REPORT OF THE STUDY FOR THE FORD FOUNDATION ON POLICY AND PROGRAM

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PREFACE

IN THE Fall of 1948, anticipating final settlement of Federal Estate matters and the probable receipt during 1949 and 1950 of income from the gifts of Mr. Henry Ford and Mr. Edsel Ford in amounts sufficient to permit The Ford Foundation to undertake a greatly expanded program, the Trustees asked Mr. H. Rowan Gaither, Jr. to organize and direct a planning study of policy and program for the Foundation.

On November 22, 1948, the Chairman of the Trustees wrote Mr. Gaither as follows:

"The Foundation was established for the general purpose of advancing human welfare, but the manner of realizing this objective was left to the Trustees. Now that the time is near when the Foundation can initiate an active program, I think that its aims should be more specifically defined.

"The people of this country and mankind in general are confronted with problems which are vast in number and exceedingly disturbing in significance. While important efforts to solve these problems are being made by government, industry, foundations, and other institutions, it is evident that new resources, such as those of this Foundation, if properly employed, can result in significant contributions.

"We want to take stock of our existing knowledge, institutions, and techniques in order to locate the areas where the problems are most important and where additional efforts toward their solution are most needed.

"You are to have complete authority and responsibility in this undertaking, and you are to have a high degree of discretion, subject, of course, to general policy approval of the Trustees, in the means you

employ and in the choice of consultants and other personnel . . . We want the best thought available in the United States as to how this Foundation can most effectively and intelligently put its resources to work for human welfare."

Pursuant thereto, a Study Committee was appointed to act as independent consultants to the Foundation. This Committee was made up of men widely known and respected in such fields as education, medicine and public health, the natural sciences, political science and government, the social sciences, the humanities, and modern business and industry.

The Study Committee agreed at the outset that the purpose of the Study was not to accumulate a comprehensive catalogue of projects which the Foundation might undertake, but to block out in general terms those critical areas where problems were most serious and where the Foundation might make the most significant contributions to human welfare.

The Study Committee also agreed at the outset that it should view the needs of mankind in the broadest possible perspective, free from the limitations of special professional interests, if it was to discover the most important problems and opportunities of human welfare. The Study Committee invited each member to ignore the confines of his specialty or profession and bring to the Committee the best thinking in his field concerning the most pressing problems of human welfare generally, whether they lay in his field or elsewhere. By agreement therefore each Committee member respected the boundaries of his own experience and training only for the purposes of administrative coordination.

In the opinion of the Trustees, the conclusions and recommendations of the Committee were influenced by and responsive to the best American judgment of our times. Advisers represented every major segment of American life and every major discipline and field of knowl-

edge. In the area of government and international affairs the Committee secured the opinions and points of view of officials in state and federal government, representatives of the United Nations and its affiliated agencies, business and professional leaders, and the heads of private organizations concerned with world affairs. In this and other fields the presidents of many leading universities contributed generously. The views of military leaders were sought and obtained. The viewpoint of labor was solicited. Conferences were held with the heads of many small enterprises—often sole proprietorships—as well as heads of large corporations.

The work of the Study Committee was concluded in November 1949, when its General Report containing the Committee's conclusions and recommendations was submitted to the Trustees. It is significant that this Report, which followed some 22 special and individual reports, carried with it unanimous Committee endorsement.

The Trustees of The Ford Foundation wish to express their grateful thanks and deep appreciation to all those who contributed so generously and so effectively to the Study.

The work of the Study Committee, assisted by its Staff, represents, in the judgment of the Trustees, one of the most thorough, painstaking, and significant inquiries ever made into the whole broad question of public welfare and human needs. Their recommendations were accepted unanimously by the Trustees and are believed to represent the best thinking in the United States today.

The findings of the Study Committee are, in the opinion of the Trustees, of sufficient general interest and importance to warrant the publication of the General Report in its entirety. Publication of the Report was therefore authorized by special action of the Trustees on September 6, 1950. The opinions expressed in the Report are, of course, those of members of the Study Committee and not necessarily those

of the Trustees. Action taken by the Trustees on the Report, as well as a summary of the considerations underlying that action, has already been published in the Report of September 27, 1950, by the Trustees of The Ford Foundation.

HENRY FORD II

Chairman, Board of Trustees
The Ford Foundation

October, 1950

INTRODUCTION

THE MISSION of the Study Committee was to make recommendations based upon the best available thought concerning the ways in which The Ford Foundation can most effectively and intelligently put its resources to work for human welfare.

In preparing this report and its supporting monographs and memoranda the Committee has consulted more than a thousand persons, men and women of recognized ability and reputation in varied fields of activity and in many parts of the country. Among these were business, labor, and professional leaders, all of whom gave their time and counsel without stint. Numerous university faculties spontaneously organized meetings and conferences and voluntarily prepared reports for the Committee. Unsolicited letters, many containing valuable suggestions, were received from numerous parts of the United States and from several foreign countries. The dominant tenor of these reports and letters was one of unselfish eagerness to assist the Committee's work. The knowledge that at this critical time a great new foundation dedicated to human welfare was seeking counsel on basic policies and programs seems to have caught the imagination and raised the spirits of individuals throughout the world. All were quick to appreciate both its tremendous opportunity and its equally great public responsibility.

The Study Committee had four major objectives as it collected and analyzed data from hundreds of interviews and conferences and from thousands of pages of written materials. The first was to arrive at a clearer understanding of the meaning of "human welfare", as this term, though the keystone of the Foundation's charter, is not further defined or elaborated there. The Committee's conception of human welfare is stated in

Chapter I. As will be seen, it is in large measure synonymous with a declaration of democratic ideals. This concept emerged from the study materials and was present in the minds of the Committee and its advisers, either implicitly or explicitly, throughout their work. It is the consensus of men of judgment today that the real hope for the advancement of human welfare lies in the reaffirmation in practice of democratic principles.

The Committee's second task was to consider the ways in which human welfare is most thwarted and threatened; in other words, to evaluate the magnitude and intensity of the major problems confronting mankind today. The considerable evidence which the Committee received concerning these problems is reviewed in Chapter II. In its analysis, as well as in its later formulation of programs, the Committee found that the democratic concept lent perspective and served as a standard of judgment.

In the Committee's opinion the evidence points to the fact that today's most critical problems are those which are social rather than physical in character — those which arise in man's relation to man rather than in his relation to nature. Here, it was concluded, is the realm where the greatest problems exist, where the least progress is being made, and where the gravest threat to democracy and human welfare lies.

In Chapter III the Committee reports on its third task — that of proposing, in broad terms, programs which The Ford Foundation might sponsor in attempts to cope with some of these problems in our society. In formulating these programs the Committee consulted leaders and workers in many fields, considered the nature and extent of current efforts, and received advice for important new work. The Committee believes that these problems may be attacked and human welfare furthered by programs in the areas recommended in Chapter III: the establishment of peace, the strengthening of democracy, the strengthen-

ing of the economy, the improvement of education, and the better understanding of man.

Lastly, the Committee sought to define the type of organization and operating procedures most appropriate for programs of the kind proposed and for a modern foundation with resources as large as those of The Ford Foundation. The Committee's recommendations on this subject, which are set forth in Chapter IV, rest on a careful study of the policies, procedures, and practices of the larger foundations, and upon the experiences of their trustees, officers, and recipients of grants. Such proposals as have been made are designed to maintain freshness, boldness, and flexibility of operation as well as to ensure a high degree of public responsibility.

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November 1, 1949

CHAPTER I

HUMAN WELFARE

THE AIM of The Ford Foundation is to advance human welfare. The Study Committee's conception of the basic elements of human welfare is presented below.

Fundamental to any consideration of human welfare is human survival. All efforts to prolong life, to eradicate disease, to prevent malnutrition and famine, to remove the causes of violent accidents, and, above all, to prevent war, are efforts to forward the welfare of man.

The improvement of physical standards of living is clearly a basic part of human welfare. Living standards can be considered high enough only when the inhabitants of this country and the entire world have been freed from undue anxiety about the physical conditions of survival and from inordinate preoccupation with obtaining those conditions. Of course, the goals of human welfare are not merely survival and the improvement of physical standards of living. Not until the physical requirements of life and good health are well met may men progress toward the fullest realization of their mental, emotional, and spiritual capacities. All are essential to the achievement of human welfare.

HUMAN DIGNITY — Basic to human welfare is the idea of the dignity of man — the conviction that man must be regarded as an end in himself, not as a mere cog in the mechanisms of society. At heart, this is a belief in the inherent worth of the individual, in the intrinsic value of human life. Implicit in it is the conviction that society must accord all men equal rights and equal opportunity to develop their capabilities and must, in addition, encourage individuality and inventive and creative talent.

PERSONAL FREEDOM AND RIGHTS—Also basic to human welfare is the right of each person to enjoy the largest measure of liberty consistent with the equal claims of other persons. Freedom cannot, of course, be absolute but must be enjoyed under a rule of law so that all may share equally in its benefits and opportunities.

Human welfare requires tolerance and respect for individual, social, religious, and cultural differences and for the varying needs and aspirations to which these differences give rise. Within wide limits, every person has the right to go his own way and to be free from interference or harassment on grounds of nonconformity.

POLITICAL FREEDOM AND RIGHTS—The Committee believes that inherent in the concept of human welfare are freedom of worship, freedom of speech, and freedom of association; self-government; justice; and the right and opportunity of every citizen to play a real and effective part in his government.

SOCIAL RESPONSIBILITY AND THE DUTY OF SERVICE—Human welfare also requires that power at all levels and in all forms—political, economic, or social—be exercised by those who possess it with a full sense of social responsibility; further, that every person recognize a moral obligation to use his capabilities, whatever they may be, so as not merely to avoid being a burden on society, if he can help it, but to contribute positively to the welfare of society.

HUMAN WELFARE AND DEMOCRATIC IDEALS

The Committee's concept of human welfare is closely related to the ideals of democratic peoples—belief in human dignity; in personal freedom; in equality of rights, justice, and opportunity; in freedom of speech, religion, and association; and in self-government as the best form of government. Through the fuller realization of these ideals the life of the

individual would become more productive, purposeful, gracious, and secure. In the belief that any successful attempt to improve the lot of mankind must be made on terms compatible with these fundamental principles, the Committee used them as a base in estimating the gravity of human welfare's problems and as a standard in considering programs for their solution.

Democracy does not, of course, consist of the numerical aggregate of these principles or in the exaltation of one at the expense of another. It consists rather in a meaningful relationship among them, resting always on the fundamental conviction of the dignity of man.

These democratic ideals represent for the Committee a particularly significant expression of human welfare since they emphasize man's most crucial problems — the intricate relationships among human beings and social organizations, now so heavily marked by tension and disorder.

While our ultimate concern is with the individual, it is clear that only in society can his full development take place. Modern man cannot forsake society in search of freedom; freedom, for him, exists only within and by means of the social order. Men are no freer than the arrangements and conditions of society enable them to be. In the complex modern world large-scale and complicated arrangements are necessary to provide the social and economic conditions under which freedom can be assured. One of the primary functions of government is to ensure the presence of such conditions, guarding continuously, however, against the danger that in the process it may take over too many of the individual's activities or decisions, and thereby undermine his moral energy and initiative.

Recent developments have brought increasing general awareness of how dependent men are on one another. No longer can individuals, or nations, retreat into self-sufficiency. Men live together whether they want to or not; all are thrust, from birth, into an immense network of political, economic, and social relationships. This interdependence can be the most

abasing of conditions in societies where men are enslaved as tools of other men or of a state machine; it can be the source of greatest satisfaction if it means the enrichment of personal life by the sharing of the best by the most—through a realization of common interests, common efforts, common humanity, and common fate.

Our political institutions do not themselves constitute democracy. They can only establish a climate in which democracy may flourish. Majority rule and peaceful concurrence by the minority, which are terms of democracy, have validity only when the majority exercises its power both with restraint and with concern for the problems and attitudes of the minority. Both sides must have that essential respect for themselves and for each other which makes them unwilling to be either masters or slaves.

Our political institutions will, then, have real meaning and a good chance of survival only if they reflect a way of life in which all the myriad nonpolitical associations and relationships between people and organizations breathe the spirit of democracy. When the democratic spirit is deep and strong in a society it animates every phase of living: economic, social, and political relations among groups and nations, as well as personal relations among men. This integration of democratic ideals with the life of individuals and with society can be realized only when it is lived—when it has become an established attitude and custom, a way by which men work and live each day of their lives—not just an abstract theory. Only then will democracy permeate the entire structure of our society, bringing with it a wide diffusion of contentment and confidence.

The real meaning of democracy for the people of this or any generation lies in how it is interpreted in action, how it is applied in their daily lives, in the means it uses, and in the character of its institutions and practices. No one pretends that democracy here or elsewhere is now perfect or that it will ever become perfect. For this is the essence of

democracy, that it is a system of principles and not of rigid rules, that these principles must be reinterpreted as times and conditions change, and that the need for new interpretation and application will always exist.

Clearly, therefore, in speaking of democracy, the Committee is not thinking merely of the form of our institutions and organizations, which are but means or instruments for men's requirements. To identify present forms too closely with democratic ideals is to make idols of the forms, thereby hindering their improvement for the service of mankind.

In times of uncertainty many people tend to resist change, in the illusion that democracy and its institutions are made more secure by an unchanging order. This, we believe, strikes at the very heart of democracy by denying to it the right to grow. For democracy's greatest strength lies in its ability to move constantly forward in action toward the increasing fulfillment of people's needs and the greater achievement of its goals. It is man's faith in this ability which assures the survival of democracy.

DEMOCRACY ON CHALLENGE

During its investigation the Committee was constantly reminded that democracy is on challenge in the world today. A great new foundation can thus most appropriately make its entrance into human affairs with a reaffirmation of democratic ideals and with the expressed intention of assisting democracy to meet that challenge and to realize its ideals.

The crisis in the world today requires that democracy do more than restate its principles and ideals; they must be translated into action. We must take affirmative action toward the elimination of the basic causes of war, the advancement of democracy on a broad front, and the strengthening of its institutions and processes. National conduct based solely upon fear of communism, upon reaction to totalitarian tactics, or upon the immediate exigencies of avoiding war, is defensive and negative.

If such a defensive attitude is allowed to control our planning and thinking, our national effort will be diverted unduly to expedient and temporary measures from the more important tasks ahead, and we may grow like the thing we fight.

When democracy is threatened by war we must be prepared to defend it by military action. But military strength is not enough. We must at the same time press democracy forward by reaffirming its principles in action. Without the resulting internal vitality and stability, national security in the long run is unattainable.

THE ROLE OF A FOUNDATION

This view of democracy is one of challenge to a modern foundation. By the character of its response The Ford Foundation will determine the degree to which it will help carry toward maturity the modern concept of philanthropy.

The history of philanthropy is the record of a continuously evolving philosophy of giving. At one time the gifts of individuals and benevolent organizations were intended largely to relieve the suffering of "the weak, the poor and the unfortunate." Philanthropy was thought of merely as temporary relief for evil conditions which would always exist and about which nothing fundamental could be done. With the establishment of the modern foundation a much greater concept came into being. The aim is no longer merely to treat symptoms and temporarily to alleviate distress, but rather to eradicate the causes of suffering. Nor is the modern foundation content to concern itself only with man's obvious physical needs; it seeks rather to help man achieve his entire well-being — to satisfy his mental, emotional, and spiritual needs as well as his physical wants. It addresses itself to the whole man and to the well-being of all mankind.

A foundation is, by its nature, especially well equipped for this task.

It has no stockholders and no constituents. It represents no private, political, or religious interests. Most foundations may, if they deem it wise, expend their total resources within any period they wish. This freedom from entanglements, pressures, restrictive legislation, and private interest endows a foundation with an inherent freedom of action possessed by few other organizations.

Further, a great foundation possesses an extraordinary stature in the public mind. By law, as well as by its charter, it is dedicated to human welfare. Its responsibility is to the public as a whole. In political and social issues it cannot be partisan. This very nonpartisanship and objectivity gives to the foundation a great positive force, and enables it to play a unique and effective role in the difficult and sometimes controversial task of helping to realize democracy's goals.

The breadth of The Ford Foundation's objectives imposes a duty on it to put its resources at the disposal of those who can contribute most significantly to the advancement of democracy. The Foundation must be constantly alert to the problems and needs of our society; it must continuously stand ready to help in those strategic areas where the greatest progress can be made toward democratic goals, and wherein human needs and aspirations can be most effectively fulfilled.

The needs and problems of human welfare far exceed the total of all available foundation funds. Of the two billions of private monies expended annually in the United States for philanthropic purposes, only three percent are provided by foundations. Yet foundations have succeeded in making contributions of the greatest benefit to mankind. The real significance of a foundation's spending lies not in the amount expended but in the care and wisdom with which its programs are selected.

These facts clearly indicate the need for the Foundation to concentrate its support upon those problems which are at once the most important and which obstruct progress in the most directions. Successful

work upon them is likely to have the effect of a catalytic agent. Such concentration means, of course, that support will not be available for work in other areas; this is an inevitable result of selectivity. The Trustees and officers of the Foundation must at all times remain alert, however, to the dynamic nature of the needs and problems of human welfare and must stand ready to reorient their programs as conditions and opportunities change.

The Foundation is free to interpret its own function in society and to act boldly in implementing that interpretation. The opportunity is great; the responsibility is equally great. If the opportunity is met with foresight, good sense, and courage, it is our opinion that the Foundation can play a vital role in the furtherance of democracy, and consequently in the advancement of human welfare.

CHAPTER II

PROBLEMS OF HUMAN WELFARE

THE Study Committee has analyzed the problems of modern society in the light of its conviction that the advancement of human welfare lies in the increasing realization by men everywhere of democratic objectives.

Among the numberless problems which beset mankind, the Committee concentrated upon those which now appear most important—those which affect the greatest number of people and most severely restrict their achievement of the goals of democratic society. Its findings are set forth below.

THE THREAT OF WAR

1. *America in the International Scene*

The Committee and its advisers agree unanimously that the most important problem confronting the world today is to avoid world war—without sacrifice of our values or principles—and to press steadily toward the achievement of an enduring peace. There was varying opinion concerning the imminence and probability of war but full unanimity upon its consequences: the total involvement of all peoples, the vast destruction of human life and material resources, and the possible obliteration of the conditions necessary for democratic survival.

In analyzing the problem of war, the Committee was guided by its conviction that efforts to remove the basic causes of war must be unremitting. The current exigencies of international tension demand and deserve our serious and sustained attention; and the Study Committee

and its advisers emphasized the need for adequate military preparedness and for international measures to protect the free world against aggression. Nevertheless, the Committee was convinced that, in addition, we must not diminish but must accelerate endeavors to build the world-wide foundations and structure for permanent peace.

The underlying causes of war are many—poverty and disease; the tensions which result from unequal standards of living and economic insecurity; racial conflict; and the forces generated by political oppression and conflicting social theories and beliefs. Half the people of the world are either starving or lack adequate food, and illness and disease are widespread. Such conditions produce unrest and social instability, and these, when aggravated by ignorance and misinformation, produce a climate conducive to conflict.

The comparative good fortune which favors this country enables it to help mitigate these conditions. Even when this action requires departure from our traditionally passive foreign policy, national interest dictates such a course as well as concern for the plight of other peoples. Detachment offers no safety in this closely interdependent world; a threat to peace anywhere endangers the security of all.

The strength of the free peoples of the world to resist totalitarianism and to achieve the conditions of a durable peace lies in their continuous advancement toward democratic objectives. Men submit to authoritarianism when hunger and frustration undermine their faith in the existing order. Faith in any order can survive only where that order holds more hope for the future, if not more benefit for the present, than does the totalitarian alternative.

As the tide of communism mounts in Asia and Europe, the position of the United States is crucial. We are striving at great cost to strengthen free peoples everywhere. The needs of such peoples, particularly in underdeveloped areas, are vast and seemingly endless, yet their eventual well-

being may prove essential to our own security. To improve their living standards they must import and use knowledge, guidance, and capital. The United States appears to be the only country able to provide even a part of the urgently needed assistance.

