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IN RESPONSE TO QUESTIONNAIRES

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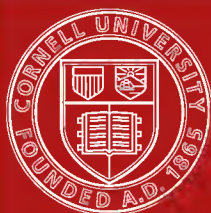
**United States Commission
on Industrial Relations**

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In Response to

Questionnaires Submitted by

**United States Commission
on Industrial Relations**

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CONTENTS.

QUESTIONNAIRE I.

Organization.

QUESTION	PAGE
1. Charter	1
Schedule A. Charter	19
1. Constitution	1
Schedule B. Constitution	20
1. By-Laws	1
Schedule C. By-Laws	23
2. Rockefeller Foundation not a consolidation of pre-existing organizations	1
3-4. Directors	1, 2
5. Officers	2

Funds, Character and Control.

6. Statement of funds held.....	4
Schedule D. Statement of funds held	27
7a. Control of funds	4
7b-c. Appropriations and payments.....	5
8. Sources of present funds.....	7
9. Sources of future funds.....	7
10. Manner of making appropriations..	8
11. Estimates for appropriations.....	8
12. Restrictions on expenditure of appropriations	9

Agreements and Contracts.

13. Agreement with Mr. King.....	9
14. Provision for divergence of policy between Mr. King and Directors.	11
15. Termination of agreement with Mr. King	13
16. Control of investigations	13
17. Appropriations for investigations..	13

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Purposes and Plans.

QUESTION		PAGE
18.	No consolidation of benefactions in the Rockefeller Foundation.....	14
19.	Work of subsidiary organizations..	14
20.	Reasons for establishing Industrial Relations Division	14
21.	Resolution authorizing Industrial Relations Division	9, 16
22.	Investigations by Industrial Relations Division	16
23.	Results to be secured by Industrial Relations Division	16
24-25.	Limitation of work of Industrial Relations Division	17
26-27.	Annual Reports	17
28.	Impartiality of investigations and reports	18
29.	Plans of Industrial Relations Division	18

QUESTIONNAIRE II.

1.	Previous employment and full time service of Treasurer and Assistant Treasurer	31
2.	Publications by International Health Commission and Rockefeller Sanitary Commission.....	32, 103
3.	Investigations by International Health Commission	32
4.	Membership of Finance Committee	33
5-6.	Applications from philanthropic agencies for contributions	33, 36
7.	Conferences between Members of Foundation and Mr. King.....	36
8.	Outline of work and organization for proposed investigations by Industrial Relations Division....	36
9.	Catalogue and bibliography prepared by Dr. Foerster	38

QUESTION	PAGE
10. Study of the literature concerning Industrial Relations	39
11. Interim reports by Mr. King.....	39
12. Staff employed by Mr. King.....	40
13. Mr. King's experience in labor problems	40
Exhibit A, same.....	50
14. Notice to Members of meeting of August 13	40
15. Procedure in considering Reports of Investigations	41
16. Economists and business men consulted as to establishing Industrial Relations Division.....	42
17a. Time Mr. King began work.....	46
17b-c. Questions to be investigated by Mr. King	46
18. Procedure in engaging assistants to Mr. King	46
19. Study of experience of other countries in adjusting industrial relations	47
20. Meetings of the Rockefeller Foundation	47
Exhibit B, attendance of members..	54
21. Compensation of Members and Officers	48
22. Annual Report for 1914.....	48
23. Nominating Committee	48
24. Chapters VI and VII from "Random Reminiscences of Men and Events"	48
Exhibit C, same	55
25a. Application for national and state charters	48, 96
25b-c. Purposes of Foundation, as submitted to Committee of Congress, and publicity matter issued in connection	49, 87
26. Statements issued to the Press....	49
Exhibit D, same.....	73

I.

Information Furnished By
THE ROCKEFELLER FOUNDATION
In Response to Questionnaire Submitted by the
United States Commission on Industrial
Relations.

ORGANIZATION

Question 1. Please furnish copies of Constitution and By-Laws.

Answer. Copies of the Charter, being Chapter 488 of the Laws of 1913 of the State of New York, and of the Constitution and By-Laws are hereto annexed, marked respectively, Schedules A, B and C (see page 19, *et seq.*).

Question 2. What Boards, Funds, Commissions and other organizations have been included under the Rockefeller Foundation?

Answer. None. The Rockefeller Foundation is not a consolidation of pre-existing organizations but is a separate and distinct creation with its own funds.

Question 3. Who are the members of the present Board of Directors?

a. For what terms do they serve?

Answer. For the term expiring 1915: Harry Pratt Judson, Simon Flexner, Starr J. Murphy.

For the term expiring 1916: John D. Rockefeller, John D. Rockefeller, Jr., Frederick T. Gates.

For the term expiring 1917: Charles W. Eliot,

Wickliffe Rose, Charles O. Heydt, Jerome D. Greene, A. Barton Hepburn.

Question 4. How and by whom will the future Directors be chosen?

a. For what terms will they serve?

Answer. "New members, whether as successors to those named in the Act of Incorporation or otherwise, and such additional members as they or their successors shall see fit to associate with them, shall be elected by ballot, either at the annual meeting of the Corporation or at a special meeting duly called for that purpose, by vote of a majority of the members of the Corporation attending such meeting.

Any member may withdraw from the Corporation by a notice in writing to the President or Secretary. The members shall be at all times divided into three classes equal numerically, as nearly as may be, and the original members shall at their first meeting, or as soon thereafter as may be convenient, be divided into three classes the members of the first class to hold their membership and office until the first annual meeting, the members of the second class until the second annual meeting, and the members of the third class until the third annual meeting, and in every case the member shall hold office after the expiration of his term until his successor shall be chosen. At each annual meeting the successors to those members whose term of office then expires shall be chosen for the term of three years and until their successors shall be chosen." (Constitution, Article I.)

Question 5. Who are the present officers of the Foundation and its subsidiary organizations?

a. How were they chosen?

b. For what terms do they hold office?

Answer. The present officers of the Foundation are: John D. Rockefeller, Jr., President; Jerome D. Greene, Secretary; Louis G. Myers, Treasurer; Lefferts M. Dashiell, Assistant Treasurer.

These officers, with the exception of the Assistant Treasurer, were chosen by ballot at the first meeting of the Foundation, held May 22, 1913, and re-elected at the first annual meeting of the Foundation, held January 21, 1914, in accordance with Article IV of the Constitution, which is as follows:

“OFFICERS”

“The officers of the Corporation shall consist of a President, Secretary and Treasurer, together with such other officers as may be determined by the By-Laws. These officers shall have the duties and exercise the powers assigned to them by this Constitution or by the By-Laws, or by resolutions adopted pursuant to the authority of this Constitution or the By-Laws. At each annual meeting of the Corporation or, in default of election at such meeting, then at an adjournment thereof, or at any meeting duly called for that purpose, the Corporation shall elect by ballot a President, Secretary and Treasurer, and it may choose such other officers as the By-Laws shall from time to time provide. All the officers, whether elected or appointed, shall hold office at the pleasure of the Corporation, but in no case beyond the time when their respective successors shall be elected and accept office.”

The Assistant Treasurer was appointed by the Executive Committee at its meeting on March 18, 1914.

The Foundation has created, as a sub-

sidiary organization, the International Health Commission, the purpose of which is to extend to foreign countries and peoples the work of eradicating hookworm disease as opportunity offers, and so far as practicable to follow up the treatment and cure of this disease with the establishment of agencies for the promotion of public sanitation and the spread of knowledge of scientific medicine. The members of the International Health Commission are the members of the Executive Committee of the Rockefeller Foundation, viz: Simon Flexner, Jerome D. Greene, Charles O. Heydt, Starr J. Murphy, John D. Rockefeller, Jr., and Messrs. Charles W. Eliot, Frederick T. Gates, William Crawford Gorgas, David V. Houston, Walter H. Page, Wickliffe Rose, William H. Welch.

The officers of the International Health Commission are: John D. Rockefeller, Jr., Chairman; Wickliffe Rose, Director General; John A. Ferrell, Assistant Director General.

These officers were elected by the members of the International Health Commission at its annual meeting held January 20, 1914, for the term of one year, or until their successors are elected.

FUNDS, CHARACTER AND CONTROL.

Question 6. Please furnish a statement, showing in detail the funds, securities and other sources of income now held by the Foundation or by any subsidiary organizations.

Answer. See Schedule D (page 27).

Question 7. By what Committee, Board or person are the funds of the Corporation controlled?

a. Who controls the character of investment or place of deposit of the funds?

Answer. The Finance Committee controls the character of the investments. (By-Laws, Art. 11.)

The Executive Committee controls the place of deposit of the funds. (By-Laws, Art. V.)

b. On whose authorization and in what manner are funds appropriated?

Answer. Appropriations are made by the Board of Directors or the Executive Committee, on the report and recommendation of the Secretary or any other officer or member of the Foundation.

c. On whose warrants are funds paid out?

“No bills shall be paid except those which have been incurred pursuant to a resolution of the Corporation or under the authority of the Executive Committee, and such bills shall be paid only on a voucher approving the same for payment and referring to the specific resolution or authorization pursuant to which they were respectively incurred, which voucher shall be signed by the President and the Secretary or such of the assistant secretaries as shall be designated by resolution of the Corporation or the Executive Committee, or, in the case of the absence or disability of either the President or Secretary, by such other member of the Corporation as such absentees shall designate in writing for that purpose.

A current expense account of not to exceed five thousand dollars (\$5,000) on deposit at any one time may be opened with such depository as may be designated by the Executive Committee, which shall be subject to draft upon the signature of the cashier of the Corporation who shall be bonded at

the expense of the Corporation for such sum as the Executive Committee shall fix."

(Art. V of By-Laws, pars. 2 and 3.)

d. What regulation governs the expenditure of the interest or limits the accumulation of the fund?

e. What regulation controls the expenditure of the principal?

Answer. As regards the accumulation of the fund, the Charter of the Foundation provides:

"The Corporation * * * * shall have the power to take and hold by bequest, devise, gift, purchase or lease, either absolutely or in trust for any of its purposes, any property, real or personal, without limitation as to amount or value, except such limitation, if any, as the legislature shall hereafter specifically impose; to convey such property, and to invest and reinvest any principal, and deal with and expend the income and principal of the corporation in such manner as in the judgment of the trustees will best promote its objects. It shall have all the power and be subject to all the restrictions which now pertain by law to membership corporations created by special law so far as the same are applicable thereto and are not inconsistent with the provisions of this act."

As regards the expenditure of the principal and income, the only restrictions are:

1. The following provisions in Mr. John D. Rockefeller's letter of March 6, 1914:

"It is a condition of this gift that from the income of the Foundation the sum of Two million dollars annually, or as much thereof as I shall designate, shall be applied during my lifetime to such specific objects within the corporate pur-

poses of the Foundation as I may from time to time direct. If at the close of any fiscal year there shall remain any balance of the Two million dollars which I have not thus designated during that fiscal year, such balance shall be transferred to the general unrestricted income of the Foundation to be used as the Foundation shall see fit. Subject to the foregoing provision, the principal as well as the income of this gift may be used in your discretion for any of the corporate purposes of the Foundation."

2. By-Laws, Art. 8, as follows:

"No part of the principal of the funds of the Foundation shall be distributed except pursuant to a resolution passed by the affirmative vote of two-thirds of all those who shall at the time be members of the Foundation at a special meeting held on not less than thirty days' notice given in writing to each member of the Foundation which shall state that the meeting is called for the purpose of considering a resolution to authorize the distribution of the whole or some part of the principal of its funds."

Question 8. From what sources have the funds of the Foundation hitherto been derived?

Answer. The Foundation has received from Mr. John D. Rockefeller gifts of securities of the aggregate market value at the time of the gifts of One hundred million dollars. It has also received securities aggregating Forty-eight thousand dollars from Laura S. (Mrs. John D.) Rockefeller in trust, for certain specific purposes within the corporate purposes of the Board.

Question 9. From what sources are the future funds of the Foundation expected to be received?

Answer. The Foundation has no expectation

with regard to future funds, but under the terms of its charter it can receive gifts from any source.

Question 10. In the divisions of the Foundation which have already been in operation (e. g. General Education Board), how, by whom, and for what periods have appropriations been made?

a. Are such appropriations made as a lump sum to be used at the will of the directors or responsible head, or is there an appropriation for each specific line of work?

Answer. This question is evidently based upon a misunderstanding. As stated above, the Rockefeller Foundation is not composed of organizations which previously existed. The General Education Board is an entirely independent corporation with funds of its own. In the case of the International Health Commission lump sums have been from time to time appropriated for the use of the Commission to be expended in accordance with appropriations duly made by the Commission or its Executive Committee.

Question 11. By whom and in what manner are the estimates for necessary appropriations made?

Answer. The major part of the work of the Foundation consists in making contributions to other agencies carrying on various philanthropic activities. Applications are made by these agencies, and appropriations are made by the Board or the Executive Committee on the report and recommendation of the Secretary or any other officer or member of the Foundation. In cases where estimates are necessary, they are made by the persons recommending or presenting the matters.

Question 12. After an appropriation for any particular purpose has been made, to what restrictions or review is its expenditure subject, other than the ordinary business and legal procedure to insure honesty in its control?

Answer. The appropriations are in general made in the form of pledges to particular institutions for definite amounts and, when once made, each pledge becomes a contract which is not subject to review by the Foundation. The expenditure of other appropriations is subject to the ordinary business and legal procedure.

AGREEMENTS AND CONTRACTS.

Question 13. What agreements or understanding, verbal or written, exist between the Foundation and Mr. King, regarding the scope of the work which is to be done under his direction, and the method of investigation which is to be pursued?

a. By whom was the arrangement with Mr. King made?

Answer. Mr. King was appointed pursuant to a resolution adopted at the meeting of the Executive Committee of the Rockefeller Foundation held August 13, 1914, of which the following is a copy:

“RESOLVED: That William Lyon Mackenzie King be, and he is hereby, appointed to make a comprehensive study of the problem of industrial relations at a salary of \$ a year from October 1, 1914.

“It was, on motion, further

“RESOLVED, That the Secretary be authorized to

approve all bills for necessary traveling expenses and all other expenses incurred by Mr. King in the pursuance of his work under the direction of the Executive Committee. The Secretary presented a recommendation from Mr. King for the employment of Robert F. Foerster, Ph.D., to prepare a catalogue of individuals and organizations, and a bibliography concerning the general subject of industrial relations.

“Whereupon it was, on motion,

“RESOLVED, that Dr. Foerster be appointed to perform the service above described, the same to be completed on or about October 1, 1914, for a total compensation of \$.

“It was also further

“RESOLVED, that Dr. Foerster be authorized to employ as his assistant, Mr. L. C. Staples, at a salary of \$ a month, and to employ such further clerical assistance and incur such further expenses incident to the preparation of the proposed catalogue and bibliography as should meet the approval of Mr. King.”

The amounts of the salaries have been omitted as being information of a confidential nature not material to this inquiry.

The action at this meeting had been preceded by conferences and correspondence between Mr. King and members of the Executive Committee of the Foundation, principally the President and Secretary, Messrs. John D. Rockefeller, Jr., and Jerome D. Greene. In brief, Mr. King was invited to conduct “an investigation of the great problem of industrial relations, with a special view to the discovery of some mutual relationship of labor and capital which would afford to

labor the protection it needs against oppression and exploitation, while at the same time promoting its efficiency as an instrument of economic production." Mr. King was also invited to outline a method of work and organization for the proposed investigation which would enable him to make the largest possible contribution to the solution of the problem. The wish of the Foundation was expressed as follows:

"It is our desire that the scope should be as broad and comprehensive as possible, for only as a result of such an intensive investigation can we hope to be in a position to make helpful suggestions looking toward the improvement in industrial relations."

There is no formal written contract between the Foundation and Mr. King, other than the resolution appointing him. There are no verbal agreements or understandings.

Question 14. Is there any provision in the agreement or understanding to assure Mr. King's ability to go on with his plans, even if his policy should be divergent from that of the Directors?

