

Harvey McGrath

Today it is my great honour to welcome Sir Harvey Andrew McGrath to a College Fellowship at Birkbeck, University of London.

Sir Harvey is one of the UK's most active philanthropists and social investors and someone who has had a long and distinguished career in the financial services sector. But, for us here at Birkbeck, he is revered for his tireless work as Chair of the Board of Governors from 2010, a role that he held until September 30th this year.

Harvey McGrath was born in Belfast to a mother who was originally from Worcester and a father who was a social worker in Northern Ireland. Neither had been to university (McGrath was the first in his family to boast a degree) but they were ambitious for their three children. McGrath was educated at the Methodist College Belfast, a state-maintained grammar school. Initially, his teachers did not rate him academically until, one day, it dawned on the young McGrath that he could do better if only he worked at it. The result was immediate: he did so well at A-levels that his teachers suggested that he stay on at school for a term in order to try for a place in Oxford or Cambridge. This was not remotely within his expectations. After all, most of his friends, if they went on to higher education, assumed that they would progress to Queens or the Ulster University. His teachers proved correct, though: he was accepted at St Catharine's College in Cambridge. This was the first time he had lived outside Northern Ireland and the shock of being thrown into a much more diverse environment was a revelation. He read geography. In the first year in his degree, he was required to cover all aspects of the subject – from physical to human geography – but in the 2nd and 3rd years, he focussed on economic geography, especially urban studies.

To this day, he remains a fervent believer in the value of a degree like Geography, which provides a strong liberal arts education and teaches people to make connections across very disparate fields. He claims that, as a life skill, geography has served him well in his business career.

McGrath enjoyed his time in Cambridge, where he ended up graduating with a First in the summer of 1974. He seriously considered becoming an academic, but since many of his friends at university were applying to the world of business, he did likewise.

As it turned out, that decision played to his strengths. In the year he graduated, he was chosen by Chase Manhattan Bank (now, J. P. Morgan) to join a one-year training programme. He flourished. In 1979, they took him to New York to work in their Head Office. At Chase, he worked in that part of the bank that provided services to trading companies – a valuable way to learn about banking in a very hands-on way.

He left in 1980 to join ED&F Man (later Man Group), a commodities trading firm headquartered in London. The company had a distinguished history. It had been founded in 1783 by James Man, who was a barrel maker. Then, sugar was a valuable commodity, and transported in barrels. By the mid-1980s, still in New York, McGrath was running the US business and came back to the UK in 1990 as CEO of the Group.

McGrath was central in a process of significantly changing the company. When he joined, Man was a private commodity firm trading sugar, coffee, eatable nuts, molasses, and so on. In terms of tonnage, it was the largest sugar trader globally – active in 60 countries. McGrath took Man from what was, in ethos, a traditional commodity trading partnership into a diversified financial services and agricultural products business which listed on the London Stock Exchange in 1994. Strong growth of the fund management business continued in the 1990's and, in 2000, the agricultural commodities business was sold, leaving the Man Group as one of the largest alternative fund management businesses globally. He was Chief Executive from 1990 to 2000, and its chairman from 2000 to 2007.

After his 27 years at Man, McGrath joined the board of Prudential in 2009 as chair elect, serving as chair through the financial crisis until June 2012, a period which included an ambitious but ultimately failed attempt to acquire a major insurance business in Asia.

In parallel with his business life since 2000 however, and driven by a strong desire to give

back, three other overlapping strands of activity developed – an increasing engagement with London, and London government; a growing involvement in the role of business in society; and an active role as a philanthropist and social investor.

From 1990, London was his adopted home, and having first become involved in working with communities in East London as Chairman of the East London Business Alliance, which helped businesses engage with these communities, McGrath subsequently became Chair of London First, a pan London business membership organisation. He held this position from 2003 to 2008. As a result, he served as Vice Chair of the Mayor of London's Skills and Employment Board, in 2008 became chair of the London Development Agency, and subsequently Deputy Chair to the Mayor of the London Enterprise Panel, until 2016.

