, rain, shine, or snow.

In 1968, Gilder left A. G. Becker to start his own stockbrokerage firm “after I had a little disagreement with the boss.” By then, Mayor John V. Lindsay had transformed Central Park into a case study in how not to run a city. Lindsay, the quintessential 1960s limousine liberal, had turned almost every foolish idea of the era into public policy. His Welfare Commissioner, Mitchell “Come-and-Get-It” Ginsberg, had more than doubled the welfare rolls in the name of social justice, deepening the city’s social pathology; his Parks Commissioner, Thomas Hoving, had invited huge crowds to trample Central Park’s lawns into hardpan at rock concerts and at “Hoving’s Happenings,” celebrations of the era’s supposedly free spirit.

Lindsay’s belief that police should ignore supposedly “victimless” crimes like graffiti vandalism, drug dealing, public urination, and public drunkenness defaced and despoiled public spaces, none more so than Central Park. As we New Yorkers walked across that desert in those days—through the dust and stink of human and canine waste, past the muttering and disheveled deinstitutionalized madmen, under the hard, aggressive stares of the drug dealers—we knew it was not our park. It was theirs. And since such disorder breeds serious crime, we also knew, as the city’s murder rate skyrocketed up to six per day, it was as unsafe as it was unsightly.

Myron Magnet is editor-at-large of the Manhattan Institute’s City Journal and was its editor from 1994 through 2006. The author of The Dream and the Nightmare: The Sixties’ Legacy to the Underclass and the editor of What Makes Charity Work?, he is a recipient of the National Humanities Medal.
Unlike most New Yorkers, Gilder would not stand for this. “You don’t really realize how something becomes a part of you and you come to love it, until someone insults its dignity,” he says. So he went to see Hoving’s successor, August Heckscher, to see what he could do. Wall Street tycoon George Soros made a similar offer of help shortly afterward, Gilder recalls. “They told him there was another crackpot who’d been messing around; maybe you two guys should get together.” So the two investors decided to go long on Central Park. They sponsored a study showing how private money, a private Board of Guardians, and modern management could rescue the derelict park, and they set up the Central Park Community Fund to begin turning the study into reality.

“By then Abe Beame was mayor,” Gilder recalls dryly. “He hated New York: he was from Brooklyn. He had no use for parks.” For four years, Gilder felt he was tilting at windmills. “We made very little progress, because the mayor was against us.” Beame had a revolving door for Parks Commissioners, with a new one every year, “so we’d just get used to one’s prejudices, and he was fired,” Gilder recounts. “But we weren’t doing any better; we had four successive executive directors. Every time they fired somebody, we fired somebody.” The fund bought a few trucks and some needed equipment for the park’s demoralized, inefficient union workforce, but its main accomplishment was merely to hang in there. “Here’s what I learned from this,” Gilder says: “If you have a good idea, it’ll build, no matter how you screw it up.”

When Edward Koch took over City Hall in 1978, “the sun burst through,” Gilder says. The new mayor’s Parks Commissioner, Gordon Davis, invented the position of Central Park Administrator for a dynamic urbanist, Elizabeth Barlow Rogers. Rogers was running what she calls a “teeny, peanut” nonprofit, the Central Park Task Force, that she had started as a youth summer-jobs program in 1975. The entrepreneurial Gilder did what entrepreneurs do: he recognized talent, backed it, and egged it on. His community fund merged with her task force to form the Central Park Conservancy, of which Gilder was a founding trustee. “He was an investor, he would say,” recalls Rogers, “and he was investing in, you know, me—and the belief that this could be done.”

The Central Park Conservancy laid out a master plan for managing and restoring the park, and set about gradually executing it, zone by zone, project by project, as it could raise money. Harlem Meer, on the park’s north edge, turned from a fetid, garbage-choked cesspool back into a crystalline pond, its burned-out boathouse resurrected into a steeply gabled, cupola-crowned romantic confection in pink

Central Park had been Richard Gilder’s backyard ever since he was a boy—from walks with his mother to softball games to sledding down the hills. (Photos courtesy of the Gilder family)
and green, looking like it had been there since Frederick Law Olmsted and Calvert Vaux designed the park just before the Civil War.