Answer. This and several subsequent questions appear to be based upon an entire misconception of the spirit and purpose of the investigation which Mr. King has been retained to direct. Having in mind that hardly any relation in life is more far reaching than the industrial relation, and particularly having in view the growing tendency to misunderstanding and lack of harmony between employers and employes, resulting in great injury to both as well as to the

general public, the Foundation has felt that no subject could be more worthy of study, and that if it could work out sound and substantial improvements in the relation of capital and labor, it could hardly do anything better calculated "to promote the well-being of mankind," for which purpose the Foundation was created. In no sense will the inquiry be local or restricted, or carried on with particular reference to any existing situation, or to conditions in any one country. The experience of the several countries of the world will be drawn upon. Mr. King has been selected as a person whose broad sympathies and wide experience peculiarly qualify him to assist the Foundation in this endeavor. As indicated in the statement of the Foundation at the time the investigation of industrial relations was announced, the work in spirit and method will be akin to that of the Rockefeller Institute for Medical Research. In so far as Mr. King's inquiries have to do with industrial controversies, his attitude will be that of a physician who investigates the nature and causes of the pathological conditions with which he has to deal, with a view, if possible, to the discovery of effective remedies. It cannot be too clearly understood that the purpose of this inquiry is not to apportion blame in present or past misunderstandings, nor to justify any particular point of view; the sole purpose is to be constructively helpful. The final and only test of the work will be the degree to which the constructive suggestions growing out of the investigation actually improve the rela-

tions between capital and labor. In a work conceived and undertaken in such a spirit, any question of divergent policies or of partiality in the investigation can have no place. Mr. King has from the outset indicated to the Foundation his desire to avoid any form of organization which may cause it even to appear that his work is intended to rival or encroach upon the work of existing organizations, and in particular the work properly assignable to government departments and agencies. It is his intention from time to time to retain experts and seek expert advice in different fields included within the scope of his study, and to employ such clerical assistance as may be necessary. In view of Mr. King's experience, the conduct of the work will be left in his hands, subject merely to such conference with the officers of the Foundation as may be desirable, and to a general control by the Foundation of the extent of the expenditure.

Question 15. Upon what conditions can the agreement with Mr. King be terminated?

Answer. At Mr. King's expressed wish, the period of his relationship to the Foundation was limited to one year, beginning October 1, 1914, with the hope and expectation expressed by the Foundation that his connection with it might continue thereafter indefinitely.

Question 16. What person, Board or Committee controls the field, scope and method of investigation?

Answer. Mr. King as Director.

Question 17. Has the Foundation or its subsidiary and affiliated organizations refused at any

time to continue appropriations for any piece of work or for any investigation which had been agreed upon?

Answer. No.

PURPOSE AND PLANS.

Question 18. What were the fundamental reasons and purposes which led to the consolidation and incorporation of the various Rockefeller benefactions?

Answer. There has been no consolidation of the various Rockefeller benefactions.

Question 19. Please outline briefly the work which is now being carried on by the subsidiary departments or organizations which make up the Foundation, and indicate as far as possible their general plans.

Answer. As previously stated, the major part of the work of the Foundation consists in contributions to other agencies carrying on various philanthropic activities. The work and plans of the International Health Commission and of the Industrial Relations Investigation are described in answer to previous questions. The former is now carrying on work in the British West Indies, Central America, Egypt, Ceylon, the Malay States and the Philippines.

Question 20. What were the facts, reasons and considerations which led to the establishment of the Industrial Relations Division of the Foundation?

Answer. For several years past Mr. John D. Rockefeller and his advisers have had under consideration the establishment of an organization

for social and economic research. Upon the establishment of the Rockefeller Foundation, one of the first matters which it considered was the possibility of the organization of such an institution, and a committee of leading economists and business men was created to consider whether such an organization could wisely and profitably be established. This is referred to in the testimony of Mr. John D. Rockefeller, Jr., given April 6, 1914, before the Sub-Committee of the Committee on Mines and Mining of the House of Representatives (see page 2892 of their printed testimony). While the general subject of economic research was under consideration, the industrial disturbances in Colorado impressed the President of the Foundation with the great need and public importance of finding an effective means of preventing such conflicts and caused him to urge a far-reaching study of industrial relations as the most important immediate inquiry to which the Foundation could direct attention. In view of the passion aroused in Colorado and the many divergent interests involved there, it was felt that the Foundation itself should not interfere in that situation, but that it was of the utmost consequence that the root causes of that and similar disturbances should be ascertained, and, if possible, removed, not only in Colorado but elsewhere. The Rockefeller Foundation is, moreover, a large owner of corporate securities, and in that capacity is itself directly concerned in maintaining harmonious relations between the companies in which it is interested and their employes. It was therefore felt that if the Foundation could

work out, on a basis compatible with sound economics, a substantial improvement in the relations between capital and labor, it would not only discharge its obligation as indirectly a large employer of labor, but would also perform for the general public a greater social service than it could render along usual philanthropic lines. Realizing that the success of such an endeavor would depend almost entirely upon the character and experience of the person conducting the work, it examined the field to see whether a suitable person could be found. In this connection, its attention was directed to Mr. King, and the officers determined that in view of his broad experience and high character, if his services could be secured they would recommend that the Foundation undertake a study of this subject.

Question 21. If the Industrial Relations Division was authorized by resolution, please furnish a copy of the resolution. If not, please state by whom, at what time, and under what circumstances its establishment was suggested and provided for.

Answer. A copy of the resolution is set forth in answer to Question No. 13.

Question 22. Please outline, as far as possible, the questions in the field of Industrial Relations to which the investigations of the Foundation may be directed?

Answer. This has been left to Mr. King to decide.

Question 23. What results does the Foundation expect to secure from its Industrial Relations Division?

Answer. As already stated in answer to Questions Nos. 14 and 20, it is hoped that by a careful study of world experience there may be disclosed methods of adjusting industrial relations which if applied will prove of permanent value.

Question 24. Will the work of the Industrial Relations Division be limited to investigation?

Answer. Being solely concerned with the accomplishment of the practical aim of this undertaking, namely, to improve the relations between capital and labor, the Foundation has purposely avoided assigning any definite limits either to the method of procedure or to the scope of the work.

Question 25. If not, what means other than the publication of its investigations are likely to be used to make effective the findings of the investigations?

Answer. Answered by the answer to the preceding question.

Question 26. In what form and to what authority will the annual reports of the Foundation be made?

Answer. The statute of New York does not require the publication or filing with any public authority of annual reports. The Foundation has already decided, however, to publish annual reports of its activities.

Question 27. To whose supervision or approval will the reports of the investigations be subject prior to publication?

Answer. To the Foundation or the Executive Committee.

Question 28. In what way will the impartiality of the Foundation's investigations and reports be assured?

Answer. This is covered by the answers to Questions Nos. 14 and 20.

Question 29. When will the plans of Mr. King be ready?

Answer. It is not expected that plans of a formal or conventional kind will be prepared, but rather that Mr. King will proceed along such lines as may from time to time appear to offer greatest promise of practical results.

THE ROCKEFELLER FOUNDATION.

(Signed) JOHN D. ROCKEFELLER, JR.,
President.

(Signed) JEROME D. GREENE,
Secretary.

December 4, 1914.

SCHEDULE A.***Charter of The Rockefeller Foundation.**

Chap. 488, Laws of New York, for 1913.

AN ACT

To incorporate The Rockefeller Foundation.

Became a law May 14, 1913, with the approval of the Governor.

Passed, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. John D. Rockefeller, John D. Rockefeller, Junior, Frederick T. Gates, Harry Pratt Judson, Simon Flexner, Starr J. Murphy, Jerome D. Greene, Wickliffe Rose and Charles O. Heydt, together with such persons as they may associate with themselves, and their successors, are hereby constituted a body corporate by the name of The Rockefeller Foundation, for the purpose of receiving and maintaining a fund or funds and applying the income and principal thereof to promote the well-being of mankind throughout the world. It shall be within the purposes of said corporation to use as means to that end research, publication, the establishment and maintenance of charitable, benevolent, religious, missionary and public educational activities, agencies and institutions, and the aid of any such activities, agencies and institutions already established and any other means and agencies which from time to time shall seem expedient to its members or trustees.

2. The Corporation hereby formed shall have power to take and hold by bequest, devise, gift, purchase or lease, either absolutely or in trust for any of its purposes, any property, real or personal, without limitation as to amount or value, except such limitation, if any, as the legislature shall hereafter specifically impose; to convey such property, and to invest and reinvest any principal, and deal with and expend the income and principal of the corporation in such manner as in the judgment of the trustees will best promote its objects. It shall have all the power and be subject to all the restrictions which now pertain by law to membership corporations created by special law so far as the same are applicable thereto and are not inconsistent with the provisions of this act. The persons named in the first section of this act, or a majority of them, shall hold a meeting and organize the corporation and adopt a constitution and by-laws not inconsistent with the constitution and laws of this state. The constitution shall prescribe the manner of selection of members, the number of members who shall constitute a quorum for the transaction of business at meetings of the corporation, the number of trustees by whom the business and affairs of the corporation shall be managed, the qualifications, powers, and the manner of selection of the trustees and officers of the corporation, the manner of amending the constitution and by-laws of the corporation, and any other provisions for the management and disposition of the property and regulation of the affairs of the corporation which may be deemed expedient.

3. No officer, member or employee of this corporation shall receive or be lawfully entitled to receive any pecuniary profit

*See Page 1.

from the operations thereof except reasonable compensation for services in effecting one or more of its purposes, or as a proper beneficiary of its strictly charitable purposes.

4. This act shall take effect immediately.

STATE OF NEW YORK, } ss: B167
Office of the Secretary of State. }

I have compared the preceding with the original law on file in this office, and do hereby certify that the same is a correct transcript therefrom, and of the whole of said original law.

GIVEN under my hand and seal of office of the Secretary of State, at the City of Albany, this 21st day of May in the year one thousand nine hundred and thirteen.

(Signed) JOSE G. RIDGEON,
Second Deputy Secretary of State.

[L. S.]

SCHEDULE B.*

Constitution of The Rockefeller Foundation.

ARTICLE I.

Members.

The members of the Corporation shall consist of the persons named in the first section of the Act to incorporate the Rockefeller Foundation, being Chapter 488 of the Laws of 1913 of the State of New York, viz., John D. Rockefeller, John D. Rockefeller, Junior, Frederick T. Gates, Harry Pratt Judson, Simon Flexner, Starr J. Murphy, Jerome D. Greene, Wickliffe Rose and Charles O. Heydt, together with such persons as they may associate with themselves, and their successors.

New members whether as successors to those named in the Act of Incorporation or otherwise, and such additional members as they or their successors shall see fit to associate with them, shall be elected by ballot, either at the annual meeting of the Corporation or at a special meeting duly called for that purpose, by vote of a majority of the members of the Corporation attending such meeting.

Any member may withdraw from the Corporation by a notice in writing to the President or Secretary. The members shall be at all times divided into three classes equal numerically, as nearly as may be, and the original members shall at their first meeting, or as soon thereafter as may be convenient, be divided into three classes, the members of the first class to hold their membership and office until the first annual meeting, the members of the second class until the second annual meeting, and the members of the third class until the third annual meeting, and in every case the member shall hold office after the expiration of his term until his successor shall be chosen. At each annual meeting the successors to those members whose term of office then expires shall be chosen for the term of three years and until their successors shall be chosen. In case any member shall by death, resignation, incapacity to act, or otherwise, cease to be a member during his term, his successor shall

*See Page 1.

be chosen to serve for the remainder of his term and until his successor shall be chosen. If and when the number of members shall be less than nine, the members remaining shall have power to add, and shall add to their number, until the number shall be not less than nine, but no act of the Corporation shall be void because at the time such act shall be done the members of the Corporation shall be less than nine.

All the powers of the Corporation shall be exercised by its members, and they may, by general resolution, subject to the provisions of this Constitution and the By-Laws to be adopted, delegate to other officers or to committees of their own number such powers as they may see fit, in addition to the powers specified in this Constitution and in such By-Laws.

ARTICLE II.

Quorum.

A majority of the members of the Corporation shall constitute a quorum for the transaction of business at meetings of the Corporation.

ARTICLE III.

Trustees.

The number of trustees by whom the business and affairs of the Corporation shall be managed shall be the same as the number of members, and all of the members of the Corporation shall be its trustees, and the election of any person as a member of the Corporation shall constitute him a trustee.

ARTICLE IV.

Officers.

The officers of the Corporation shall consist of a President, Secretary and Treasurer, together with such other officers as may be determined by the By-Laws. These officers shall have the duties and exercise the powers assigned to them by this Constitution or by the By-Laws, or by resolutions adopted pursuant to the authority of this Constitution or the By-Laws. At each annual meeting of the Corporation or, in default of election at such meeting, then at an adjournment thereof, or at any meeting duly called for that purpose, the Corporation shall elect by ballot a President, Secretary and Treasurer, and it may choose such other officers as the By-Laws shall from time to time provide. All the officers, whether elected or appointed, shall hold office at the pleasure of the Corporation, but in no case beyond the time when their respective successors shall be elected and accept office.

ARTICLE V.

President.

The President shall sustain an executive and advisory relation to the work and policies of the Corporation similar to that usually sustained by the chairman or president of commercial bodies. He shall preside at all meetings of the Corporation at which he shall be present. He shall appoint all committees unless otherwise ordered by the Corporation. In his absence, the members of the Corporation present shall appoint one of their own number to preside. The President, ex-officio, shall

be a member of all committees, except as herein otherwise provided. He shall sign for the Corporation all deeds and other agreements and formal instruments.

In the absence or disability of the President he may by written instrument appoint a member of the Corporation to discharge such of his functions as he may assign to such appointees.

ARTICLE VI.

Treasurer.

The Treasurer, subject to such regulations as may from time to time be prescribed by the Corporation, shall have the custody of the funds and securities of the Corporation, including all bonds, deeds and other papers and documents relating to such property, and shall also have the disbursement of its money. He shall keep proper books of account, and other books, showing at all times the amount of funds belonging to the Corporation, which shall be at all times open to the inspection of the members of the Corporation. At each meeting he shall present an account showing in detail the receipts of the property belonging to the Corporation and of all disbursements thereof since his last report. He shall not pay any money except in the manner prescribed in the By-Laws, or as provided by resolution of the members of the Corporation, or the authority of the Executive Committee.

ARTICLE VII.

Secretary.

The Secretary shall conduct the correspondence of the Corporation except as otherwise provided in the By-Laws or by resolution of the Corporation. He shall be the medium of communication with the Corporation. He shall be ex-officio a member of all committees except as herein otherwise provided. He shall give notice of and attend all meetings of the Corporation, taking minutes of the proceedings and transcribing them in a book provided for that purpose, and attesting the same. Immediately upon the election and appointment of members he shall give notice to them of their election or appointment. He shall have the custody of the corporate seal. He shall keep the records of all committees of which he is a member.

ARTICLE VIII.

Meetings.

The annual meeting of the Corporation shall be held on the Wednesday next preceding the fourth Thursday of January in each year. At this meeting the Trustees of the Corporation shall present a report, verified by the President and Treasurer, or by a majority of the Trustees, showing the whole amount of real and personal property owned by the Corporation, where located, and where and how invested, the amount and nature of the property acquired during the year immediately preceding the date of the report, and the manner of the acquisition; the amount applied, appropriated or expended during the year immediately preceding such date, and the purposes, objects or persons to and for which such applications, appropriations or expenditures have been made, and the names and places of residence of the persons who have been admitted to member-

ship in the Corporation during such year, which report shall be filed with the records of the Corporation and an abstract thereof entered in the minutes of the proceedings of the annual meeting.

In addition to the annual meeting, stated meetings of the Corporation shall be held on the Wednesday next preceding the fourth Thursday of May and October in each year.

All meetings shall be held at such time and place in the City of New York, or elsewhere, as the Corporation shall from time to time order or direct. In the absence of such direction, the meetings shall be held at the office of the Corporation in the City of New York.

The President or any three members of the Corporation may call a special meeting of the Corporation by not less than five days' written notice given by the President or the Secretary, or the members calling such meeting.

If any member of the Corporation, other than Mr. John D. Rockefeller, shall be absent from three consecutive stated meetings, such absence, unexcused, shall *ipso facto* be deemed a resignation of membership of the Corporation, and the vacancy so caused shall be filled as herein provided. Any member of the Corporation may by writing or telegram appoint any other member of the Corporation to act as his proxy at any one or more specified meetings of the Corporation.

ARTICLE IX.

Committees.

The Corporation may by By-Laws provide for such committees and may delegate to such committees such powers as it shall deem wise.

ARTICLE X.

Amendments.

This Constitution may be altered or amended by a majority vote of the members present at any duly called meeting of the Corporation, provided that written notice has been sent to every member of the Corporation at least ten days in advance of the date of meeting, stating specifically the proposed amendment.

SCHEDULE C.*

By-Laws of The Rockefeller Foundation.

ARTICLE I.

There shall be a standing committee of three members of the Corporation who with the President and Secretary shall be the Executive Committee. The Executive Committee shall be elected by the Corporation at the annual meeting by ballot. The Executive Committee may fill vacancies in its own number or in the Finance Committee in the interim of the Corporation meetings, reporting its action to the Corporation at the next meeting.