Much of this activity was focused on helping business be a power for good. He told one interviewer that he has “long held the conviction that businesses need to be a part of society, not apart from it, and that a broad based approach to all stakeholders not only needs to be embedded in the business, but is also good for business”. Through his involvement in Heart of the City, he seeks to help businesses “develop effective CSR [Corporate Social Responsibility] initiatives, using the expertise of companies that have strong strategies and practises in place”. In particular, in all his businesses and philanthropy, he seeks to “integrate sustainability – financial, social and environmental – into the way the business operates”.

He has been an active philanthropist, focused on the question of how to do this effectively and responsibly. Partly to answer that question, he became a founding trustee of New Philanthropy Capital, a charity which sought to address the question of how to give more effectively. He had been dismayed by “overlapping initiatives, initiatives which were often addressing the same type of problem from a different vantage point”. He decided that what was needed was an “evidence-based evaluation of outcomes, of what works”. New Philanthropy Capital, therefore, is a research-based charity that seeks to understand causes and interventions, and so inform donors how they can most effectively deploy funding. This research also enables the organisation to work with charities themselves, helping them be more effective at serving their beneficiaries and better communicate what they do.

For him personally, education is a key focus. He is passionate about helping people to access high quality education. He served as a Governor of Tower Hamlets College, a college of further education. He is a particularly active supporter of integrated education in Northern Ireland. One way to build a more integrated and peaceful society, he argues, is to educate children from divided communities together, respecting both traditions and none.

McGrath has made charitable contributions to his alma mater, the Methodist College Belfast, the University of Cambridge, and to St Catharine's College Cambridge, including a donation in 2008 of £4 million to attract more students from disadvantaged backgrounds. In February 2014, the college unveiled The McGrath Centre, a conference building erected as a result of a significant charitable gift made by McGrath. He also chaired The Prince's teaching Institute, which seeks to help state schoolteachers rediscover their passion for and knowledge of their subject – this will create more effective teaching.

He helped to create “icould”, a web-based charity, providing young people who might lack “social capital” with ideas about the possibilities of what they might do when they leave school. It currently gets over 125,000 hits a month. More recently, he has become chair of the West London Zone, a charity that works with at risk children in state schools in Hammersmith and Fulham, North Kensington, North Westminster and South Brent. With his wife, Allison McGrath, he has also made charitable contributions to the Lyric Theatre in Belfast, Unicorn theatre in Southwark, the Guildhall School of Music and Drama, the Almeida Theatre, the Great Ormond Street Hospital, and the National Portrait Gallery.

Alongside his philanthropy, he has become active as a social investor – investing for both an economic return and a positive social or environmental impact. This has embraced providing working capital funding for charities, funding for property that social sector organisations require for their mission, and equity capital to back social entrepreneurs. He has chaired Big Society Capital, the UK's social investment bank, tasked with growing this market in the UK, and has more recently taken on the Chair of the Advisory Board of the new London-based Impact Investing Institute.

So it was no surprise that he was knighted in 2016 for services to economic growth and public life. As the official citation said, “McGrath has made an outstanding voluntary contribution to public life. As chair of London First, he convinced businesses to back London’s 2012 bid, established London’s biggest vocational skills fair, and helped secure funding for Crossrail. He transformed the London Development Agency. His passion for education is reflected in his chairing of the Governors of Birkbeck, the Princes Teaching Institute, and the charity icould, and in his support for Cambridge University and integrated education in Northern Ireland. He is both an extremely generous philanthropist and a tireless promoter of philanthropy.”

He has also contributed immeasurably to our Birkbeck community. Sir Harvey first got involved with Birkbeck as a supporter of its Stratford outreach project in 2007. He subsequently joined Birkbeck as Chair of the Board of Governors in 2010. He has been an extremely generous supporter of the College both financially and as an active volunteer, hosting events and introducing the College to people in his networks.

McGrath has shown a particular talent for guiding our College through times of difficult change. He has given unstintingly of his time and his wisdom in his decade at Birkbeck. We celebrate his achievements and are thrilled that he will continue playing important roles in Birkbeck.

We welcome him to a College Fellowship.