Restorers healed the broken, graffiti-smeared sandstone and crumbled bricks of Bethesda Terrace, where wayward teens had congregated nightly for a decade to smoke dope and misbehave, and transformed it back into New York’s most meltingly beautiful spot. Backed by brightly colored rowboats gliding serenely on the willow-bordered lake, the bronze angel stretching her arm over the great, repaired Victorian fountain seemed as miraculous to us New Yorkers as the angel who enchanted the biblical Pool of Bethesda’s waters so they could cure the sick of any disease they had.

Almost as miraculous was the renewal of the park’s workforce. As skyrocketing taxes to fund government’s various nostrums, coupled with the crime and decay those nostrums produced, drove taxpayers out of the city, New York flirted with bankruptcy, and public-sector employment had to shrink. “The fiscal crisis really worked in our favor,” Rogers explains, “because you could no longer say, ‘You’re taking away the job of a union man.’”

Gingerly, the conservancy brought in as replacements its own restorers, planters, tree experts—soothingly called interns—who “had to work alongside of and not threaten” the remaining city employees, whose work rules the budget crunch also changed. “You didn’t any longer need three men to prune a tree,” says Rogers, “one man to climb and one man on the ground to hand up the tools and a motor vehicle operator to sit in the truck and wait.” Understandably, “a them-and-us tension” lingered, she recalls, which was finally resolved in 1997, when the city elevated its public-private partnership with the conservancy into a contract for the total management of Central Park.

But that happened only after Gilder’s grand gesture brought the conservancy’s efforts to spectacular fruition. Rogers, Gilder says, is “one of those tigresses,” and “you want to just keep throwing red meat at them as long as their mouths can open.” By the start of the 1990s, though, “Betsy began to run out of steam,” Gilder says. “She was a little bit like Grant in 1864, holed up there in Petersburg and not getting anywhere. And I said, ‘Betsy, what would it take to more or less finish the park?’”

“Fifty million,” Rogers shot back.

“So I kept thinking about it,” Gilder recalls. “Fifty million I can’t do. But business is pretty good; it’s going to take four or five years to do what Betsy had in mind. Could I somehow come up with $17 million over this period of time?” That would be a third of $51 million: he would challenge the city to match it with another $17 million and the citizens of New York with the final third. Now a trademark of Gilder’s philanthropic entrepreneurship, the challenge grant would not merely amplify the force of Gilder’s own contribution, giving him leverage to accomplish more. Equally important, he says, it would give him and other would-be donors a “needed critique and a market judgment” to be sure their idea made sense. “Matching is a very good way to do that, I’ve learned: if you aren’t going to be with me, then maybe the idea stinks.”

This idea sang, the money poured in, and once the huge, 55-acre Great Lawn sprang back to life in velvety, shimmering green, connecting all the other improvements around it, New
What Gilder Hath Wrought:
Central Park, Before and After

Yorkers suddenly realized they had the park back, whole and pristine, and they flocked into it. With such a magnificent, manicured, orderly public space at its center, the whole city stood poised for the urban rebirth that the 1990s accomplished. “You could even say we were a leading indicator,” Gilder beams. “As the park began to improve, the rest of the city did too.”

None of this—the new drains, the sprinklers, the imported topsoil, the careful gardening—is about ecology or being “green,” of course. It is a triumph of cultivation, nurture, and artifice, for the park is a consummate work of art that humanizes, tames, and exalts nature’s raw material, like the great man-made work of art that is the city itself. Especially to someone like Gilder—who struck his old friend Judith Berkowitz, when she met him decades ago, as “the incarnation of everything you ever thought of when you thought of urbane New Yorkers”—Central Park is a stage set for the drama of urban civility, a democratic theater where, says Gilder, “rich and poor, black and white, young and old” mingle harmoniously and watch the spectacle that is each other.