This Committee shall have and may exercise all the powers

*See Page 1.

of the Corporation when the Corporation is not in session, except those specifically vested in the Finance Committee as herein provided. A quorum for the transaction of business shall consist of three members. The Committee shall elect its Chairman and shall make such rules and regulations as, from time to time, it may deem proper for its own government and for the transaction of business of which it may have charge, which are not herewith otherwise provided for. It shall direct and control the purchase of all supplies and the audit of all bills.

ARTICLE II.

There shall be a Finance Committee consisting of three members of the Corporation, to be elected by the Corporation at the annual meeting by ballot. The President and Secretary shall not be ex-officio members of this Committee. This Committee shall have power to make investments and to change the same, and may from time to time sell any part of the bonds, shares, notes or other forms of investment held by the Corporation, or any rights or privileges that may accrue thereon. In making investments or changes of investments, all the members of this Committee shall be consulted when this is reasonably practicable, but the Committee shall be deemed to be in continuous session, and may act without formal notice of meeting, and the joint action of any two members shall be valid and binding. The Committee shall elect its Chairman and shall make such rules and regulations as from time to time it may deem proper for its own government and for the transaction of business of which it may have charge. It shall keep regular minutes of its meetings and shall make report to the members of the Corporation of all investments and changes of investments made by it.

ARTICLE III.

There shall be a Nominating Committee consisting of three members of the Corporation, to be elected by the Corporation each year at the October meeting by ballot. The President and the Secretary shall not be ex-officio members of this Committee. It shall be the duty of this Committee to make recommendations regarding members, officers and elective committees who are to be elected at the annual meeting next ensuing, and also regarding members or officers to be chosen to fill vacancies which may occur during the year.

ARTICLE IV.

The Corporation at any stated meeting, or at any special meeting called for that purpose or when the Corporation is not in session the Executive Committee, may by resolution appoint one or more assistant treasurers, one or more assistant secretaries, a cashier, and such other officers as may be deemed necessary. The same person may be appointed to hold two or more of said offices. All such officers shall hold office at the pleasure of the Corporation, but in no case beyond the time when their respective successors shall be elected and accept office, and shall have such powers and be subject to such restrictions as shall be set forth in the resolution appointing them.

ARTICLE V.

The Treasurer shall deposit the funds of the Corporation in such banks or trust companies as may from time to time be designated by the Executive Committee. Such deposits of funds shall be made subject to draft only on the signatures of two persons, one of whom shall be the President, the Secretary or some member of the Corporation designated by the President or Secretary and of the Treasurer, and the other shall be the Treasurer, or in case of his absence or disability, such member of the Corporation as shall from time to time be designated by resolution of the Corporation or of the Executive Committee.

No bills shall be paid except those which have been incurred pursuant to a resolution of the Corporation or under the authority of the Executive Committee, and such bills shall be paid only on a voucher approving the same for payment and referring to the specific resolution or authorization pursuant to which they were respectively incurred, which voucher shall be signed by the President and the Secretary or such of the assistant secretaries as shall be designated by resolution of the Corporation or the Executive Committee, or, in the case of the absence or disability of either the President or Secretary, by such other member of the Corporation as such absentee shall designate in writing for that purpose.

A current expense account of not to exceed five thousand dollars (\$5,000.) on deposit at any one time may be opened with such depository as may be designated by the Executive Committee, which shall be subject to draft upon the signature of the cashier of the Corporation who shall be bonded at the expense of the Corporation for such sum as the Executive Committee shall fix.

The securities of the Corporation shall be deposited in some suitable safe deposit vault. Access to the vault may be had by the members of the Corporation, the Treasurer, the Assistant Treasurer and such of the assistant secretaries as shall be designated for that purpose by resolution of the Corporation or the Executive Committee, provided that there shall always be two of the foregoing present. Such securities may be withdrawn from the vault only on a written order directing the delivery of the same to the person or persons therein specified, which order shall be signed by two members of the Finance Committee or by one member of the Finance Committee and one other member of the Corporation.

ARTICLE VI.

The President, Treasurer or Secretary is hereby authorized and directed, upon the written request of any two members of the Finance Committee, to execute under seal such form of transfer and assignment as may be customary or necessary to constitute a regular transfer for the delivery of such securities as and to whomsoever may be designated in such request.

Either the President or the Treasurer may execute and deliver on behalf of the Corporation from time to time proxies on any and all stock owned by the Corporation, appointing such person or persons as they shall deem proper to represent and vote the stock owned by the Corporation at any and all meetings of stockholders, whether general or special, with full power of substitution, and to alter and rescind such appointments at such time and as often as they see fit.

ARTICLE VII.

Notices.

All notices required by these By-Laws, or otherwise, for the purpose of the Corporation, shall be in writing and shall be either personally delivered or mailed to the members of the Corporation at their addresses as entered in the office of the Secretary of the Corporation.

ARTICLE VIII:

No part of the principal of the funds of the Foundation shall be distributed except pursuant to a resolution passed by the affirmative vote of two-thirds of all those who shall at the time be members of the Foundation at a special meeting held on not less than thirty days' notice given in writing to each member of the Foundation which shall state that the meeting is called for the purpose of considering a resolution to authorize the distribution of the whole or some part of the principal of its funds.

ARTICLE IX.

Amendments.

These articles may be altered or amended by a majority vote of the members present at any duly called meeting of the Corporation, provided that written notice has been sent to every member of the Corporation at least ten (10) days in advance of the date of meeting, stating specifically the proposed amendment.

Name	No. of Bonds	Book Value
Amount brought forward.....		\$24,901,969.50
New York Chicago & St. Louis 1st Mtg.....	35	33,250.00
New York Chicago & St. Louis RR Deb.....	1,333	1,133,610.00
New York Connecting RR 1st Mtg.....	250	233,453.65
Norfolk & Western RR 1st Consol Mtg.....	6	5,005.00
Northern Pacific Ry Refunding & Imp.....	390	357,350.00
Northern Pacific Ry Prior Lien Ry and Land Grant.....	6	5,115.00
Ohio Fuel Supply Co Debenture.....	52	51,925.00
Pennsylvania RR Consolidated.....	1	11,880.00
Pere Marquette RR Consol.....	520	327,600.00
Philadelphia Co Convertible Debenture.....	1,000	970,000.00
“ “ Gold Convertible.....	500	475,000.00
Pittsburgh Cin Chic & StL Ry Con Ser “D”.....	56	54,320.00
“ “ “ “ “ “ “I”.....	500	515,000.00
Rutland RR 1st Consolidated.....	25	22,500.00
St. Louis & San Francisco RR Refunding.....	2,000	1,520,000.00
“ “ “ “ “ New Orleans, Texas & Mexico 1st....	450	270,000.00
Seaboard Air Line Adjustment.....	455	350,350.00
Southern Pacific Brch Ry 1st.....	100	117,140.20
Sunday Creek Co Coll Trust.....	81	63,180.00
Wabash RR 2nd Mtg.....	117	114,660.00
“ “ Detroit & Ohio Ext 1st.....	3	3,180.00
“ “ Omaha Division 1st.....	45	29,250.00
Washington Railway & Elec Cons Mtg Gold.....	450	375,750.00
Western Maryland 1st.....	1,032	814,158.76
Western Pacific Ry 1st.....	4,039	2,786,910.00
Wheeling & Lake Erie RR Lake Erie Div 1st.....	140	140,000.00
“ “ “ “ “ 1st Consol.....	434	347,200.00
		<hr/> \$36,029,557.11

Name	No. of Shares	Book Value
American Ship Building Co Preferred.....	9,457	\$ 803,845.00
" " " Common.....	14,972	524,020.00
Atchison Topeka & Santa Fe Common.....	20,000	1,919,000.00
Borne-Scrymser Company.....	350	103,250.00
Buckeye Pipe Line Company (par \$50).....	49,693	7,950,880.00
Central National Bank of Cleveland.....	500	79,611.10
Chehalis & Pacific Land Company.....	220	10,000.00
Carried forward.....		<u>\$47,511,071.54</u>

STOCKS (Continued)

Name	No. of Shares	Book Value
Amount brought forward.....		\$47,511,071.54
Chesebrough Manufacturing Co.....	690	462,300.00
Chicago City & Connecting Ry Preferred Participation certificate.....	17,530	1,212,856.88
Chicago City & Connecting Ry Common Participation certificate.....	10,518	315,540.00
H. B. Claflin Company Common.....	451	35,774.92
Cleveland Arcade Company.....	2,500	246,555.56
Cleveland Steel Company.....	2,121	212,100.00
Cleveland Trust Company.....	286	68,123.77
Colonial Oil Company, The.....	619	61,900.00
Colorado & Southern Ry Company 1st Pref.....	7,000	378,000.00
Consolidated Gas Company.....	20,000	2,600,000.00
Continental Oil Company.....	7,000	1,330,000.00
Wm Cramp & Sons Ship & Engine Bldg Co.....	648	9,720.00
Crescent Pipe Line Company (par \$50).....	14,120	847,200.00
Cuban-American Sugar Company Pref.....	600	53,265.00
Cumberland Pipe Line Company.....	2,481	178,632.00
Erie Railroad Company 1st Preferred.....	36,700	1,688,200.00
Eureka Pipe Line Company.....	12,357	4,464,995.59
Galena Signal Oil Co Preferred.....	4,193	587,024.13
Galena Signal Oil Co Common.....	20,842	3,959,976.12
Great Lakes Towing Company Common.....	1,200	14,400.00
“ “ “ Preferred.....	1,527	135,500.05
Great Northern Railway Preferred.....	500	53,025.00
Indiana Pipe Line Co (Par \$50).....	24,845	3,108,385.28
International Agricultural Corp Preferred.....	11,345	340,350.00
“ “ “ Common.....	12,575	62,875.00
International Mercantile Marine Co Pfd.....	5,832	64,152.00
“ “ “ “ Common.....	16,603	49,809.00
International Paper Company Common.....	400	3,200.00
H. H. Kohlsaat Company.....	1,900	95,000.00
Manhattan Railway Company.....	10,000	1,287,750.00
Missouri Pacific Ry Co.....	2,000	52,000.00
National Lead Company Preferred.....	1,400	145,600.00
“ “ “ Common.....	73,500	3,675,000.00
New York Chicago & St. Louis Common.....	100	5,500.00
“ “ “ “ 2nd Preferred.....	400	31,480.00
National Transit Co (Par \$25).....	126,481	5,185,721.00
New York Transit Co.....	12,392	3,717,600.00
Northern Pacific Ry Co.....	1,000	91,762.50
Forwarded.....		\$84,342,345.34

STOCKS (Continued)

Name	No. of Shares	Book Value
Amount brought forward.....		\$84,342,345.34
Northern Pipe Line Company.....	9,000	990,000.00
Ohio Fuel Supply Company (Par \$25).....	4,154	170,314.00
Otis Steel Company Preferred.....	140	12,600.00
" " " Common.....	329	6,580.00
Pope Manufacturing Company Common.....	354	1,416.00
" " " Preferred.....	280	4,200.00
Pressed Steel Car Company Preferred.....	500	44,875.00
Provident Loan Certificates (Par \$5000).....	40	200,000.00
St. Louis & San Francisco RR 2nd Pfd.....	6,000	42,000.00
Seaboard Air Line Ry Preferred.....	4,300	232,200.00
" " " Common.....	3,400	71,400.00
Solar Refining Company.....	4,964	918,375.00
Southern Pipe Line Company.....	24,845	5,703,308.88
Standard Oil Company (Kansas).....	4,966	1,365,733.13
" " " (Kentucky).....	7,434	1,044,547.23
" " " (Nebraska).....	2,482	670,140.00
" " " (Ohio).....	8,696	3,652,320.00
Southwest Penn Pipe Lines.....	8,000	1,280,000.00
Superior Savings & Trust Company.....	300	89,350.00
Swan & Finch Company.....	903	180,600.00
Tilden Iron Mining Company.....	1,780	48,683.46
Union Tank Line Company.....	24,105	1,687,350.00
U. S. Cast Iron Pipe & Foundry Co Pfd.....	4,987	221,644.22
" " " " " " " Common.....	8,100	81,000.00
" " Rubber Company 1st Preferred.....	300	30,369.40
" " Steel Corporation Common.....	200	13,000.00
Washington Oil Company.....	1,774	53,220.00
Wilson Realty Company.....	591	59,100.00
Woman Hotel Company.....	300	24,000.00
" " " (Dividend Scrip \$750).....	\$750	600.00
		<hr/>
		\$103,241,271.66
Original Capital of the Foundation.....	\$100,000,000.00	
Net Profits on Securities sold and redeemed.....	319,733.77	
Unexpended Income.....	2,921,537.89	
		<hr/>
		\$103,241,271.66
		<hr/>
		689,545.53
		<hr/>
Total Funds of the Foundation December 1st, 1914.....		\$103,930,817.19

II.

Information Furnished By
THE ROCKEFELLER FOUNDATION
In Response to Supplementary Questionnaire Submitted by the
UNITED STATES COMMISSION ON INDUSTRIAL RELATIONS.

Under date of January 7, 1915.

Question 1. (a) Where were the present Treasurer and Assistant Treasurer employed at the time of election of Officers of the Foundation?

(b) Do they give full time service to the Foundation? If not, what portion of their time is given to the foundation?

Answer. (a) The present Treasurer, L. C. Myers, was formerly office manager in the private office of George Foster Peabody, the Treasurer of the General Education Board, and Mr. Myers acted as assistant treasurer of that Board. Upon the retirement of Mr. Peabody, Mr. Myers succeeded him as Treasurer of the General Education Board, and was afterwards appointed the Treasurer of the Rockefeller Institute for Medical Research and the Rockefeller Sanitary Commission for the Eradication of Hookworm Disease, in which positions he was serving at the time of his appointment to the Treasurership of the Rockefeller Foundation.

The present Assistant Treasurer, L. M. Dashiell, was at the time of his appointment Cashier and Office Manager in the office of Messrs. Sim-

mons & Slade, Bankers and Brokers, 5 Nassau Street, New York City.

(b) Mr. Myers is now Treasurer and Mr. Dashiell Assistant Treasurer of the General Education Board, the Rockefeller Institute and the Rockefeller Foundation. Their salaries are allocated to the respective boards on the basis of the proportion which the income of each Board bears to the total income of the three Boards.

Question 2. (a) Has the Foundation a complete file of the publications issued by the International Health Commission and its predecessor, the Sanitary Commission, including publicity matter furnished to newspapers, Departments of Health, Departments of Education, etc.? If so, is this matter in form that it may be sent to the Industrial Relations Commission?

(b) May it be consulted at the Foundation's office?

Answer. (a) & (b) The Foundation has complete files of the publications issued by the Rockefeller Sanitary Commission for the Eradication of Hookworm Disease, and of the few publications of the International Health Commission, and these are available for consultation at the office of the Rockefeller Foundation. No other publicity matter has been issued by either Commission, though much effective publicity has been given to the work of each by state, county and local authorities. (See page 103.)

Question 3. What studies has the International Health Commission made of industrial diseases or of sanitary conditions of different industries?

Answer. The International Health Commission, since its organization, has confined its activities almost entirely to the eradication of hookworm disease in different parts of the world. It must be mentioned, however, that the reports of the Sanitary Commission whose work in the Southern states has now been taken over by the International Health Commission, show that the ravages of hookworm disease have a most important effect upon the economic efficiency of infected persons.

Question 4. Who are the members of the Foundation's Finance Committee?

Answer. John D. Rockefeller, Jr., Starr J. Murphy and Jerome D. Greene.

Question 5. (a) Regarding applications from various philanthropic agencies for contributions by the Foundation, is it possible to state briefly the Foundation's procedure in considering such applications?

e. g. (1) What applications come to the attention of the Executive Committee?

(2) What applications come to the attention of the full Board?

(3) What officer or employe of the Foundation has authority to reject an application without submitting it to the Executive Committee or to the full Board?

(b) What is the nature of the record which explains the grounds on which applications are thought not deserving consideration, or, after being considered, are rejected?

Answer. (a) The answer to this question will

be clearer if preceded by a general statement of the Foundation's attitude in what must still be called, after a little more than a year of work, the initial stage of its activities. From the outset the members of the Foundation, having in mind its chartered purpose "to promote the well-being of mankind throughout the world," were agreed that the Foundation could probably render a more enduring service if, instead of making contributions to a large number of miscellaneous objects, its funds were primarily devoted to promoting the study of some of the more fundamental human needs, with a view to achieving results that might not be so well accomplished by agencies more limited in scope. The members of the Foundation have felt that a departure from this general policy would be amply justified by the utilization of a part of the funds of the Foundation to assist in meeting emergencies where the urgency of the need appeared to render such aid imperative. The Belgian relief necessitated by the European War, is a case in point. The following activities upon which the Foundation has embarked will illustrate how this general principle is being applied:

The organization of the International Health Commission for a world wide campaign against Hookworm Disease;

The promotion of medical education and public health in China, a work upon which the Foundation is now entering;

The Investigation of Industrial Relations, a field of study so vast as to require in all probability years of study.