Ignorance and misunderstanding add greatly to the unrest which stems from material lacks. The ignorance of the uneducated poses a danger as great as prejudice induced by the suppression or distortion of information. And our own ignorance of other peoples—of their traditions, institutions, and aspirations—diminishes the effectiveness of our efforts for international cooperation. When knowledge and ideas go unshared the minds of men have no common ground upon which to meet. Yet in many parts of the world ignorance and misunderstanding are fostered by political restrictions upon the free interchange of information and ideas—by barriers to travelers, scholars, and students, and by the exclusion or censorship of radio, motion pictures, newspapers, magazines, and books.

Further, the world lacks international machinery adequate to ensure that the rule of law shall govern relations between nations and make all countries secure from aggression. The institutions intended to achieve international security have not yet proved powerful enough.

All the Committee's advisers recognized that the achievement of lasting peace will require the maximum exercise of man's intellectual, scientific, and moral capabilities. In the present world crisis we must seek to control those explosive situations which might at any time precipitate war, but at the same time we must not permit ourselves to be diverted from the fundamental task of constructing an enduring peace.

2. *The Domestic Scene Under the Threat of War*

A careful appraisal of the effect of the world crisis upon the functioning of democracy here at home led the Committee to several conclusions.

While this country must be prepared militarily for any future eventuality, it will not be strong if we arm ourselves with weapons alone. The strength of this country lies, in the last analysis, in its people. When morale is high, when men are free, when life is enriched, when self-government operates well, when production flourishes, when there is a pervasive sense of individual dignity and of national unity—only then is democracy internally strong and well armed. Thus the purposes of national defense are inseparable from the objectives of democracy and human welfare.

If the world crisis causes us to sacrifice democratic principles here at home, our national security will be undermined. As international pressures intensify, a danger arises that through suspicion, hysteria, or expediency, we may compromise these principles—the very principles we are striving to defend.

The requirements of national security, for example, have profound effects on freedom of expression and on the processes of justice and self-government. Secrecy is necessary in some types of military affairs, but secrecy and security are not synonymous. Secrecy carried to unreasonable lengths can obstruct progress by curtailing the freedom of inquiry and the interchange of ideas essential to the free working of democracy and to the advancement of knowledge. Subversive activities cannot be condoned in the name of freedom; the nation must be protected from dangers within. But democracy will be imperiled if we stamp out dissent and measure loyalty by conformity. The problem is to rid ourselves of treason without jeopardizing freedom.

In the present crisis democracy faces again one of its oldest problems: the relationship of military to civilian authority, and the relationship of both to the processes of self-government. While we must trust our military leaders and civilian policy makers with enlarged authority as a matter of national safety, this only makes it the more necessary for the

people, in order to retain control over their destiny, to determine the limits of authority which are consistent both with democratic principles and with our security.

An outstanding example of the foregoing problem is to be found in our atomic energy program, which is entrusted to a commission whose operations are largely shrouded in military secrecy. In addition to its military applications, nuclear energy promises enormous peacetime usefulness for this country and for the entire world. Many persons are concerned with the ultimate impact of nuclear energy upon our economic system and the social adjustments which will necessarily follow. To what extent is this source of potential energy to remain in the control of government, to what extent is it to be entrusted to private industry? How may we develop satisfactory ways of handling it? The answers to these and similar questions must lie in the free functioning of democratic processes. The requirements of military security must be balanced, first, against the obstructions which secrecy interposes to industrial and military progress; and, second, against the needs of self-government, which requires sufficient public understanding for the people to make wise decisions about their own future. Without such public knowledge, irrevocable steps may be taken by default.

Academic expression and inquiry are subject to a special kind of limitation in consequence of the support by military agencies of research in our universities. In an uncertain world the military has appropriately encouraged a great deal of applied research and some basic research upon subjects related to increased national security. The greater part of this effort is carried on outside the military establishment, in academic institutions and in industry. The impact of military demands upon our scientists, scholars, and teachers, and upon the institutions in which they work, raises serious questions. Will the effect of these demands over a period of time be such as to damage our educational structure? Will it

impair the climate in which basic research flourishes, reduce the amount of effort going into basic research and the training of new scientists, and lower the quality of instruction? From the military standpoint alone we must recognize a danger here. Most of the fundamental knowledge which led to the production of the atomic bomb, radar, and other spectacular military instruments came to us from Europe. It would be unwise to count upon Europe to provide such fundamental scientific knowledge in the future. Our security makes it imperative that military demands shall not undermine basic research or attract too high a proportion of talent into any one field of interest.

The foregoing are but a few current illustrations of the fact that, in a time of international tension, we must continuously guard democracy's internal strength so that we will not, through emotion or expediency, impair its fundamental principles.

GOVERNMENT, THE ECONOMY, AND EDUCATION IN A DEMOCRATIC SOCIETY

1. *Self-Government in Action*

Many persons have expressed concern to this Committee over the problems of democratic self-government in practice. This concern points not only at its defects in dealing with international problems, but equally at its shortcomings in making the will of the people effective in domestic matters.

Among the causes of these shortcomings are the enormity of the demands we have placed upon government as our economic system and social institutions have grown in complexity and as our needs have multiplied. In consequence government has grown in size, in scope, and in power. It is now concerned with matters ranging from national defense and the broadest economic issues to the individual citizen's personal

health and financial security. As a result we now face a problem which grows more difficult year by year: how to keep political power responsible to the people and responsive to their needs.

At every level of government—federal, state, and local—we entrust control of policy to executive officials and to legislators. Successful self-government requires that the decisions of these persons express the will of the people on economic, social, and political needs. In practice, legislative enactments and administrative decisions often reflect the special interests of particular groups rather than the welfare of the general public. Too many decisions, moreover, fail to be effective because the machinery of government is inadequate or inefficient.

The Committee's attention was directed to a number of causes of these shortcomings. Three in particular were stressed: the inability of our political system to attract adequate numbers of competent and public-spirited persons to government as a career, the failure of a large proportion of our citizens to participate effectively in and to acquire an adequate understanding of the processes of self-government, and defects in the organization of government and its methods of operation.

The Committee received considerable evidence of the fact that, in government, as in other aspects of society, talent is in short supply. The reason is only in part financial. Political life has not proved sufficiently attractive to sensitive and intellectually gifted men and women. No strong tradition of political service has been evolved and many of our ablest citizens look down upon politics as a career. As a consequence the political system in the community, the state, and even the nation has too seldom been in the hands of those best fitted to serve. A tradition of public service in government is needed. Such a tradition requires men with a broad knowledge of our society, a profound understanding of democratic principles, and a dedication to the public welfare.

This condition is not confined to elective offices. Our government

agencies lack an adequate share of the nation's more competent technicians and administrators. Many conditions now discourage such persons from entering government service. Among these are the level of pay; the lack of sufficient opportunity to do challenging work and to develop individual initiative and abilities; and the abuse, suspicion, or lack of prestige which is so often the reward of men in public service.

The Committee's attention was also directed to the widespread apathy, misunderstanding, and ignorance concerning political issues, personalities, and public needs. This poses a great danger to self-government. It is evidenced not only in the failure of many citizens to exercise their rights as voters with interest and intelligence, but also by their neglect of the many other opportunities for participation in public affairs —by taking part in organizations which are actively interested in public policy; by giving weight to the public interest in the conduct of private affairs, either as individuals or as members of trade associations, labor unions, or other organizations; or by assisting or serving part time with local or national governmental agencies.

And finally, the Committee was frequently reminded that governmental ineffectiveness springs in part from shortcomings in its organization and administration. The way in which government is organized is peculiarly important because the people and their representatives can hold public officials accountable only if such officials are part of a system in which the lines of responsibility are clear. Furthermore, justice can be fairly administered only if the law enforcement agencies as well as the courts are efficient and impartial.

The American people today face more numerous and more complex problems than ever before in history. Strong self-government demands increased citizen participation. The alternative is to permit self-government to become by default a government of the interested and influential few. Incentives and facilities for participation and for the enlightened

consideration of issues must be provided so that the decisions of our legislative bodies and policy makers will in fact reflect the people's will and needs.

Many of the Committee's advisers emphasized that effective self-government presupposes a continuous and correct understanding of public needs. They pointed out the lack of objective and reliable information concerning such needs, and the lack of adequate means for distinguishing between actual needs and spurious claims upon government. Many feel we lack the objective data necessary to assess the validity and relative urgency of various demands.

In a troubled world it is imperative that governmental processes operate swiftly and efficiently. Only if theory is thus translated into action will democracy outperform its totalitarian competitors.

2. *Economic Problems of a Democratic Society*

The Committee recognizes that the problems which confront our domestic economy must be assessed in the light of changing world conditions.

The United States has committed itself to maintain military preparedness and to strengthen many free countries by loans, grants, and material and technical aid. The costs of the military and foreign aid programs already comprise about half our total federal expenditures; and the foreseeable future will bring further large demands. The effect of these demands is to subject our economic system to serious stresses. If we are to survive and discharge our international responsibilities, the basic conditions essential to a healthy, prosperous, and growing economy must be determined. Foreign and domestic demands must be carefully appraised and priorities among them established.

In this broad perspective the Committee has considered the three principal contemporary economic problems: first, the need to achieve

increased economic stability, both at home and abroad, with a satisfactorily high output and the highest possible level of constructive employment; second, the need to discover the determinants of industrial peace in order to reduce the individual and social losses involved in labor-management strife; and third, the need, now acute with large-scale concentration of economic power, for determining a proper balance between freedom for the individual firm or industry and government planning and control of economic activity. In addition, the problems of conserving our natural resources, of achieving practical equality of economic opportunity for the individual, and of raising the level of economic understanding among the citizens of the nation, have been considered worthy of special note.

How to achieve a greater degree of economic stability at a satisfactorily high level of output and employment is one of the major economic problems of our time. Despite the fact that our industrial economy is the most productive in history, it is still characterized by booms and depressions. Economic depressions not only cause human misery and waste but create social and political tensions which jeopardize democratic institutions throughout the world.

Advisers to the Committee repeatedly emphasized that, in view of the economic interdependence of nations, the United States could make one of its most important contributions to world stability and peace by preventing depressions and maintaining a reasonable degree of economic stability at home.

The maintenance of a relatively stable and strong economy within any country is closely related to the maintenance of healthy international economic relations. Since World War II the free countries of the world have found it impossible to carry on the balanced trading relationships essential to their economic welfare. Because they depend upon international trade for their survival, many nations find it difficult or impos-

sible to achieve domestic economic stability. The problem has become increasingly difficult as more and more countries have accepted varying degrees of national planning and control in their economic lives. Evidence of this problem is found in the plight of Western Europe, particularly of England, and in the world-wide "dollar shortage."

Considerable attention is currently focused, especially in the United States, on the problem of industrial relations. The lack of industrial peace continues to result in obvious and significant losses—diminished individual and business earnings, reduced output, public inconvenience, and social friction. Substantial progress in solving this problem requires a more complete knowledge of what constitutes effective organization and administration in business firms and unions, and a more complete understanding of human behavior.

The growth of our domestic economy and the distribution of its product are greatly affected by the decisions of management and labor. Private agreements between powerful unions and large firms carry important public consequences. Industrial strife itself directly affects the public; so, too, do the terms of agreement on wages, pensions, the conditions of employment, and organizational prerogatives. Price levels, purchasing power, rate of investment, attitudes toward technological change, mobility of the work force, and regularization of employment are in large part determined by the sum of such private agreements.

The fact that trade unions not only represent workers but also govern them is another matter of wide importance. The union, like every other organization, must maintain a responsible government within its own organization, while observing the rules of justice for the public and members alike.

The third principal economic problem concerns the need to determine a proper balance between freedom for the individual firm or industry and government planning and control in our contemporary mixed econ-

omy. The fundamental question involved is the conduct of our economic activities in a manner most effective for the whole society.

Advisers to the Committee pointed out the implications of large-scale concentration of economic control. The goals of a private enterprise system—reasonable economic stability and maximum output—are best achieved and the public interest best served when numerous business units are in free competition. The existence of many small-scale business units is an assumed condition of such free competition. The Committee noted, however, the trend toward markets characterized by a relatively few large sellers, toward increased product differentiation, toward generally increased concentration of economic power. Under these conditions the economic welfare of society becomes increasingly dependent upon the decisions of the relatively few who possess policy making power. Abuse of such concentrated power is possible.

As a counterpart of this increased concentration of economic power there has developed increased government "regulation" and "control" of economic activity. A number of issues are raised thereby. The present policy of the Government in its administration of the anti-trust laws raises questions as to whether bigness in business and the concentration of capital and economic power are inherently bad. Such issues emphasize the pressing need to determine objectively the answer to the broader question: in our present state of technological development, what concentrations of capital and power are required?

Another significant problem of our economy is posed by the rate of use of natural resources. As a result of wartime drains the need to conserve such resources has been brought into sharper focus. The problem has two significant aspects. First, we must determine how we should use what we have—how the needs of the present are to be balanced against the needs of the future. Careful use of existing resources concerns not only dwindling materials, such as oil, timber, and iron, but also the con-

servation and development of the soil, the rivers and streams, with their capacities for the production of food, energy, and goods. Second, we must consider the possible development of new sources of energy and of substitutes for depleted items.

Economic democracy is realized through a fluid and mobile social structure which permits maximum individual freedom of choice and action. This requires practical equality of opportunity for all individuals to pursue the vocation or profession of their choice, to change jobs, to move from place to place, and to advance in their chosen career according to their capabilities. This end can be served in two ways: first, by providing the most favorable possible climate for new small business units; and second, by enhancing individual opportunities in large business organizations. The latter includes the need to minimize the prejudice and discrimination which restrict the economic opportunities of members of minority groups; at few other points in our society is there a greater gap between professed principles and actual practice.

Every citizen should possess at least a fundamental knowledge of the economic institutions, problems, and issues in our contemporary industrial society. Economic questions underlie government policy, affect the daily existence of every citizen, and are world-wide in their implications. Yet the level of economic understanding among our citizens is low. Those with little or no economic understanding cannot judge intelligently the alternatives presented to them and may easily be swayed by propaganda and emotion. This represents an important problem when the world looks to the United States not only for goods and financial aid but also for economic leadership.

3. *Education in a Democratic Society*

It is impossible to conceive of a true democracy with restricted opportunities for education, or with educational institutions which are not

geared to the needs and goals of society as a whole. It has been said that "No society can long remain free unless its members are freemen, and men are not free where ignorance prevails."

The Committee has received from its advisers evidence of an unusual degree of dissatisfaction with the educational institutions and influences which now operate in our society. This evidence covered not only our formal educational system, but also the whole range of informal educational agencies, such as the home and the church, and especially the mass media which have become so influential—the newspaper, the inexpensive book, the magazine, the moving picture, the radio, and television.

In considering the functions of formal education, the Committee recognized that democratic objectives require three things of our educational system: first, that it apply in action the principle of equality of opportunity; second, that it train citizens and leaders capable of coping with society's problems; and, third, that it assist all men to employ their native capacities not only to make a living but to carry on satisfying and purposeful lives. In all three respects our educational system is thought to exhibit serious deficiencies.

In practice education should accord equal opportunity to all. This is not only a fundamental democratic principle; it is a prerequisite to the social mobility and fluidity which are basic to democracy. Without equal educational opportunity, equality of economic opportunity cannot exist. The effects of unequal opportunity in education are aggravated as industry, business, and the professions become more and more complex, requiring lengthier and more specialized training.

Prejudice and discrimination abridge the educational opportunities of the members of our minority groups. Persons of all races and colors do not have equal access to education. The advantages of education are also walled off behind economic barriers, which are even more prevalent though perhaps less publicized. Free tuition alone does not guarantee

all children a chance to attend primary and secondary schools. Some are barred by such things as the cost of books, clothing, and supplies; others must drop out because their families need the money they can earn when kept out of school. The poorer families, and those composed of members of our minority groups, are the ones which most urgently require educational opportunity to improve their economic and cultural status. Yet they are the very ones to whom these educational barriers are most real, and in consequence their cultural and economic inequalities tend automatically to be inherited.

The high cost of college and of higher education in general means that real equality of opportunity is far from being realized. The veterans' program following World War II temporarily lessened this inequality. Our colleges now face, however, a serious situation resulting from rapidly rising costs, the decreasing proportion of the national income going into higher education, and the decline in gifts and income from endowments. More and more of the financial burden is being thrust upon the student in the form of higher tuition fees. In consequence, higher education threatens to become increasingly the prerogative of the well-to-do. This trend is already evident in advanced education, especially in professional schools, and will become more pronounced unless suitable measures are taken to reverse it.

Permitting education to depend so largely on individual economic status presents grave dangers to democracy. We not only deny to millions of young people an equal chance to make the most of their native abilities; we also deprive society of a vast number of potential leaders and of citizens prepared to assume their adult responsibilities—personal, civic, and social. Without question one of the most important jobs of education today is to train well-balanced citizens and leaders able to participate intelligently and constructively in the society in which we live. Only through our schools can youth learn to interpret life's

problems as men face them, to acquire a sense of participating in a common culture, and to assimilate the knowledge needed to meet the demands of the contemporary world.

An important function of our schools which is largely disregarded is education for the adult population. Institutional thinking customarily interests itself less in adult education than in the education of youth—even to the extent of assuming that graduates will, in the remaining forty or fifty years of their lives, acquire by themselves all the further learning they will need. Experience shows this assumption is unfounded. Moreover, as many of society's most crucial decisions will be made in the years immediately ahead, we cannot with safety neglect the very people upon whom we must depend for the shaping of democracy's destiny.

The education of youth for balanced, productive, and socially useful lives must, of course, go forward immediately with all the energy at our command. The deficiencies are numerous; they will require our uninterrupted efforts if education is to sustain democratic modes of living.

Perhaps the greatest single shortcoming of our school system is its tendency to concern itself almost exclusively with the dissemination of information. Schools should be the most important influence outside of the home for the molding of whole persons. The function of the school is the broad training of mind and intellect. Yet individual purpose, character, and values, the bases of which are laid in the home, are often inadequately developed by the institutions which could, by precept and deeper teaching, assume a major share in supporting them most successfully. To concentrate on the absorption of information seems unrealistic when one realizes that students retain only a small portion of such information. Education must meet the needs of the human spirit. It must assist persons to achieve a satisfactory personal philosophy and sense of values, to acquire tastes for literature, music, and the arts, and to develop the ability to analyze problems and to arrive at conclusions on the basis of

rigorous thinking. Only thus will graduates of our schools and colleges attain the balance necessary to live integrated and purposeful lives.

If we are to train youth for effective citizenship, and particularly if we are to prepare those suited by interest and capabilities to assume roles of expertness and leadership, we must bring about a satisfactory relationship between general and special knowledge. While specialization is to be encouraged as a proven technique for the acquisition of knowledge and for its application in our complex society, we must strive to educate as many persons as possible to understand how specialized knowledges fit together for the constructive interests of society as a whole. This means more than graduating adequate numbers of specialists and generalists; it will require the development in both of an understanding of their relations one to the other and of the relations of both to society. We are today turning out too many specialists who lack a sense of the meaning of what they learn for our society as a whole.

This tendency is especially noticeable in graduate education, upon which we depend for so many leaders, and is particularly evident in our professional schools, because of their heavy vocational emphasis. These schools have failed to bring their teaching into full relation with human and social problems, and to give their graduates an understanding of the social implications of their work. In law schools, for example, which are a major source of our leaders in public life, there is a signal failure to broaden and adapt instruction to the realistic needs of democratic society; in medicine, our doctors tend to receive insufficient understanding of their relation to society as a whole.

Even in general or liberal education the tendency is to break the curriculum into fragments and to overspecialize in teaching. There is an excessive emphasis on scholasticism as an end in itself, and a notable failure to keep abreast of both social development and social needs. Thus the student lacks the knowledge, attitudes, and values needed to live well

and constructively in a complex free society, and to enable him to participate with breadth of understanding in the world community in which we live.