“It’s like being at a concert,” Gilder remarks, and the park is at its best “when it’s crowded, and they’re all respectful, and they’re all drinking in the cultural experience.” From 1990 to 1993, Gilder’s impulse to restore New York’s civility and vitality led him to chair the Manhattan Institute, an urban-policy think tank from whose City Journal Mayor Rudy Giuliani joked that he “plagiarized” the policies that revived Gotham.

Smart Money

“I NEVER SAID, ‘I SHOULD GIVE SO MUCH OF MY money to charity.’ I never thought about that,” reflects Gilder, who at 78 still looks like an idealized version of a 1950s Yale: tall, broad-chested, square-jawed, and movie-star handsome, his thick tousled hair now gray, and a humorous, ironic, slightly watchful twinkle always latent in his eyes. “I never really thought about philanthropy as such. Each of these things I’ve been involved in, each one was a job that needed to be done. I could see that there’d be a big job—a job worth doing.”


Gilder—the son, nephew, and father of Yale graduates—suggested that he and his classmates pool contributions to invest in stocks until their 50th reunion, when they would give the fund as a gift to Yale. “Yale had been doing a terrible job of investing up to that point,” Gilder recalls; surely he and his investment-savvy friends from the class of 1954 could do instructively better. After all, his own firm, Gilder, Gagnon, Howe & Co., had made him and many of his clients rich by investing aggressively in growth stocks, trading on margin, and shorting losers. As his firm’s
website puts it, “Human creativity and innovation continues to produce new enterprises with ideas that can change the world. Our job is to find them.” No reason why Gilder and his classmates couldn’t help Yale find those ideas, too.

Within five years, their chosen investment manager, Joseph McNay, had increased the class’ $75,000 fund to around $350,000, and, following the Gilder, Gagnon, Howe & Co. playbook, the group opened a margin account, borrowing an additional $300,000 against five-year pledges from classmates. By 2000, as the tech-stock boom neared its height, the ’54/50 Fund’s $375,000 investment had grown to an astounding $90 million.

Meanwhile, Gilder and eight classmates, who formed the fund’s executive committee, began making twice-yearly due-diligence trips to New Haven, meeting with faculty and university officials, to figure out what form their gift should take. And the trips had a subsidiary benefit. “Everything Dick was doing here,” says Levin, “was to get everyone interested and enthusiastic about the university.” The committee met with a constellation of retired college presidents, collecting suggestions. “They all had ideas, interesting ideas,” Gilder says, “but we ended up not taking any of them.”

In 2001, President Levin had his own idea. “We were just on the crest of the tech bubble,” Levin recalls, “and I proposed to them, ‘Instead of waiting till your 50th reunion, look how high the market is and look at what our very ambitious plans are.’” Yale wanted two new science buildings, one for chemistry and one for environmental science. Gilder and his classmates jumped at the suggestion.

“This is the age of the nerd,” Gilder says. “Yale wasn’t nerdy enough, so here was a chance to get in there and nerd it up and get our name all over the place.” What’s more, Levin’s proposal provided an elegant solution to a thorny problem. “Our class was going to be very contentious,” Gilder says; “each guy had his own idea.” But everybody liked the science buildings and gladly turned over $60 million of the $90 million to fund them, at the stock-market high. “They had an impeccable sense of timing,” Levin marvels.

To Gilder’s imaginative idea, classmate Joel Smilow, CEO of Playtex, added yet another twist. Why not use $20 million of the remaining $30 million to set up a matching fund that would double the value of any further gifts classmates might make? Gilder himself had already used just that strategy to turn a $4 million donation into the $7.5 million Richard Gilder Boathouse for
Of course, it is an understatement to say that institutions do not always welcome mold-breaking innovators with open arms, no matter how generous, brilliant, and beneficent they may be. At Yale, Gilder convinced other classes to follow his lead, but a new university fundraising team, disliking messy entrepreneurial diversity, “put the kibosh on all that,” he recalls. The new officials would have killed the ’54/50 Fund as well, “but we had gotten all our legal work done, we were investing, so we could say, ‘Sorry, we’re going to keep doing what we’ve been doing.’”

