

THE STUDY FOR THE  
FORD FOUNDATION  
ON POLICY AND PROGRAM

H. ROWAN GAITHER, JR.  
Study Director

WILLIAM W. McPEAK  
Asst. Study Director

Committee:

THOMAS H. CARROLL, D.C.S.  
T. DUCKETT JONES, M.D.  
CHARLES C. LAURITSEN, PH.D.  
DONALD G. MARQUIS, PH.D.  
PETER H. ODEGARD, PH.D.  
FRANCIS T. SPAULDING, ED.D.

75 EAST 56TH STREET  
NEW YORK 22, N. Y.  
ELDORADO 5-1056

ACTIVITY REPORT #2  
(February and March, 1949)

A. Introduction:

This report to the Trustees of the Ford Foundation discusses the activities of the Committee and Staff during February and March, 1949. It will be expanded and supplemented by discussion at the Trustees meeting on April 4th to which the Study Director has been invited.

B. Staff Activity

1. Survey of status of social science research:

The evidence points toward a recommendation for substantial activity in the broad field of human and social relations. Published data with which to check the asserted need for foundation support of social science research or to appraise proposed methods and techniques for foundation programs which fall within the social sciences are inadequate and over wide areas are simply not available. Consequently Dr. John Riley, a sociologist, Rutgers University, has been retained to make a brief survey of the positions and trends of the social sciences relative to monetary support, facilities, personnel,



the relationship between basic and applied research, and the rate of utilization of social scientists by government and industry. Dr. Riley's report will equip the Ford Foundation Trustees with background information which will be helpful in assessing the recommendations of the committee report. It should also be helpful to the foundation operating staff in planning more comprehensive studies to guide its future programs.

2. Study of public relations policies:

There are evident trends in public and congressional opinion\* toward the enactment of legislation which would regulate certain phases of operation of tax-exempt foundations and narrow the exemption privilege. The Ford Foundation, because of its size and announced intention to operate on a national scale, will come under increasing public and governmental scrutiny. It is therefore in a unique position to become a "model foundation" and thereby resist undesirable controls over legitimate foundation activity.

The study will include an inquiry into the duty of a foundation to account for its activities through published reports, and the degree and implications thereof. This is being prepared by the Staff in consultation with Dean Paul H. Appleby of the Maxwell Graduate School, Professor T. H. Sanders of the Harvard Business

---

\*Tobey, Senate investigation into the "Textron Case"; H.R. 2976 to limit income accumulation; Chicago Tribune articles; "Timid Billions" by Edwin Embree, Harpers, March 1949.



School, and others. The related problem of tax-exemption privilege and trends in Treasury thinking and planning which may concern foundations, has been studied informally by the Staff and by Professor Stanley Surrey of the University of California Law School (formerly tax legislative counsel for the Treasury Department and now engaged by The American Law Institute to revise and restate the Internal Revenue Code).

3. Statement of basic foundation philosophy:

Traditional and contemporary foundation philosophy cannot be accepted in whole or in part without critical re-examination and a studious appraisal of prevailing problems and conditions. In fact a redefinition is clearly indicated. Government and publicly financed agencies now accept responsibility in areas previously supported largely by private philanthropy. Moreover the emphasis, urgency and complexity of fundamental problems has changed. The philosophy underlying the foundation's place and participation in attack upon these problems should be defined. Such a statement, developed by the Staff in collaboration with the Committee, will be included in the final study report. Its possible uses are several, including the indoctrination of new trustees and the testing of qualifications of persons considered for staff appointments.

4. Study of foundation administration:

This study, begun by Mr. Don Price during the latter part of March, will take about two months to complete. The source materials and opinions will come principally from the Rockefeller Foundation, the Carnegie Corporation, the Twentieth Century Fund, the Commonwealth Fund, and the Russell Sage Foundation.



5. Humanities:

A staff study of the need for and comparative importance of foundation activity in the Humanities (e.g., history, philosophy, fine arts, music, literature) has been begun by Professor William DuVane, Yale University. Professor DuVane will be assisted by an advisory committee providing representation of the various humanist fields.

6. Recommendations concerning trustee accessions:

During February and March the Staff interviewed foundation executives, trustees, and business, educational and scientific leaders (see Exhibit 1). The Committee members secured the views of recipients of foundation grants. All interviews were directed toward a determination of recommended trustee qualifications and functions and board organization. A preliminary report will be given the Trustees on April 4, 1949.

7. Accession of staff writer:

Professor Paul Bixler of Antioch College joined the Staff in February to serve as a staff writer.

8. Elimination of survey of government-sponsored natural science research:

The study will not include a survey of the present level and distribution of government-financed research in the natural sciences. The Steelman Report supplies most of the essential data. Moreover any supplementary survey by the study would be of little planning value to the Trustees if this Congress creates, as seems most probable, the National Science Foundation.



C. Committee Activity

1. The Committee met in New York on March 10, 11 and 12, and each member presented a preliminary report (following the agreed outline of the final report) which reflected his thinking and the views of his advisers, interviewees and conferees. Committee interviews were approximately 500. The base and distribution by fields and by academic and non-academic status is shown in Exhibit 2.