The training offered by our graduate schools has been justly criticized as too narrow and as too exclusively directed toward proficiency in research. Most young Ph.D.'s proceed immediately to relatively unspecialized teaching in undergraduate colleges. Here, at least in the first few years, their highly specialized training as graduate students often proves not only of little use but even a positive obstruction in teaching general subjects, in which the ability broadly to integrate and interpret knowledge is of basic importance. These facts present a problem for serious consideration.

Our educational system faces numerous other problems, such as the great shortage and often the poor quality of teaching personnel at the primary and secondary levels; the pressure of enrollment upon physical plant during the growth of the post-war school population; the apathy of parents and other citizen groups toward school requirements; the difficulties of obtaining adequate financing, particularly in regions of low economic potential; and the slowness with which schools adopt new procedures and aids for teaching. Many of these problems would remain substantial even if mitigated by federal aid or by other sources of financial assistance.

The functioning units in primary and secondary education are the thousands of local school boards and authorities throughout the nation. While to maintain our historic democracy in school affairs we must retain a high level of local autonomy in education, it is at the same time necessary to overcome the deficiences inherent in such a wide scattering of policy planning and administrative functions. How to attain coordination of the many local school systems, how to provide the planning and guidance they need for continuity of progress, and how to achieve a

basic unity of purpose among them — these are problems of extreme difficulty. How to solve these problems in the interests of society as a whole, and how to do so without at the same time undermining freedom of education itself, constitutes a problem of a still higher order in the application of democratic principles.

The Committee and its advisers paid considerable attention to the less-publicized types of education in our society which exist outside the schools. The formative and continuing influences of the home, the church, the school, college, and university have been profoundly modified by the enormous development of such mass media as the newspaper, the magazine, cheap books, the moving picture, radio, and television. The motives which lead to the development of these means of communication are primarily commercial, and the media themselves tend to neglect the constructive educational influences which they might exert. Because the effects of these media are so strong upon the individual and so pervasive from early childhood to the end of life, they present many major problems for society, as well as for the individual. Their potentialities for constructive use of leisure time are immediately apparent. The necessity to elevate these media to appropriate educational standards is a serious challenge, since democracy may survive and grow only as its people acquire sane, realistic values and develop high capacity to reason for themselves.

THE INDIVIDUAL IN A DEMOCRATIC SOCIETY

Throughout its work the Committee has attempted to analyze contemporary problems in terms of their effects upon the actual lives of individuals. Concerned with individual dignity and well-being, the Committee was necessarily disturbed by the extent to which our society fails in practice to achieve one basic democratic objective — the full development and use by each person of his inherent potentialities.

The Committee hardly needed the information, which came to it in vast quantities, of the maladjustment of millions of individuals, and of the resulting personal and social problems. Thoughtful observers everywhere were troubled by a seeming lack of purpose or conviction in many aspects of our national life—in our work, in our civic interests, and in our leisure. They expressed concern for our future, since only men with a clear view of the goals toward which they are moving can adapt themselves and their society wisely and well to life's changing conditions.

No census can show how many persons in our society labor under the disabling effect of inadequate emotional adjustment. The estimates vary widely; some authorities regard emotional maladjustment as the most characteristic and widespread ill of our civilization. In a small percentage of instances this maladjustment takes the form of violent social disorders such as crime, delinquency, and insanity. In the great majority of cases it is revealed in illness, in unstable family life, in erratic and unproductive work habits, and in inability to participate effectively in community life. This maladjustment makes people unable to have satisfactory relations with their fellows, unwilling to cooperate adequately, and unable to compete successfully.

Lack of satisfactory adjustment manifests itself significantly in the use which many persons make of leisure time. Shortened hours of work, earlier retirement, and the medical advances which have increased life expectancy have all made great increases in leisure time. Yet many persons appear unable to find constructive uses for their nonworking hours. Those who have retired are frequently unable to employ their time in ways productive of personal satisfaction or social gain. While leisure time resulting from reduced working hours and earlier retirement is universally desired, its unintelligent use contributes significantly to personal and social maladjustments.

Our advisers recognized the importance of the fact that our entire

social structure is undergoing profound change. We are now well along on the transition from a rural, agricultural, and relatively simple society to one which is urban, industrial, and highly complex. The pace of social developments has been hastened by the extraordinary speed and range of economic growth and by the impact of two wars. The slowness of people to adjust themselves to such vast and rapid changes is of considerable significance. In such a period of change dislocations and breakdowns occur, with resulting political, economic, and social unrest. And at various points during the transition basic political and moral principles are subjected to re-examination and challenge.

The continuing movement of the great majority of our population to cities has undoubtedly contributed to the spread of personal maladjustment. It has created situations of great complexity in many aspects of life, including housing, living conditions, schools, transportation, and opportunities for employment. These characteristics of urbanism have significant social and psychological implications, with a powerful impact on health, happiness, and personal adjustment. The extent to which they contribute to personal instability and to the disintegration of the family is difficult to ascertain.

To the degree that industry and commerce require urban concentration, many conditions affecting the health and happiness of the family may be basically unalterable. If this is so, however, it only emphasizes the need of the family and the community to develop new habits, procedures, and relationships to replace those outmoded by social change.

The problem of personal adjustment is probably also affected by the nature of the jobs which must be done in a mass-production economy. Many psychologists state that human beings possess a fundamental need to feel the significance of their daily work by close identification with its end result. When individuals create an entire product with their own hands or tools this identification exists. As clerical and mechanical tasks

have become more and more specialized, as machines have taken over more and more of the functions formerly done by brain or hand, this occupational satisfaction and sense of identification with the end result of one's effort has decreased. While mass-production techniques obviously cannot be abandoned, the problem remains of developing new sources of satisfactions to replace those lost through change.

Social unrest and tensions between different groups in our society are both a cause and a result of individual maladjustment. A democratic society, and all its individual members, suffers if its general unity is insufficient to counteract the hostilities and aggressions among its component groups.

Democracy accepts the fact of conflicting interests and even encourages the positive expression of divergent views, aims, and values. Democratic theory assumes, however, that conflicts can be resolved or accommodated by nonviolent means, and that discrimination and hostility between various groups on the basis of race, national origin, or religion can be kept below the point where the basic well-being of society is threatened. In a most realistic and practical manner, intergroup hostilities weaken our democratic strength by dissipating important resources of energy in internal conflicts, and by swelling the ranks of malcontents who constitute the seed bed for undemocratic ideologies.

Beyond the necessity to reduce social unrest and individual maladjustment, there is an even greater need to provide positive opportunity for the development by individuals of their full potentialities. The mere absence of maladjustment can never be the ultimate goal of democratic peoples. By whatever means can be discovered, creative functioning in all aspects of individual and social living must be encouraged.

Considerations such as these lead to the conclusion that man now stands uncertain and confused at a critical point in world history. He must choose between two opposed courses. One is democratic, dedicated to the freedom and dignity of the individual, as an end in himself. The other, the antithesis of democracy, is authoritarian, wherein freedom and justice do not exist, and human rights and truth are wholly subordinated to the state.

The democratic course is the choice of the peoples in free countries of the world, and perhaps the hope of tens of millions who are now citizens of totalitarian states. But the making of the choice is not a single, simple act of selection; it is a way of total living, and to choose it means to choose it again and again, today and tomorrow, and continuously and forever to reaffirm it in every act of life. The great problem of this and succeeding generations is to be fully aware of the meaning of the alternatives, so that each choice is rationally made with full awareness of its consequences. Only thus can we know how to make the successive decisions essential to the realization of democratic goals.

At the cross-roads we face two great and interrelated needs of our time. The first is the establishment of a permanent peace which, at least in free countries of the world, will assure the ever-increasing realization of democratic ideals. Violence between nations would now be catastrophic and must be avoided at any cost short of the sacrifice of our democratic principles and the violation of the very rights of humanity which are at stake. The second is the achievement here at home, in accordance with democratic principles, of internal strength, stability, and vitality in our political, social, and economic institutions, and in our people themselves. Unless the latter need is met, faith in democratic principles both here and abroad may die, and there is serious doubt that lasting peace and the full achievement of democratic objectives can be attained.

In the light of the first need we are vitally concerned with lessening

international tensions, with discovering ways to attack the causes of conflict, with strengthening the will and resources of democratic peoples everywhere, and with improving the machinery of international action and cooperation.

The second need makes us concerned equally and immediately with the imperfections of our own democracy and with the obstacles which impede its stronger development—with the deficiencies of our governmental, economic, and educational institutions and with the increasing necessity for all to conform more closely to democratic principles.

To work toward these supreme objectives means attacking many subsidiary problems: the need for government to be more truly responsible to the people, to be more efficient, and at the same time to be grounded more firmly in the active participation of its citizens; the need to achieve a relatively stable and more healthy economic system with greater opportunity for personal initiative, advancement, and individual satisfactions; the need to develop more able and public-spirited leaders in all fields of responsibility and endeavor; the need to improve our educational system for the better development of such leaders and for the preparation of men and women everywhere for the increasing tasks of citizenship and for the conduct of more purposeful and better-rounded lives; and the great need which underlies all these problems—to acquire more knowledge of man, and of the ways in which men can learn to live together in peace in a complex, conflicting, and ever-changing world.

CHAPTER III

FIVE PROGRAM AREAS FOR THE ADVANCEMENT OF HUMAN WELFARE

INTRODUCTION

WHAT should The Ford Foundation do concerning today's problems of human welfare? In what areas and in what ways can it contribute most to the increased realization of democratic goals, and thus to the advance of human welfare?

In the Committee's opinion the most important problems of human welfare now lie in the realm of democratic society, in man's relation to man, in human relations and social organization. Even the largest of foundations, however, could not support simultaneous attacks upon all the important problems embraced in this area; careful choice is obviously necessary.

In selecting the programs which follow, the Committee has been influenced by a number of considerations. Since The Ford Foundation does not have sufficient resources to undertake the solution or alleviation of all problems, it should concentrate strategically upon those areas showing maximum promise of progress, including the relief or elimination of significant factors which tend to block it. The less risky, though often more expensive, task of following up any break-through would be left to others. By proceeding in this manner the Foundation can remain sufficiently flexible to redirect its operations to strategic attack upon still other important problems as conditions change and circumstances warrant.

From this viewpoint the Committee faced the task of selecting from many important problems the ones which should, in its opinion, receive prior attention. For maximum effectiveness the Committee sought problems common to a number of areas of human welfare, so that the solution of one problem would contribute to the solution of others.

The Committee found it necessary to consider the relative urgency of problems. Almost any problem can be attacked by efforts to solve it quickly and directly, with perhaps only temporary success, or by more basic work requiring greater time and effort but leading, at least in some cases, to more permanent results. A problem's urgency is therefore an important guide in determining whether to attack it on a short-range or a long-range basis.

In analyzing the problems of human welfare in the light of these considerations, the Committee reached several conclusions. First, that the exigencies of the world crisis and of present political and economic problems require immediate attention. Program Areas One, Two, and Three are directed toward the establishment of peace, the strengthening of democracy, and the strengthening of the domestic and world economy. While efforts in these areas will also involve long-range work, they are directed in large measure toward immediate objectives.

More basic and long-range efforts are needed, however, for more lasting contributions toward these goals. No enduring solution of many present crucial problems can be achieved until we remove the deficiencies resulting from the acute shortage of leaders throughout our society, and until we can reduce the alarming prevalence of public apathy, ignorance, and irresponsibility. This requires a broad strengthening of our educational system. Program Area Four is directed primarily to that end: to the improvement of education in order that we may have an increasing supply of qualified leaders and a more alert and enlightened public.

The evidence of individual and group unrest, dissatisfaction, and con-

flict suggests, however, that education is no cure-all. The Committee has concluded that permanent progress toward the solution of most of the problems heretofore discussed—from war to individual adjustment—requires a better understanding of man himself. Every one of these problems ultimately involves man and his conduct and relations with other men. Efforts to increase such understanding must be intensified. Program Area Five has this as its purpose: to learn more about man, what he needs and wants, what incentives are necessary to his productive and socially useful life, what factors influence his development and behavior, how he learns and communicates with other persons, and, finally, what prevents him from living at peace with himself and his fellowmen.

The Committee noted that this time range of possible programs corresponds in some degree, though not completely, with the three general approaches to problem solution which a foundation may sponsor—research, education, and application. Research, involving the search for new knowledge, may provide the most basic solutions but it generally requires much time; education, including academic preparation and all types of dissemination of information, tends also to be lengthy but may produce results more quickly than research; while application, which focuses existing knowledge directly upon problems, may be expected to produce results at shorter range.

The five program areas recommended below are not therefore completely distinct in method or unrelated in content. On the contrary, they were chosen with regard to their interrelation and with full confidence that progress in any one would contribute to success in the others. In fact, the Committee believes that substantial progress in each depends heavily upon some success in all the others. Further, activity in no one of these program areas is restricted entirely to one approach; each of them in fact involves in varying degrees the principal approaches of established effectiveness: research, education, and application.

PROGRAM AREA ONE:
THE ESTABLISHMENT OF PEACE

THE FORD FOUNDATION SHOULD SUPPORT ACTIVITIES THAT PROMISE SIGNIFICANT CONTRIBUTIONS TO WORLD PEACE AND THE ESTABLISHMENT OF A WORLD ORDER OF LAW AND JUSTICE.

The Foundation should support activities directed toward:

A. *The mitigation of tensions which now threaten world peace.*

B. *The development among the peoples of the world of the understanding and conditions essential to permanent peace.*

C. *The improvement and strengthening of the United Nations and its associated international agencies.*

D. *The improvement of the structure and procedures by which the United States Government, and private groups in the United States, participate in world affairs.*

IN THE opinion of the Committee and its advisers the transcendent importance of preventing war and preserving peace requires that The Ford Foundation support immediate efforts toward this end.

The Committee's earnest desire to discover ways to minimize the probability of war is balanced by the sober realization that effective action toward this end is extremely difficult. The primary responsibility for coping with the problems of war rests in the hands of national governments and the United Nations. In no way can a private foundation take an official part in diplomacy or international affairs. Nor is the Com-

mittee unaware of the relative insignificance of the resources which The Ford Foundation might devote to this task, in comparison with the substantial sums expended by other foundations and private agencies, to say nothing of the billions of dollars spent by government.

NEED FOR PROMPT ACTION

A realistic appraisal of the international situation nevertheless leads, in the Committee's opinion, to the conclusion that time is short and that effort supported by the Foundation, if it is to lessen the likelihood of war, probably must have its effect by 1955. The world crisis, intensified by the atomic arms race, is of the first urgency. In terms of the United Nations as an organization, one thing is clear: by 1955, the year in which the Charter of the United Nations automatically comes up for review, the world will have profound evidence as to whether the United Nations will ultimately become an instrumentality capable of maintaining world peace.

This Committee believes that activities supported by the Foundation must, to be effective in the immediate future, have a prompt impact upon the policies of national governments or the United Nations—either directly through responsible officials or indirectly through the effect of an informed and interested public opinion. Such an impact may be achieved by aiding in the formulation of policies, by assistance in improving the procedures by which they are planned and carried out, or by help toward developing public understanding of the issues and their significance.

The bases of enduring peace cannot, of course, be constructed within a few years. We shall indeed be fortunate if in our lifetime we make substantial progress toward lasting peace between nations. Small beginnings on this long-range task must, however, be undertaken now;

for if war is averted in the months ahead, we will still face the endless task of building a permanent world order of law and justice.

Program Area One is therefore based upon the premise that the avoidance of war is, in the state of the world today, the greatest single contribution to lasting peace. Recognizing the urgency of conditions which might precipitate conflict and the great need to strengthen the structure of international organization, the program area is focused on activities and projects of immediate effectiveness.

POSSIBLE FOUNDATION CONTRIBUTION

The Committee believes that there are significant opportunities for The Ford Foundation to support endeavors which will have an impact upon national or United Nations policies or procedures. This support may be tendered in two ways. First, by giving direct assistance on request to those responsible for the formulation or execution of policy—research to develop facts, analyses of the issue at hand, or advice from expert consultants interpreting such data. Second, assistance to responsible officials may be given indirectly, by helping create the public awareness and understanding necessary for the execution of policy in a democratic system. To do this, the facts must be gathered, interpreted, and made public.

Opportunities to serve in these ways must inevitably change rapidly, and the feasibility of a particular undertaking at any given time will depend upon factors not now foreseeable: upon international conditions, upon the nature of specific projects welcomed by national governments or the United Nations, and upon the availability of men with the capabilities and prestige required for the job. Perhaps more than in any other program area, specific recommendations regarding what the Foundation can and should do must therefore be made by its officers and staff.

1. *Direct Aids to Policy Makers*

The United States and the United Nations have large staffs to provide the data required for the formulation of policy. Nevertheless, a comparatively small amount of help from private agencies may greatly increase the effectiveness of policy formulation and furnish independent information and advice by which policies may be checked and evaluated. This, of course, is no new observation. Government has always relied on the services of universities, private research institutions, and the press to provide a part of the information it requires for policy decisions. The Department of State, for example, with all its widespread network of facilities for collecting information abroad, has always been eager to have the supplementary information and criticism of independent students and observers.

The national Government and its agencies are handicapped in some ways by the nature of their position, as, for example, in obtaining reliable information from abroad. Data secured exclusively through official channels involve the danger of arousing the reactions that inevitably follow official inquiries, and the equal danger of getting information which is not wholly free from bias. Inquiries from private sources can often avoid these dangers. Moreover, domestic political considerations sometimes hamper efforts to get necessary data. The executive branch, for example, must guard against investigations which the legislature may regard as infringing on its prerogatives. Nongovernmental efforts are relatively free from such limitations.

Furthermore, the United States urgently needs to coordinate its entire foreign policy, which in practice means coordinating a great variety of official agencies. This involves problems of organization and procedure which are often difficult to study in an official setting, because the officials themselves, as well as their powers and jurisdictions, are involved. The

Congress and many of its major committees, the President and his Executive Office, all executive departments, and most of the independent agencies and regulatory commissions play various roles in international political and economic affairs. Many obstacles block the exchange of information among these bodies on any given issue; even to assemble pertinent information about the procedural and organizational problems involved is difficult, since each agency is sensitive about its jurisdictional privileges. The Executive Office of the President may study the organizational problems within the executive branch, but even this office experiences great difficulty in coping with certain problems of fundamental importance, such as determining how the executive branch can best work with the two houses of Congress and their major committees.

In many other situations our Government or the United Nations may welcome impartial and expert aid in the formulation of policy. Certain problems are of such fundamental nature that official agencies often find it difficult to achieve the objectivity necessary to arrive by themselves at definitive conclusions. Like all human endeavor, statecraft is fallible, and there is need for independent and objective analyses of important problems, regardless of whether the results agree with or differ from existing or proposed official policy.

Further, the officials of the United States and the United Nations operate under tremendous pressure of responsibility for daily decisions on current issues. They do not always have time to analyze long-range problems or to anticipate them in advance, and their personnel systems are occasionally not flexible enough to provide the experts needed for temporary purposes.

A number of critically important questions, the independent study and analysis of which would greatly assist the United States Government, arise in connection with the strength of the United Nations in the area of security. Is it advisable that the United Nations be given the enforce-

ment machinery provided for in Article 43 of the Charter, including the armed forces necessary to maintain international peace and security? Should efforts be made to establish a system for the regulation of armaments, as provided in Article 26? What is the relation of international control of atomic energy to the attainment of world security? Are amendments of the United Nations Charter necessary to general security arrangements? What is the relation of the veto to such security arrangements? Do such arrangements require an additional transfer of sovereignty to the United Nations, and to what extent is such a transfer feasible?

The Government faces similar difficulties in the question of channeling foreign policy through the United Nations. What relation should E.C.A., the North Atlantic Pact, and military aid to Western Europe bear to the United Nations, and to what degree and in what manner should their activities and those of other departments and agencies be conducted through the United Nations?