But what a missed opportunity for the other classes—and for Yale. Speaking of his many philanthropic efforts, Gilder allows that the ’54/50 Fund was “the most fun. It was so successful. I had no idea it would be that successful.”

Angel Investor

While Gilder was building up the ’54/50 Fund and turning Central Park back into one of New York’s foremost attractions for residents and tourists alike, he was also gearing up to reinvent the planetarium at the American Museum of Natural History, overlooking the park’s west side. The planetarium interested him in the way the park did: it was about nature, yes, but more about man’s mastery of it, in this case through the wealth of scientific knowledge that tells you that the light you see in the night sky comes from nuclear fusion millions of miles away, in some cases from stars that no longer exist.

By 1992, annual attendance at the aging planetarium had fallen from 500,000 a decade earlier to 400,000. The museum’s top brass resolved to stop the slide. Their first impulse, recalls Gilder, soon to become co-chair of the museum board’s planetarium committee, was to do “a $15 million re-chrome—bring in the old Chevy and shine it up a little.” But the more he learned—both from astronomers he queried and from a Columbia professor who gave a weekly astronomy course to museum board members and others in Gilder’s office—the more convinced he became that the planetarium needed some heavy scientific firepower to enrich and enliven its shows.

And they stayed inspired. Yale names anyone who gives it $1 million a Sterling Fellow, which brings with it invitations to VIP events that keep big donors constantly involved in the university’s life. Thanks to the growth of their initial contributions to the ’54/50 Fund, some 50 members of the class have vaulted into that elite group. Not surprisingly, they have a ’54/60 Fund well under way. “We just want to be a curse around Yale’s neck,” Gilder told the alumni magazine, with characteristic wryness. “Everywhere they look, it’s still the Class of ’54 haunting them—70th, 80th—when are they going to die, for God’s sake?”
and an enormous, creative, galvanizing force.” When architect James Stewart Polshek presented his first plans, Futter recounts, Gilder leaned across the table and said, “This looks great—in fact, so much so that, if we let you go and said, ‘Do whatever you want,’ would you do more?” The answer, of course, was yes, and the rehab turned into the brand-new Rose Center for Earth and Space, one of the tiny handful of beautiful and breathtaking modernist buildings and now one of New York’s top tourist destinations, with nearly four million visitors per year.

“The subject is so exciting, and the idea just kept building—and before you knew it, it was $60 million, $80 million—$100 million,” says Gilder. The final tab: $210 million, with Gilder upping his already handsome contribution after the death of real-estate mogul Frederick Rose, the donor whose name the building bears. “From the planetarium,” Gilder concludes, “we learn that the bigger the idea, the easier it is to raise money. Make sure that the idea is big.”

He also learned how much a single trustee can accomplish by striking out with his own entrepreneurial initiative. He set up a lunch with Princeton’s astronomy department chief and began by saying, “I have zero authority; there’s maybe 45 or 50 trustees.” But, he continued, I can see that the planetarium is going to need a high-powered new director. Any suggestions?

A month later, the chairman called to say, “I got just the guy”—Neil deGrasse Tyson, a charismatic young black New Yorker. In addition to his stellar academic credentials, the chairman enthused, Tyson would also be “a great role model for all those New York kids.” One dinner with Tyson was enough to convince Gilder that he had found his man, and, after giving the young professor his prefatory “zero-authority” routine, he added, “But you could be the best, most exciting planetarium guy!”

One week, when Gilder’s Columbia astronomer was unable to make the stockbroker’s office for his regular lecture, Gilder hurriedly arranged for Tyson to fill in—and made sure, he says, that “all the big shots” from the museum came, too. As expected, Tyson wowed them, and the job was his. His success at it shows that an entrepreneurial trustee had better have good judgment, too.

Historiantrepreneur

GILDER’S VISION FOR CENTRAL PARK—THE vision of a democratic commons where Americans of all descriptions take part on an equal footing in a grand, shared civic drama—undergirds the largest of his philanthropic achievements, the nationwide revivification of the teaching and understanding of American history.