During the first year of its existence the Foundation has responded favorably to a limited number of applications, affirmative action upon which seemed likely not only to meet a real need, but also to provide experiences which it was believed would prove illuminating and of assistance to the Foundation in determining future policies; e. g.,—

A pledge of \$10,000 a year for ten years to the American Academy in Rome;

A pledge of \$20,000 a year for ten years to the New York Association for Improving the Condition of the Poor, for Widows' Pensions;

The purchase of a large tract of land in Louisiana as a reservation for wild fowl at a cost of about \$225,000.

(1) (2) Meetings of the full Board of the Foundation are generally devoted to discussion and determination of important matters of general policy; action is also taken on such recommendations as are presented. Between meetings of the Board applications are acted upon by the Executive Committee in accordance with the policies of the Board.

(3) Applications are usually made through the President or the Secretary of the Foundation. In the majority of instances, it is possible for either officer to tell whether or not the proposition comes within the scope of the Foundation's policies and he acts accordingly. It is the duty of the Secretary to study the data submitted with applications, to secure additional data if necessary, to prepare recommendations and to submit them for formal action. Matters are sometimes acted upon

at meetings of the Executive Committee at which only a quorum are present. In such cases the matters have usually been presented to and approved by members not expecting to be present.

(b) There is no formal record explaining the grounds on which applications are thought not deserving of consideration.

Question 6. Is it possible to tell from the Foundation's records how many applications have been received since the establishment of the Foundation in the interest of different proposals for studying or improving labor conditions?

Answer. The records show but one such application.

Question 7. About how many conferences had members of the Foundation had with Mr. King before the resolution of August thirteenth appointing him to make a comprehensive study of Industrial Relations?

Answer. Three.

Question 8. Has the outline of the method of work and organization for the proposed investigation mentioned in the answer to our question thirteen been submitted? If so, may we have a copy?

Answer. Mr. King has suggested in conversation with members of the Foundation the method of work he proposes to adopt, but has not submitted a formal outline or report. Intensive study rather than extensive investigation perhaps best describes the character of Mr. King's work as thus far indicated by him. He is proceeding as a student who is carefully surveying a special field of work, with a view to ascertaining in the

first instance how far investigation of the great problem of Industrial Relations has been already profitably carried out by others, and determining as to wherein further investigation may be made to advantage under such auspices and with such resources as the Foundation is in a position to provide. When Mr. King was invited to enlist in this work, the purpose of the Foundation was set forth in the following words in a communication to him:

“The problem is so vast and the difficulties are
“so largely inherent in human nature that a complete solution is not to be had in five years or in
“a generation. On the other hand, it might be
“expected that hard study for a year or two could
“yield much light on the problem and particularly on the very question whether such studies
“could be profitably pursued for a longer or an
“indefinite time under such auspices and with
“such resources as the Rockefeller Foundation
“could provide.”

To facilitate his studies, Mr. King's first step was to retain Professor Foerster of Harvard University to prepare a bibliography of the literature on the subject of Industrial Relations as found in the libraries of Harvard University, also a directory of societies, organizations and individuals who have carried on or may at the present time be carrying on research work in the field of Industrial Relations. The Author and Subject Catalogue prepared by Professor Foerster has over five thousand different titles, including references to publications in all parts of the world; the Directory, which is also in the form of a card cata-

logue, is confined to America and has between seven and eight hundred references. With the literature of the subject thus indicated before him, Mr. King has been engaged upon the preparation of a chart of the field of Industrial Relations, which when completed he hopes to have opportunity of discussing with informed persons of all classes and many points of view. Having completed a preliminary survey in this way, he then proposes to develop the work along such lines as may from time to time appear to offer the greatest promise of practical results.

As regards organization, just as Dr. Foerster was appointed to do a specific piece of work, so Mr. King expects as time goes on occasionally to retain expert advice and assistance, but it is not his intention to attempt the organization of any staff, such, for example, as exists in Government Bureaus or Commissions. With the exception of the appointment of Dr. Foerster and a secretary, Mr. King has not thus far made any request for appointments. He has engaged temporary stenographic assistance as he has required it. The Foundation places every confidence in Mr. King's judgment, and no attempt has been or will be made to influence him in the selection of persons whom he may wish to retain, the questions he may wish to ask or the course he may wish to follow, in pursuing the work he has undertaken for the Foundation.

Question 9. (a) Have the catalogue and bibliography which were to be prepared by Dr. Foerster by August first, been completed?

(b) Are they in form for submission to this Commission, or to be consulted by it at the Foundation's office?

Answer. (a) Yes.

(b) They are at Mr. King's residence at The Roxborough, Ottawa, Canada, and should the Commission desire to consult them, Mr. King will gladly either bring the catalogue and bibliography in whole or in part to New York or place them at the disposal of such officers as the Commission may desire to have consult them in Ottawa.

Question 10. (a) Before deciding to engage Mr. King, what study did the Foundation make of literature concerning Industrial Relations?

(b) What examination was made of the work then in progress or planned by State and National Bureaus and Commissions?

(c) With whom besides Mr. King did it consult regarding its plan for study?

Answer. (a) & (b) None. Mr. King's services were enlisted, amongst other reasons, with the very thought in mind that he could make just such preliminary surveys as are here implied.

(c) While members of the Foundation talked informally with personal friends concerning a suitable person to make a study of Industrial Relations, there were no consultations with anyone other than Mr. King regarding a plan of study.

Question 11. (a) Referring to your answer to our question fourteen, how many formal interim reports have been made by Mr. King since October first?

(b) What formal reports of progress, if any, have been called for?

Answer. (a) There have been no formal interim reports made by Mr. King.

(b) Formal reports of progress have not been called for. These questions are perhaps best answered by the answer to Question 8.

Question 12. (a) How large a staff has Mr. King at the present time?

(b) Please indicate how many and which are experienced investigators and how many clerical?

Answer. (a) & (b) These questions also are best answered by the answer to Question 8.

Question 13. Will you summarize the previous experience of Mr. King in dealing with labor problems, to which at two or three points in your letter, e. g. answer to question fourteen, you refer?

Answer. A summary of Mr. King's experience in dealing with labor problems is attached to this reply. (See Exhibit "A," page 50, *et seq.*)

Question 14. (a) Were notices sent to all members of the Foundation, before the meeting of August thirteenth, stating the purpose to consider the engagement of Mr. King for the study of Industrial Relations?

(b) How far in advance of the meeting were such notices sent?

(c) How many and which members of the Foundation were present at the meeting of August thirteenth?

Answer. (a), (b) & (c) The meeting of August 13, 1914, was a meeting of the Executive Committee, notice of which was sent by the Secretary to all members on July 30, 1914. No formal statement

of the purpose of the meeting was made, but all the members were familiar with the project under consideration. The following members were present: John D. Rockefeller, Jr., Simon Flexner, Charles O. Heydt and Jerome D. Greene, members of the Executive Committee, and Wickliffe Rose, a member of the Foundation, by invitation. These constituted the Executive Committee, except Starr J. Murphy, who was absent on his summer vacation.

Question 15. (a) What is the Foundation's procedure in considering reports of investigators and in examining responsibility for such reports, i. e., is a separate copy sent to each member?

(b) Is written confirmation, or suggestion, or criticism invited? received?

(c) Are reports submitted to any persons not members of the Foundation?

(d) Has any procedure been decided upon with reference to the final consideration of Mr. King's report?

Answer. (a) (b) & (c) During the very short period of the Foundation's existence it has not set on foot many investigations such as the question seems to refer to, nor has it adopted any procedure in considering reports. Before undertaking so important a work as medical education in China, the Foundation appointed a Commission of three persons who were sent to China and spent about four months in that country. Upon its return the Commission took a month for the preparation of a very full and comprehensive report, copies of which were printed and sent to the mem-

bers of the Foundation. In the case of the hookworm work in foreign countries, the Director-General, Mr. Wickliffe Rose, was sent around the world, to visit the countries where the greatest infection was known to exist. Upon his return he presented written recommendations for the inauguration of work in certain countries, reported orally upon his observations and experiences during the journey, and filed with the Secretary his detailed notes in such form as to be available for reference by members of the Foundation. In any case where it might seem desirable to get outside expert opinion on a report made to the Foundation, such an opinion would undoubtedly be sought, as was the case with the report on medical work in China, which was shown to a number of persons interested in China whose opinions were considered valuable. In all such cases of reference to competent critics, the freest comment is invited, but no form, either written or oral, has been prescribed for the communication of such comment.

(d) No procedure has been decided upon with reference to the final consideration of Mr. King's report.

Question 16. (a) Regarding the Committee of Leading Economists and Business Men, mentioned in your answer to our question twenty, may we know the names, when appointed, the number of meetings held, the number of meetings attended by each member, the number and name of investigators, whether interim reports were sent to each Committee member, and how long in advance of the meeting at which it was first considered?

(b) May we have a copy of any plans that were adopted in advance of the study and of the final report, or interim reports, which had been rendered at the time the Industrial disturbances in Colorado caused the President of the Foundation to urge the present far-reaching study of Industrial Relations?

Answer. (a) The question as to the desirability of establishing an institute or bureau for the study of economic questions had been informally discussed among members of the Foundation, both before and after its establishment. Personal conferences were also had with the following individuals: Dean Edwin F. Gay of Harvard University, Professor J. Laurence Laughlin of the University of Chicago, Mr. John Koren, President of the American Statistical Association, President Charles W. Eliot, and Professor Wesley C. Mitchell of Columbia University. Authority to hold these personal conferences was given by a vote of the Foundation of October 22, 1913, directing the Secretary "to invite suggestions as to the desirability of establishing an organization for the study of important social and economic questions vitally affecting the welfare of society at the present time." The result of these conferences, all of which were favorable to the establishment of some sort of agency for the scientific investigation of economic subjects, was reported to the Executive Committee at the meeting of December 20, 1913, and it was understood that further conferences would be held. Acting upon this authority, the following gentlemen were

invited to a conference at the office of the Foundation on March 18, 1914: Dean Edwin F. Gay of Harvard University, Professor J. Laurence Laughlin of the University of Chicago, Professor J. B. Clark of Columbia University, Professor Henry C. Emery of Yale University, and Professor W. C. Mitchell of Columbia University. Messrs. John D. Rockefeller, Jr., Frederick T. Gates and Jerome D. Greene represented the Foundation at this conference. The opinion of the economists present was that there were fields of inquiry on economic subjects, such, for example, as would require the accumulation of a large body of statistics or the extension of research in different parts of the world, which a private agency, adequately supported for as many years as might prove necessary, could undertake advantageously. Acting upon this advice, the Executive Committee of the Foundation, in session immediately after the conference, authorized by resolution the appointment of Messrs. Edwin F. Gay (Chairman), J. Laurence Laughlin, Thomas W. Page, Victor Morawetz and Harry A. Wheeler, as a Committee "to consider further the desirability of establishing an Institute for Economic Research, to make a selection of such problems of economic importance as would in their judgment be advantageously studied through such an agency, to recommend a method of organization, and to present an estimate of the approximate cost of initiating and carrying on the work to be first proposed." This Committee reported, under date of August 4, 1914, unanimously recommending that studies be initiated and be carried

on for a year in some chosen field, with a view to discovering whether such studies, if continued and adequately maintained, would offer a sufficient prospect of fruitful results to justify the establishment of a more permanent bureau or institute. Four of the Committee recommended the subject of prices as lying at the threshold of a great many important economic problems, while the fifth recommended a more limited and concrete problem, such as profit sharing. The Committee, having been asked merely for advice as to the desirability of an agency for research and the best way of demonstrating both the need and the way of meeting it, did not feel called upon, and indeed were not asked, to make any research themselves. Consequently, there was no occasion for the Committee to do more than hold two meetings and to confer among themselves by correspondence, in formulating the report which was submitted under date of August 4, 1914. The report came up for consideration at the stated meeting of the Rockefeller Foundation on October 21, 1914. After a discussion in which the advantages of a separate organization for economic research and the possible objections thereto were considered at length, the opinion prevailed that no action should be taken at present, especially in view of the fact that since the question of establishing an Institute for Economic Research had been under consideration, an Investigation of Industrial Relations had been instituted under the direction of Mr. W. L. Mackenzie King.

(b) It will be apparent from the answer to part (a) of this question that no written plans or re-

ports had been rendered at the time referred to in part (b) of this question.

Question 17. (a) Regarding your answer to our question twenty-one, when did Mr. King actively begin work?

(b) Have questions formulated by Mr. King yet been submitted to the Foundation or its Executive Committee?

(c) Does your statement that the question of an outline has been left to Mr. King to decide, mean that the Foundation does not yet know in outline, or specifically, the questions to be asked by Mr. King?

Answer. (a) October 1, 1914.

(b) This is answered by the answer to Question 8.

(c) This also is best answered by the answer to Question 8.

Question 18. (a) What procedure is followed when engaging investigators to assist Mr. King?

e. g. Does Mr. King employ directly without describing qualifications to the Foundation?

(b) Have minimum experience qualifications been formulated by the Foundation?

(c) If there are certain questions asked regarding all who are considered for investigators, may we see copies of questions which call for evidence of special ability to conduct investigations in this field?

Answer. (a) This question is perhaps best answered by referring to the procedure adopted in the appointment of Dr. Foerster. Mr. King made

his own selection of the person whom he desired to have prepare the bibliography, and after estimating the time and assistance required for the work, made his recommendation, with reasons therefor, to the Secretary of the Executive Committee, who submitted Mr. King's recommendation to the Committee for approval.

(b) No.

(c) There are no such questions.

These questions are perhaps best answered by the answer to Question 8.

Question 19. Will it be possible to secure in time for the Hearings, if not in advance, a statement showing how it is planned to draw upon world experience in adjusting Industrial Relations, and what steps have already been taken to study the experience of other countries?

Answer. As intimated in the answer to Question 29 of the first Questionnaire and Question 8 of this Questionnaire, plans of a formal nature have not been prepared by Mr. King, who intends to proceed along such lines of inquiry in any part of the world as may from time to time appear to offer the greatest promise of practical results.

Question 20. (a) How many meetings of the Foundation have been held since its establishment?

(b) How many meetings have been attended by each of its members?

Answer. (a) There have been eight meetings of the Foundation and twenty meetings of the Executive Committee.

(b) The attendance of individual members is recorded in Exhibit "B." (See page 54.)

Question 21. What, if any, members or officers of the Foundation, receive compensation from the Foundation?

Answer. The Secretary, the Treasurer and the Assistant Treasurer.

Question 22. If the Annual Report is to be ready for the Annual Meeting of the Foundation on the Wednesday preceding the fourth Thursday in January, will it be possible to submit to this Commission by January eighteenth, or earlier, a copy of this Annual Report?

Answer. A draft of the annual report is now being prepared for submission to the annual meeting of the Foundation, but is subject to modification by this meeting. Upon its adoption the Foundation will be happy to forward a copy to the Commission.

Question 23. Who are the Nominating Committee?

Answer. Harry Pratt Judson, Frederick T. Gates and Starr J. Murphy.

Question 24. Can you easily place in our hands three copies of the two chapters of Mr. Rockefeller's Autobiography which have to do with principles underlying the Foundation established by Mr. Rockefeller?

Answer. Three copies of the book referred to are herewith presented to the Commission. (Exhibit "C." See page 55, *et seq.*)

Question 25. Regarding the various applications for National and State Charters for the Rockefeller Foundation, will you send us:

(a) Copies of the various successive applications and amendments?

(b) Memoranda explaining the purpose of the proposed Foundation, as submitted to the Committee of Congress?

(c) Such publicity matter as was issued in the interest of the Foundation, suggesting the purposes it would serve, methods it would use, etc.?

Answer. The following material, consisting largely of file copies, is open to inspection at the office of the Foundation.

(a) The various drafts of bills and committee reports in connection with the application of the Rockefeller Foundation for a Federal Charter. (See page 96, *et seq.*)

(b) & (c) Information and statements given publicity in connection with the application for a Federal Charter. (See page 87, *et seq.*)

Question 26. Please furnish copies of any bulletin, statements or notices issued to the Press by the Foundation.

Answer. A complete list of statements issued to the Press is furnished herewith. (See Exhibit "D," page 73, *et seq.*)

EXHIBIT A.**Summary of Mr. King's Experience With Labor Problems.****I. Academic Record.**

1895. Honor graduate in Political Science of the University of Toronto. Study of labor problems begun while an undergraduate.