Examples of other urgent problems with similar foreign or domestic implications include: the policy of the United States in the event of Soviet withdrawal from the United Nations; the attitude of Congress toward the United Nations; and the need for general review of the United Nations Charter, and the whole system of international organizations including the United Nations, with respect to fundamental structure and their ability to do their jobs.

The United Nations operates under limitations similar to those affecting the United States Government. The U. N. would, for example, experience difficulties in single-handedly formulating policy with respect to such matters as the adequacy of the information and public relations program of the United Nations, the proper power and discretion of the Secretariat, or the relationship between the United Nations and other official international or regional organizations.

In sum, foundation-supported activities can, where such private aid

is proper and officially welcomed, provide important supplemental assistance to our Government or to the United Nations in the formulation and execution of policy. A foundation's private and independent status enables it effectively to support efforts which government might not properly or adequately undertake alone. A foundation can support studies and analyses by special committees, individuals, or research institutes where official agencies are hampered by foreign or domestic political considerations or by the appearance of self-interest. It can assist in the analysis of fundamental issues or policies where our Government or the United Nations may lack objectivity, talents, or time. It can, in appropriate situations, make available to the State Department or to the United Nations expert knowledge and judgment on important subjects. And it is relatively free to look ahead and attempt to anticipate problems upon which independent advance thought and study are of considerable importance for the adequate formulation of policy.

2. *Policy and Public Understanding*

Our Government and the United Nations cannot effectively formulate or execute policy in international affairs without public understanding and support. While in some instances such understanding and support are automatically shaped by events, or created by the President, the State Department, or Congress, in numerous situations independent aid can be of significant supplemental value. This is particularly true where policy is initiated by the executive but is subject to later Congressional action, either in the form of appropriations or ratification.

Obvious limitations surround executive efforts to achieve wide public understanding of policies requiring legislative approval. Furthermore, official policy will generally be the better as a result of criticism by responsible and objective private groups and institutions and, when adjudged sound by them, such policy will have a better chance of public support.

Independent and nonpartisan efforts to secure the relevant facts and judgments and to make them widely available to officials, to interested groups, to the press, and to the electorate at large can thus render important assistance. This does not imply that a foundation should sponsor or support activities designed to propagandize the views of the State Department or any other agency or group. Quite the contrary, it must at all times preserve impartiality and objectivity in its activities, and if the results of undeniably expert and objective analyses are contrary to or critical of existing policy, their wide dissemination is perhaps even more important.

Foundation success in this field may at times require activities in public education long in advance of official policy formulation. In fact, a foundation can make a most significant contribution by anticipating critical issues and by stimulating awareness and understanding of them in advance of governmental action. Government is greatly hampered when public understanding lags behind the realistic requirements of international policy formulation.

Further discussion of agencies or mechanisms whereby such aids to policy makers and to the public understanding of policy might be provided is contained in Program Area Two and in Chapter IV.

THE UNITED NATIONS AND THE MAINTENANCE OF PEACE

The Committee and its advisers believe that the maintenance of peace depends in large part upon the willingness and ability of nations to improve and strengthen the United Nations to the point where that organization becomes, in fact, the structure of a world order of law and justice. As a nation we have placed our faith in the United Nations as the instrument for this purpose.

Before this goal can be fully achieved many problems must be solved

within the framework of the United Nations—problems which in their sweep and complexity seem almost overwhelming. In the course of this series of great tasks, many traditional concepts, such as that of sovereignty, will be subject to scrutiny and redefinition. The answers to the multitudinous problems which today stand between the United Nations and the full realization of its purposes will, in the final analysis, depend upon the supporting attitudes and policies of its member nations. The United States must therefore stand prepared to meet these problems, and their impact upon our interests, policies, and security, with vision and courage equal to the troubled times in which we live. The years immediately ahead are crucial, for upon the wisdom of decisions to be made within this period may hang the world's hopes for peace.

LONGER-RANGE EFFORTS

In stressing the primary importance of efforts which will have an impact upon official policies prior to 1955, the Committee is aware that many of these efforts, such as those designed to strengthen the United Nations, will— if successful—have effects lasting many years.

The Foundation's resources are limited; it cannot diffuse its efforts. It will be besieged with requests for the support of long-range projects directed toward peace, many of which relate to the four objectives of this program. The uncertainties of the future are such that the Study Committee does not recommend support for activities whose results will not be felt until after 1955, except in certain limited areas. These areas concern the education and training of persons for high level policy making in international affairs, plans for aid to underdeveloped areas of the world, and measures to increase international understanding and open the channels of world communication.

The conduct of international affairs requires men and women of the

highest competence and intellectual stature. Notwithstanding the gravity of the world situation, government is unable to find, attract, and hold either the quality or number of persons required. While the Committee fully recognizes this urgent need, it is also conscious of the fact that significant results cannot be achieved within the space of a few years. But it does believe that efforts toward this end must commence now.

The Committee further believes that the need to develop better leaders at high levels is equally as great in domestic as in international affairs, and that the processes for developing such leaders are the same in both spheres. General procedures whereby we may hope better to locate, train, and use persons of potential competence and stature are discussed in Program Area Four on education.

The Committee is aware of the great difficulties and complexities involved in efforts directed toward the improvement of the underdeveloped areas of the world and toward the increase of international communication and understanding. Despite its belief that foundation activity in these areas is unlikely to produce extensive results in the immediate future, the Committee believes that, because of their fundamental importance to permanent peace, the Foundation should explore the potentialities of efforts in these fields at an early date. Such explorations must be made in careful conjunction with private agencies and with the agencies of the United States and the United Nations working in these areas, and in the light of the rapidly changing international situation.

PROGRAM AREA TWO:

THE STRENGTHENING OF DEMOCRACY

THE FORD FOUNDATION SHOULD SUPPORT ACTIVITIES DESIGNED TO SECURE GREATER ALLEGIANCE TO THE BASIC PRINCIPLES OF FREEDOM AND DEMOCRACY IN THE SOLUTION OF THE INSISTENT PROBLEMS OF AN EVER-CHANGING SOCIETY.

The Foundation should support activities directed toward:

A. *The elimination of restrictions on freedom of thought, inquiry, and expression in the United States, and the development of policies and procedures best adapted to protect these rights in the face of persistent international tension.*

B. *The maintenance of democratic control over concentrations of public and private power, while at the same time preserving freedom for scientific and technological endeavor, economic initiative, and cultural development.*

C. *The strengthening of the political processes through which public officers are chosen and policies determined, and the improvement of the organizations and administrative procedures by which governmental affairs are conducted.*

D. *The strengthening of the organization and procedures involved in the adjudication of private rights and the interpretation and enforcement of law.*

THE four objectives of this program are directed toward the fuller development of democracy — the fostering and extension of the principles of freedom of expression and endeavor and the strengthening of the processes by which a democratic society controls its destiny and expresses in fullest degree the will of the people.

The relation between this and the other recommended program areas will immediately be noted. Program Area One deals with the conditions of peace essential to democratic progress. Program Area Three is concerned with the economic bases of democracy, Program Area Four with its educational foundations, and Program Area Five with the conditions of personal life requisite for democratic self-realization. Program Area Two encompasses the large area lying between the first and the last three. It includes all basic aspects of freedom of inquiry and activity, whether in government, in other social organizations, or in personal life. It concerns power of all kinds, both governmental and nongovernmental, and the problem of shaping such power toward the realization of democratic goals. It thus embraces the civil liberties and rights of all persons, and political and governmental processes from individual participation at the polls through the enactment of laws to their administration and enforcement by the executive and their interpretation by the judiciary. Its focus lies primarily on our social and political organizations and institutions and on the vast number of informal groups which are an inseparable part of the fabric of democracy.

NATURE OF PROBLEMS

The problems toward which the objectives of this program area point fall into two classes.

The first covers those in which the meaning of democracy is not clear, for either of two reasons: the principles themselves may not be ade-

quately defined or understood; or, although clearly expressed in general terms, the meaning or implications of the principles in particular situations may not be apparent or appreciated.

The second class is one in which the democratic principle involved is clear and accepted but the means of solving the problem are unknown or inadequately understood.

NEED TO CLARIFY THE MEANING OF DEMOCRACY

1. *Definition of Democracy*

Adherence to the basic principles of freedom and democracy is impossible if the principles themselves are not clearly defined or widely understood. Understanding cannot be confined to political philosophers and a limited few. Effective adherence can be realized only when this understanding is widespread and when it is in such practical form that it may be applied by governmental policy makers, legislators, jurists, educators, businessmen, labor leaders, and the public at large. The value of democratic principles must be measured by the extent of adherence to them, and such adherence is adequate only if it pervades the total of our political, economic, and social actions.

As the Study progressed the Committee and its advisers found that to a vast number of sincere and loyal Americans the principles of democracy are merely a collection of clichés, serving chiefly as reminders of historical events and social conditions of the past. At the same time the Committee was impressed with the struggle of thoughtful and informed persons to find a meaningful, contemporary, and usable definition of democracy. Without such a definition millions of Americans remain confused in their analyses of crucial problems. Consequently national policies may often be erratic and conflicting, and many avoidable dangers to our internal strength can be the products of our own creation.

The attitudes and actions of Americans sometimes seem incomprehensible to our friends and allies abroad, who speak of their confusion at the disparity between the words and deeds of our democracy. To supply them with examples of democratic philosophy at work may in the long run prove to be the most important part of our logistics in the ideological war. This can be accomplished only if we ourselves understand the basic principles of freedom and democracy and interpret them through sustained, consistent demonstration.

2. *Democracy's Meaning in Particular Situations*

An adequate definition of democracy will encompass not only its principles, representing the agreed basic goals of our people, but the countless number of written rules and laws and unwritten habits of thought and action which comprise the code by which we live. As conditions change, situations occur which are not fully covered by the existing code. Before its rules can be modified or new rules devised, a period of confusion and doubt, and not infrequently controversy or conflict, may ensue.

In our complex society the rules of conduct have become so numerous that it is difficult to devise new ones without violating the old. This difficulty is immeasurably heightened in those instances in which modern problems raise seeming contradictions between basic democratic principles—such as between the principle of freedom and the principle of equality of opportunity. The task of modernizing the rules therefore becomes ever more complex, even as the need grows more urgent. The swift pace of social invention creates a backlog of situations which require that the democratic rules be modified. This area of confusion, in which we operate on these new problems without the clarity and force of a new democratic code, constitutes democracy's ideological frontier.

This frontier has been continuously moving since the founding of

our country. All basic democratic concepts must expand by interpretation to embrace new situations and to resolve the social issues which arise out of changing conditions. For example, the principles of individual freedom and self-government have moved past the issues of slavery and universal suffrage to such current frontiers as the political participation of racial minorities.

Current newspaper headlines indicate some important areas along this frontier. One such area is in the region of freedom of thought, inquiry, and expression. As has been noted in Chapter II, this freedom is being challenged as a result of the emotions aroused by current international tensions. Specifically, the problems of this frontier concern such urgent matters as those of security and national defense, the related problems of the military sponsorship of academic research and military interpretation of secrecy regulations, certain aspects of "un-American activities" investigations, and the conditions imposed on Government employment and Government-financed fellowships. Increasing concern is widely expressed over the implications for democracy of policies and practices now being followed. What seem to be required are objective, comprehensive inquiries and analyses—nongovernmental and nonpartisan in character — to draw more reliable conclusions and propose more constructive recommendations. An independently sponsored survey might be the first step to a broader public understanding of these issues and their implications. Without such analysis and understanding there is a great danger that we may unintentionally compromise basic aspects of democracy. We may even undermine security by imposing unnecessary restrictions upon that freedom of action and inquiry recognized as essential to social and scientific strength.

A technique which might be used toward this general purpose is the employment of special committees of public inquiry composed of persons of knowledge, objective judgment, and prestige. Such groups could define

the issues, illuminate the points of impact, and propose important remedial action in situations where the meaning of democracy is not apparent or widely understood. They could alert the citizenry through raising the level of public understanding, and through encouraging, where necessary, appropriate action by government and other interested groups. If the findings of such groups are to be kept from the dusty shelves of inaction, programs of public education must be encouraged, employing on a wide scale and in sustained fashion the many effective media of modern communication.

Successful efforts along democracy's frontier may on occasion take the Foundation into controversial areas. This should offer no deterrent; tradition has fortunately established the definite propriety of foundation operation in such fields. In fact, in just such areas the objectivity of a foundation can contribute most to social progress. A foundation may enter controversial areas boldly and with courage as long as it maintains a nonpartisan and nonpolitical attitude and aids only those persons and agencies motivated by unselfish concern for the public good.

MEETING DEMOCRACY'S REQUIREMENTS

In the second general type of problem the meaning of democracy is clear, and the problems which must be solved concern the application of certain of democracy's accepted principles. For the most part these problems lie in the area of our political processes—from public opinion and voting through the selection of legislative and executive officials to the formulation and administration of policy. In Chapter II it was observed that the processes of self-government, which are designed to keep political power responsive to the people and to express their will in action, are seriously affected by public apathy, by lack of citizen participation in government and civic affairs, and by defective governmental

machinery. While these problems are widely recognized, knowledge of their causes and cure is inadequate. It is evident, however, that solutions will often require multiple approaches. Research, for example, will be required to analyze public apathy in order to understand its causes and the ways in which it may be lessened. In all such areas the use of special commissions of public inquiry may prove helpful in achieving the public understanding necessary for sound action.

Under modern conditions the spread of knowledge frequently requires something more than the spoken word. The American public, after long experience with conflicting statements and appeals from the users of mass communications media, has acquired considerable skepticism and tends to want proof. This frequently makes it necessary that research and other groups demonstrate the usefulness of their conclusions by pilot applications to situations in real life. Many now-accepted public health procedures, for example, originally required such demonstrations to bring about acceptance. Such experiments, while sometimes difficult and expensive, are often catalytic in effect, producing widespread emulation. The Foundation may find it necessary to support such demonstration projects.

An example of a demonstration project in such problems as public apathy might be afforded by the "community workshop" in which scientists or educators act as social engineers, in communities of manageable size, to stimulate and mobilize an interest in public affairs. This approach differs from the more common type of community campaign, which usually asks assistance toward particular objectives. Instead, the goals of a workshop are more general; it may seek to encourage people to become better informed about, and to participate in, the solution of the different types of problems they share. Such programs are based on systematic surveys and analyses of local problems and conditions.

An important contribution might be made by supporting experi-

mental workshops in combination with research projects. The latter might attempt to measure the extent to which public apathy is reduced, or the resulting extent of improvement in local affairs. Emphasis in research should also be placed on the efficiency of the techniques used, in order that such workshop projects may be installed in other communities more easily and effectively.

Furthermore, the Foundation can render the same assistance to governmental operations in the domestic sphere as in international matters. It can supply direct aids in forming and executing policy, and in stimulating greater public understanding and support; and it can supply valuable assistance through expert consultants whose special knowledge or experience would not otherwise be available.

Finally, there is fundamental need, as previously set forth, for more and better qualified persons at high policy levels, both elective and appointive, in government. Insofar as the solution of this problem requires changes and improvements in our educational system, it is discussed in Program Area Four. In addition, alteration in the fundamental conditions of government employment to make public service more attractive seems indispensable. If the Foundation could help raise the prestige of government service for either elective or appointive positions it would make a contribution of great value to peace, to our internal strength, and to the solution of all social problems which will henceforth confront the United States.

PROGRAM AREA THREE:

THE STRENGTHENING OF THE ECONOMY

THE FORD FOUNDATION SHOULD SUPPORT ACTIVITIES DESIGNED TO ADVANCE THE ECONOMIC WELL-BEING OF PEOPLE EVERYWHERE AND TO IMPROVE ECONOMIC INSTITUTIONS FOR THE BETTER REALIZATION OF DEMOCRATIC GOALS.

The Foundation should support activities directed toward:

A. *The achievement of a growing economy characterized by high output, the highest possible level of constructive employment, and a minimum of destructive instability.*

B. *The achievement of a greater degree of equality of economic opportunity for individuals.*

C. *The improvement of the structure, procedures, and administration of our economic organizations: business firms, industries, labor unions, and others.*

D. *The achievement of more satisfactory labor-management relations.*

E. *The attainment of that balance between freedom and control in our economic life which will most effectively serve the well-being of our entire society.*

F. *The improvement of the standard of living and the economic status of peoples throughout the world.*

G. *Raising the level of economic understanding of the citizens of the nation.*

As was emphasized in Chapter II, a strong economy is essential not only for the welfare of this country but also for the well-being of peoples throughout the world. Depressions which bring unemployment, waste, and suffering at home also undermine the world economy.

The economic and political rehabilitation of the free countries of the world, and their ability to withstand totalitarian pressures, depend heavily upon the strength and stability of the American economy.

The seven objectives of this program area are directed toward the recognized major problems of our economy. Work toward these objectives by numerous individuals and organizations has been in progress for many years. Several smaller foundations concentrate heavily on economic projects, and both government and industry annually expend impressive sums on economic research. Government and industrial support understandably tends to be directed toward the solution of specific problems. There is comparatively little need for additional support of short-term, applied research; there is significant need for foundation support of (1) the development and testing of economic theory; (2) efforts to make more effective use of economic knowledge by bringing it directly to bear on policy making; and (3) efforts to disseminate economic knowledge more widely.

TRENDS IN ECONOMIC THOUGHT AND PRACTICE

Economics is not like the fields of science in which hypotheses are concretely tested by experimental application to physical materials. In many instances theories which are highly plausible or which conveniently serve the interests of particular groups have had long acceptance without adequate efforts to verify them in real-life situations. Dominant "schools" of economic thought have from time to time constructed overall "systems" through the use of convenient but unrealistic abstractions,

such as "other things being equal" or the fiction of the "economic man," and these systems have subsequently been adopted uncritically and consequently misapplied by economists and the lay public. Classical economic theory, for example, was developed long before the enormous expansion of government in economic life, before the technological developments which have led to increased concentration of economic control, and before organized labor acquired its important position in our economic structure. Yet such classical theory is still cited by certain groups in sweeping fashion as final authority for the particular economic policies they favor, even though the entire context of the questions now at issue differs radically from that existing when the theory was devised more than a century ago.

Several trends in economic thinking suggest hope for a greater future contribution to economic well-being. Of first importance is the expression of willingness by leading economists to reinvestigate basic theories, to subject these theories to the acid test of verification, and, where evidence is lacking, to get it at original sources.

A further sign of progress in economic thought is found in the growing recognition that man's economic behavior is only a part of his total behavior, and that it cannot be abstracted and studied in isolation. Increasing attention is being directed to economic choices — decisions to buy, to work, to invest — as simply one part of the entire range of human choices and decisions, subject as much to nonlogical factors as any other human conduct. Certain fields, such as psychology and sociology, and the new methods and approaches utilized in them, are now seen to apply to the conduct of economic research.

Another trend in the field of economics which appears fruitful is the recent growth of a practice of economics. Economists are now heavily relied upon by business, labor, and various branches of government and are represented at high policy levels by such bodies as the Council of

Economic Advisers to the President. The increasing use of economists in practice should help bring together the development of theory and the solution of specific problems.

Still another hope for progress lies in the development of techniques, such as sampling, which make possible additional testing of economic theories. Unlike the natural sciences, theories in economics cannot usually be validated by observation of limited and isolated data. On the contrary, data in great volume or from wide areas are frequently necessary. Practically no data were collected in the days of the early economic theories, and, in fact, only in recent decades have more comprehensive data become available concerning such basic matters as the volume and kinds of production, employment, and income.

The conjoining of theory and practice is also served by the studies and activities of voluntary groups and committees which have recently been organized in increasingly effective forms. The real potential of such groups has hardly been tapped.

NEED FOR SUPPORT

Further developments in the field of economics must be encouraged and assisted if we are to improve the economic welfare of people everywhere. While such developments involve the formulation of new basic theories in the areas of economics, and the wider public dissemination of economic knowledge, the greatest needs are for the increased validation of theories both new and old, and for the more effective use in practice of verified economic knowledge.