“Here’s the only country built on ideas, and these ideas have got to be mastered,” Gilder exclaims passionately. “I’d like to inject them in every person. All men are created equal: just start with that!” And with what heroism did the
Founding Fathers and their soldiers—and Lincoln and his soldiers—bring these ideas to fruition. “The sacrifice that all those people made!” Gilder marvels. “And here we are, this fabulous country, and people take it for granted. I’m just so grateful my ancestors came here 150 years ago.”

What has become an empire for preserving, transmitting, and explaining the American past—the greatest private collection of American historical documents, an institute promoting American historical study at every level, a major center for Thomas Jefferson studies at Monticello, an institute for slavery and abolition studies at Yale, the reinvigoration of the 200-year-old New-York Historical Society, and more—did not spring into existence fully formed but took shape piecemeal. One by one, Gilder’s intellectual Geiger counter detected high-energy ideas and high-powered people, and his creative magnanimity found ways to build them up, combine them, and get the biggest bang from them.

Gilder’s longstanding interest in American history had already made him a key funder of Civil War battlefield preservation when he became friends with another Yale-educated history buff, Lewis Lehrman. Lehrman had recently stepped down as president of his family’s Rite Aid drugstore chain to run for governor of New York, losing by a whisker to Mario Cuomo. Lehrman, who has taught history at Harvard and has recently published the splendid *Lincoln at Peoria*, had been collecting American historical documents ever since his undergrad days at Yale.

In 1990, Lehrman and Gilder teamed up to turn a modest collection into a world-class one, with Lehrman providing most of the expertise and Gilder most of the cash. “I don’t have the patience to be a collector,” says Gilder, “and I don’t have the knowledge either. Lew does the work.” But both investors were certain that these documents were as undervalued intellectually as they were financially, and were poised for a dramatic rise in esteem and in price as more people came to appreciate the unique value of the American idea.

As news that Gilder and Lehrman were investing big in American history spread throughout the little world of experts, a Gettysburg College professor came to the pair in 1991 with a suggestion. Would they endow an annual prize for the best book in Civil War-era studies? Since the Pulitzer Prize was $3,000, the profes-
sor suggested, perhaps the proposed Lincoln Prize should be $5,000, to get people’s attention. “People would pay $3,000 to get a Pulitzer Prize,” Gilder replied, so the $2,000 difference was trivial. To get people’s attention, he said, “Let’s make this a knock-your-socks-off kind of prize”—of $50,000. Two more prizes followed, a $25,000 Frederick Douglass Prize for books on slavery and another $50,000 Washington Prize for founding-era studies.

Prizes can be powerful philanthropic tools, not only because the prestige they confer brings an author more readers. “Everybody seeks recognition, and authors above all,” Gilder says. “And it’s good for the subject, in that inevitably more scholarship takes place.” The number of books submitted for the Frederick Douglass Prize, for example, doubled in a decade. It takes not just money but also high and impartial standards to make a prize prestigious. To avoid the devaluation that befell the Nobel Prizes for peace or literature through injudicious or partisan picks, for example, Gilder and Lehrman’s prizes have a constitution requiring a jury of well-known experts (who change annually) to choose finalists, from whom a board that includes the two philanthropists makes the final cut, after giving the experts what Gilder calls “a nice working-over.”

Gilder and Lehrman always planned to start an institute around their collection, to give teachers and scholars ready access to their documents, and a lecture Gilder chanced to hear in 1994 sparked that idea into action. Speaking on slavery, Yale historian David Brion Davis remarked that between 1492 and 1800, 1 million white people and 12 million black people came to the New World. “I’m sort of a numbers guy,” says Gilder, “and I just didn’t hear the rest of the lecture. Twelve million! That means something like 40,000 slave-trade crossings. What this did to four continents! And I said, ‘Nobody knows about this.’ Why don’t we start focusing on that?”

So he asked Lesley Herrmann, a seasoned nonprofit administrator, to start the Gilder-Lehrman Institute of American History in New York, whose first order of business would be to
get schoolteachers to hear Davis on New World slavery. It all happened so fast, Herrmann recalls, that “we had to scramble around to find 30 teachers and basically took them off the street corner.”