1896-7. Fellow in Political Economy, University of Chicago, resident at Hull House Social Settlement. Articles published in the *Journal of Political Economy*: (1) Outline of the History of Trade Union Organization in the United States; (2) The International Typographical Union: A Study in Trade Unionism.

1896. Author of series of special articles in Toronto "Mail and Empire" on the sweating system, the housing of the working classes, the growth of slums, foreign colonies in cities, etc.

1898-1900. Townsend Scholar and Henry Lee Memorial Fellow in Political Economy, Harvard University. Labor problems special field of study, as post-graduate student, and for degree of Ph.D.

1897-8. Prepared report for Postmaster General of Canada on methods of carrying out Government clothing contracts in Canada and the sweating system. This report became the basis of the Fair Wages policy subsequently adopted by the Government of Canada.

1898. Report prepared for the Consumers' League of Boston, Mass., for presentation to the Legislature, on the condition of working women in shops and stores in Boston and Cambridge, Mass.

1899-1900. Abroad, in Europe, as Travelling Fellow of Harvard University, studying labor problems. While in London, resident at Passmore Edwards Settlement.

Also commissioned by the Canadian Government to report on methods adopted by European Governments in carrying out of Government contracts, with a view to preventing sub-contracting and sweating.

August, 1900. Offered the position of organizing a Department of Labor as a new department of the Federal Government of Canada, under Sir William Mulock, the Postmaster General of Canada.

II. Official Record in connection with the Department of Labour, Canada.

October, 1900. Appointed Deputy Minister of Labour for Canada—a position corresponding to that of Commissioner of Labor in the United States. This position was held from 1900 to 1908. It was as Deputy Minister of Labour that Mr. King organized the different branches of work now carried on by the Federal Department, including its statistical, conciliation, fair wages, library, and other branches; also prepared, or supervised the preparation of, annual and special reports on labor matters; and acted as Government conciliator in several of the largest industrial disputes arising in Canada during that time; also, while in this position, he drafted much of the legislation on labor matters enacted by the Parliament of Canada.

1900. Appointed Editor of the "Labour Gazette," a monthly journal issued by the Department of Labor, corresponding to the "Labour Gazette" issued by the Board of Trade in England, and somewhat similar to the "Bulletin of Labor" in the United States. This position held until September, 1908.

1900-08. Acted successfully as conciliator and mediator representing the Government of Canada in the following strikes:

<i>Year.</i>	<i>Locality.</i>	<i>Province.</i>	<i>Industry and Employees Involved.</i>
1900	Valleyfield	Quebec	Cotton mill employees. (Militia called out during strike.)
1901	Oshawa	Ontario	Coremakers
	Dundas	Ontario	Machinists.
	Grand Mere	Quebec	Pulp company employees.
	Valleyfield	Quebec	Cotton mill employees.
	Rossland	British Columbia	Metalliferous miners.
	South Wellington	British Columbia	Coal miners.
	Montreal	Quebec	Employees of cigar manufactories. (Ten factories.)
	Toronto	Ontario	Employees of piano makers. (Five firms.)
1902	Toronto	Ontario	Foundry employees in stove mounting trade.
	Berlin	Ontario	Furniture factory employees.
	Halifax	Nova Scotia	Employees of nine steamship companies, longshoremen and others.
	Port Burwell	Ontario	Wharf builders.
	Winnipeg	Manitoba	Railway employees.
	Louisville	Quebec	Saw-mill employees.
1903	Ste. Hyacinthe	Quebec	Railway employees.
	Fernie	British Columbia	Coal mining employees.
	Collingwood	Ontario	Shipbuilding employees.
	Milltown	New Brunswick	Cotton mill employees.
	Vancouver, B. C., and Western Div. of the Canadian Pacific Railway.		Railway employees.
	Valleyfield	Quebec	Cotton mill employees.
	Hawkesbury	Ontario	Lumber mill employees.
	Grand Trunk Railway System		Maintenance-of-way employees.
	Calgary	Alberta	Building trades employees.
	Montreal	Quebec	Boot and shoe employees.
	Winnipeg	Manitoba	Building trades employees.
	Sherkston	Ontario	Lime and stone quarry employees.
1904	Sydney	Nova Scotia	Employees of iron and steel company. (Militia called out during strike.)
1905	Cornwall	Ontario	Street railway employees.
	Nanaimo	British Columbia	Coal mining employees.
	Stratford	Ontario	Machinists.
1906	Calgary	Alberta	Building trade employees.
	Calgary	Alberta	Leather workers.
	Lethbridge	Alberta	Coal mining employees.
1907	Toronto	Ontario	Telephone operators.
	Fernie	British Columbia	Coal mining employees.

March, 1907. Canadian Parliament enacted the Industrial Disputes Investigation Act. This Act was drafted by Mr. King and was based, in part, on experience gained in active intervention in above disputes.

Mar. 07 to Sep. 08. Registrar of Boards of Conciliation and Investigation under the Industrial Disputes Investigation Act.

1902-1908. Served on following Royal Commissions in capacity indicated:

1902-3—Secretary of Royal Commission appointed by the Government of Canada to inquire into industrial disputes in the Province of British Columbia.

1907—Chairman of Royal Commission appointed by the Government of Canada to inquire into condition of telephone operatives. Other commissioner: Mr. Justice Winchester, Toronto.

This Commission's work resulted in important changes in conditions of labor of telephone operatives.

1907—Appointed Royal Commissioner by the Government of Canada to inquire into anti-Asiatic riots in Province of British Columbia. Also appointed Commissioner to assess and pay losses to Japanese residents in British Columbia and to assess and pay losses to Chinese residents in British Columbia, arising out of said riots.

1907—Appointed by the Government of Canada Royal Commissioner to inquire into methods by which Oriental laborers had been induced to come to Canada from India, China and Japan.

1908—Appointed by the Government of Canada Royal Commissioner to inquire into conditions of cotton operatives in cotton mills of Province of Quebec. This inquiry resulted in enactment of stricter legislation in Quebec regarding employment of children in factories.

1905-08. Special inquiries and important missions dealing with conditions affecting labor and resulting in important legislation.

1905—Conducted special investigation into fraudulent practices to induce men to come to Canada from England to take place of others on strike. This investigation resulted in the enactment of legislation drafted by Mr. King respecting false representations to induce or to deter immigration, enacted July 20, 1905.

1905—Special inquiry into methods by which Italian laborers were induced to come to Canada, and fraudulent practices of employment agencies.

1906—Special mission to England as the representative of the Government of Canada to confer with members of the British Government respecting the enactment of legislation by the British Parliament to prevent fraudulent representations being made in Great Britain to induce immigration to Canada. The result of this mission was the enactment of legislation along the lines desired, which appears as part of the Merchants' Shipping Act, 1906 (6 Edw. VII, Chap. 48).

1907—Conducted investigations, and prepared report for Government of Canada, into need for suppression of opium traffic in Canada. Drafted legislation which was subsequently enacted by the Parliament of Canada.

1908—Special mission to England as representative of the Government of Canada to confer with members of the British Government on the subject of immigration to Canada from India, and to negotiate an agreement with the British and Indian Governments with respect to the same. An arrangement restricting immigration from India to Canada effected.

1908—Appointed by Government of Great Britain one of the British members of the International Opium Commission, which met at Shanghai, China. While going to China to serve on this Commission. Mr. King was entrusted with a further mission by the Government of Canada to the Government of India respecting immigration between that country and Canada; also with a special mission to the Government of China restricting immigration from China to Canada.

1900-1908. During this period, Mr. King attended different conventions of Association of Officials of Bureaus of Labor Statistics of America, and was for a time one of the Vice-Presidents of this Association.

III. Parliamentary Record.

Sept., 1909. Elected a Member of the Parliament of Canada.

June, 1909. Department of Labour, Canada, created as a separate Portfolio in the Ministry, and Mr. King appointed a member of the Privy Council of Canada, and Minister of Labour in the Cabinet of Sir Wilfred Laurier—a position corresponding to that of Secretary of Labor in the United States.

1909. Introduced in the Canadian House of Commons amendments to the Industrial Disputes Investigation Act, shown by experience to be desirable. Amendments enacted by Canadian Parliament.

1909-10. Appointed Chairman of Special Committee of the House of Commons to investigate the Eight-Hour Day.

Supported in Parliament on behalf of the Government, as Minister of Labour, a bill introduced by Mr. Alphonse Ver-ville, President of the Dominion Trades and Labour Congress, respecting the Hours of Labour on Public Works. Bill passed by House of Commons.

1910. Introduced in Parliament an Act to provide for the investigation of combines, trusts, monopolies, mergers. This legislation was drafted by Mr. King and introduced by him in the House of Commons January, 1910, it was enacted May 4, 1910, and has been in force since, and is known as the Combines Investigation Act.

1910. Advocated in Parliament and as Minister of Labour secured the appointment of a Royal Commission on Industrial Training and Technical Education, and outlined the scope and work of this Commission. Commission was vested with authority to study conditions in the United States, Great Britain, France, Germany, and other countries. Its comprehensive report is a most important contribution to this subject.

1910. As Minister of Labour, instituted an inquiry into prices in Canada.

1910. Appointed Chairman of Committee of House of Commons on Proportional Representation.

1910. While Minister of Labour, personally intervened to settle strike between Grand Trunk Railway Company and employees. (Mr. Garretson, one of the members of the United States Commission on Industrial Relations, present representing Brotherhood of Railroad Conductors in negotiations regarding settlement.)

1910. Represented Government of Canada at following international conferences in Europe: (1) Conference on Technical Education, Brussels, Belgium; (2) Conference on Unemployment, Paris, France; (3) Meeting of International Association for Labor Legislation, Lugano, Italy.

1911. Introduced in Parliament a Bill to prohibit importation and use of opium and other habit-forming drugs, which measure was enacted by Parliament.

1911. Introduced in Parliament a Bill to prohibit the manufacture and importation of matches made with white phosphorus. This measure passed the House of Commons, but did not succeed in passing the Senate, owing to dissolution of Parliament at reciprocity election. The same Bill, however, was re-introduced by Mr. King's successor, the present Minister of Labour, at a subsequent session, and enacted. This measure followed an important investigation under Mr. King's direction into the spread of phosphorus necrosis (phossy jaw) in Canada.

1912. Visited England, on official invitation of British Government through the Right Honorable Sydney Buxton, President of the Board of Trade in British Cabinet, to confer respecting industrial problems and legislation.

EXHIBIT B.

Attendance of Individual Members at Meetings of
The Rockefeller Foundation.

Date.	Mtgs.	J. D. ROCKEFELLER, SR.	F. T. GATES.	H. P. JUDSON.	W. ROSE.	C. W. ELIOT.	A. B. HERBURN.	J. D. ROCKEFELLER, JR.	S. FLEXNER.	S. J. MURPHY.	C. O. HEYDT.	J. D. GREENE.	PRESENT.	ABSENT.
May 22, 1913	Board	A	P	P	P			P	P	P	P	P	8	1
June 18,	Ex.							P	P	P	P	P	5	0
June 27,	Board	A	P	A	P			P	P	P	P	P	5	4
July 1,	Ex.		(P)					P	P	P	P	P	3	2
Aug. 15,	Ex.							P	P	P	P	P	3	2
Oct. 22,	Board	A	P	A	A			P	P	P	P	P	6	3
Dec. 2,	Ex.							P	P	P	P	P	3	2
Dec. 5,	Ex.		(P)					P	P	P	P	P	5	0
Dec. 19,	Ex.		(P)		(P)			P	P	P	P	P	5	0
Jan. 21, 1914	Board	A	P	P	P			P	P	P	P	P	7	2
Jan. 29,	Ex.							P	P	P	A	P	4	1
Feb. 13,	Ex.		(P)	(P)				P	P	P	A	P	4	1
Feb. 16,	Ex.							P	P	P	A	P	3	2
Feb. 24,	Ex.							P	P	P	A	P	3	2
Mar. 18,	Board	A	P	Ax	A	A		P	Ax	Ax	P	P	4	6
Mar. 18,	Ex.							P	A	A	P	P	3	2
Apr. 16,	Ex.		(P)					P	P	P	A	P	4	1
May 27,	Board	A	P	A	A	P	P	P	P	P	A	P	7	4
July 1,	Ex.							P	P	P	A	P	3	2
Aug. 13,	Ex.				(P)			P	P	P	A	P	4	1
Sep. 25,	Ex.				(P)			P	P	P	P	P	5	0
Oct. 21,	Board	A	P	P	P	P	P	P	P	P	P	P	10	1
Oct. 21,	Ex.							P	P	P	P	P	5	0
Nov. 5,	Board	A	P	P	P	P	P	P	P	P	P	P	10	1
Nov. 30,	Ex.		(P)					P	P	P	P	P	5	0
Dec. 3,	Ex.							P	P	P	P	P	3	2
Dec. 11,	Ex.							P	P	P	P	P	5	0
Jan. 4, 1915	Ex.							P	P	P	P	P	3	2
Present	Board	0	8	4	5	3	3	8	5	7	6	8		
Absent	Board	8	0	4	3	1	0	0	3	1	2	0		
Present	Ex.		(6)	(1)	(3)			18	13	17	11	19		
Absent	Ex.							2	7	3	9	1		

x Represented by proxy.

() Present by invitation.

EXHIBIT C.**From****"RANDOM REMINISCENCES OF MEN AND
EVENTS"****by John D. Rockefeller.**

(Doubleday, Page & Company—1909.)

(Copyright 1908-1909 by Doubleday, Page & Company.)

Chapter VI.—The Difficult Art of Giving.

It is, no doubt, easy to write platitudes and generalities about the joys of giving, and the duty that one owes to one's fellow men, and to put together again all the familiar phrases that have served for generations whenever the subject has been taken up.

I can hardly hope to succeed in starting any new interest in this great subject when gifted writers have so often failed. Yet I confess I find much more interest in it at this time than in rambling on, as I have been doing, about the affairs of business and trade. It is most difficult, however, to dwell upon a very practical and businesslike side of benefactions generally, without seeming to ignore, or at least to fail to appreciate fully, the spirit of giving which has its source in the heart, and which, of course, makes it all worth while.

In this country we have come to the period when we can well afford to ask the ablest men to devote more of their time, thought, and money to the public well-being. I am not so presumptuous as to attempt to define exactly what this betterment work should consist of. Every man will do that for himself, and his own conclusion will be final for himself. It is well, I think, that no narrow or preconceived plan should be set down as the best.

I am sure it is a mistake to assume that the possession of money in great abundance necessarily brings happiness. The very rich are just like all the rest of us; and if they get pleasure from the possession of money, it comes from their ability to do things which give satisfaction to someone besides themselves.

LIMITATIONS OF THE RICH

The mere expenditure of money for things, so I am told by those who profess to know, soon palls upon one. The novelty of being able to purchase anything one wants soon passes, because what people most seek cannot be bought with money. These rich men we read about in the newspapers cannot get personal returns beyond a well-defined limit for their expenditure. They cannot gratify the pleasures of the palate beyond very moderate bounds, since they cannot purchase a good digestion; they cannot lavish very much money on fine

raiment for themselves or their families without suffering from public ridicule; and in their homes they cannot go much beyond the comforts of the less wealthy without involving them in more pain than pleasure. As I study wealthy men, I can see but one way in which they can secure a real equivalent for money spent, and that is to cultivate a taste for giving where the money may produce an effect which will be a lasting gratification.

A man of business may often most properly consider that he does his share in building up a property which gives steady work for few or many people; and his contribution consists in giving to his employees good working conditions, new opportunities, and a strong stimulus to good work. Just so long as he has the welfare of his employees in his mind and follows his convictions, no one can help honouring such a man. It would be the narrowest sort of view to take, and I think the meanest, to consider that good works consist chiefly in the outright giving of money.

THE BEST PHILANTHROPY

The best philanthropy, the help that does the most good and the least harm, the help that nourishes civilization at its very root, that most widely disseminates health, righteousness, and happiness, is not what is usually called charity. It is, in my judgment, the investment of effort or time or money, carefully considered with relation to the power of employing people at a remunerative wage, to expand and develop the resources at hand, and to give opportunity for progress and healthful labour where it did not exist before. No mere money-giving is comparable to this in its lasting and beneficial results.

If, as I am accustomed to think, this statement is a correct one, how vast indeed is the philanthropic field! It may be urged that the daily vocation of life is one thing, and the work of philanthropy quite another. I have no sympathy with this notion. The man who plans to do all his giving on Sunday is a poor prop for the institutions of the country.

The excuse for referring so often to the busy man of affairs is that his help is most needed. I know of men who have followed out this large plan of developing work not as a temporary matter, but as a permanent principle. These men have taken up doubtful enterprises and carried them through to success often at great risk, and in the face of great scepticism, not as a matter only of personal profit, but in the larger spirit of general uplift.