1. *Validation of Theory*

Verification is the final step in the production of knowledge. Its purpose is to test hypotheses with bodies of evidence and thereby develop

useful general propositions. Until this is done economic theory remains speculative. The Foundation can contribute greatly to the verification process by aiding economists and other social scientists to disprove or verify prevailing theories. The process will often involve field work in areas of action as well as library research.

One important need is for the further study and analysis of individual behavior and group relations in the economic sphere. As is indicated in Program Area Five, increased knowledge of human behavior would be of great value in solving such economic problems as those encountered in labor-management relations. Study of economic behavior as a component of total human behavior would involve, among other things, analysis of the saving, spending, working, and investing habits of individuals and of the motivations and incentives underlying these habits; and it would include scientific efforts to test the psychological assumptions heretofore made by various economists in evolving their theories of individual and group economic behavior.

There is also need to create the conditions and provide the opportunity for economists of unusual intellect and objectivity to develop ideas about the more basic aspects of our social and economic life. Increased support for such men is needed—not only to help them remain in academic careers, when such is desired and indicated, but also to give them ample time for constructive thought while engaged in teaching and governmental or industrial consulting.

It is now recognized that the study of economics can no longer be carried on by professional economists alone; it must embrace the efforts of psychologists, political scientists, sociologists, business and public administrators, labor specialists, and others. With this recognition has come realization of the need for greater coordination. The work of individuals, research teams, and others must, through some appropriate agency, be coordinated and integrated, an inventory must be kept of

work in progress and of neglected needs, and arrangements must be made for the publication of new research findings. The support of the interdisciplinary approach, with personnel at different universities working in coordination with each other, would seem to offer additional possibilities.

2. *The Increasing Use in Practice of Verified Economic Knowledge*

One of the important questions for which answers must be found is how to make better use of what we now know—how tested theories and research findings can be translated into effective policy by leaders and policy makers in government, business, labor, and elsewhere. Policy decisions affecting matters of stability, labor-management relations, the balance of freedom and control, and, even more, international economics—aid to underdeveloped areas, world trade, the dollar shortage, and devaluation—should obviously be formulated on the basis of the best knowledge we possess. And we must promote a greater appreciation by the public generally of the importance of economic reasoning to the achievement of democratic goals.

To accomplish effectively the foregoing purposes will require some mechanism whereby economists of demonstrated competence will give continuous attention to each major economic problem, will follow current conditions and policies respecting it in government, business, and elsewhere, will analyze the issues involved and the effects of alternative policies, and will inform those responsible for policy and the general public of their findings. If knowledge and theory are to be used effectively in practice, periodic conferences of economists, other social scientists, and men of affairs should be convened on particular problems, and the results of these conferences should be disseminated as widely as possible.

3. *Perspective for Foundation Program*

The problems discussed in Chapter II suggest a perspective which may be useful to the Foundation in formulating any program in the economic sphere. Such a perspective is outlined by the following four questions:

A. WHAT ARE THE FUNDAMENTAL PRINCIPLES AND GOALS OF OUR ECONOMIC SYSTEM; that is, the basic rules which govern our economic institutions, planning, policies, practices, and processes, and the objectives toward which our system is directed?

The Study developed substantial evidence that the widespread lack of understanding and agreement on basic principles and goals leaves no standard by which to judge the efficiency and effect of the ways and means by which we operate our system. Without such a yardstick, economic policy and practice cannot be consistent. No one can sensibly predict whether a given plan, policy, or practice will strengthen or weaken our economy and add to or subtract from our ability to progress toward democratic goals.

There is, in the Committee's opinion, a real opportunity for a foundation to encourage efforts to define the principles and goals of our economic system in the light of prevailing world conditions; and an equally great opportunity to aid in achieving a broader understanding of them. Such efforts may most appropriately be supported by foundations, because of their impartiality. Industry and labor have too much at stake in the ways and means by which the economic system is operated to permit objectivity, and government is too subject to political pressures to achieve a disinterested view.

B. TO WHAT EXTENT ARE OUR ECONOMIC PRACTICES CONSISTENT WITH OUR ECONOMIC PRINCIPLES AND GOALS? Stated dif-

ferently and in more practical terms, are we improving or impairing the basic conditions upon which a strong economy depends? An increased volume of validated economic theory, and its more intelligent and widespread use, will help, for example, in determining the proper balance between freedom and control, and in understanding the real effect of governmental tax and fiscal policies. This should result in the elimination of much needless controversy and in the ability to assess more wisely the effects of proposed policies on the conditions essential to growth and prosperity. These illustrations are oversimplifications; what we need to know is the interrelationship between all important factors in our economic system and their cumulative impact on the conditions necessary to economic health. When our economic structure is receiving its greatest challenge, serious attention must be given to understanding and stimulating all technological factors which contribute to economic capacity and growth.

C. DO WE KNOW THE ECONOMIC CAPACITY OF OUR NATION TO MEET THE DOMESTIC AND INTERNATIONAL DEMANDS PLACED UPON IT? If it becomes overburdened the effects of economic weakness may be to jeopardize democracy itself. Many advisers to the Committee expressed fear that the strength of our economy is being seriously impaired and that present and future demands may exceed our capacity to fulfill them. This point of view focuses attention upon the broader problem of distinguishing between actual and assumed needs in the political and social field, together with their impact upon the economy.

D. FINALLY, IS THERE ADEQUATE RECOGNITION OF THE RELATION OF OUR ECONOMIC SYSTEM TO THE WORLD ECONOMY? The fact of their interdependence is apparent but in practice our policies often disregard the requirements of this country's international economic position. America can only sell abroad if it is willing to buy from other

countries in comparable amounts; yet our policies disclose a reluctance to make this possible. At present, demands arise for protection against foreign competition resulting from currency devaluations. While we desire to protect our domestic economy, we must recognize that the economic recovery of western Europe, for example, depends heavily on its ability to build up dollar balances by sales here. In the Committee's opinion the Foundation can render great service in the economic field by supporting efforts to analyze and define the fundamental principles and goals of our economic system in the light of the interdependency of the United States and the world economy.

In summary, substantial progress toward the seven objectives of this program area will, in the opinion of the Committee, require efforts in the foregoing directions if we are effectively to strengthen our economy and to advance the economic well-being of the world. No one underestimates the difficulties involved in the complex realm of economic affairs. Success may come, however, if we accept the fact that the present is a period of conflict and change so fundamental in character that only experimental and unorthodox thinking will be equal to the task. This requires a willingness to re-examine theories and practices long accepted and respected, and to measure anew their worth as guides to present action. We must subject policies previously regarded as sound to the pragmatic test: will they work under modern conditions? Only thus will we move effectively and steadily toward the goals of democratic society.

PROGRAM AREA FOUR:

EDUCATION IN A DEMOCRATIC SOCIETY

THE FORD FOUNDATION SHOULD SUPPORT ACTIVITIES TO STRENGTHEN, EXPAND, AND IMPROVE EDUCATIONAL FACILITIES AND METHODS TO ENABLE INDIVIDUALS MORE FULLY TO REALIZE THEIR INTELLECTUAL, CIVIC, AND SPIRITUAL POTENTIALITIES; TO PROMOTE GREATER EQUALITY OF EDUCATIONAL OPPORTUNITY; AND TO CONSERVE AND INCREASE KNOWLEDGE AND ENRICH OUR CULTURE.

The Foundation should support activities directed toward:

A. *The discovery, support, and use of talent and leadership in all fields and at all ages.*

B. *The clarification of the goals of education and the evaluation of current educational practices and facilities for the better realization of democratic goals.*

C. *The reduction of economic, religious, and racial barriers to equality of educational opportunity at all levels.*

D. *The more effective use of mass media, such as the press, the radio, and the moving picture, and of community facilities for non-academic education and for better utilization of leisure time for all age groups.*

E. *The assistance of promising ventures in education making for significant living and effective social participation.*

F. *The improvement of conditions and facilities for scientific and*

scholarly research and creative endeavors, including assistance in the dissemination of the results.

G. *Improving the quality and ensuring an adequate supply of teachers in pre-school, elementary and secondary school education, and in colleges, universities, and centers of adult education.*

In recommending this program area in education the Committee was motivated by its conviction that only men trained to think and act constructively can preserve and extend freedom and democracy. It has also been guided by the belief that all attempts to solve the problems of human welfare, including the critically urgent ones, rely heavily on education. The four other program areas recommended in this chapter depend substantially upon the facilities and personnel of our educational institutions, and education is an indispensable part of each. This would be equally true of almost any other area of activity undertaken; it is not peculiar to the program areas outlined here. Therefore the Foundation will always have a vital interest in the strengthening and improvement of our educational system.

The discussion which follows is divided into three parts. The first, which chiefly concerns Objective A, deals specifically with the problem of leadership, which is common to all program areas recommended by the Committee. The second, relating primarily to Objective B, discusses the possible need for clarification of the goals of education and for a review of educational practices throughout the country. The third, which concerns the remaining objectives of the program, outlines other major educational needs which require direct attack if education is to fulfill its function.

The entire program in education suggests a wide variety of activities which the Foundation may from time to time wish to support. These activities would at once help further other programs, and would con-

tribute to the improvement of education as a fundamental instrumentality for the protection and advancement of democracy.

THE PROBLEM OF LEADERSHIP

The importance of the development and use of leadership talent has been emphasized in Chapter II and in the three preceding program areas of this chapter. The Committee has observed three distinct and interrelated aspects of the leadership problem.

First, the leaders required at executive and policy making levels throughout our national structure are in short supply. The pressing needs of today exceed the number of qualified persons available for important positions, particularly in government and international affairs. Since there is no reason to predict a decline in this demand it is imperative that talent and leadership be developed in increasing quantities.

Second, as a result of this deficit our present leaders are harassed and overburdened and their operating efficiency is lowered. These restrictions upon individual efficiency must be eliminated to the greatest extent practicable.

Third, the demand for talent and expert knowledge in the solution of the problems which confront our leaders has cut deeply into our educational system. Government officials and the military, and to a lesser extent industrial executives, turn with increasing frequency to our universities for consultants, for special research projects and studies, and for other services from their personnel. This occurs at the very time our educational system is suffering from its own leadership deficits and is being taxed to capacity by unprecedented enrollments and demands for increased basic and applied research. As a result the system suffers, and important academicians in all fields are seriously overcommitted.

Two parallel approaches to the leadership problem are indicated:

first, a long-range effort to develop future leaders in increased numbers and quality, and second, a short-term interim effort to make more efficient use of our presently available talent.

Although this country provides no systematic training for public service, the profession of law furnishes a majority of leaders in our public affairs. Study and analysis of the educational processes through which such leaders have passed may well reveal ways of achieving more effective training and experience for public leadership. Such a study might also disclose methods by which law schools can themselves increase the supply and competence of potential leaders.

Some advisers to the Committee advanced reasons for the establishment of new institutions for the training of leaders in specialized fields. The demands for leaders within government and in international affairs were given as the underlying reason for the creation of such institutions. The preponderant weight of the advice received by the Committee, however, was to assist existing institutions rather than to create new ones. Over the country many promising experiments are being conducted in all types of education. The Foundation should discover and support the best of these, including those designed to provide more leaders.

In recent years, for example, many colleges have begun to revolt against too early and too complete specialization, recognizing that the effect of specialization often has been to reduce the number of persons qualified for positions of broad responsibility. The problem here, so far as leadership is concerned, is not to curtail specialized training but rather to produce an adequate number of both specialists and generalists. This implies, of course, the desirability of training those who are to assume positions of general responsibility to understand the usefulness of specialists and expert knowledge, and to give those who seek specialization a greater breadth of view.

To facilitate the earlier discovery of talent and leadership qualities,

the Foundation has an opportunity to assist in improving the techniques of educational testing, and to support those who are trying to develop such talent and potential leadership. In this connection the Foundation might at crucial points supply the funds for scholarships and fellowships. One of these points is at first entrance into graduate or professional schools, where able young persons may enhance their own and society's well-being by further training. Another point is at the end of graduate or professional training, or after leaving school for a number of years, when a person may wish to change the direction of his interests or to broaden his learning in order to make himself more useful to society.

An increasing number of academic institutions emphasize training for leadership. There are opportunities here for the Foundation. These extend beyond the improvement of curricula, the adoption of new educational techniques and methods, and the granting of scholarships and fellowships. They include such well-known procedures as the establishment of professorial chairs, the temporary provision of visiting professorships, and the making of grants to educational institutions to further Foundation objectives.

Provision for bringing scholars, scientists, writers, creative thinkers, and artists to the United States from other countries for limited periods of time can serve to cross-fertilize ideas and bring new conceptions to many fields, and could help vitalize and enrich our culture. Similar ends are served by sending American scientists and scholars to other parts of the world for special assignments.

The shorter-term objective, to make more efficient use of leadership talent now available, may be attacked in several ways. The first three program areas suggest means to make skills and knowledge available to persons now in important policy positions. In great part these skills and knowledges must come from our academic and research institutions. This, again, points to the demands being made on academic talent.

Many such academicians are burdened with responsibilities which could be delegated to administrative assistants or research associates, but are not so delegated because of financial limitations. The Foundation could make an important contribution by discovering those persons in academic work who are important to the program objectives of the Foundation and by underwriting within reasonable limits the cost of personnel who could discharge delegable functions or who could serve as relief instructors. By thus reducing individual burdens, more talent could be brought to bear upon the important problems confronting our leaders, and at the same time the quality of teaching and research would be improved. In addition, by creating what are in effect apprenticeships or assistantships to selected leaders, an important avenue is opened for the development of leadership talent.

Many persons now in secondary positions in government, business, and other spheres exercise a considerable amount of influence on policy. Presumably many of them will in the next few years move into top policy positions. In areas of importance the Foundation could provide fellowships which would enable some of these persons to take refresher courses, or to acquire specialized knowledge of direct use to them or helpful in broadening the bases of their judgment. Such fellowships would have the twofold advantage of improving in the near future the quality of those who influence policy as well as of preparing persons for positions of importance. Usually a program of such advanced training would be provided by our existing educational system, and would presumably be administered by or under the auspices of one or more universities.

REVIEW OF EDUCATION

A number of the Committee's advisers expressed the belief that one important need of contemporary education is to clarify educational goals

and to evaluate current practices and facilities in the light of these goals. Several advisers stressed the problems inherent in an educational system traditionally characterized by widespread local autonomy.

Although public education has been generally accepted as a state function, even state authority has in many instances been limited to the maintenance of minimum standards of safety and health, to the construction of school buildings, and to setting minimum requirements for teacher selection. Certain states and some of the unofficial educational associations have provided a degree of coordination among schools and colleges within their territories. But for the country as a whole the determination of educational policy has been predominantly a local responsibility.

In many respects the results of this decentralization have been good. Decentralization has made possible extensive and often fruitful educational experimentation. It has allowed communities or individual educational institutions wide latitude in undertaking the best programs they could afford. It has given individual students, especially at college and university levels, opportunities to choose among varied programs. And it has helped keep education a matter of continuing concern to the millions of citizens who support it and are directly affected by it.

A number of the Committee's advisers believe that efforts to clarify the goals of education and to evaluate educational practices would have significant value at the present time, and might help to overcome some of the limitations of a decentralized system. They point out that in many instances individual school systems and individual schools and colleges, for lack of any other guide, base their educational programs simply on tradition. Many schools have moved with glacial slowness in the introduction of new or improved subject matter or methods of teaching, and standards of instruction vary considerably from one institution to another.

A review of educational goals and practices could facilitate progress among the many individual units. Such a review would analyze current methods of instruction, the qualifications of teachers, the emphasis placed on vocational and technical education as contrasted with liberal education, the relative financial support being given various levels of instruction, and the comparative importance of contributions being made by our privately and publicly supported institutions. It would also appraise future educational requirements for new school and college buildings, for additional teachers at various levels, and for changed emphases in teaching. It would seek to identify and attract attention to the best practical procedures in education and to the best instructional material. Its results would be widely disseminated among educational administrators, teachers, and the general public. If conducted, as several advisers suggested, by an unofficial body of laymen, its recommendations would command considerable respect and perhaps accomplish more than could be done through official governmental or professional channels.

FURTHER EDUCATIONAL NEEDS

There are other major educational needs which require direct attack if education is to fulfill its function in a democratic society. These needs, as well as many additional ones, would no doubt come into prominence with any review and appraisal of education as above proposed.

1. *Equal Educational Opportunity*

Inequality of educational opportunity continues to represent a major barrier to the realization of our democratic goals. Poverty and racial and religious discrimination prevent literally millions of people from enjoying the advantages of formal schooling at nearly every level of our educa-

tional system. This is obviously a problem which will require the continued efforts of government, philanthropy, and civic-minded individuals and groups of all kinds. The Foundation can best contribute to a solution of this problem by finding those strategic areas where, through the increase, dissemination, and application of knowledge, the larger community can be inspired to make the major changes necessary to remove these barriers.

2. *Media of Mass Communication*

Considerable stress has previously been placed upon the high degree of public apathy prevailing in this country and on the lack in the lives of many persons of a realistic and meaningful sense of values. While the causes of these conditions are far from clear, many of the Committee's advisers believe they bear an important relation to the content of mass communications. Further, the mass media play a profound role in the general education of youth, and have an effect in many instances far more powerful than that of our schools themselves.

Since the channels of mass communications—newspapers, magazines, inexpensive books, radio, movies, and television—are privately controlled, those who manage such enterprises should have a real sense of public responsibility. They must exercise a high regard for the effects upon their audiences of what they disseminate. Even though the mass media are restricted by the commercial considerations which make them possible, there exist means of leverage which should be supported. For one thing, important results might flow from a greater collaboration between researchers in public taste and interests and the persons in charge of mass communications media. Also, cooperation with noncommercial organizations concerned with mass communication offers promise. Additional opportunities are to be found for supporting individuals and groups who are interested in the artistic or educational effect of their

efforts but who lack the financial resources required for continued activity. Commissions of inquiry, awards, and critical reviews have had notable effects in all these directions, and other techniques may be devised.

More research is needed on the effects of the existing content of mass communication; on the results of the demand for various programs on the choice of programs presented; and on the effectiveness of new methods and techniques in mass media for achieving stated objectives. The data needed here are related to the more basic knowledge sought on communications in Program Area Five.

As with the mass media, large unused potentialities exist in other nonacademic educational facilities for cultural enrichment and for the better use of leisure time. We have not utilized to the full such community resources as the forum, little theatres, concerts, libraries, and museums. Adult education can be greatly furthered by the more effective use of such community facilities as well as by improvements in the content of mass communications.

3. *Promising Educational Ventures and Significant Research*

The Committee was impressed with the evidence it received of the great need to revitalize our education, particularly at the college level, so that its graduates will live more significant personal lives and participate more effectively in social affairs. The Foundation should find and assist programs of study in the schools and colleges which emphasize the breadth and richness of the student's educational experience, and which direct the student's attention to life, rather than to an immediate vocation, and to his responsibility as a thinking and acting citizen of democracy.

Much of the discussion of the leadership problem applies with equal

force here. The educational climate required to develop leaders is much the same as that needed for significant living and effective social participation. The Foundation should give serious attention to the proposals advanced respecting leadership as important points of attack upon the problems of public indifference and inadequate personal adjustment.

The promise of educational ventures which the Foundation may support will lie largely in the character and capabilities of academic personnel, in particular those engaged in scientific and scholarly research and creative endeavors. Foundation support of such endeavors should have regard for scholarly and scientific proposals which give promise of conserving and interpreting knowledge as well as those which advance its frontiers. To support the research of scholars and scientists and then not to provide for publication of the results is wasteful. There is need today for additional support for the publication and dissemination of significant scholarly and scientific works.

4. *Teachers*

One of education's important current problems is the need to improve the quality and in some cases the quantity of teacher personnel. This purpose can, in the opinion of the Committee, be approached in two general ways: by raising the prestige of the teaching profession so that more able men and women will enter it, and by improving the standards and techniques of teacher training.