Busing them up to Yale, Herrmann worried how the teachers would respond to the scholarly and serious Davis. As the seminar began, Davis told of the Tupinambá tribe in Brazil, who worked their slaves until they wore them out, and then ate them. “And he stopped,” Herrmann recalls, “and put his hands over his heart and said, ‘Isn’t this just horrible?’ And he had tears in his eyes.” Herrmann looked round the room and saw tears glinting in everyone’s eyes.

The Gilder-Lehrman Institute was on its way. Its mission: to fix what Gilder’s friend David McCullough, one of the nation’s premier biographers, calls “a very serious problem. We’re raising generations of young Americans who are by and large historically illiterate. It’s a kind of amnesia that’s taking hold in the young populace.” And the problem begins, McCullough says, with “the education of our teachers, particularly young teachers.”

The institute now runs 39 one-week summer seminars led by leading historians for teachers on college campuses and at historical sites like Monticello and Mount Vernon, with 3,000 applicants for 1,100 places. “Teachers don’t need pedagogical help,” says Daniel Jordan, former head of the Thomas Jefferson Foundation, which hosts some of the seminars at Monticello. Pedagogy, rather than subject matter, is all they learn in ed school.

“Teachers are starved for content—through documents, through access to scholars, through being where history was made. Monticello was a classroom,” Jordan reminisces, and for the teacher-participants, he says, the experience is “transformational. The teachers write love letters. They say things like, ‘You’ve reminded me of why I wanted to be a history teacher.’ ‘You’ve energized my passion for teaching history.’ You’ve never seen a more appreciative group.” And as 1,100 charged-up teachers go back to perhaps 100 students each, armed with lesson plans and collections of facsimile documents, the increased illumination is huge.

Gilder supercharged the institute’s management in 1997 by appointing as president an enterprising, idea-rich Barnard English professor, James Basker, with whom Gilder had been reading the great literary classics as a way of getting himself out of a post-divorce funk. (“I liked most of the novels,” says Gilder. “Thomas Hardy I loved. I read his poetry, too. He’s a force.”) Together, Basker and Herrmann shifted the operation into overdrive.

New York City was then experimenting with small high schools centered on specific themes—math or performing arts, say—and in 1996 Gilder-Lehrman started sponsoring an American history—themed one in the city’s borough of Queens, where the kids all take an extra course in American history every year. The majority of students in this school, which boasts the most diverse collection of nationalities of any high school in the city, are immigrants or first-generation Americans. “They said they were pioneers,” reports institute official Susan Saidenberg, “because they were learning a history their parents didn’t know, and American history was a chance for them to become Americans.” All the famous tales made for lively dinner-table talk, and the school itself won a silver medal on the 2009 U.S. News & World Report list of the nation’s best high schools, meaning that it ranked between 101st and 621st place among the 21,786 public schools surveyed.

The institute opened another two history high schools in New York and 32 more across the country. (One of them, the Bronx’s High School of American Studies, was ranked the
nation’s 19th-best high school on the 2009 U.S. News list.) Almost all were public schools, and their teachers attend the Gilder-Lehrman summer seminars and get monthly visits from a master teacher, who does a day of teacher-coaching and a day of student seminars.

The institute showers these schools with materials: posters, lesson plans, podcasts of lectures by famous historians, and digitized facsimiles of the Gilder-Lehrman documents, with transcriptions and interpretive essays—from Paul Revere’s famous print of the Boston Massacre, to a letter in Washington’s bold, round hand declaring he will never buy another slave, to Hamilton’s sister-in-law’s scrawl telling her brother about the duel and reassuring him that recovery is likely, to Frederick Douglass’ note thanking Mrs Lincoln for her gift of the dead president’s favorite walking stick, “which will be maintained in my possession while I live—an object of sacred interest,” especially for Lincoln’s “humane interest” in the “welfare of my whole race.”