2. At the March meeting tentative program areas were discussed at some length. Then a number were assigned out for further study and development into broad areas with alternative operating or subsidiary areas. No area was approved. This activity report would be extended beyond all reasonable limits if each suggested program area were mentioned. It is possible, however, to set down some of the more important areas in broad general terms to indicate the trend of the Committee's findings:

(1) Many social problems (industrial relations, racial and minority tensions, political strife, for example) cannot be mitigated or solved until there is a better understanding of the critical factors in social relations. These include human values, human motivations, human organization and administration, and communication between individuals. There is great need for foundation support of activities intended to acquire more knowledge of these factors and to apply intelligently and effectively the knowledge thus secured.



(2) The grave international situation has suggested the need for foundation support, through research and education, of activities which would develop and strengthen our legal and political institutions throughout the world. The well-being of persons and groups, and even their very survival, depend in no small degree upon the quality of governments and of the systems of law and leadership which create them and exercise control through them, locally, nationally, and internationally. Despite the paramount importance of these institutions, our contributions toward their nurture and development have been niggardly. Opportunities to make such contributions seriously challenge us. Among these, the desperate need to revise our legal training of yesterday to cope with the complex problems of today, and the training of public servants into statesmen rather than technical administrators, are but two of a multitude of examples.

(3) The development of healthy, well-integrated and well-informed individuals is essential to the solution of many problems. One way toward the development of such individuals is, through research, to learn what factors influence adult behavior. There is increasing evidence that the dominant influences occur during the first five years of a child's life, and that foundation support of research might produce significant results.



(4) Basic to the solution of these and other problems is the development of an educated public, both in youth and in maturity. Telling evidence exists that our public school system lags far behind the general progress of our culture and fails to disseminate the knowledge and to inculcate the spirit in our citizens which are essential to the intelligent assumption of responsibility in a modern society. There is reason to believe that the time is ripe for broad foundation-sponsored activity in the field of education.

D. Miscellaneous

1. The next committee meeting will be on May 5, 6, and 7. The ability of the Study Committee to complete the final report by July 1st cannot be determined until the conclusion of this meeting. The staff-prepared parts of the report can be completed by July 1st.

2. The Staff and Committee continue to receive enthusiastic and unselfish support from leaders in foundations, industry and academic institutions.



Exhibit 1

Persons interviewed in connection with Trustee Selection:

- Mr. Chester Barnard; President, Rockefeller Foundation. An authority on problems of business management, his last position was that of Chairman of the New Jersey Bell Telephone Company. During the war he was President of the U.S.O.
- Dr. Frank Boudreau; Executive Director, Milbank Memorial Fund.
- Dr. Everett Case; President of Colgate University. Assistant Dean of Harvard Graduate School of Business (1939-42). Previously he held positions privately and in the government in the administration of business research.
- Mr. Charles Dollard; President, Carnegie Corporation.
- Mr. John Foster Dulles; Trustee, internationally prominent lawyer, statesman and church leader. Mr. Dulles serves on the directorate of several large industrial and banking concerns, and in addition is a trustee of the Rockefeller Foundation, and Chairman of the Board of the Carnegie Endowment for International Peace.
- Dr. Edwin Embree and Dr. Will Alexander, former officers and trustees of the Rosenwald Fund.
- Mr. Herbert Emmerich; Director, Public Administration Clearing House, Chicago.
- Dr. Lester Evans, Staff Officer in the Commonwealth Fund.
- Mr. Raymond B. Fosdick; retired President of the Rockefeller Foundation.
- Mr. Morris Hadley; he has served on a number of boards, including The Carnegie Corporation, The Community Service Society, The New York School of Social Work, Vassar College, The Yale Corporation, The New York Public Library, The Milbank Memorial Fund.
- Mr. Devereux Josephs; President, New York Life Insurance Company, former President of Carnegie Corporation.
- Mr. Russell Leffingwell; Trustee, Carnegie Corporation.
- Dr. Alfred L. Loomis; Trustee, Carnegie Institution of Washington; M. I. T., and other organizations.
- Mr. Arthur W. Page; General Adviser and former Vice-President of A. T. & T.; Trustee of the Carnegie Corporation.



Exhibit 1 (Page 2)

Mr. John D. Rockefeller, Jr.; an active trustee of the Rockefeller Foundation from its initiation until retirement age.

Mr. John D. Rockefeller III; Trustee, Rockefeller Foundation.

Mr. Beardsley Ruml; Chairman of the Board of R. H. Macy & Company, former assistant to the President of The Carnegie Corporation, former director of the Laura Spelman Rockefeller Memorial Fund, and trustee of the Rosenwald Fund.

Mr. George Whitney; President, J. P. Morgan and Company; Trustee of the Carnegie Corporation.

Mr. Donald Young; General Director, Russell Sage Foundation, former director of the Social Science Research Council.



## Exhibit 2

Number of persons interviewed in each field:

Foundations -		38
Political Science and	Academic -	17
Public Administration -	Non-Academic -	19
Natural Sciences -	Academic -	34
	Non-Academic -	21
Education -	Academic -	48
	Non-Academic -	10
Business -	Academic -	63
Management -	Non-Academic -	42
Labor -	Non-Academic -	4
Medicine & Health -	Academic -	56
	Non-Academic -	39
Social Sciences -	Academic -	14
	Non-Academic -	5
Humanities -	Academic -	13
	Non-Academic -	15
Religion -		6
Communications -		15
Miscellaneous -		4
		<hr/> 463