The Foundation should press for greater honor and financial rewards for the teacher, especially in elementary and secondary schools and in colleges with meager financial resources. And there is need to improve the standards and techniques of teacher training. Existing practices are inadequate, and there is considerable scope for imagination and inventiveness in the development of new methods and procedures.

PROGRAM AREA FIVE:

INDIVIDUAL BEHAVIOR AND HUMAN RELATIONS

THE FORD FOUNDATION SHOULD SUPPORT SCIENTIFIC ACTIVITIES DESIGNED TO INCREASE KNOWLEDGE OF FACTORS WHICH INFLUENCE OR DETERMINE HUMAN CONDUCT, AND TO EXTEND SUCH KNOWLEDGE FOR THE MAXIMUM BENEFIT OF INDIVIDUALS AND OF SOCIETY.

The Foundation should support activities directed toward:

A. *Advancement of the scientific study of man—of the process of development from infancy to old age; of the interaction of biological, interpersonal, and cultural influences in human behavior; and of the range of variations among individuals.*

B. *The scientific study of values which affect the conduct of individuals, including man's beliefs, needs, emotional attitudes, and other motivating forces; the origins, interactions, and consequences of such values; and the methods by which this knowledge may be used by the individual for insight and rational conduct.*

C. *Scientific study of the process of learning, so that individuals may become more effective in acquiring knowledge, skills, and attitudes, and in adapting themselves to the demands of living.*

D. *Scientific study of the processes of communications, including their channels and content, and their effects upon human behavior.*

E. *The scientific study of group organization, administration,*

and leadership, for greater effectiveness of cooperative effort and for increased individual satisfaction.

F. *The scientific study of the causes of personal maladjustment, neurosis, delinquency, and crime, and the improvement of methods for prevention and cure.*

G. *The development of reliable measures of the effectiveness of professional practices extensively used in psychiatry, social work, clinical psychology, and guidance counseling, and of ways of comparing the relative effectiveness of alternative practices and testing scientifically the theories underlying such practices.*

H. *Increasing the use of the knowledge of human behavior in medicine, education, law, and other professions, and by planners, administrators, and policy makers in government, business, and community affairs.*

THE Committee's analysis in Chapter II of the critical problems of our contemporary democratic society makes clear the great need for knowledge of the principles which govern human behavior in political, economic, and other group activities, and in the individual's personal life. In a world whose peoples are becoming rapidly more interdependent and in which the external forces which control them are becoming more centralized, there is urgent demand for a rational basis for planning and responsible decision making. At the same time individuals require an understanding of human behavior, their own as well as that of others, if they are to help maintain the democratic nature of such planning and control, and if they are to make adequate personal adjustment to the conflicting and changing demands of modern living.

If we have greater need for knowledge of human behavior today, we also have a greater possibility of securing it than did preceding genera-

tions. Theories now exist which promise to lead to more complete understanding of the mainsprings of human action and, even more fortunately, we now have certain techniques for the testing of these theories. Moreover, we have in the social sciences scientifically minded research workers who are both interested in, and equipped for, the use of such techniques. Among these are the psychologists, sociologists, and anthropologists. In addition, there are psychiatrists and psychoanalysts, as well as natural scientists, including geneticists and other biologists.

There are deficiencies at present both in the development of new knowledge concerning human behavior and in its application. These deficiencies have a different character, however.

APPLICATION OF BEHAVIORAL KNOWLEDGE

In areas of application there are two problems of significance. One concerns the quality of the present practices in application, and the other the failure of our society to apply existing knowledge in many additional spheres of activity where its use is not now prevalent.

As for the quality of application, we find in certain areas a pronounced tendency to base professional practices in considerable part on unverified, or even untested, theory. This probably arises from the fact that the public, in its need for guidance and counseling, has both demanded and supported a number of specialized professions which deal with personal difficulties. These include psychiatrists and psychoanalysts, clinical psychologists, several types of social workers, and a number of other groups. The present situation in these professions suggests foundation support to improve the quality of their practice, by verifying and increasing the knowledge they apply rather than support for expansion of their services.

Of equal or greater importance to quality of application of our pres-

ent knowledge concerning human behavior, however, is the need to open up new avenues for its use. Such avenues exist potentially in the professions of law, medicine, engineering, and teaching, and in the activities of all planners, administrators, and policy makers whose decisions substantially affect human welfare. Greater knowledge of human behavior, and techniques for acquiring and utilizing such knowledge, would be exceedingly useful in the fields of government, business, and community affairs.

The Committee believes that The Ford Foundation would make a valuable contribution to human welfare by sponsoring immediate studies of the current application of the knowledge of human behavior and of the feasible means for extending such application.

NEED FOR MORE BASIC KNOWLEDGE

Our storehouse of verified knowledge of human behavior, however, has a relatively low inventory. Most of our practices in dealing with individual adjustment and social relationships rest on mixtures of scientific data and the fruits of personal experience, including common sense hunches and speculation. If we are to deal adequately with the critical problems of our times our knowledge must be sharpened and expanded.

To stock our storehouse of verified principles of behavior will require intensified and multiplied efforts in research. This must be recognized as a long-range program. The history of science has demonstrated that knowledge for action consists of a slow accumulation of many small bits of knowledge, no one of which is necessarily of practical use until fitted into combination with other bits of data, which themselves may have appeared at first to be equally useless fragments. Because of the established similarity of scientific methods throughout both the natural and

behavioral sciences, we must conclude that knowledge is important even if not immediately usable, and that impatient expectation of practical results can be indulged only at the sacrifice of any results and at the expense of scientific progress.

1. *Present Resources for Research*

A program of research in the behavioral sciences of the necessary magnitude would appropriately consider first what resources are available. These sciences are prepared for research expansion in terms of concepts, hypotheses, and methods, but there are deficits in personnel trained for research activity and in other facilities. These deficits await adequate financial support.

The financing of extensive basic work in the behavioral sciences must be derived in large part from sources outside the universities. The conditions which existed during the centuries of early growth in the natural sciences, when the costs of basic research were absorbed in the universities' general budgets, have for the most part disappeared. New sources of support have opened up, in foundations, in government and industry, and in various voluntary organizations, but much of their giving has favored activities other than the behavioral sciences. And within these latter fields basic research has been neglected in favor of other pursuits.

Because of tradition and stronger claims, the increased governmental support of research has been almost entirely in the natural and medical sciences. Industry has shown the same preference. And because of its natural interest in its own goals, industry has tended, in the meager support it reserved for the behavioral sciences, to favor applied or developmental research rather than basic research. Support of the study of industrial relations, race relations, and employee morale is often extremely valuable in itself, but does not necessarily contribute to the inventory of basic knowledge. A similar imbalance has been noted in the universi-

ties. Although the disciplines of psychology, sociology, and anthropology have grown considerably in the past decades, their growth has been predominantly in teaching, target research, and application, rather than in basic research.

Increased foundation attention to basic research in human behavior is therefore indicated not only on the grounds of essential importance but also on the basis of its relative neglect by other financial sources.

2. *Suggested Criteria for Research*

The study of human and social behavior does not have a long and solidly established tradition of scientific research. Much of the work in these fields has been polemical, speculative, and pre-scientific. The Foundation would do well to follow carefully established criteria in the evaluation of all projects which are proposed for the purpose of adding to our storehouse of knowledge of human behavior. Such criteria have been formulated by a conference of social scientists convened by the Study Committee for this purpose. According to these criteria the most desirable research in this field would be characterized by:

A. A concern with basic (fundamental or general) concepts and relationships of concepts, as distinguished from local, particularized, or exclusively applied research, to the end that the knowledge produced may be cumulative with that from other studies.

B. The development, refinement, and testing of theoretical formulations. At present the theories appropriate as research guides will be more limited in scope than the comprehensive, speculative systems prominent in the early history of social science.

C. Superior research design, including careful specification of the variables involved and use of the most precise and appropriate methods available.

D. A probable contribution to methodology by the discovery, development, or refinement of practicable tools, techniques, or methods.

E. Full utilization of relevant concepts, theories, evidence, and techniques from related disciplines.

F. The integration of any single study in a planned program of related research to the end that the results become meaningful in a broad context.

G. Adequate provision to train additional research scientists.

H. Provision, wherever feasible, to repeat or check related research of other persons in order to provide a check on the generality of conclusions. A special aspect of this characteristic would be the repetition of studies in more than one culture group.

A FOUNDATION POLICY FOR APPLIED RESEARCH

For the reasons stated above, major emphasis should not be placed upon applied or developmental research, or other research designed exclusively to solve particular problems. Unlike natural scientists, however, behavioral scientists can seldom work in closed laboratories and must usually operate in normal life situations. If the objective is basic knowledge rather than immediate solution of practical problems, the selection of topics for scientific study is ordinarily best left to the research worker himself. If a serious problem situation in actual life provides opportunity for research conforming to the accepted standards of scientific work, however, the Committee strongly recommends that it be used as the locus of the appropriate study. Thus, wherever life itself must provide the laboratory for basic research, such research may offer the double promise

of contributing to the solution of a troublesome problem at the same time it adds to the storehouse of knowledge.

Attention is called to a number of stubborn life problems which should be assessed as laboratories for valuable research. One is the problem of minority tensions and race relations. Another is the problem of industrial relations as described in Program Area Three. A third is the problem of old age, only now beginning to receive serious attention. A fourth problem, of somewhat different character, is that of international and intercultural understanding, which was discussed in Program Area One. In addition to contributing to scientific knowledge by testing it in the various cultures of mankind, attention to this problem might contribute to the betterment of international relations.

In the light of the major goals recommended in this program area and on the basis of the reasons set forth in the foregoing discussion, the Committee believes, in summary, that the first essential step in the further understanding of human behavior is to institute a long-range plan for the increase of basic knowledge. Such a plan would require an extensive development of the resources for scientific research throughout the field of human behavior and social organization. This may best be accomplished by grants to universities for improving graduate training programs, by fellowships for students in such programs, by grants for research projects in which such students can receive research training, and by supporting promising research scientists at all ages who might otherwise abandon research for more remunerative activities. After such a comprehensive program had been pressed forward for five or ten years, certain funds might then be shifted from training to the expansion of further basic research.

Another need of immediate importance would seem to be for studies

which seek to evaluate the professional practices now concerned with human behavior, and other studies seeking ways and means to extend the effective use of social science and other behavioral knowledge into all fields.

CONCLUSION

The five preceding program areas are recommended by the Committee as those of greatest human need and therefore as the areas of greatest opportunity for the advancement of human welfare. The Committee is unanimous in its recommendation that these areas receive the preferred attention and support of the Foundation.

In formulating these five program areas and their objectives the Committee deliberately refrained from recommending priorities among them, for three reasons. First, relative importance will shift with changing conditions. Second, the opportunity for Foundation activity will vary with the availability of competent personnel and suitable facilities. And, finally, the permanent staff of the Foundation, if it is to achieve maximum effectiveness, must be given a wide range of discretion in developing program plans and selecting projects. In the sections of the report which discuss each program area, as well as in the supporting monographs, will be found some suggestion of the relative importance of programs and approaches, and somewhat more specific guidance for the staff.

In recommending that the five program areas receive preferred attention the Committee makes explicit its wish to avoid any suggestion that programs in other areas should be excluded from subsequent Foundation consideration. This report is based upon the opinions and judgment of hundreds of informed persons who viewed the problems of human welfare in the perspective of 1949. Each year brings change, and some changes will be significant enough to alter substantially the relative

importance of programs and to create new and more compelling opportunities for the Foundation. And, aside from changing conditions, the Foundation will in the course of its operations find opportunities which for a variety of reasons could not be discovered or developed by the technique of a study. Thus this report, while urging sufficient concentration of activity to assure results, strongly emphasizes the paramount need always to maintain flexibility of administration and policy.

CHAPTER IV

THE ADMINISTRATION OF THE PROGRAM

THE SUCCESS of any program will not depend solely on the urgency of the problem it seeks to solve, or on the wisdom of the program's general approach, but upon finding the right projects headed by the right men at the times that offer the most strategic opportunities. This job of strategic selection and tactical execution must, of course, be left to the President and officers of the Foundation, under the direction of its Trustees. The Trustees therefore have every reason to proceed with great care in determining, with the President's advice, the pattern of operations, the organization, and the procedures of The Ford Foundation.

In discussing here a suggested pattern of operations of the Foundation, the Committee will note first the types of institutions and agencies with which a foundation may work in its programs, and then consider the three basic approaches to the solution of problems—the advancement of knowledge by research; the practical application of knowledge; and the dissemination of knowledge by education and the development of personnel. Second, it will consider the relations of the Foundation with the public and with recipients of grants. Third, it will discuss the internal administration of the Foundation.

This Foundation has the advantage of being able to draw on a half-century of rich experience. It can guide itself by observing the wide variation among existing foundations in organization and operation, and by noting those best suited to the programs contemplated.

Many foundation officers and trustees were most helpful in supplying ideas and information on policy and administration. Their keen and

unselfish interest in the administrative plans of a new foundation reflected the wisdom and devotion which they had put into the service of their own foundations. They were not always in agreement, and therefore might not always agree with the analysis and recommendations that follow. On many topics their experience revealed a useful consensus, but the Study Committee must take full responsibility for its opinions and recommendations. The latter should not be interpreted dogmatically, however, even though stated without qualification.

The Ford Foundation must be, first of all, a workable institution in structure and procedures. Its President and staff must not be handicapped by a clumsy pattern of administration. The form of organization and the administrative procedures should have two corollary purposes:

(1) To maintain flexibility of operations—to be able to shift the program to deal with new issues, without being hampered by internal administrative problems. The problems of the mid-twentieth century could not have been foreseen at the end of the nineteenth. A few decades hence we shall face issues we cannot now foresee.

(2) To give the Trustees, who should represent the best over-all judgment available, the maximum opportunity to guide the program in a general way. As representatives of the general public interest the Trustees should decide how the Foundation may best serve society.

These are general purposes, not absolute principles. The purpose of flexibility could be carried too far; it must be limited in order to make it possible to plan a program over a reasonable period, and to give those who receive foundation grants reasonable stability. Similarly, general control by the Trustees over the program could be pushed too far. The President and the staff officers of the Foundation must be allowed a high degree of discretion, especially in relations with scholars and specialists of all kinds.

Nevertheless, the two purposes of flexibility and of general control by the Board of Trustees ought to be kept in mind. It is easy to drift in the opposite direction, and, unless the system is carefully set up, caution and inertia may well cause the Trustees and officers of the Foundation to drift so far that their program loses freshness and value.

THE PATTERN OF OPERATIONS

The problems of mankind must be solved, if they are to be solved at all, by a combined use of all those types of knowledge by which human affairs may be influenced. The program areas recommended to the Trustees of the Foundation are focused on problems generally considered within the social sciences, but they involve the humanities and the natural and medical sciences as well. And a balanced use of all these forms of knowledge will be more likely to result if the Foundation's program is guided by men who have a general interest in all of them, and in their effects on the lives of all kinds of people.

Since the recommended program areas will include the application of knowledge and the development of personnel as well as the support of research, the most important task of the Trustees will be to see that these three approaches are kept in balance, and made to contribute to each other. Without positive attention to this point, the Foundation's staff members are likely to drift toward the support of research that does not bear on the great problems of man and society. Their work will seem easier, and they will get less criticism from the Trustees and from those accustomed to apply for foundation grants, if they make grants for conventional types of research rather than support well-rounded attacks upon problems. But if this tendency is recognized, the Trustees may convert it from a danger into an opportunity. For the Foundation may

carry out any given program most effectively if it synchronizes research for the advancement of knowledge with the practical application of knowledge and with education and the development of personnel.

The Foundation may affect this balance more easily if it does not undertake direct operations, but confines itself to making grants to other institutions or individuals. Some foundations have administered programs of their own with their own professional staff. Others have one division or more for direct operations, with the remaining divisions devoted to grant-making.

To undertake an operating program, a staff of men professionally qualified must be built and maintained. Since the proposed program is too broad to be encompassed by a single operating agency, and since it must be adjusted to meet new social problems, The Ford Foundation should avoid direct operations unless no other way can be found to accomplish a particular objective. The Foundation especially should restrict its operations to making grants until its general program has taken shape.

If the Foundation is not to undertake direct operations, it may make grants to any of several types of recipients.

(1) It may make grants directly to individuals.

(2) It may make grants to universities, or to research institutions. The line between the two is not always clear, since many research institutions are connected more or less closely with universities.

(3) It may make grants to what is usually called an "operating agency," a loose term that may refer to a special temporary committee or commission, established to deal with a particular problem. More often the term applies to some association, perhaps one made up of citizens organized to accomplish a given purpose, or of scholars interested in a particular subject, or of men in some profession or occupation

who wish to improve their techniques by the exchange of information and experience.

(4) The Foundation may make grants to agencies of government, a practice that has been quite common among foundations when they foresee a need for the initiation of new government programs, or when they seek to establish improved standards or techniques of public activity.

(5) Finally, the Foundation may make grants to an intermediary organization, one which operates on something of a wholesale basis, dealing with the institutions or operating agencies by which the programs are carried on. The several research councils, for example, are something like federations of the principal scholarly societies in their respective fields, and have been used by foundations as intermediaries in dealing with such societies and with individual scholars.

A foundation may use three approaches to the programs recommended in Chapter III: (1) the advancement of knowledge by research; (2) the practical application of knowledge; and (3) the dissemination of knowledge by education and the development of personnel.

RESEARCH

Since the larger foundations stopped making grants in the late 1920's for the general endowment of universities and other institutions, they have given their main attention to the advancement of knowledge by research.

Their influence on the methods and subject-matter of research has been marked. They encouraged the development of the principal centers of graduate research at the major universities, supported the trend toward more effective specialization of research, and recently toward a measure of highly desirable teamwork among the various specialists. They have

worked closely and informally with the principal scholarly societies and research councils, and through counsel and financial support have helped determine the problems to which the leading research workers have turned their attention.

A foundation must work in a bewildering variety of special fields of knowledge. In each its decision as to which new ideas are good will often be based on opinions of leading scholars. As a result, some of the officers of foundations have been so fully aware of their great need for cooperation from the whole world of scholarship that they may have leaned too heavily on the advice of the best known experts on any problem, with the result that they failed to recognize and support some of the novel ideas that had the most significance for the future.

The allocation of support to research is difficult. Foundation officers generally recognize that the best thing to do is to find the men of the highest ability — the geniuses — and support them generously, yet no one has invented the divining rod by which to discover the hidden sources of genius. Hence the nervous strain of making semi-arbitrary judgments tells heavily on the conscientious foundation officer.

Since a foundation can support only a small fraction of the research work in any given field, it must begin by deciding whether to spread its support widely or whether to select a narrower field to help develop intensively. Trustees and officers who have the responsibility for spending the money obviously wish to achieve the most effective results; they feel obliged to pick the fields of interest that appear to have the most strategic possibilities, and then in those fields they desire to develop a sophisticated acquaintance with the principal problems, the immediate trends of thought, and the most influential leaders and thinkers.

These considerations seem valid with respect to The Ford Foundation. But this is not to say that the Foundation should support only "target" research, or studies aimed specifically at narrow and imme-

diate problems. Such research will and should be supported, especially in connection with programs for the application of knowledge. But the Foundation should also support more basic or fundamental types of research which look to the permanent advancement of knowledge, and in which the research worker has almost complete discretion in his inquiries.

By making grants to universities, the Foundation may support independent studies that continuously appraise and correct the ideas and assumptions guiding our current programs of social action. By balancing objective studies against programs of action it can help to ensure that society continues to experiment with its own institutions instead of freezing them in patterns set by outmoded custom and convention.

If The Ford Foundation is to support the research suggested in Chapter III, how can it muster the expert knowledge needed to decide which research project to support, and which to reject? Should it have on its own staff the number of recognized specialists needed to appraise projects? If not, how can it get the necessary expert advice?