The institute has supplemented these 35 “flagship” high schools with 200 “affiliate” schools, which a National Endowment for the Humanities grant will help increase to 2,500. Their teachers can log into a website that will provide them with a cornucopia of download-able lesson plans, document facsimiles, and podcasts, so their kids can hear world-renowned historians. “If you have to teach the Revolution and you have very little time,” Herrmann says, “you can go here and in two hours pull together a day’s or a week’s set of lessons.” The institute has started a program for elementary school social studies teachers, too, many of whom have never taken an American history course. Says Basker, “We’re involved in supporting these teachers and helping them to become as competent as they can be.” And they are succeeding.

“The Gilder-Lehrman Institute is in a class by itself,” judges Jordan. “There is no other organization in second place. In their range and quality, its programs have done more than any others to help teachers of American history, from kindergarten through grad school.” The institute even gives out a history teacher of the year award in every state, with an additional prize for the national winner each year.

The documents in the collection remain central to the institute’s sense of itself. “Relics matter,” Basker explains. “All great learning has to begin with imaginative stimulation. People have to get excited.” Just seeing a beautifully reproduced facsimile of Lincoln’s notes for his debates with Stephen Douglas makes immediate “the blood and tears of his actual experience standing on that dais.” And, Basker adds: “Having the docu-
philanthropy

One of the first stops for “Free at Last,” the institute’s exhibition on abolition, was the public library in Hattiesburg, Mississippi, just when a local jury—after four mistrials—had convicted the former Imperial Wizard of the Ku Klux Klan for ordering the killing of the county NAACP leader in a firebombing two decades earlier. “The director of the library,” reports Susan Saidenberg, creator of the exhibitions, “wrote to me, ‘This exhibition was very important, because it allowed us to start a conversation about a subject which is very difficult for us to speak about in our community.’” Here, in other words, the institute not only presented history but also made it.

Always on the lookout for the big new idea in philanthropy as in investing, Gilder had found a bonanza in American history, which yielded a host of activities beyond the Gilder-Lehrman Institute. Lew Lehrman set the first in motion by calling Gilder in 1993 to ask if he should buy the finest of the six plaster busts of Jefferson that renowned sculptor Jean-Antoine Houdon had modeled from life in 1789. “I said, ‘Lew, once you start collecting works of art, the sky’s the limit,’” Gilder recalls. “‘I don’t think you should do it, but it’s up to you.’ So of course he bought it,” for somewhere around $2 million.

The next thing Gilder knew, he got a dinner invitation from Dan Jordan, then the head of the Thomas Jefferson Foundation, along with several of the foundation’s trustees, which resulted in his joining the board in 1994 and lending Monticello the sculpture. Jordan was then expanding the board, moving from a Virginia to a national base. Together with the other new members—who included David McCullough and Thomas Saunders—Gilder helped to establish Monticello as an international center for Jefferson studies and to speed up the editing, publication, and digitizing of Jefferson’s papers. As for the Houdon bust, recounts McCullough, “After a while, Dick said to Dan Jordan, ‘Why don’t you just keep that?’ That’s him—no big fanfare, no strutting about.”

In 1998, Gilder’s fascination with David Brion Davis’ work on slavery led him to set up the Gilder-Lehrman Center for the Study of Slavery,
Resistance, and Abolition at Yale, with Davis as its founding director. “Slavery was the big question; the Founders all knew it,” Gilder muses. “It tortured them, but they didn’t quite know what to do about it. I think people need to take a good long look at it, and then realize that we did triumph over it.” The center, says Jim Basker, “is a complete breakthrough. It revolutionized the study of slavery and made it more visible across disciplines. Before, it had been buried in black studies or African-American studies.”

Desperate for money, ideas, and talent, the two-century-old New-York Historical Society—having barely survived years of disastrous management, a ruinous, mold-breeding flood in its treasure-crammed warehouse, and a fire in its stacks—wooed Gilder and Lehrman onto its board in 2003, with the help of trustee Byron Wien. Gilder soon recruited such talented and energetic colleagues as Roger Hertog, now board chairman, Russell Pennoyer, and Thomas A. Saunders, along with documentarian Ric Burns and historian Henry Louis Gates. “If you want to be a great historical institution,” says museum president Louise Mirrer, “you don’t need just one kind of capital—you need intellectual capital.” (Gilder, Lehrman, Hertog, Saunders, and Gates are all winners of the National Humanities Medal.)