DISINTERESTED SERVICE THE ROAD TO SUCCESS

If I were to give advice to a young man starting out in life, I should say to him: If you aim for a large, broad-gauged success, do not begin your business career, whether you sell your labour or are an independent producer, with the idea of getting from the world by hook or crook all you can. In the choice of your profession or your business employment, let your first thought be: Where can I fit in so that I may be most effective in the work of the world? Where can I lend a hand in a way most effectively to advance the general interests? Enter life in such a spirit, choose your vocation in that way, and you have taken the first step on the highest road to a large success. Investigation will show that the great fortunes which

have been made in this country, and the same is probably true of other lands, have come to men who have performed great and far-reaching economic services—men who, with great faith in the future of their country, have done most for the development of its resources. The man will be most successful who confers the greatest service on the world. Commercial enterprises that are needed by the public will pay. Commercial enterprises that are not needed fail, and ought to fail.

On the other hand, the one thing which such a business philosopher would be most careful to avoid in his investments of time and effort or money, is the unnecessary duplication of existing industries. He would regard all money spent in increasing needless competition as wasted, and worse. The man who puts up a second factory when the factory in existence will supply the public demand adequately and cheaply is wasting the national wealth and destroying the national prosperity, taking the bread from the labourer and unnecessarily introducing heartache and misery into the world.

Probably the greatest single obstacle to the progress and happiness of the American people lies in the willingness of so many men to invest their time and money in multiplying competitive industries instead of opening up new fields, and putting their money into lines of industry and development that are needed. It requires a better type of mind to seek out and to support or to create the new than to follow the worn paths of accepted success; but here is the great chance in our still rapidly developing country. The penalty of a selfish attempt to make the world confer a living without contributing to the progress or happiness of mankind is generally a failure to the individual. The pity is that when he goes down he inflicts heartache and misery also on others who are in no way responsible.

THE GENEROSITY OF SERVICE

Probably the most generous people in the world are the very poor, who assume each other's burdens in the crises which come so often to the hard pressed. The mother in the tenement falls ill and the neighbour in the next room assumes her burdens. The father loses his work, and neighbours supply food to his children from their own scanty store. How often one hears of cases where the orphans are taken over and brought up by the poor friend whose benefaction means great additional hardship! This sort of genuine service makes the most princely gift from superabundance look insignificant indeed. The Jews have had for centuries a precept that one-tenth of a man's possessions must be devoted to good works, but even this measure of giving is but a rough yardstick to go by. To give a tenth of one's income is wellnigh an impossibility to some, while to others it means a miserable pittance. If the spirit is there, the matter of proportion is soon lost sight of. It is only the spirit of giving that counts, and the very poor give without any self-consciousness. But I fear that I am dealing with generalities again.

The education of children in my early days may have been straightlaced, yet I have always been thankful that the custom was quite general to teach young people to give systematically of money that they themselves had earned. It is a good thing to lead children to realize early the importance of their obliga-

tions to others but, I confess, it is increasingly difficult; for what were luxuries then have become commonplaces now. It should be a greater pleasure and satisfaction to give money for a good cause than to earn it, and I have always indulged the hope that during my life I should be able to help establish efficiency in giving so that wealth may be of greater use to the present and future generations.

Perhaps just here lies the difference between the gifts of money and of service. The poor meet promptly the misfortunes which confront the home circle and household of the neighbour. The giver of money, if his contribution is to be valuable, must add service in the way of study, and he must help to attack and improve underlying conditions. Not being so pressed by the racking necessities, it is he that should be better able to attack the subject from a more scientific standpoint; but the final analysis is the same: his money is a feeble offering without the study behind it which will make its expenditure effective.

Great hospitals conducted by noble and unselfish men and women are doing wonderful work; but no less important are the achievements in research that reveal hitherto unknown facts about diseases and provide the remedies by which many of them can be relieved or even stamped out.

To help the sick and distressed appeals to the kind-hearted always, but to help the investigator who is striving successfully to attack the causes which bring about sickness and distress does not so strongly attract the giver of money. The first appeals to the sentiments overpoweringly, but the second has the head to deal with. Yet I am sure we are making wonderful advances in this field of scientific giving. All over the world the need of dealing with the questions of philanthropy with something beyond the impulses of emotion is evident, and everywhere help is being given to those heroic men and women who are devoting themselves to the practical and essentially scientific tasks. It is a good and inspiring thing to recall occasionally the heroism, for example, of the men who risked and sacrificed their lives to discover the facts about yellow fever, a sacrifice for which untold generations will bless them; and this same spirit has animated the professions of medicine and surgery.

SCIENTIFIC RESEARCH

How far may this spirit of sacrifice properly extend? A great number of scientific men every year give up everything to arrive at some helpful contribution to the sum of human knowledge, and I have sometimes thought that good people who lightly and freely criticize their actions scarcely realize just what such criticism means. It is one thing to stand on the comfortable ground of placid inaction and put forth words of cynical wisdom, and another to plunge into the work itself and through strenuous experience earn the right to express strong conclusions.

For my own part, I have stood so much as a placid onlooker that I have not had the hardihood even to suggest how people so much more experienced and wise in those things than I should work out the details even of those plans with which I have had the honour to be associated.

There has been a good deal of criticism, no doubt sincere, of experiments on living dumb animals, and the person who stands for the defenceless animal has such an overwhelming appeal

to the emotions that it is perhaps useless to allude to the other side of the controversy. Dr. Simon Flexner, of the Institute for Medical Research, has had to face exaggerated and even sensational reports, which have no basis of truth whatever. But consider for a moment what has been accomplished recently, under the direction of Dr. Flexner in discovering a remedy for epidemic cerebro-spinal meningitis. It is true that in discovering this cure the lives of perhaps fifteen animals were sacrificed, as I learn, most of them monkeys; but for each one of these animals which lost its life, already scores of human lives have been saved. Large-hearted men like Dr. Flexner and his associates do not permit unnecessary pain to defenceless animals.

I have been deeply interested in the story of a desperate experiment to save a child's life, told in a letter written by one of my associates soon after the event described; and it seems worthy of repeating. Dr. Alexis Carrel has been associated with Dr. Flexner and his work, and his wonderful skill has been the result of his experiments and experiences.

A WONDERFUL SURGICAL OPERATION

"Dr. Alexis Carrel, one of the Institute's staff, has been making some interesting studies in experimental surgery, and has successfully transplanted organs from one animal to another, and blood vessels from one species to another. He had the opportunity recently of applying the skill thus acquired to the saving of a human life under circumstances which attracted great interest among the medical fraternity of this city. One of the best known of the younger surgeons in New York had a child born early last March, which developed a disease in which the blood, for some reason, exudes from the blood vessels into the tissues of the body, and ordinarily the child dies of this internal hemorrhage. When this child was five days old it was evident that it was dying. The father and his brother, who is one of the most distinguished men in the profession, and one or two other doctors were in consultation with reference to it, but considered the case entirely hopeless.

"It so happened that the father had been impressed with the work which Dr. Carrel had been doing at the Institute, and had spent several days with him studying his methods. He became convinced that the only possibility of saving the child's life was by the direct transfusion of blood. While this has been done between adults, the blood vessels of a young infant are so delicate that it seemed impossible that the operation could be successfully carried on. It is necessary not only that the blood vessels of the two persons should be united together, but it must be done in such a way that the interior lining of the vessels, which is a smooth, shiny tissue, should be continuous. If the blood comes in contact with the muscular coat of the blood vessels, it will clot and stop the circulation.

"Fortunately, Dr. Carrel had been experimenting on the blood vessels of some very young animals, and the father was convinced that if any man in the country could perform the operation successfully, it would be he.

"It was then the middle of the night. But Dr. Carrel was called on, and when the situation was explained to him, and it was made clear that the child would die anyhow, he

readily consented to attempt the operation, although expressing very slight hope of its successful outcome.

"The father offered himself as the person whose blood should be furnished to the child. It was impossible to give anæsthetics to either of them. In a child of that age there is only one vein large enough to be used, and that is in the back of the leg, and deep seated. A prominent surgeon who was present exposed this vein. He said afterward that there was no sign of life in the child, and expressed the belief that the child had been, to all intents and purposes, dead for ten minutes. In view of its condition he raised the question whether it was worth while to proceed further with the attempt. The father, however, insisted upon going on, and the surgeon then exposed the radial artery in the surgeon's wrist, and was obliged to dissect it back about six inches, in order to pull it out far enough to make the connection with the child's vein.

"This part of the work the surgeon who did it afterward described as the 'blacksmith part of the job.' He said that the child's vein was about the size of a match and the consistency of wet cigarette paper, and it seemed utterly impossible for anyone to successfully unite these two vessels. Dr. Carrel, however, accomplished this feat. And then occurred what the doctors who were present described as one of the most dramatic incidents in the history of surgery. The blood from the father's artery was released, and began to flow into the child's body, amounting to about a pint. The first sign of life was a little pink tinge at the top of one of the ears, then the lips, which had become perfectly blue, began to change to red, and then suddenly, as though the child had been taken from a hot mustard bath, a pink glow broke out all over its body, and it began to cry lustily. After about eight minutes the two were separated. The child at that time was crying for food. It was fed, and from that moment began to eat and sleep regularly, and made a complete recovery.

"The father appeared before a legislative committee at Albany, in opposition to certain bills which were pending at the last session to restrict animal experimentation, and told this incident, and said at the close that when he saw Dr. Carrel's experiments he had no idea that they would so soon be available for saving human life; much less did he imagine that the life to be saved would be that of his own child."

THE FUNDAMENTAL THING IN ALL HELP

If the people can be educated to help themselves, we strike at the root of many of the evils of the world. This is the fundamental thing, and it is worth saying even if it has been said so often that its truth is lost sight of in its constant repetition.

The only thing which is of lasting benefit to a man is that which he does for himself. Money which comes to him without effort on his part is seldom a benefit and often a curse. That is the principal objection to speculation—it is not because more lose than gain, though that is true—but it is because those who gain are apt to receive more injury from their success than they would have received from failure. And so with regard

to money or other things which are given by one person to another. It is only in the exceptional case that the receiver is really benefitted. But, if we can help people to help themselves, then there is a permanent blessing conferred.

Men who are studying the problem of disease tell us that it is becoming more and more evident that the forces which conquer sickness are within the body itself, and that it is only when these are reduced below the normal that disease can get a foothold. The way to ward off disease, therefore, is to tone up the body generally; and, when disease has secured a foothold, the way to combat it is to help these natural resisting agencies which are in the body already. In the same way the failures which a man makes in his life are due almost always to some defect in his personality, some weakness of body, or mind, or character, will, or temperament. The only way to overcome these failings is to build up his personality from within, so that he, by virtue of what is within him, may overcome the weakness which was the cause of the failure. It is only those efforts the man himself puts forth that can really help him.

We all desire to see the widest possible distribution of the blessings of life. Many crude plans have been suggested, some of which utterly ignore the essential facts of human nature, and if carried out would perhaps drag our whole civilization down into hopeless misery. It is my belief that the principal cause for the economic differences between people is their difference in personality, and that it is only as we can assist in the wider distribution of those qualities which go to make up a strong personality that we can assist in the wider distribution of wealth. Under normal conditions the man who is strong in body, in mind, in character, and in will need never suffer want. But these qualities can never be developed in a man unless by his own efforts, and the most that any other can do for him is, as I have said, to help him to help himself.

We must always remember that there is not enough money for the work of human uplift and that there never can be. How vitally important it is, therefore, that the expenditure should go as far as possible and be used with the greatest intelligence!

I have been frank to say that I believe in the spirit of combination and coöperation when properly and fairly conducted in the world of commercial affairs, on the principle that it helps to reduce waste; and waste is a dissipation of power. I sincerely hope and thoroughly believe that this same principle will eventually prevail in the art of giving as it does in business. It is not merely the tendency of the times developed by more exacting conditions in industry, but it should make its most effective appeal to the hearts of the people who are striving to do the most good to the largest number.

SOME UNDERLYING PRINCIPLES

At the risk of making this chapter very dull, and I am told that this is a fault which inexperienced authors should avoid at all hazards, I may perhaps be pardoned if I set down here some of the fundamental principles which have been at the bottom of all my own plans. I have undertaken no work of any importance for many years which, in a general way, has not followed out these broad lines, and I believe no really constructive effort can be made in philanthropic work without such a well-defined and consecutive purpose.

My own conversion to the feeling that an organized plan was an absolute necessity came about in this way.

About the year 1890 I was still following the haphazard fashion of giving here and there as appeals presented themselves. I investigated as I could and worked myself almost to a nervous break-down in groping my way, without sufficient guide or chart, through this ever-widening field of philanthropic endeavour. There was then forced upon me the necessity to organize and plan this department of our daily tasks on as distinct lines of progress as we did our business affairs; and I will try to describe the underlying principles we arrived at, and have since followed out, and hope still greatly to extend.

It may be beyond the pale of good taste to speak at all of such a personal subject—I am not unmindful of this—but I can make these observations with at least a little better grace because so much of the hard work and hard thinking are done by my family and associates, who devote their lives to it.

Every right-minded man has a philosophy of life, whether he knows it or not. Hidden away in his mind are certain governing principles, whether he formulates them in words or not, which govern his life. Surely his ideal ought to be to contribute all that he can, however little it may be, whether of money or service, to human progress.

Certainly one's ideal should be to use one's means, both in one's investments and in benefactions, for the advancement of civilization. But the question as to what civilization is and what are the great laws which govern its advance have been seriously studied. Our investments not less than gifts have been directed to such ends as we have thought would tend to produce these results. If you were to go into our office, and ask our committee on benevolence or our committee on investment in what they consider civilization to consist, they would say that they have found in their study that the most convenient analysis of the elements which go to make up civilization runs about as follows:

1st. Progress in the means of subsistence, that is to say, progress in abundance and variety of food-supply, clothing, shelter, sanitation; public health, commerce, manufacture, the growth of the public wealth, etc.

2nd. Progress in government and law, that is to say, in the enactment of laws securing justice and equity to every man, consistent with the largest individual liberty, and the due and orderly enforcement of the same upon all.

3rd. Progress in literature and language.

4th. Progress in science and philosophy.

5th. Progress in art and refinement.

6th. Progress in morality and religion.

If you were to ask them, as indeed they are very often asked, which of these they regard as fundamental, they would reply that they would not attempt to answer, that the question is purely an academic one, that all these go hand in hand, but that historically the first of them—namely, progress in means of subsistence—had generally preceded progress in government, in literature, in knowledge, in refinement, and in religion. Though not itself of the highest importance, it is the foundation upon which the whole superstructure of civilization is built, and without which it could not exist.

Accordingly, we have sought, so far as we could, to make investments in such a way as will tend to multiply, to cheapen,

and to diffuse as universally as possible the comforts of life. We claim no credit for preferring these lines of investment. We make no sacrifices. These are the lines of largest and surest return. In this particular, namely, in cheapness, ease of acquirement, and universality of means of subsistence, our country easily surpasses that of any other in the world, though we are behind other countries, perhaps, in most of the others.

It may be asked: How is it consistent with the universal diffusion of these blessings that vast sums of money should be in single hands? The reply is, as I see it, that, while men of wealth control great sums of money, they do not and cannot use them for themselves. They have, indeed, the legal title to large properties, and they do control the investment of them, but that is as far as their own relation to them extends or can extend. The money is universally diffused, in the sense that it is kept invested, and it passes into the pay-envelope week by week.

Up to the present time no scheme has yet presented itself which seems to afford a better method of handling capital than that of individual ownership. We might put our money into the Treasury of the Nation and of the various states, but we do not find any promise in the National or state legislatures, viewed from the experiences of the past, that the funds would be expended for the general weal more effectively than under the present methods, nor do we find in any of the schemes of socialism a promise that wealth would be more wisely administered for the general good. It is the duty of men of means to maintain the title to their property and to administer their funds until some man, or body of men, shall rise up capable of administering for the general good the capital of the country better than they can.

The next four elements of progress mentioned in the enumeration above, namely, progress in government and law, in language and literature, in science and philosophy, in art and refinement, we for ourselves have thought to be best promoted by means of the higher education, and accordingly we have had the great satisfaction of putting such sums as we could into various forms of education in our own and in foreign lands—and education not merely along the lines of disseminating more generally the known, but quite as much, and perhaps even more, in promoting original investigation. An individual institution of learning can have only a narrow sphere. It can reach only a limited number of people. But every new fact discovered, every widening of the boundaries of human knowledge by research, becomes universally known to all institutions of learning, and becomes a benefaction at once to the whole race.