First of all, the Trustees of the Foundation should, in the opinion of the Committee, recognize that the fields of research involved in the five programs proposed above are too broad to be covered by any reasonable number of staff specialists solely on the basis of their own knowledge. These are fields in which there is the greatest danger that the personal, social, or political prejudices of a single specialist might distort the whole research program of the Foundation, not because he would wish to have them do so, but because applicants for grants might tailor their ideas to fit those which he had previously written or expressed orally to his colleagues. They are fields in which the foundation officer must appraise projects not only as self-contained scholarly exercises, but also for their relevance to current problems and for their relation to work in other fields.

All these considerations argue that in the fields initially recommended (it would be less true of the natural sciences, for example, or medicine) The Ford Foundation should not maintain its own staff of specialists to appraise the research proposed. There are other ways in which it can get expert advice.

First, it may make use of advice from men in the existing research councils, their committees, the societies and associations on which they are based, and other organizations well informed in the field. To the extent that the Foundation's officers make use of these organizations, the Foundation should contribute its proper share to their general support.

But even such useful advice from institutional sources should not be taken undiluted. It will have the disadvantages of such advice; that is to say, it is likely to reflect the most respectable opinion of the guild, and to be overly cautious about newer and more daring ideas. Formal and long-standing committees are particularly subject to this disease of organized timidity, and are likely to succumb to institutional self-interest. The Foundation's officers should be alert, on all the more important projects, to get independent and informal advice from the most candid and best informed sources possible.

This process cannot be handled formally; indeed, to set up formal committees or a formal procedure would defeat it. The officers of the Foundation must develop close and confidential relations with men of the broadest range of information and ideas and the most trustworthy judgment. The officers will probably find that getting the best advice requires travel and face-to-face conversation, which will give them the opportunity to enrich their intellectual judgment by the flavor of local impressions and personal relationships.

The officers of the Foundation should not be content to get their advice on research projects from professional researchers alone. In the first place, a professional colleague of an applicant for research grants

is too likely to be influenced by one of two contrary motives — the motive of wishing to support anything that another member of the fraternity wants, or the motive of thinking that the project is not very good because he himself could obviously do the same thing better. And a research specialist cannot answer the most difficult question of all: Does this project deserve aid as much as other projects which are competing with it for support? The opinions of those well acquainted with the field, but who stand a little outside it, are likely to be more objective and candid, and to help the Foundation officer make the necessary comparative judgment — not whether a project is good but whether it is better than the things it would displace in the budget.

As the foundations shifted their main approach about 1930 from a policy of general grants or endowments to a policy of grants-in-aid for individual research projects, they ran into some difficult problems and created some new ones. By the way in which it decides to give money to one research project and refuses it to another, a foundation may in effect become the manager of research, determining the employment of staff and the interpretation of results. Most foundations have tried, of course, to avoid such a role, having no desire to encroach on the freedom of scholars. But the very existence of such a possibility makes it desirable for The Ford Foundation to establish a very clear relation with the administrative officers of universities or research institutions, as well as with research workers themselves.

Foundations discovered very early one way in which their research programs might conflict with the plans of university administrations. In some cases foundation grants, when concentrated in a single field, led university administrations to throw their general programs out of balance, in much the same way that federal grants distorted some state government budgets. To avoid reproach on this score, foundations have adopted the rule (which the Foundation should certainly follow) of considering

an application for a grant only if it is approved in writing by a responsible officer of the university's general administration.

In practice this formal safeguard alone is not wholly adequate — the typical university president is by no means an autocrat, and hesitates to withhold endorsement of a project on which an influential department head and a foundation officer have come to an informal understanding. The only way to avoid such difficulties is to keep closely in touch with the general university administration from the first negotiations that lead to a formal project.

The larger foundations have long recognized this problem; some tried to solve it a few years ago by making grants of "fluid research funds" to universities. The difficulty with this device is that it is all too easy for a university simply to "cut the pie" among its various departments by setting up a council or committee representing the various applicants for grants and then letting them distribute the funds among themselves. This has resulted in a tendency toward scattered and unrelated research. For this reason the Foundation should make research grants to universities which seek support for carefully defined and closely knit programs of research, including programs that bring together scholars from various disciplines.

By aiding such programs, the Foundation will encourage university administrations to play a role that they have too often abdicated to the foundations. At the same time the Foundation can avoid some of the difficulties that have arisen from the practice of giving grants for individual short-term research projects, each of which has to be satisfactory from the technical and specialized point of view. The university professor who takes such a project to a foundation is caught in a web of continuous negotiations with foundation officers, with the university administration, and with his colleagues in the professional societies and research councils on whose advice the foundation officers rely. In short, he is enmeshed in

a kind of academic politics, and spends a great deal of time campaigning for his next year's grants instead of teaching, studying, or carrying on research.

This cannot be avoided entirely, but in general the Foundation should seek to make its typical research grant for a period long enough to give the research worker and his colleagues time to do their job without beginning immediately to campaign for renewal of the grant. Such a policy would give the stability necessary for sustained research.

A common complaint of universities is that foundations, by making research grants only for activities directly involved in research, throw on the universities an excessive burden of overhead expenses. The Foundation should, when appropriate, include in its grants an allowance for the cost of administration and other general overhead costs.

Another complaint of the universities, although one rarely voiced in public, is that the foundations lead universities into large continuing operations which the universities are committed to support in later years. There are two sides to this matter: the foundations properly wish to initiate important new ventures which universities, with the aid of funds from other sources, will be able to carry on; but a university may impoverish its main line of activity in order to fulfill such a commitment in a specialized field. To avoid such difficulties the officers of the Foundation must estimate carefully the potential strength of the university, and the university, on the other hand, must trim current ambitions to fit future capabilities.

Some years ago research grants to universities were often made with the understanding that they would not be used to pay the salaries of the full-time faculty members, but only for such additional expenses involved in a research project as secretarial assistance and special equipment. This policy protected the foundation against the danger that a university would simply transfer to the foundation costs which should be carried in its reg-

ular budget. This is less justified today in view of the great shortage in the supply of adequately trained scientists, the weakened financial condition of even our strongest universities, and the excessive demands for teaching and consultations that are made of their staffs. The Foundation should in general be willing to make grants for the salaries of faculty members who work on research projects it wishes to support—either on a part-time basis, or for detached periods of full-time research.

A complaint voiced by many academic research workers is that foundations whose expressed purpose is the furtherance of basic research too often tend toward "target" research and thereby interfere with freedom of investigation. There is some justification for this charge. Whenever The Ford Foundation intends to support basic research it should have due regard for the conditions under which such research is most efficiently conducted and should encourage the highest degree of investigative discretion within the broad limits of its program. This would aid in the development of the environment in which ideas flourish.

The Foundation should not confine its research grants to universities alone. A great many problems can best be studied by research institutions employing staff members for full-time research work. Some of these institutions are completely separate and independent agencies; others are subdivisions of universities. Still others have a status in between, being affiliated for some purposes with a university but possessing considerable autonomy.

There is some danger in setting up an independent research institution with a permanent staff. In the first place, complete scientific detachment is neither possible nor desirable. The supposedly detached research institution, like any other group of scholars, may take one side or another of current controversies. Second, a research worker benefits from close association with students and colleagues, in other fields as well as his own. Third, a permanent staff which does not benefit by the continuous

transfusion of new blood is likely to lose its vigor and its alertness to new issues.

If the Foundation should decide to set up a special center or institution to study particular problems, it should consider the advantage of attaching it to a university or locating it in a university center. It should also, in the opinion of the Committee, try to have it staffed largely on a temporary basis, by employing university faculty members on leave, or by borrowing men from government, business, or private organizations.

People often ask how much a foundation should passively wait for applications, and how much its officers should take the initiative in suggesting projects. The answer to this question need not be definite. Since the work of a foundation officer gives him a more comprehensive view of the whole field than any single scholar is likely to have, he ought to have enough originality to produce a great many fruitful ideas. The real problem is not whether foundation officers should exercise initiative but how they should do so—a subject considered in a later section.

THE PRACTICAL APPLICATION OF KNOWLEDGE

If the Foundation is to support research mainly by grants to universities and research institutions, how should it proceed on its second approach to its several programs—the practical application of knowledge?

None of the great foundations has been content to restrict itself entirely to the support of research and the accumulation of knowledge. All have sought means to distribute that knowledge more effectively to leaders in government, business, and education, means to put it together with other knowledge to produce new policies and new programs of action, and means by which government agencies and private groups could experiment with such programs and improve their administration.

In general, their experience suggests no reason to be timid about supporting the practical application of knowledge in almost any field of interest. In addition to such obvious fields as public health and education, where national policies have in the long run been guided or determined in very considerable part by private groups supported by foundations, a great deal of influential work has been done in fields which might have seemed difficult or dangerous.

One measure of that influence has been the extent to which foundations have sponsored pioneering work which was then taken over by other private institutions or by government. No foundation is large enough to pay the current costs of any nationwide activity of general application. Therefore a foundation's general policy must be to support (a) work that will influence the policies or operations of other institutions on the widest possible scale, or (b) work that will build up a new professional corps or a new system of techniques and operating standards. Let us examine the two possibilities in turn.

1. *Influence in Decisions of Policy*

As Chapter I points out, the Foundation must not seek to solve public issues by supporting one side or another of a current political or social controversy. But most controversial problems are not settled in the terms in which they are debated; instead, the problems themselves are altered when facts throw new light on them, or they disappear when technical progress is made by careful and cooperative work in related fields. The Foundation may help settle some present and future issues in both ways.

Other foundations have been able to apply knowledge and research to the solution or the restatement of policy issues with conspicuous success. They have supported institutions or special agencies for the study of immediate problems. They have published and distributed, in more or less popular form, the results of research. They have organized special

commissions of inquiry on difficult issues. They have put expert consultants at the disposal of public agencies. And they have helped public agencies—legislatures as well as executive departments—to develop research staffs of their own to replace partisan controversy with objective fact. By techniques of these kinds foundations have supported effective work in such controversial fields as race relations and medical economics, in the restatement of various fields of law, and in the preparation of plans for the modernization of cities and the re-organization of the Federal Government.

In short, foundations have done much to improve public policy not only by helping develop various fields of knowledge, but also by helping to make knowledge available for use by the public and all types of businesses, governments, and institutions. The objective approach employed in these efforts has been a great asset to the foundations by shielding them from political attack for supporting studies of controversial issues. Such attack would be harmful both for its possible effect on the legal status of foundations, and because it might lead foundations to become timid, to concentrate on the little and the safe projects, and thus to commit their funds to inconsequential work.

2. *Professional Spirit and Technical Standards*

The dangers just mentioned have been less apparent in foundation programs that sought to apply knowledge developed by the natural sciences. This is not because such subjects are unrelated to the affairs of humanity—foundation grants, to take conspicuous examples, played some part in the construction of cyclotrons and the development of atomic energy. But it is harder to find, in efforts to deal with social problems, well-recognized professions with established fields of expert jurisdiction to which laymen are accustomed to defer.

This contrast may be responsible for the fact that foundations have

made some of their greatest contributions in public affairs and social problems through the natural sciences or technology. They began with programs which seemed merely to apply the findings of natural science, and then proceeded to invent or develop new forms or techniques of social organization or governmental action. In this way, for example, our great reforms in public health came about, and very real advances in city planning and housing.

This experience is significant with respect to the application of the results in other branches of knowledge. Foundations have been able to achieve important and significant results—though results somewhat less spectacular than those mentioned just above—by creating or assisting organizations of men and women with a common occupation, who associate with each other on a professional or technical basis, and who seek the opportunity to raise their standards of performance, improve their operating techniques, and increase their ability to use the resources of all types of research.

Many examples could be given. Foundation aid has encouraged and improved the development of professional standards in such fields as medicine, education, public welfare and social service, library work, city management, psychiatry and clinical psychology, and personnel administration.

In all these fields foundations either brought about the creation of professional or technical societies, or gave grants for applied research on technical problems. They made possible special conferences, the publication of technical periodicals and monographs, and many other activities for the exchange of professional information.

Such efforts to apply knowledge to practical affairs influence not only practical operations but scholarship and research as well. Practical work forces the attention of research workers to problems of which they are unaware, and provides an opportunity to test theory.

3. *Relations with Operating Agencies and Intermediaries*

The development of a profession, or the improvement of its operating standards or techniques, is an activity requiring closer attention than a foundation with a broad range of programs may be prepared to give.

Another consideration argues for a foundation's use of some operating agency or intermediary in any major effort toward the application of knowledge. The trustees of a foundation, like all human beings, have varying personal opinions, which may conflict with some aspect of any operation. No clear line can be drawn, especially in social problems, between the matters trustees will wish to decide and those they will wish to leave to their officers and staff, or to institutions with which they work. Because that line cannot be clearly drawn the trustees may weaken their general control of policies and also interfere with administration if they become overly concerned with operating detail.

A foundation will therefore do well to adopt some form of organization or method of operation which will enable the trustees to make a general judgment regarding an activity, without committing themselves to the endorsement or public support of all its details, or to the permanent support of any individual or institution. Sometimes a foundation may desirably support, or even invent and establish, separate entities or agencies to accomplish the same purpose.

In short, foundations, in supporting the practical application of knowledge to public affairs or social problems, have generally chosen to work through intermediary organizations or operating agencies. Either is sometimes referred to in foundation terminology as a "buffer state." These "buffer states" vary a great deal in nature. Foundations have made grants to governmental agencies for the practical application of the social sciences and the humanities; to associations of scholars or

of public officials; or to independent institutions. And they have taken the initiative in creating similar associations or institutions, or in setting up special committees or commissions.

At one extreme among these "buffer states" there are, for example, such special studies as those set up by a prominent foundation. These are typically accomplished by professional economists on temporary employ; they are administered and their staff members paid directly by the foundation; and they go out of existence immediately after making their reports —in short, they have no independent legal existence, but only sufficient separate status to let their members assume full responsibility for their reports.

At the other extreme among these "buffer states" there was, for example, a smaller foundation whose existence recently terminated, originally created by a gift from one of the large foundations. The smaller foundation, during two decades, worked in a comparatively specialized field (the improvement of public administration) as an organization quite independent of the foundation which created it, with a separate board of trustees, making grants to operating agencies on its own responsibility.

Between these two extremes exists a graduated spectrum, wherein institutions vary so much in size, independence, and methods of operation that they cannot be grouped in precise categories. Nevertheless, they fall into two broad types: operating agencies, conducting their own programs; and intermediary organizations, making grants to operating agencies.

Let us consider how The Ford Foundation may deal with each of these two types.

In relationships with operating agencies, foundation officers have come to recognize several characteristic dangers. First, there is the danger that, unless the agency is established as clearly independent, the

Trustees of the Foundation will either be held publicly responsible for the operating agency's work, or be tempted to direct its detailed affairs without taking responsibility for them. Second, there is the danger that an operating agency will lose its drive and initiative, especially as its original leaders give way to their successors, or as they grow old in service. Third, there is the danger that an operating agency, if it becomes too isolated, may lose touch with the main stream of developments and fail to render public service. Fourth, there is the danger that an operating agency will become a permanent pensioner of the Foundation, claiming continued support almost as a matter of right long after its original usefulness has ended. These dangers are especially grave in operating agencies established at the initiative of a foundation, and which have no independent functions, existence, or source of financing apart from the Foundation.

These dangers, like the general tendency to inertia and "bureaucracy" in all forms of organization, cannot be escaped entirely. But the Foundation should consider the following factors: (1) It should as a general rule work through existing agencies and institutions rather than create new ones. (2) It should work by preference through those which have some prospect of developing independent sources of financing for their continued existence—and the more diversified the potential sources of future financial support, the better. (3) It should work by preference through those operating agencies whose officers and staff members are responsible to someone interested in their subject matter, someone prepared to support their work effectively, to criticize it, and to help make it effective. (4) It should make clear the precise limits on the extent of aid the Foundation will commit to an operating agency. Adequate warning in advance regarding the duration of support, and perhaps a scheme of grants which taper off to lessen the shock at the end, will do much to avoid difficult and embarrassing relationships.

If its volume of operations in a given area of interest is great enough, and if it has such administrative choice, the Foundation should avoid direct relations with operating agencies by carrying on its activities through intermediary organizations.

If the Foundation expected to spend, say, only one-quarter or one-half million dollars annually on the practical application of knowledge to human affairs, its officers might well organize temporary special committees, or deal with other operating agencies, thereafter following their affairs in detail and informing the Trustees of the main problems which arise during operations.

One foundation spends something like that sum on studies by special committees each year. But it has found that it is already supporting as many special studies as its staff can follow and its trustees can plan and review; if it spent a larger sum it might have to deal with operating agencies on a much less detailed basis.

If the Foundation, in carrying out any of the five programs recommended in Chapter III, wishes to support a considerable variety of projects, the volume of operations is likely to be large. Wise policy here would seem to be not to deal with operating agencies directly.

It is the opinion of the Committee that the Foundation should accordingly adopt a scheme of operations which will place its Trustees above the level of responsibility for technical detail—even above the level of responsibility for the selection of specific operating agencies to support. Such a scheme will give the Trustees an opportunity to consider in some detachment the program fields which they wish to enter and the relation of those fields to the general world situation.

The Ford Foundation, therefore, may wish occasionally to set up a special fund to support the more effective application of knowledge to some broad field of human affairs. (Such a field might coincide with one of the five program areas proposed in Chapter III, or might overlap or

comprehend two or more of them.) Such a fund would be entrusted to an intermediary organization which would be required to spend the capital of the fund as well as its income during a certain period, but which would be free to administer the fund and make grants from it quite independently of the Foundation. The Foundation might either create such an intermediary organization or entrust a special fund to a suitable existing institution.

If the Foundation finds that some existing institution could enlarge its program for a temporary period to accomplish the same ends, there would be some advantage in avoiding the creation of a new institution. By doing so, the Foundation would not have to rob Peter to pay Paul, attracting leaders away from one established institution to set up another —a weighty consideration in this period of excessive demand on the talents of more competent men.

If the Foundation, on the other hand, finds that no existing institution can accomplish its purpose, it should entrust such a special fund to a new intermediary organization, to be established according to the following principles:

1. Its board of trustees would not include any member who is a Trustee of the Foundation, or personally connected in any way with the Foundation or its Trustees or principal officers. Its name should not suggest any connection with The Ford Foundation.

2. Its board of trustees would include men who have general interest in the proposed field but who are not specialists or technicians in it. They would thus be something of a bridge between the comprehensive interest of the Foundation Trustees, and the narrower technical interests of the operating agencies through which the program would be carried out. They would also be men who by reputation and status would take full public responsibility for their operations.

3. It would be set up with a single definite grant of money, not to be renewed or replenished, and with an obligation in its charter to go out of existence at the end of a certain period of years.

4. Its offices would be separate and distinct from the offices of the Foundation, preferably not near enough to invite frequent and informal association between the staffs of the two.

5. It should, if practicable, be headed by a president or executive director who would not be embarrassed by being out of a job at the end of its existence. It might be possible to make the term of the intermediary organization coincide with the remainder of a mature leader's active career, or to find someone who could return to an assured position in some university, corporation, or public agency at the end of the intermediary organization's existence. The staff should be recruited similarly so as to minimize continuing obligations to personnel. The organization would then be free to function not only as a grant-making foundation, but if necessary as an operating agency to accomplish directly the purposes in its charter. The president, trustees and staff of the organization should be able to render a broad national service as consultants in their field of interest, in addition to their function of making grants or operating directly.

At the end of the term of the intermediary, the Foundation could then review its work in complete detachment and objectivity, without being harried by public criticism or committed by continuing relationships. The Ford Foundation Trustees could decide on merit whether the work of the intermediary organization and the importance of its field would justify its reconstitution, or its renewal under another name and with different personnel, or the amalgamation of its program, wholly or partly, in another activity.

EDUCATION AND DEVELOPMENT OF PERSONNEL

The Ford Foundation, as it supports research or efforts to apply the results of research in practice, will find that first-rate men for any type of work are in short supply. To get the best long-term results the Foundation should not only provide grants to help competent men do their best work, but should also seek to increase the supply of competent men.