By now an experienced historical impresario, Gilder poured out ideas—a café, a decent shop, programs for teachers and schoolchildren. He wanted all 4,000 of the city’s social studies teachers to come to the museum, and he wanted to see yellow school buses lining the surrounding streets. In short order, 7,000 teachers of all kinds had visited, and the school buses materialized, too. “When I started, I was here seven days a week,” Mirrer says. “I lived here. Dick and I would email all day long. I’d come in on a Saturday and send him an email saying, ‘We’re crowded,’ and he’d email me back, ‘I’m coming over,’ because he wanted to savor that amazing excitement that people were feeling.”

To put the museum back on the map on its 200th birthday in 2004, Gilder wanted to mount a blockbuster show, and since the institution opened the same year that Alexander Hamilton died in his famous duel with Vice President Aaron Burr, the great New York Founding Father was a natural subject for it. In only 12 months, and at what Mirrer calls the “unheard-of” cost of $5 million, the exhibition took form, under the direction of Jim Basker and the curatorship of Hamilton biographer Richard Brookhiser. The inventor of America’s financial markets, who conjured up a modern economy with a strong central bank and a vigorous manufacturing sector to reinforce its agriculture and trade, the anti-slavery Hamilton was all the more congenial to Gilder and Lehrman.

“We agreed with his whole philosophy, and not with Jefferson’s,” says Gilder. “One of the few Founders who’s not genteel, who’s illegitimate, who’s a Caribbean immigrant, who rises on sheer talent and merit and grit, a total American story,” as Jim Basker puts it, Hamilton envisioned a high-growth economy that would provide opportunity for every enterprising person to rise as high as his potential would take him. He is a precursor of Gilder and Lehrman’s hero, Abraham Lincoln, himself “a huge pro-growth guy,” says Gilder, whose principles “led to the transcontinental railway, land-grant colleges, the Homestead Act. I mean: growth, growth, growth.”

It is the same vision that led Gilder to become chairman of the Manhattan Institute, which was “trying to remove the obstacles to growth—educational, political, systematic.”
Gilder says, and it also impelled him to found the Club for Growth, an organization of Wall Streeters that supports political candidates who pledge to promote . . . you guessed it.

The museum is once more a flourishing attraction, on a growth path of its own. It has a rich and popular roster of lectures, graduate courses, and exhibitions, including beautifully presented shows of its world-class holdings of American art (whose existence Gilder pointed out to Mirrer when she arrived on the job). The museum is renovating its grand classical palace, building a children’s museum, and raising an endowment with the help of a $7.5 million challenge gift from Gilder and his wife, Lois Chiles, that needs to be matched.

Long Positions

That belief in growth underlies all of Gilder’s philanthropy. “You often hear in philanthropic circles, ‘Well, I’ve done well; I want to give something back,’” he once remarked when the Manhattan Institute gave him, fittingly, its Alexander Hamilton Award. “For some reason, that irritates me deeply, because the inference is that those of us who’ve made a few bucks in business are hollowing out the economy or the country, and if we don’t give something back, it’s all going to implode.” Quite the reverse.

“Most people who’ve built businesses have hired people, the employees have other employees, they have satisfied (by and large) customers, they have suppliers, they have landlords. They’re in business. They don’t have to give anything back. So then, why give? And here the answer is much more exciting. You want a return for the next generation—not for you. What are we going to get out of this for the world? It really focuses your mind.”

People who live in a world-city like New York, especially, know first-hand about that return for the next generation. We are always aware that our precious inheritance from the likes of J. P. Morgan, Henry Clay Frick, Andrew Carnegie, and John D. Rockefeller Jr. is part of what makes our city special. To this grand roster, future generations will add the name of Richard Gilder.