Quite as interesting as any phase of the work have been the new lines entered upon by our committee. We have not been satisfied with giving to causes which have appealed to us. We have felt that the mere fact that this or the other cause makes its appeal is no reason why we should give to it any more than to a thousand other causes, perhaps more worthy, which do not happen to have come under our eye. The mere fact of a personal appeal creates no claim which did not exist before, and no preference over other causes more worthy which may not have made their appeal. So this little committee of

ours has not been content to let the benevolences drift into the channels of mere convenience—to give to the institutions which have sought aid and to neglect others. This department has studied the field of human progress, and sought to contribute to each of those elements which we believe tend most to promote it. Where it has not found organizations ready to its hand for such purpose, the members of the committee have sought to create them. We are still working on new, and, I hope, expanding lines, which make large demands on one's intelligence and study.

The so-called betterment work which has always been to me a source of great interest had a great influence on my life, and I refer to it here because I wish to urge in this connection the great importance of a father's keeping in close touch with his children, taking into his confidence the girls as well as the boys, who in this way learn by seeing and doing, and have their part in the family responsibilities. As my father taught me, so I have tried to teach my children. For years it was our custom to read at the table the letters we received affecting the various benevolences with which we had to do, studying the requests made for worthy purposes, and following the history and reports of institutions and philanthropic cases in which we were interested.

Chapter VII.—The Benevolent Trust—The Value of the Cooperative Principle in Giving.

Going a step farther in the plan of making benefactions increasingly effective which I took up in the last chapter under the title of "The Difficult Art of Giving," I am tempted to take the opportunity to dwell a little upon the subject of combination in charitable work, which has been something of a hobby with me for many years.

If a combination to do business is effective in saving waste and in getting better results, why is not combination far more important in philanthropic work? The general idea of coöperation in giving for education, I have felt, scored a real step in advance when Mr. Andrew Carnegie consented to become a member of the General Education Board. For in accepting a position in this directorate he has, it seems to me, stamped with his approval this vital principle of coöperation in aiding the educational institutions of our country.

I rejoice, as everybody must, in Mr. Carnegie's enthusiasm for using his wealth for the benefit of his less fortunate fellows and I think his devotion to his adopted land's welfare has set a striking example for all time.

The General Education Board, of which Mr. Carnegie has now become a member, is interesting as an example of an organization formed for the purpose of working out, in an orderly and rather scientific way, the problem of helping to stimulate and improve education in all parts of our country. What this organization may eventually accomplish, of course, no one can tell, but surely, under its present board of directors, it will go very far. Here, again, I feel that I may speak

frankly and express my personal faith in its success, since I am not a member of the board, and have never attended a meeting, and the work is all done by others.

There are some other and larger plans thought out on careful and broad lines, which I have been studying for many years, and we can see that they are growing into definite shape. It is good to know that there are always unselfish men, of the best calibre, to help in every large philanthropic enterprise. One of the most satisfactory and stimulating pieces of good fortune that has come to me is the evidence that so many busy people are willing to turn aside from their work in pressing fields of labour and to give their best thoughts and energies without compensation to the work of human uplift. Doctors, clergymen, lawyers, as well as many high-grade men of affairs, are devoting their best and most unselfish efforts to some of the plans that we are all trying to work out.

Take, as one example of many similar cases, Mr. Robert C. Ogden, who for years, while devoting himself to an exacting business, still found time, supported by wonderful enthusiasm, to give force by his own personality to work done in difficult parts of the educational world, particularly to improving the common school system of the South. His efforts have been wisely directed along fundamental lines which must produce results through the years to come.

Fortunately my children have been as earnest as I, and much more diligent, in carefully and intelligently carrying out the work already begun, and agree with me that at least the same energy and thought should be expended in the proper and effective use of money when acquired as was exerted in the earning of it.

The General Education Board has made, or is making, a careful study of the location, aims, work, resources, administration, and educational value, present and prospective, of the institutions of higher learning in the United States. The board makes its contributions, averaging something like two million dollars a year, on the most careful comparative study of needs and opportunities throughout the country. Its records are open to all. Many benefactors of education are availing themselves of these disinterested inquiries, and it is hoped that more will do so.

A large number of individuals are contributing to the support of educational institutions in our country. To help an inefficient, ill-located, unnecessary school is a waste. I am told by those who have given most careful study to this problem that it is highly probable that enough money has been squandered on unwise educational projects to have built up a national system of higher education adequate to our needs if the money had been properly directed to that end. Many of the good people who bestow their beneficence on education may well give more thought to investigating the character of the enterprises that they are importuned to help, and this study ought to take into account the kind of people who are responsible for their management, their location, and the facilities supplied by other institutions round about. A thorough examination such as this is generally quite impossible for an individual, and he either declines to give from lack of accurate knowledge, or he may give without due consideration. If, however, this work of inquiry is done, and well done, by the General Education

Board, through officers of intelligence, skill, and sympathy, trained to the work, important and needed service is rendered. The walls of sectarian exclusiveness are fast disappearing, as they should, and the best people are standing shoulder to shoulder as they attack the great problems of general uplift.

ROMAN CATHOLIC CHARITIES

Just here it occurs to me to testify to the fact that the Roman Catholic Church, as I have observed in my experience, has advanced a long way in this direction. I have been surprised to learn how far a given sum of money has gone in the hands of priests and nuns, and how really effective is their use of it. I fully appreciate the splendid service done by other workers in the field, but I have seen the organization of the Roman Church secure better results with a given sum of money than other Church organizations are accustomed to secure from the same expenditure. I speak of this merely to point the value of the principle of organization, in which I believe so heartily. It is unnecessary to dwell upon the centuries of experience which the Church of Rome has gone through to perfect a great power of organization.

Studying these problems has been a source of the greatest interest to me. My assistants, quite distinct from any board, have an organization of sufficient size to investigate the many requests that come to us. This is done from the office of our committee in New York. For an individual to attempt to keep any close watch of single cases would be impossible. I am called upon to explain this fact many times. To read the hundreds of letters daily received at our office would be beyond the power of any one man, and surely, if the many good people who write would only reflect a little, they must realize that it is impossible for me personally to consider their applications.

The plan that we have worked out, and I hope improved upon year after year, has been the result of experience, and I refer to it now only as one contribution to a general subject which is of such great moment to earnest people; and this must be my excuse for speaking so frankly.

THE APPEALS THAT COME

The reading, assorting, and investigating of the hundreds of letters of appeal which are received daily at my office are attended to by a department organized for this purpose. The task is not so difficult as at first it might seem. The letters are, to be sure, of great variety, from all sorts of people in every condition of life, and indeed, from all parts of the world. Four-fifths of these letters are, however, requests for money for personal use, with no other title to consideration than that the writer would be gratified to have it.

There remain numbers of requests which all must recognize as worthy of notice. These may be divided, roughly, as follows:

The claims of local charities. The town or city in which one lives has a definite appeal to all its citizens, and all good neighbours will wish to coöperate with friends and fellow townsmen. But these local charities, hospitals, kindergartens, and the like, ought not to make appeal outside the local communities which they serve. The burden should be carried by the people who are on the spot and who are, or should be, most familiar with local needs.

Then come the national and international claims. These properly appeal especially to men of large means throughout the country, whose wealth admits of their doing something more than assist in caring for the local charities. There are many great national and international philanthropic and Christian organizations that cover the whole field of world-wide charity; and, while people of reputed wealth all receive appeals from individual workers throughout the world for personal assistance, the prudent and thoughtful giver will, more and more, choose these great and responsible organizations as the medium for his gifts and the distribution of his funds to distant fields. This has been my custom, and the experience of every day serves only to confirm its wisdom.

The great value of dealing with an organization which knows all the facts, and can best decide just where the help can be applied to the best advantage, has impressed itself upon me through the results of long years of experience. For example, one is asked to give in a certain field of missionary work a sum, for a definite purpose—let us say a hospital. To comply with this request will take, say, \$10,000. It seems wise and natural to give this amount. The missionary who wants this money is working under the direction of a strong and capable religious denomination.

Suppose the request is referred to the manager of the board of this denomination, and it transpires that there are many good reasons why a new hospital is not badly needed at this point, and by a little good management the need of this missionary can be met by another hospital in its neighborhood, whereas another missionary in another place has no such possibility for any hospital facilities whatever. There is no question that the money should be spent in the place last named. These conditions the managers of all the mission stations know, although perhaps the one who is giving the money never heard of them, and in my judgment he is wise in not acting until he has consulted these men of larger information.

It is interesting to follow the mental processes that some excellent souls go through to cloud their consciences when they consider what their duty actually is. For instance, one man says: "I do not believe in giving money to street beggars." I agree with him, I do not believe in the practice either; but that is not a reason why one should be exempt from doing something to help the situation represented by the street beggar. Because one does not yield to the importunities of such people is exactly the reason one should join and uphold the charity organization societies of one's own locality, which deal justly and humanely with this class, separating the worthy from the unworthy.

Another says: "I don't give to such and such a board, because I have read that of the money given only half or less actually gets to the person needing help." This is often not a true statement of fact, as proved again and again, and even if it were true in part it does not relieve the possible giver from the duty of helping to make the organization more efficient. By no possible chance is it a valid excuse for closing up one's pocket-book and dismissing the whole subject from one's mind.

INSTITUTIONS AS THEY RELATE TO EACH OTHER

Surely it is wise to be careful not to duplicate effort and not to inaugurate new charities in fields already covered, but

rather to strengthen and perfect those already at work. There is a great deal of rivalry and a vast amount of duplication, and one of the most difficult things in giving is to ascertain when the field is fully covered. Many people simply consider whether the institution to which they are giving is thoughtfully and well managed, without stopping to discover whether the field is not already occupied by others; and for this reason one ought not to investigate a single institution by itself, but always in its relation to all similar institutions in the territory. Here is a case in point:

A number of enthusiastic people had a plan for founding an orphan asylum which was to be conducted by one of our strongest religious denominations. The raising of the necessary funds was begun, and among the people who were asked to subscribe was a man who always made it a practice to study the situation carefully before committing himself to a contribution. He asked one of the promoters of the new institution how many beds the present asylums serving this community provided, how efficient they were, where located, and what particular class of institution was lacking in the community.

To none of these questions were answers forthcoming, so he had this information gathered on his own account with the purpose of helping to make the new plan effective. His studies revealed the fact that the city where the new asylum was to be built was so well provided with such institutions that there were already vastly more beds for children than there were applicants to fill them, and that the field was well and fully covered. These facts being presented to the organizers of the enterprise, it was shown that no real need for such an institution existed. I wish I might add that the scheme was abandoned. It was not. Such charities seldom are when once the sympathies of the worthy people, however misinformed, are heartily enlisted.

It may be urged that doing the work in this systematic and apparently cold-blooded way leaves out of consideration, to a large extent, the merits of individual cases. My contention is that the organization of work in combination should not and does not stifle the work of individuals, but strengthens and stimulates it. The orderly combination of philanthropic effort is growing daily, and at the same time the spirit of broad philanthropy never was so general as it is now.

THE CLAIM OF HIGHER EDUCATION

The giver who works out these problems for himself will, no doubt, find many critics. So many people see the pressing needs of everyday life that possibly they fail to realize those which are, if less obvious, of an even larger significance—for instance, the great claims of higher education. Ignorance is the source of a large part of the poverty and a vast amount of the crime in the world—hence the need of education. If we assist the highest forms of education—in whatever field—we secure the widest influence in enlarging the boundaries of human knowledge; for all the new facts discovered or set in motion become the universal heritage. I think we cannot overestimate the importance of this matter. The mere fact that most of the great achievements in science, medicine, art, and literature are the flower of the higher education is sufficient. Some great writer will one day show how these things have ministered to the wants of all the people, educated and unedu-

cated, high and low, rich and poor, and made life more what we all wish it to be.

The best philanthropy is constantly in search of the finalities—a search for cause, an attempt to cure evils at their source. My interest in the University of Chicago has been enhanced by the fact that while it has comprehensively considered the other features of a collegiate course, it has given so much attention to research.

DR. WILLIAM R. HARPER

The mention of this promising young institution always brings to my mind the figure of Dr. William R. Harper, whose enthusiasm for its work was so great that no vision of its future seemed too large.

My first meeting with Dr. Harper was at Vassar College, where one of my daughters was a student. He used to come, as the guest of Dr. James M. Taylor, the president, to lecture on Sundays; and as I frequently spent week ends there, I saw and talked much with the young professor, then of Yale, and caught in some degree the contagion of his enthusiasm.

When the university had been founded, and he had taken the presidency, our great ambition was to secure the best instructors and to organize the new institution, unhampered by traditions, according to the most modern ideals. He raised millions of dollars among the people of Chicago and the Middle West, and won the personal interest of their leading citizens. Here lay his great strength, for he secured not only their money but their loyal support and strong personal interest—the best kind of help and coöperation. He built even better than he knew. His lofty ideals embodied in the university awakened a deeper interest in higher education throughout the Central West, and stirred individuals, denominations, and legislators to effective action. The world will probably never realize how largely the present splendid university system of the Central Western States is due indirectly to the genius of this man.

With all his extraordinary power of work and his executive and organizing ability, Dr. Harper was a man of exquisite personal charm. We count it among the rich and delightful experiences of our home-life that Dr. and Mrs. Harper could occasionally spend days together with us for a brief respite from the exacting cares and responsibilities of the university work. As a friend and companion, in daily intercourse, no one could be more delightful than he.

It has been my good fortune to contribute at various times to the University of Chicago, of which Dr. Harper was president, and the newspapers not unnaturally supposed at such times that he used the occasions of our personal association to secure these contributions. The cartoonists used to find this a fruitful theme. They would picture Dr. Harper as a hypnotist waving his magic spell, or would represent him forcing his way into my inner office where I was pictured as busy cutting coupons and from which delightful employment I incontinently fled out of the window at sight of him; or they would represent me as fleeing across rivers on cakes of floating ice with Dr. Harper in hot pursuit; or perhaps he would be following close on my trail, like the wolf in the Russian story, in inaccessible country retreats, while I escaped only by means of the slight delays I occasioned him by now and then dropping a million-dollar bill, which he would be obliged to stop and pick up.

These cartoons were intended to be very amusing, and some of them certainly did have a flavour of humour, but they were never humorous to Dr. Harper. They were in fact a source of deep humiliation to him, and I am sure he would, were he living, be glad to have me say, as I now do, that during the entire period of his presidency of the University of Chicago, he never once either wrote me a letter or asked me personally for a dollar of money for the University of Chicago. In the most intimate daily intercourse with him in my home, the finances of the University of Chicago were never canvassed or discussed.

The method of procedure in this case has been substantially the same as with all other contributions. The presentation of the needs of the university has been made in writing by the officers of the university, whose special duty it is to prepare its budgets and superintend its finances. A committee of the trustees, with the president, have annually conferred, at a fixed time, with our Department of Benevolence, as to its needs. Their conclusions have generally been entirely unanimous and I have found no occasion hitherto seriously to depart from their recommendations. There have been no personal interviews and no personal solicitations. It has been a pleasure to me to make these contributions, but that pleasure has arisen out of the fact that the university is located in a great centre of empire; that it has rooted itself in the affections and interest of the people among whom it is located; that it is doing a great and needed work—in fine, that it has been able to attract and to justify the contributions of its patrons East and West. It is not personal interviews and impassioned appeals, but sound and justifying worth, that should attract and secure the funds of philanthropy.

The people in great numbers who are constantly importuning me for personal interviews in behalf of favorite causes err in supposing that the interview, were it possible, is the best way, or even a good way, of securing what they want. Our practice has been uniformly to request applicants to state their cases tersely, but nevertheless as fully as they think necessary, in writing. Their application is carefully considered by very competent people chosen for this purpose. If, thereupon, personal interviews are found desirable by our assistants, they are invited from our office.

Written presentations form the necessary basis of investigation, of consultation, and comparison of views between the different members of our staff, and of the final presentation to me.

It is impossible to conduct this department of our work in any other way. The rule requiring written presentation as against the interview is enforced and adhered to not, as the applicant sometimes supposes, as a cold rebuff to him, but in order to secure for his cause, if it be a good one, the careful consideration which is its due—a consideration that cannot be given in a mere verbal interview.

THE REASON FOR CONDITIONAL GIFTS

It is easy to do harm in giving money. To give to institutions which should be supported by others is not the best philanthropy. Such giving only serves to dry up the natural springs of charity.

It is highly important that every charitable institution shall have at all times the largest possible number of current con-

tributors. This means that the institution shall constantly be making its appeals; but, if these constant appeals are to be successful, the institution is forced to do excellent work and meet real and manifest needs. Moreover, the interest of many people affords the best assurance of wise economy and unselfish management as well as of continued support.

We frequently make our gifts conditional on the giving of others, not because we wish to force people to do their duty, but because we wish in this way to root the institution in the affections of as many people as possible who, as contributors, become personally concerned, and thereafter may be counted on to give to the institution their watchful interest and coöperation. Conditional gifts are often criticized, and sometimes, it may be, by people who have not thought the matter out fully.

