



A Man of
Wisdom and **Vision**

Ray Irani brings a lifetime of experience to the AUB Board of Trustees.

By Jeffrey Lott

It was 3:00 am when young Riyadh “Ray” Irani arrived at the Los Angeles airport from his home in Lebanon. He was headed to graduate school at the University of Southern California (USC), but first he had to find a place to sleep.

The year was 1953, well before propeller aircraft were supplanted by commercial jets. For the 18-year-old Irani, who had never traveled out of the Middle East, it was a memorable adventure. He flew from Beirut to Cairo; from Cairo to Rome; then to Shannon, Ireland, where a transatlantic flight took him as far as Bangor, Maine. He flew from Maine to New York City, landing at the old Idlewild Field (now JFK). There, he had to change airports to board his westbound flight.

“It was kind of confusing,” Irani recalls today, nearly 60 years later, “but I carried my three suitcases—one of them filled with books—over to LaGuardia Airport for the flights to Chicago and on to Los Angeles. When I got to LA in the middle of the night, I found a taxi and told the driver, ‘I want to go to a reasonably priced hotel not far from USC.’”

After catching a few hours of sleep, Irani found a pay phone to call the Chemistry Department at the university. “I had never dialed a telephone,” he says, “so I had to ask a passerby to dial the number. Several people passed this up, but someone finally helped me.”

These days, Ray Irani doesn’t have to rely so much on the kindness of strangers. After earning a PhD in chemistry at age 22, he quickly became a sought-after researcher and executive. He says that during his entire career in industry, he’s never had to look for a job: “I wouldn’t know

how.” Now 77, Irani is executive chairman and former CEO of Occidental Petroleum, a worldwide oil, gas, and chemical company with annual sales of more than \$25 billion.

How he got to Occidental, where he has been a top executive for nearly 30 years, is a story in itself.

The 18-year-old who flew alone to California had just graduated from the American University of Beirut where his father, Rida Irani, was a member of the mathematics faculty. He had finished International College (IC) at 15 and planned to study civil engineering at AUB. But before his second year, he was approached by the legendary professor of chemistry

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William West, with whom he had taken one course.

“I was in the registration line when Professor West asked to talk with me,” Irani recalls. “He told me he wanted me to switch majors, saying I was the best chemistry student he’d ever seen. That was pretty flattering—he’d been on the faculty for decades—and so was the package of scholarships and living expenses that he could offer me in chemistry. So I switched.”

Irani earned a BA in three years—and gained two important mentors at AUB, Professors William West and Robert Linnell. West, who had followed in the footsteps of his father, Professor Robert Haldane West, was

In short

- 1994 Appointed to the President’s Export Council by President Bill Clinton
- 1996 Awarded the National Order of the Cedar Medal by the President of the Republic of Lebanon Elias Hrawi
- 2002–06 Served on the Secretary of Energy Advisory Board
- 2006 Appointed to co-lead the U.S.-Lebanon Partnership by President George W. Bush
- 2011 Appointed Chevalier of the French National Order of the Legion of Honor
- 2012 Received University of Southern California Presidential Medallion
- 2012 Elected to membership in the National Academy of Engineering
- Current Executive Chairman of Occidental Petroleum Corporation
- Current Cochairman of the AUB Board of Trustees
- Current Trustee of the University of Southern California

at the height of a distinguished career. (William West served on the faculty from 1923 to 1959. Robert West taught chemistry from 1883 until his untimely death in 1906. In 2003, newly renovated West Hall was named for Robert West and the West family.)

Professor Robert Linnell, then chair of chemistry, had strong ties to the United States. After teaching at AUB, he ended up at USC, where he was both a dean and chairman of the Safety Science Department. He and Irani remained friends until Linnell’s death in 2006.

Young Ray Irani’s decision to go to the United States was difficult for

his family. Although Linnell and his father encouraged him to go, “the rest of my family was against it,” Irani recalls, “saying that if this boy goes to America, he won’t come back.”

After a pause, he adds, “They were right, by the way.”

Well, not entirely. Irani, like many of the estimated 14 million Lebanese around the world, has always maintained ties with his homeland. Devoted

“If you went to AUB in the 1940s and 1950s,” Irani says, “you met people from many different nations and cultures. We’re making a new effort to attract such students to study in Beirut, who will then return to their countries as ambassadors for the University.”

to his mother, he visited as often as he could. Now, as cochairman of the AUB Board of Trustees, he visits Beirut frequently. He has also been active in the Lebanese American Foundation and the House of Lebanon Cultural Center in Los Angeles.

At USC, Irani specialized in physical chemistry, a branch of the science that applies the principles of physics

to the study of chemical systems and structures. “What interested me most about physical chemistry was the high math content,” Irani says. “Physical chemistry has turned out to be a critical field that has led to a lot of the energy technology we have today,” including CO₂ injection to extend the life of mature oil fields and hydraulic fracturing to release natural gas from shale deposits.

As he received a PhD, Irani was recruited by the Monsanto Corporation as a research scientist. During ten years at the chemical giant, he worked in the lab on a variety of projects; it was during this period that he earned most of his 150 US patents.

Having attracted the attention of Monsanto’s management with his research skills, Irani says he learned an important management lesson when the company publicly identified ten employees under age 30 who “had shown the potential to be president of the company someday.” Irani was one of the ten.

