



Photo by Gideon Lewin

HARVEY M. KRUEGER

back to the future

BY ALI DAVID

There are few men who are man enough to deflect well-deserved praise and instead let it shine on the women in their lives. But Harvey M. Krueger, vice chairman of Lehman Brothers, is one such man. When trying to prompt Krueger to speak about his life success, for him all roads lead to home. His wife of 52 years, Connie, and his three adult daughters—Kathleen, Elizabeth and Abigail—and grandchildren are the foci of his abundant praise, pride and profound love.

“My wife is a true lady in the old sense of the word,” Krueger expresses. “She is extremely bright, balanced and wise. Krueger tells *Lifestyles* that Connie has made him a better man throughout the years and also attributes the great success of his daughters to his wife.

While Krueger appreciates the blessings of having these wonderful women in his life, he and his family also know too well the grief and heartache of losing someone they love. In 1988, Krueger’s only son, Peter, the bearer of the Krueger name, took his final breaths in the world when he died of AIDS at the age of 32. “The world is a lesser place because of my son’s death,” Krueger laments. He says that his son (who was the youngest vice president ever at Christie’s) was a brilliant, talented man.

Yet despite the stigma about AIDS that was spurred on by the closed-mindedness and ignorance of the ‘80s, Krueger and his wife decided to include the cause of death in Peter’s obituary, which appeared in *The New York Times* on April 12, 1988. It was the first time anyone had dared to do that. The Kruegers’ bravery, integrity and honesty earned them hundreds of letters of support and thanks, as well as letters from families sharing similar circumstances. It made people reach out to other people and promoted understanding. In

honor of Peter, the Kruegers sponsor a national fellowship in art and design and also set up scholarships at Cooper-Hewitt, the National Design Museum. Perhaps most importantly, the Kruegers built the Peter Krueger Clinic at Beth Israel Hospital, the first street side walk-in AIDS clinic in New York. Despite his passing, Peter continues to make this world a better, more tolerant, loving place.



Indeed, the great women in Krueger's life are also committed to making a difference in this world. Connie Krueger, a graduate of Barnard (as are one of their daughters and granddaughter), is a trustee on the board, where she serves as the chair of The Buildings, Grounds and Environment Committee. She has worked tirelessly to help improve the campus from landscaping to dormitory plumbing. Krueger says his wife is a "principal force in enhancing Barnard's environment."

As for his daughters, they, too, make a difference. Kathleen, a Ph.D. in special education and also an artist and poet, recently won the Pennsylvania Rights Commissions Humanitarian Award and the Public Service Award of the National Association of Poetry Therapy. (Last year's award winner was Bill Moyers.) She teaches tolerance to youngsters in mosques, churches and synagogues through poetry. "Will she change the world?" Krueger asks. "Maybe not. But she is making a difference and will change a lot of these young people."

Elizabeth has committed herself to public service for many years and is a New York State Senator in Albany. As for Abigail, she probably has the hardest job of all with her hands full raising twin boys and a daughter.

And while Krueger and his family are working hard to better the future, a question his son had once asked keeps Krueger interested in the past. "Where do we come from?" Peter had questioned. Krueger had no idea. He had never asked his own parents that same

question. After Peter died, Krueger vowed that when his grandchildren would ask him that same question, he'd have the answers for them. So as he pushed to move forward with his life, he committed himself to uncovering the past and exploring his family history.

Genealogy soon became a passion for him. "It has created an almost insatiable desire to know more about my family and the way they lived," Krueger says. As a result, he has met with numerous genealogists and has spoken

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to many newly discovered relatives.

One such relative was not especially receptive to Krueger's efforts to get family background. After telling Krueger several times that they were not related, he decided to get rid of Krueger once and for all by writing him a letter expressing that there was no family relation whatsoever between the two and that Krueger should cease and desist from calling him again. He signed the letter, "Uncle Henry."

Krueger can today trace one branch of his family tree back to the 16th century. And though his digging has led him to very religious and pious ancestors, including the famous Rema of Kraków, who adopted the *Shulchan Aruch* from Sephardic Hebrew into Ashkenazic Hebrew, he himself is not "a terribly religious person."

When God took his son away from him it made faith a much bigger trial for Krueger. The faith he does maintain, however, is in the State of Israel and the continuity of the Jewish people. He has devoted much of his life, money and talents to furthering the cause and well-being of his people.

In 1961, when Krueger went to Israel to work on a financing venture for

Bank Leumi, he wasn't even sure where the small country was located on the map. He recalls that "Jerusalem was cold and unfriendly." He also says that he didn't particularly love Israel when he first went. However, in 1962, when he returned to do a financing deal for Israel Discount Bank, he had an experience that changed him and his feelings to that mission.