How may it best do so?

First of all, the Foundation should look at the main fields in which it wishes to support the application and the advancement of knowledge, should decide where its efforts are most severely handicapped by a shortage of men and women with the right abilities and training, and should support the development of personnel to fill the gaps.

The Foundation should follow a different course of action in aiding the training of research workers from that which it follows for the development of general leaders and administrators.

If the Foundation decides to grant fellowships to research workers, it should do so whenever practicable through grants which enable universities to provide fellowships to their students, or by grants to research councils with machinery and procedures to administer such programs.

If, however, the Foundation decides to assist in the development of general administrators for both private and public institutions, it might establish a special fund—entrusting it to either an existing institution or a new intermediary organization. Such a fund might be used to discover the type of advanced training most suitable to the development of general leadership and administrative ability and to grant assistance to those best able to make use of such training in the public interest.

In addition to providing grants that some operating agency or intermediary would in turn grant to individuals, the Foundation may consider the possibility of supporting the development of personnel

by making direct grants to educational institutions for stated purposes.

Other large foundations have generally given up the practice of making general purpose or endowment grants to colleges and universities. They did so in the late 1920's and the early 1930's, partly because the decline in interest rates made endowments provide smaller returns, partly because they were becoming less successful in inducing other donors to match foundation funds, and partly because of the great administrative difficulty in choosing among the many applicants. The number of privately supported colleges is so large, and their needs so great by comparison with the resources of any foundation, that foundations have generally found it impossible to select any small number for aid and to defend the fairness of their choices.

The Study Committee, in light of this experience, recommends that The Ford Foundation avoid making general purpose or endowment grants to educational institutions. The phrase—"avoid making general purpose or endowment grants"—is not meant, however, to exclude grants made by a foundation to further its general programs.

In addition to making grants for aid to especially qualified individuals, and in addition to grants to specific institutions to further the Foundation's general program, the Foundation might undertake other measures to develop leadership and train personnel—measures to improve our system of education for young people and adults alike. The Foundation might, as indicated in Program Area Four, wish to support a private inquiry into educational policies, or into the various attractions that lead men into particular vocations. Such an inquiry might also consider ways in which the rewards, both tangible and intangible, ought to be increased in those callings which now attract too little of our total talent for the good of society as a whole. And finally it may consider the type of education and training that will make men appreciate the rewards of service to the public.

Such an inquiry, or any effort to develop general leadership, would involve operating problems as well as research. It should therefore be set up as an operation quite distinct from the normal machinery of the Foundation.

In summary, each of the three major approaches which the Foundation might follow—research, the practical application of knowledge, and the education and development of personnel—calls for a different pattern of operations.

The Foundation's grants for research purposes (other than research carried on incidental to the practical application of knowledge, or in educational efforts) should be made, in general, to universities and research institutions associated with them. The Foundation may make grants for the practical application of knowledge directly to operating agencies; or, especially if the program involves a large, complex volume of operations, it should create a special fund for administration by an intermediary organization. And in the third approach—education and the development of personnel—the Foundation may wish to combine several methods, granting fellowship funds to universities or to intermediary organizations, making grants to educational institutions for certain purposes, and supporting other activities through intermediary organizations.

RELATIONS WITH THE PUBLIC AND RECIPIENTS OF GRANTS

A foundation, since it has income tax exemption, owes it to the public to report fully and frankly on the sources of its income and the purposes for which it is spent. While this obligation is not acknowledged by a number of the smaller foundations, it has been fulfilled in exemplary fashion by the larger ones. The Foundation should follow their example by issu-

ing annual financial reports as soon as practicable. In addition, the Foundation's annual reports should, as soon as its program begins, describe in general terms all of its major grants and activities.

Earlier still, the Foundation should issue a general statement regarding the program that it proposes to undertake and defining major aspects of its policy. Such a program statement should be broad and general: the Foundation's program must be defined in practice, by its decisions on individual projects.

The Foundation ought not to have an aggressive publicity program. On the contrary, while making basic facts available in annual reports, it should make every effort to avoid claiming credit for the results of work supported by its funds. In order to make clear to the public that its Trustees are not seeking to control organizations and institutions by their grants, the Foundation should avoid contributing a major share of the budget of any operating agency.

The Foundation will probably find that its most important relations will be with the various types of institutions to which it may make grants. To keep these relations on a satisfactory basis the Foundation officers and Trustees will have to follow several rules of conduct rather scrupulously.

1. The Trustees individually should not permit themselves to be enlisted as advocates by any applicants for grants. They should try not to give applicants any opinion regarding the probability of assistance from the Foundation or discuss with them the nature of recommendations made to the Board by the President or the officers.

2. While the Foundation officers must take the initiative in suggesting ideas in order to develop a successful program, they must be careful not to take credit in professional circles for their ideas. They are betting someone else's money on the success of a project, while the grantee is

betting his intellectual capital, his full energies, and his professional reputation. The Foundation officer is not prepared to take the responsibility personally for the failure of a project. He therefore must not, even in private circles, claim responsibility for its success.

3. The Foundation will make almost as great a contribution by the advice that its officers are able to give out of their knowledge and experience as by the money it grants. The Trustees should therefore encourage the officers to give freely of their time as consultants to important institutions or enterprises. The officers should, however, be careful to distinguish between their role as consultants and their role in the provision of grants. Once a grant is given for a project, the Foundation officer should not attempt to control it. On the contrary, he should make every effort to leave full responsibility in the hands of the man in charge of the project and if asked for advice he should give it only with restraint and detachment. Similarly, he should be sensitive to situations in which his advice is being asked as a preliminary step toward an application for a grant.

4. The Foundation officers must make every effort, by travel and personal contacts, to get firsthand impressions of the validity of proposals made to the Foundation. If they rely too much on the written applications, the Foundation will be making grants not on their merits but on the literary salesmanship of applicants. The remedy here is to get behind the paper curtain—to look beyond written applications into the merits of each case.

5. The Foundation officers should avoid even the appearance of personal or institutional favoritism. They should keep their range of consultants and advisers broad and flexible. They should seek to avoid too great a concentration of grants in any institution or in any region

and should avoid becoming closely identified with any one school of thought, even the most respectable—or perhaps, especially the most respectable—for to do so will discourage the initiative of men with new ideas and fresh programs.

6. Each principal Foundation officer should have full authority to discourage applications on his own responsibility, but each should make clear to any applicant that not he, but only the Foundation as an institution, can approve a grant. He should not discuss with outsiders internal differences of opinion among the officers or within the Board, or between the officers and the Board. On the other hand, on some projects the Trustees may properly authorize officers in advance to negotiate a project and make commitments.

7. While this report has recommended that in general the Foundation try to avoid the smaller grants and concentrate on larger projects, the officers will need to have funds at their disposal for small expenditures necessary to support main lines of interest. They will need to be able to make small grants for extraordinary purposes, to explore new fields, to experiment with new ideas, to hold conferences, and so on. They may especially need to make small grants for trial runs, preliminary to undertaking a larger project.

INTERNAL ADMINISTRATION

THE BOARD OF TRUSTEES

One of the main objectives of the plan for the organization and operation of The Ford Foundation should be to give the Board of Trustees the proper degree of control over its program.

Individual members of the Board of Trustees should not seek to

decide the technical questions involved in particular applications and projects. Nothing would more certainly destroy the effectiveness of a foundation. On the contrary, the Trustees will be most surely able to control the main lines of policy of the Foundation, and the contribution it will make to human welfare, if they give the President and the officers considerable freedom in developing the program, while they avoid influencing (even by indirection) the conduct of projects to which the Foundation has granted funds.

If the Board of Trustees is to keep itself in a position to make major policy decisions in an objective and detached manner—and also to keep the whole program of the Foundation flexible—it must have a suitable system both to act on the Foundation's program and to review it, and a suitable organization and staff procedures.

The function of the Trustees should be to supply the general judgment of the Foundation. They should, in a sense, speak for the general interests and needs of mankind. They should decide what goals the Foundation may desirably seek and, with their staff, should decide which are attainable. And they should continually stimulate their officers by reminding them of the problems which cry for a solution but are untouched by any of the techniques of understanding or control yet developed.

As individuals, the Trustees should learn as much as they can by all means possible, formal and informal, about the program of the Foundation in relation to the affairs of the world. But the Board of Trustees, as a responsible body, should act only according to its regular formal procedures, and usually on the agenda, the dockets, and the recommendations presented by the President.

The most important relationship within the Foundation will be the relation of the Trustees, and particularly the Chairman of the Board, to the President. While the Chairman will be spending only a small part

of his time, presumably, on the affairs of the Foundation, his role is no less important to the Foundation's success than the President's—although in a different way. The most important questions of basic policy are matters on which the Chairman and the President must have continuous and complete understanding. This understanding will need to be renewed and deepened frequently in the early years of the Foundation's program while its basic policies are being determined.

The President should be a member of the Board of Trustees. His status should not be that of a subordinate manager, but that of the member of the Board who has been entrusted with the major responsibility for the program of the Foundation. He must meet with the other Trustees not merely as the administrator of the decisions of others, but as one who will contribute with equal voice to their deliberations on the affairs of the Foundation.

In view of the potential difficulty of getting the entire Board together quickly and on short notice, an Executive Committee should be established to act when necessary between meetings of the Board. This would make it possible for the Foundation to act officially without a meeting of all the Trustees, especially on items which present no problems of fundamental policy but which, for legal, administrative, or technical reasons, ought not to be handled by the President alone.

In general, however, the Board as a whole, rather than any committee, should discuss and determine the main lines of Foundation policy. For this purpose it may need to meet quarterly, and perhaps even more frequently during the first year or two of operation. At least one meeting each year should be of several days' duration so that the Trustees may give sustained attention to a general review of the program and to future policies in relation to the changing basic needs of our society.

Between meetings, the President should help the Trustees keep generally informed on matters that will be of interest to them in relation to

the program of the Foundation. One useful way would be to issue a confidential bulletin, perhaps at monthly intervals, including one or more general essays on fields of interest in which the Foundation is or might be interested. Each essay would discuss the general problems that arise in the field, the principal theoretical issues involved, the main lines of current research and efforts toward the practical application of knowledge, the interest that foundations have taken in the field, the principal institutions at work in it, and the possible opportunities it offers the Foundation. The preparation of such bulletins would give the officers an opportunity to call on the services of leading experts in a wide variety of fields, and thus bring a constant flow of new ideas into the Foundation's thinking.

Specific proposals for action should be made, of course, only in the papers prepared for the meetings of the Board. Each Board member should receive at a fixed period before the meeting (perhaps one week) a docket including all the actions proposed by the President.

The meetings of the Board should be arranged so that the discussion will not be directed mainly at the individual grants recommended by the officers, and institutions to receive them. Nothing could destroy the effectiveness of the Board more certainly than to have the agenda for its meetings consist exclusively of small appropriation items, each of which has to be judged on the basis of scientific considerations, the academic reputation of research workers, or the standing of institutions. If the agenda calls solely for such discussions the Board will necessarily fail to discuss the main issues of policy and will inevitably interfere in matters in which it has no special competence.

One problem then is how to set up the agenda so as to get an effective discussion of general policy on questions such as these: What are the main problems of society to which the Foundation can make an effective contribution? Can that contribution be made most effectively by the

immediate application of knowledge, by the development of personnel, or by basic research — or by what proportion of each? What general types of institutions, or what types of people, can most effectively use Foundation grants for these purposes?

For this reason it would be well for the Board of Trustees to direct its attention to the larger issues of policy by two principal devices.

First, the Board should try to identify, with the aid of the President and the officers, major fields of interest in which effective work can be done toward the practical application of knowledge, and it should consider how it might best deal with each of them — whether by entrusting a special fund to an intermediary organization, or by grants directly to operating agencies.

Second, on grants made directly for research or education by the Board, the principal discussion probably should be carried on, as a formal guide to the officers, at a meeting held before the officers are required to make final recommendations. Such preliminary discussion may sometimes enable the officers to proceed with considerable assurance (though not to commit the Foundation formally) on a number of related projects in a broad field. As a result the approval of the formal recommendations of the officers may often be merely ratification of a predetermined policy. The higher the degree of harmony within the Board, the more the officers can keep the Trustees informed in advance of their plans and ideas, the more effectively will the Trustees be able to play their proper role, and the fewer will be the times when they will reject formal proposals by the President.

On the other hand the President and officers should feel quite free to submit to the Trustees for discussion an occasional proposal about which they are uncertain. It should not be considered a sign of an ideal relationship if the Trustees never disapprove a recommendation by the President.

A foundation may wish from time to time to make small grants, either to explore the possibilities of larger programs, or to take advantage of an isolated and unusual opportunity. For such purposes it will be useful for the Trustees to set up (and replenish from time to time) a discretionary fund out of which the President may make grants on his own authority. The Trustees should set a limit on the aggregate amount which the President may award in discretionary grants during a given period, rather than set a fixed limit on the size of a single grant. Each grant of this type should, of course, be reported to the Board of Trustees at its next meeting. Similarly, the President should be authorized to make minor adjustments in grants voted by the Trustees — to extend their time limits, to increase them by small amounts, and to approve minor changes in their terms — and to report such adjustments to the Board.

THE OFFICERS

The President of The Ford Foundation, as its principal officer, should not only serve as a member of the Board of Trustees, but should be given full authority to administer its organization.

He should have full responsibility for presenting recommendations on program to the Board, and full authority to appoint and remove all other officers and employees of the Foundation. The Foundation is not an institution to be administered autocratically, and the President will do well to consult freely with his principal subordinates, as well as the Trustees, on all major aspects. But he can help the Board keep a high degree of coherence in the total program only if his responsibility for its administration is quite clear.

On his staff, the President will need a number of officers to help him consider program questions, in addition to the usual corporation officers (the offices of the Secretary and Treasurer are not discussed in this

report). The principal program officers are the men on whom the success of the Foundation program will largely depend.

The founders of at least two of the larger American foundations intended their trustees to devote a major amount of their time to the active conduct of foundation affairs. Usually this arrangement has not proved practicable. The men who are suitable for appointment as foundation trustees are qualified by their extensive connections with other interests, and it would be a loss to the foundation for them to cut themselves off from those interests.

The solution should be for the President to select as the principal officers of the Foundation perhaps a half-dozen men whose ability and imagination (although perhaps not their age, experience, or reputation) would qualify them for membership on the Board of Trustees itself. In order to do so, the President should seek persons with broad experience and general interests and should avoid creating fixed divisions or departments by subject matter within the organization of the Foundation.

For several reasons, even though it will not be possible or desirable to get men who have not had any specialization in their experience, the principal officers should be men of broad experience and general interests. This will be necessary if it is to be possible for the Trustees to change the content of the program from time to time to meet new conditions, for the program of a foundation may be determined more certainly by the selection of its top officers than by any statement of policy or any set of directions. This is desirable for an additional reason: the five program areas recommended in Chapter III, while covering a broad range of human problems and public affairs, are closely interconnected in subject matter and must be synchronized in actual operation.

In the selection of the principal officers, far more emphasis should be put on general interests and ability to deal with all kinds of people, and on a deep conviction with respect to the fundamental objectives of the

program, than on technical or specialized ability in any one of the sciences. Often remarked, but worth repeating, is the fact that some of the greatest achievements by foundations in quite specialized fields were the work of laymen. Abraham Flexner, a layman, did enough for medical education on a Carnegie grant, and Wickliffe Rose, a philosopher, had enough influence on public health while serving the Rockefeller philanthropies, to prove that technical training is not the main qualification of a foundation officer.

The principal officers of The Ford Foundation should be given titles corresponding to their status—for example, vice-president or executive assistant—which will not commit them to interest in any particular phase of the Foundation program, or lead to the general development of divisions or departments according to subject matter. The President will undoubtedly wish to have his aides familiar with definite fields of interest, and to some extent develop particular fields of activity; but he should make a point of adjusting or rotating assignments to avoid the development of fixed divisions. This would not be possible if the subject matter of the program recommended above ranged, for example, all the way from astrophysics to the latest development in art, but it should be desirable in a program that has considerable homogeneity and focus.

The President, with the consent of other members of the Board, should decide which officers he wishes to be present during each part of a Board meeting. For example, he will probably bring in the Treasurer and other fiscal officers for discussions of the financial affairs of the Foundation. And the principal program officers should certainly be present while the Trustees discuss the program, for in no other way can they get the flavor of the Trustees' views—and vice versa.

No definite rules can be laid down for the recruitment and tenure of the principal staff members. In general the President should not appoint to permanent tenure a man he has any doubts about whatever. He might

do well to fill some positions at first by the temporary appointment of people on leave from other positions. On the other hand, he would probably do well to include on the staff men with a certain variety of experience—from business, government, or journalism, as well as from universities—and the difficulty of getting leaves of absence for such men should not prevent the President from seeking their appointment.

Salaries for such positions should be high enough to let the Foundation recruit the best men from universities, government, and nonprofit institutions, without being so high as to block entirely any possibility of movement in the opposite direction. This salary level, of course, might not attract the ablest men from business and from some of the professions unless they have a strong desire for public service and a strong interest in the Foundation's program.

Whenever additional specialized staff help is needed the Foundation should assemble it by employing special consultants for temporary duty—even though temporary duty may last for six months, or a year, or longer—rather than by adding permanent staff members. In particular, a special consultant may well be employed from time to time to write a report to the Board (perhaps for publication) appraising the Foundation's work in some field over a period of years, or appraising another field with respect to its potential cultivation.

The experience of various special commissions appointed for public service, and indeed of this Study, suggests that the most able experts in the country are willing to make their services available, provided the purpose is important enough. Nevertheless, the business of committee meetings has become a real drain on the time of many leaders in intellectual and public affairs, and the Foundation should not employ a consultant or set up a committee, unless it is really prepared to make effective use of the advice it gets.

The principal officers of the Foundation will probably find one work-

ing rule extremely important, if the experience of other foundation officers can be taken as a guide: they must travel. Only by frequent travel, by visiting people in all phases of government, in business, in labor, and in the universities can foundation officers dig beneath the mechanics of official and semi-official committees and councils and get realistic impressions of the work that needs doing and the people competent to do it.

As they do so they must sacrifice a considerable degree of their freedom of self-expression. They cannot themselves be crusaders, or even take sides strongly in public on the issues involved in the work they support. They will have the satisfaction of making the resources of the Foundation available to persons in strategic positions to benefit society as a whole. In return they, like the Foundation itself, must give up the luxury of taking credit for their accomplishments.

Probably the most difficult problem of a foundation is to determine which grants have been successful, and which have not. Foundations have experimented with different techniques for appraising their own work, including the preparation of rather elaborate analyses and reports. Such documents are useful in various ways. In addition to their primary purpose of providing a formal basis for appraising a foundation's program, they may be useful for historical purposes and for the training of new staff members — they have certainly been invaluable in informing the staff of this Study. Nevertheless they should be supplemented by less formalized types of review. Any written review is likely to be a rather mechanical device to record in a watered-down form the critical self-appraisal in which foundation officers ought always to be engaged. For the officers of a foundation must be guided in their new decisions by their most candid judgment regarding old successes and failures. The most important judgments are not those that they would be willing to put into writing. Like most other policy decisions crucial to an organization's

success, such judgments are most effective if they are made informally, privately, and confidentially.

A foundation's self-appraisal, however, may be greatly furthered if it is made rather thoroughly at intervals of, say, five to ten years. At such intervals the President and officers of the Foundation should attempt, quite informally and confidentially, to get the opinions of outside independent critics on the achievements of the Foundation, its shortcomings, and the new opportunities created by changed conditions. In the light of such advice, the President may propose to the Board of Trustees a totally new program or adjustments in the old one, and the Trustees should act on the proposal with the assistance of all the ideas that they can collect from appropriate sources. From time to time, the Foundation, being concerned with the role of other institutions in our society, must systematically appraise and revise its own, in order to continue to serve as an influence for a fresh, experimental approach to the improvement of human welfare.

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