“It was unwise,” Irani says. “Our co-workers didn’t like it, of course; we felt the pressure of these higher expectations; and the recruiters pounced.” All ten of the “rising stars” were hired away to other firms—including Irani, who, at 32, became director of research at Diamond Shamrock Corporation.

The next tap on Ray Irani’s shoulder came from Olin Corporation, a chemicals and metals conglomerate. Irani was now firmly in the executive suite, soon becoming chief operating officer and then president of Olin.

One last great mentor was to come: Dr. Armand Hammer, the colorful chairman of “Oxy” or Occidental Petroleum, a company he had been

running—often profitably but somewhat erratically—since the 1930s.

Top management of the company had been “a revolving door,” says Irani, who adds that it took five years for him finally to say “yes” to Hammer’s repeated overtures to become head of Oxy’s chemical division. The well-known attorney Louis Nizer, an Oxy director, was quoted in *Fortune* as saying that the salary Irani demanded to leave Olin’s presidency was “harsh,” but that Hammer “saw in him a future top executive and told me, ‘Give it to him.’”

When Irani joined Oxy in 1983, the company looked more like a conglomerate of unrelated businesses than a large oil and chemical production corporation. Five chief executives had departed during the previous 20 years over what a business analyst called “power struggles and disagreements with Hammer,” who was often preoccupied with collecting art, breeding Arabian horses, and globe-trotting missions that he documented with his own film crew.

In a little over a year, Irani revitalized the chemical division and, according to *Business Week*, soon “leaped over 14 others to become Oxy’s chief operating officer.” During 15 years in that job, he is credited with “placing a firm hand on a company that had a history of ups and downs.” Analysts noted that “for the first time in its history, [Oxy] was being run more like a solid Fortune 500 corporation than a one-man operation.”

In 1990, a year before his death, Hammer designated Irani to succeed him as chief executive and chairman. Irani held both positions from 1991 until Stephen Chazen became CEO

in 2011. Widely credited with refocusing Occidental on its core businesses, Irani has been described as a leader who was unafraid to make tough decisions. His knowledge of the Middle East and North Africa made it possible to restart Oxy's explorations and production in Libya following the lifting of the 1984 trade embargo by President George W. Bush in 2004 (Oxy had been in Libya since about 1970)—and to make the oil flow again following the Libyan revolution of 2011. During his tenure with Oxy, Irani expanded the company's presence in the Middle East to include Abu Dhabi, Qatar, Oman, Bahrain, Iraq, and Yemen.

One key to Irani's early success at Oxy, says Hutham Olayan (BA '75), president of Olayan America, was that although he is known as a dynamic and effective leader, Irani can also be very low-key. "Hammer could not tolerate anyone else stealing the limelight. Ray allowed public attention to stay on Dr. Hammer while he got down to managing the business—which needed a lot of managing. He quietly put it all in order while Dr. Hammer continued his global travels," says Olayan, vice chair of the AUB Board of Trustees.

He brings that same thoughtful approach to his work as cochairman of the AUB board, says Olayan. "He has the business intellect needed to guide an organization like this and the sensibility to bridge the Middle East and the west."

Dr. Alexander Geha (BS '55, MD '59), who was two years behind Irani at the University, has also come to know him better as a fellow AUB trustee. He sees a return to politi-

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cal stability in the Middle East, and especially in Lebanon since the end of the civil war, as crucial to AUB's "role as a standard bearer of education in the whole region... where academic freedom and academic thinking are important for our future." After medical school at AUB, Geha trained in thoracic surgery at the Mayo Clinic in Rochester, Minnesota—an example of the pipeline between AUB's medical school and the top teaching hospitals in the United States. Geha, who now lives in California, would like to see standards raised to the point where today's AUB students can have the same opportunities for graduate education that he and Ray Irani were afforded in the 1950s.


Irani, Geha says, is "charismatic, involved, and aware. He has a keen understanding of the academic world and of the business side of the University. A lot of people look at him as a role model."

AUB has been through a lot since Ray Irani took that long flight west in 1953. In his day, he says, AUB was "well recognized as one of the best universities outside the United States—and it attracted the

best students from around the region, around the world really."

Now that the political situation in Lebanon is becoming more stable, Irani would once again like AUB to attract the best students from the region. "If you went to AUB in the 1940s and 1950s," Irani says, "you met people from many different nations and cultures. We're making a new effort to attract such students to study in Beirut, who will then return to their countries as ambassadors for the University." To bring the highest quality students, Irani reasons, AUB needs a first-rate faculty and modern facilities. The Ray R. Irani Oxy Engineering Complex, now under construction, is but one part of a larger effort.

In his own way, Ray Irani remains as private as Armand Hammer was public. With the exception of our 45-minute conversation for *MainGate*, he almost never grants interviews. There aren't any film crews following him around. In recent years, as executive compensation has come under increased scrutiny, he's been mentioned in the press as one of the highest paid CEOs in the United States. But in his career, as in his life as a scientist, executive, philanthropist, and volunteer, he's let his deeds speak for him.

And his friends, like Hutham Olayan, who says: "He is a man of wisdom and vision." 

AUTHOR

Jeffrey Lott lives in Delaware with his wife and a gray cat named Arcturus. He is currently writing a book about Swarthmore College, where he edited the alumni magazine for more than 20 years.