One afternoon, as he was walking down Allenby Street from the bank to the Dan Hotel, he found himself looking into the faces of the people he was

passing. At first he was not certain what exactly he was looking for—he thought maybe he was looking for family. But then it dawned on him: He was looking for himself. "Awareness of who I am came to me on this trip," says Krueger. "My debt to Israel for that self-awareness can never be fully redeemed."

"In the 1960s Israel really was an easy country to love," Krueger opines. "Right and wrong were as clear as black and white. And all the people were heroes."

It was rare to have someone like Krueger in Israel at that time. He was the only foreign investment banker doing business there. Thusly, he got to know all the politicians and economists. And though he hobnobbed with prime ministers (and still does), Krueger says that his best friends were, and are, both the friends, Israeli and foreign, he made from his contacts in business, in the government and at the Hebrew University and its overseas supporters. Their love for the country was intense and contagious. Their accomplishments came to define for Krueger what being Jewish really meant—continuity and survival even against the most adverse circumstances.

And though to this day Krueger

continues to say that whatever he is or has become he owes to Israel, truth be told, a lot of what Israel has become is owed to Harvey Krueger. He is the man who brought Israeli companies into international capital markets: From the 1960s until the '90s he effected almost every international debt and equity financing deal for the country. When in the early '90s other firms realized that Israeli business could be profitable, they, too, wanted a piece of the action and Krueger graciously encouraged it because he knew it would be good for the State. Nonetheless, to this day, Krueger alone is referred to as the father of Israel's access to international capital markets.

Since the '60s, this distinguished banking and investment executive has worked tirelessly—professionally and personally—on behalf of the Jewish state. When he returned to the United States following his life-changing business trip, Krueger became involved in UJA and Israel Bonds. But he felt that his money was not being directed to the things he was most interested in, namely, the development of Israel's economic independence and the development of its human resources through education.

Krueger's work ethic has taken him a long way. He earned his B.A. from Columbia College and received a law degree from Columbia Law School. After five years at Cravath, Swaine and Moore, one of New York's premier law firms, Krueger joined Kuhn Loeb & Co. in 1959. He became a general partner in 1965 and president and CEO in 1975. In January of '78, he merged Kuhn Loeb and Lehman Brothers, becoming head of investment banking of Lehman, Kuhn Loeb and later vice chairman of Lehman Brothers, Inc.

Unlike many who reach such heights on the corporate ladder, Krueger has never outgrown the things he believes in.

Over the years, Krueger has done a deliberate appraisal of what he deems necessary for Israel: education and economics. A director of a number of American and Israeli public companies, he was also a founder of the Renaissance Fund, which invested in many Israeli companies.

As a communal leader devoted to Israel's security and prosperity, his mission, as



Photo by Gideon Levin

well, has been to create a more civil and tolerant world through education, culture and positive intergroup relations. Krueger was chairman of the Board of Governors of the Hebrew University of Jerusalem for almost nine years. He was also president and chairman of the American Friends of Hebrew University and is past chairman of The Peres Center for Peace. He is also a trustee and past chairman of the Cooper-Hewitt-National Design Museum of the Smithsonian Institution, a member of the Board of Directors of Beth Hatefutsoth and a member of the board of Beth Israel Medical Center in New York and its parent, Continuum Health Partners. He is on the Advisory Board of Carnegie Mellon University Department of History and the American Jewish Joint Distribution Committee. He is also a Visiting Professor at the University of Strathclyde in Glasgow, Scotland.

Krueger feels his two principal accomplishments as regards Israel are the work he has done for the Hebrew University and opening the international capital markets to the Israeli economy.

"Israel doesn't have natural resources, and must therefore rely on the intellectual capabilities of its people," he explains. "But that capability must be refined and great universities like the Hebrew University have been and must remain the place to refine this national asset. The research performed at the Hebrew University is the backbone of Israel's hi-tech, biotech and, soon, the nanotech renaissance. By helping the Hebrew University, I think I've contributed to Israel's well-being and future."



These days, Krueger finds that the challenges of investment banking are not as great as they were because there is very little left that he hasn't done. "I think I'm respected," Krueger says. "I also think you could find many young people that I've hired and trained, in Israel and here, and most of them

would say that they spent worthwhile time with me, that they learned from me and that I gave them an opportunity."

It is hard to believe that the quick-witted, affable, self-deprecating Krueger was ever the sarcastic character he admits to once being. "I could hurt people by being caustic. In arguments I could be very difficult. I decided a long time ago, however, that life is too short to hurt other people, so I try to turn my humor on myself. Nobody can be offended if you say something about yourself, if you make jokes at your own expense." Krueger says that he has learned that, too, checking out what, another vocation from his wife, whom he repeatedly calls "an extraordinary woman."

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