Criticism which is deliberate, sober, and fair is always valuable and it should be welcomed by all who desire progress. I have had at least my full share of adverse criticism, but I can truly say that it has not embittered me, nor left me with any harsh feeling against a living soul. Nor do I wish to be critical of those whose conscientious judgment, frankly expressed, differs from my own. No matter how noisy the pessimists may be, we know that the world is getting better steadily and rapidly, and that is a good thing to remember in our moments of depression or humiliation.

THE BENEVOLENT TRUSTS

To return to the subject of the Benevolent Trusts, which is a name for corporations to manage the business side of benefactions. The idea needs, and to be successful must have, the help of men who have been trained along practical lines. The best men of business should be attracted by its possibilities for good. When it is eventually worked out, as it will be in some form, and probably in a better one than we can now forecast, how worthy it will be of the efforts of our ablest men!

We shall have the best charities supported generously and adequately, managed with scientific efficiency by the ablest men, who will gladly be held strictly accountable to the donors of the money, not only for the correct financing of the funds, but for the intelligent and effective use of every penny. To-day the whole machinery of benevolence is conducted upon more or less haphazard principles. Good men and women are wearing out their lives to raise money to sustain institutions which are conducted by more or less unskilled methods. This is a tremendous waste of our best material.

We cannot afford to have great souls who are capable of doing the most effective work slaving to raise the money. That should be a business man's task, and he should be supreme in managing the machinery of the expenses. The teachers, the workers, and the inspired leaders of the people should be relieved of these pressing and belittling money cares. They have more than enough to do in tilling their tremendous and never fully occupied field, and they should be free from any care which might in any wise divert them from that work.

When these Benevolent Trusts come into active being, such organizations on broad lines will be sure to attract the brains of the best men we have in our commercial affairs, as great business opportunities attract them now. Our successful business men as a class, and the exceptions only prove the truth

of the assertion, have a high standard of honour. I have sometimes been tempted to say that our clergymen could gain by knowing the essentials of business life better. The closer association with men of affairs would, I think, benefit both classes. People who have had much to do with ministers and those who hold confidential positions in our churches have at times had surprising experiences in meeting what is sometimes practised in the way of ecclesiastical business, because these good men have had so little of business training in the work-a-day world.

The whole system of proper relations, whether it be in commerce, or in the Church, or in the sciences, rests on honour. Able business men seek to confine their dealings to people who tell the truth and keep their promises; and the representatives of the Church, who are often prone to attack business men as a type of what is selfish and mean, have some great lessons to learn, and they will gladly learn them as these two types of workers grow closer together.

The Benevolent Trusts, when they come, will raise these standards; they will look the facts in the face; they will applaud and sustain the effective workers and institutions; and they will uplift the intelligent standard of good work in helping all the people chiefly to help themselves. There are already signs that these combinations are coming, and coming quickly, and in the directorates of these trusts you will eventually find the flower of our American manhood, the men who not only know how to make money, but who accept the great responsibility of administering it wisely.

A few years ago, on the occasion of the decennial anniversary of the University of Chicago, I was attending a university dinner, and having been asked to speak I had jotted down a few notes.

When the time arrived to stand up and face these guests—men of worth and position—my notes meant nothing to me. As I thought of the latent power of good that rested with these rich and influential people I was greatly affected. I threw down my notes and started to plead for my Benevolent Trust plan.

"You men," I said, "are always looking forward to do something for good causes. I know how very busy you are. You work in a treadmill from which you see no escape. I can easily understand that you feel that it is beyond your present power carefully to study the needs of humanity, and that you wait to give until you have considered many things and decided upon some course of action. Now, why not do with what you can give to others as you do with what you want to keep for yourself and your children: Put it into a Trust? You would not place a fortune for your children in the hands of an inexperienced person, no matter how good he might be. Let us be as careful with the money we would spend for the benefit of others as if we were laying it aside for our own family's future use. Directors carry on these affairs in your behalf. Let us erect a foundation, a Trust, and engage directors who will make it a life work to manage, with our personal coöperation, this business of benevolence properly and effectively. And I beg of you, attend to it *now*, don't wait."

I confess I felt most strongly on the subject, and I feel so now.

EXHIBIT D.**Statements issued to the Press.***

(Statement issued by Jerome D. Greene, Secretary of the Rockefeller Foundation, October 1, 1914.)

THE ROCKEFELLER FOUNDATION INAUGURATES A FAR-REACHING INVESTIGATION OF INDUSTRIAL RELATIONS AND HAS APPOINTED AS DIRECTOR HON. W. L. MACKENZIE KING, FORMER MINISTER OF LABOR IN CANADA, AUTHOR OF INDUSTRIAL DISPUTES ACT, AND EXPERIENCED MEDIATOR IN LABOR DISPUTES.

The Trustees of the Rockefeller Foundation have decided to inaugurate an extensive investigation into the problem of Industrial Relations, and have secured the services of the Hon. W. L. Mackenzie King, C.M.G., former Minister of Labor for Canada, as Director of the investigation.

In spirit and method the investigation of the problem of industrial relations will be like that carried on by the Rockefeller Institute for Medical Research, and other inquiries instituted by the Rockefeller boards. All alike are practical in aim and scientific in method. In the Institute for Medical Research, the knowledge of the world is being sought by experts and brought to bear upon a limited number of human diseases. Investigation has not been deterred by the circumstance that the diseases dealt with are a part of a common inheritance through generations and that a limited knowledge sometimes pronounces them incurable.

In the anomalies which modern industrial conditions disclose, there is plenty of evidence of social disorder. Labor and Capital, in their relations to each other, too often suggest the bitter enmities and destructive capacities of opposing and contending forces and too rarely suggest the possibilities of harmonious and united action conforming to the laws of individual and social need. The present inquiry will seek to reveal the causes of the former, and the means of promoting the efficient practical application of the latter.

In facing the problem of Industrial Relations, the Rockefeller Foundation is deliberately attempting to grapple with what it believes to be the most complicated and at the same time the most urgent question of modern times, and it is precisely for this reason that the investigation has been instituted. The Foundation is not baffled at the outset by the knowledge that the task hitherto has seemed well nigh hopeless, and that the literature on the subject, and the tried experience of the world is so vast as to be overwhelming. These may be reasons for a gradual approach, and for counselling patience in the matter of results, but they afford no excuse for inaction. It is hoped that an investigation instituted on the scale, and impartially and persistently pursued in the spirit and with the facilities which the Foundation affords, will gradually win for itself the coöperation, not alone of employers and workmen, of industrial organizations, of individuals, and institutions interested in social reform, but also of universities and Governments throughout the world.

In no sense will the investigation be local or restricted, or

*See Question 26, page 49.

carried on with particular reference to any existing situation, or for that matter, with reference to conditions in any one country. The experience of the several countries of the world will be drawn upon. In the words of the charter of the Foundation it is intended for "the well-being of mankind throughout the world," and the means taken to further this end, both as regards the subjects to be investigated and the methods of inquiry, will be in keeping with the high purpose thus expressed.

In going to another country and selecting as the person to have the direction of this most important work, one whose public services have gained for him an outstanding position as a leading authority on industrial problems, the Trustees have shown their desire, not only to free the Foundation from any suspicion of interest or prejudice in the investigation of the most controversial of all problems, but also their readiness to enlist the services of the best men available, no matter where they are to be found. It is no small guarantee of the spirit in which the work of this investigation will be carried on, that Mr. Mackenzie King, after years of public service in the handling of labor problems, has, by his known impartiality and disinterested purpose, retained the good-will, confidence, and respect of employers and representatives of labor alike.

The following outline of his career may serve to illustrate to what a degree Mr. King is specially qualified for the important work he has undertaken. It illustrates wherein he brings to the task the mind of a scientific investigator, the sympathy of the social worker, and the practical experience of a man of affairs.

Mr. Mackenzie King is a graduate in Arts and Law of the University of Toronto. From 1896 to 1900 he pursued post-graduate studies in the United States, first as Fellow in Political Economy at the University of Chicago, and later as Fellow at Harvard, from which University he received the degrees of Master of Arts and Doctor of Philosophy, and was awarded a Fellowship to travel abroad. Later he was appointed Instructor in Political Economy on the Harvard staff, but resigned this position to organize in Canada a Department of Labour, as a new department of the Canadian Government. For eight years he held the position of Deputy Minister of Labour for Canada, a position corresponding to that of Commissioner of Labor in the United States. During that time he established and was editor of the *Dominion Labour Gazette*, was Registrar of Boards of Conciliation and Arbitration, and the author of numerous reports on labor problems. As the result of investigations personally conducted by him, the sweating system was abolished in Government contracts, and a "fair wages" policy introduced; laws for the protection of labor against false representations leading to the importation of strike-breakers, and unwarranted immigration placed on the statutes, the laws respecting the employment of women and children in textile factories modified, conditions of operatives in the telephone exchanges improved, and the opium traffic in Canada abolished. During several years, Mr. King acted as a conciliator in strikes in the Dominion, the number exceeding forty and embracing the most serious disputes in Canada at the time. Experience gained in this way led to the provisions of the Industrial Disputes Investigation Act, of which Mr. King is the author, and which has reduced the number of strikes in mines,

transportation companies, and public utilities by between eighty and ninety per cent. in seven years. In 1908 Mr. King resigned the position of Deputy Minister of Labour, and entered Parliament as member for North Waterloo. He was taken into the Cabinet of Sir Wilfrid Laurier as Minister of Labour, the first in Canada to occupy this position as the holder of a separate portfolio in the Government. He remained a member of the Laurier Administration until its defeat in September, 1911. As Minister of Labour he instituted several far-reaching and important investigations, including an inquiry into prices and the cost of living, the appointment of a Royal Commission on Industrial Training and Technical Education, and the enactment of important legislation respecting the control of the opium traffic and the sale of morphine and other habit-forming drugs. He also secured the enactment of the Canadian Combines Investigation Act, of which he is the author, and under which the monopolies, trusts, mergers, and combines in Canada are regulated.

A large part of Mr. King's work has had to do with the important question of Oriental immigration. He has served on many Royal Commissions in this connection, having settled on behalf of the Government of Canada claims on the part of the Japanese and Chinese arising out of losses occasioned by the Anti-Asiatic riots in British Columbia some years ago, and having conducted an extensive inquiry into the whole question of immigration from the Orient. He negotiated the agreement between England, India, and Canada regarding immigration from India. His investigations in Canada were supplemented by personal visits to the countries concerned, and by direct negotiations with the Governments of India, China, and Japan.

In 1906 Mr. King was made Companion of the Order of St. Michael and St. George by the late King Edward VII in recognition of public services. Later he was chosen by the Imperial Government as one of the British delegates to the International Opium Conference, which met at Shanghai, China, in 1908. In 1910 he was chosen a Fellow of the Royal Society of Canada, and in 1911 was made the President of the Ontario Reform Association, which position he still holds. He also organized and is Chairman of the Canadian Association for International Conciliation. Having been a Cabinet Minister in a Canadian Administration, Mr. King remains a member of the Privy Council of Canada for life.

(Released for Publication in Morning Papers of Sunday,
October 4.)

**FOR THE PRESERVATION OF BIRD LIFE OF THE
NORTH AMERICAN CONTINENT, THE ROCKE-
FELLER FOUNDATION HAS PURCHASED 85,000
ACRES OF LAND ON THE GULF OF MEXICO AND
HAS PLACED IT UNDER THE PROTECTION OF
THE LOUISIANA CONSERVATION COMMISSION.**

New York, October 3, 1914.—For the purpose of establishing another wild fowl refuge on the northern shore of the Gulf of Mexico, the Rockefeller Foundation has purchased the Grand Chenier tract containing 85,000 acres in the parishes of Cameron and Vermillion, Louisiana, at a cost of approximately \$225,000.

An announcement to this effect was made by the Secretary of the Foundation to-day, upon the execution of a deed from the Rockefeller Foundation placing the land for an initial term of five years under the protection of the Louisiana Conservation Commission. The Commission, on its side, has formally accepted the tract and has undertaken to protect it by game-wardens.

This purchase, the arrangements for which have consumed more than a year and a half, is another step in the programme to establish throughout the winter feeding and resting grounds of birds, and along their migration routes, suitable preserves where they can be protected at all times of the year and be safe from persecution. It is due to the intelligent and public-spirited activity of Mr. E. A. McIlhenny of Avery Island, La., who brought the matter to the attention of the Rockefeller Foundation through Mr. Starr J. Murphy, one of its Trustees. Mr. McIlhenny has already been distinguished among the defenders of bird life in America by his promotion of bird preserves in different parts of the country.

The Grand Chenier tract is full of shallow ponds, lakes and bayous, abounding in cover for the protection of birds against storms. It produces an enormous quantity of natural food, sufficient to provide for the vast number of birds from the North which winter along the Gulf coast.

The great tract purchased by the Rockefeller Foundation is an integral part of the "wild life preserve system" for which persons interested in the welfare of birds have been working for years. It is only a few miles from Marsh Island, purchased, upon the recommendation of Mr. McIlhenny, in 1912, by Mrs. Russell Sage for a bird refuge, at a cost of about \$150,000. Marsh Island was for many years the greatest slaughtering ground for ducks in North America.

The Grand Chenier tract and Marsh Island are a part of a preserve of 500 square miles with a frontage of 75 miles on the Gulf coast, which it is proposed to acquire. Included in this preserve will be the 60,000 acres previously dedicated to wild life preservation by Mr. McIlhenny.

The purchase by the Rockefeller Foundation constitutes the greatest gift ever made to the preservation of bird life in America, with the exception of the bequest of David Wilcox to the National Association of Audubon Societies. This bequest amounted to \$332,000. Bird lovers believe it will mark one of the most important steps ever taken for the preservation of migratory fowl, because they expect it to stimulate interest in establishing preserves in other sections of the United States and Canada.

The wild fowl preserve on the Gulf shore of Louisiana affords winter shelter for myriads of migratory songbirds, woodpeckers, and shore birds, all of which are of great service in the North when insects are busy in field, orchard and garden.

For half a century countless thousands of ducks and geese have been shot there for the market of New Orleans, St. Louis, Cincinnati, and Chicago. The species most commonly taken were mallards, black-duck, teal, and canvasback. Under the new conditions the birds which are preserved each winter on this great tract will spread out every spring in a great fan-shaped flight reaching all the way to Manitoba and spreading out in every direction.

The tract is not far from New Iberia, where it is estimated

50,000 robins are killed for food every winter. It is also near the famous McIlhenny heron rookery at Avery Island, where fully 20,000 egrets and heron breed their young in absolute security. These birds are expected to colonize the other tracts which have been acquired for their use.

New York, October 31, 1914.

Mr. John D. Rockefeller, Jr., as President of the Rockefeller Foundation, authorizes the following statement:

"It having become clear that one of the most terrible and appealing effects of the war will fall upon the non-combatants,—those most innocent of any part in the cause or the conduct of the conflict,—the Rockefeller Foundation has determined to exert itself to the extent, if necessary, of millions of dollars, for the relief of non-combatants in the various countries involved.

"This action is taken as a natural step in fulfilling the chartered purposes of the Foundation, namely, 'to promote the well-being of mankind throughout the world.'

"I have written the American Ambassador in London that 'we foresee the probability that large resources will be very much needed for rehabilitation at a time when the resources now being drawn upon for immediate relief will be perhaps very nearly exhausted. Under the circumstances, we feel the need of further advice.'

"In order to obtain expert opinion as to the time, place and means of rendering aid most effectively, the Foundation has arranged to send to Europe within the next few days a Commission which shall visit the countries affected and advise us first hand. The Chairman of the Commission will be Mr. Wickliffe Rose, Director General of the International Health Commission, whose successful experience in organizing the campaign against hookworm disease in various parts of the world peculiarly fits him for the task.

"We are also seeking to enlist the co-operation of one or two others, experienced in the administration of relief to those in need.

"The sending of such a mission will not render unnecessary the efforts of other agencies of relief, for the need is widespread and millions of people are suffering. All steps which the Rockefeller Foundation takes will, of course, be absolutely neutral.

"To avoid delay and to provide relief at the earliest possible moment for the suffering people of Belgium, the Foundation has chartered the largest neutral ship available in New York Harbor, and purchased a full cargo of supplies, to be dispatched immediately.

"This action will but supplement the public-spirited efforts of the Belgian Relief Committee, of which Mr. Robert W. DeForest is Chairman. That the necessity is vital and worthy of the heartiest support is indicated by the following cablegrams which, in reply to inquiries, we have received from Mr. Page, the American Ambassador at London:

"'Belgians on verge of starvation. I emphatically regard it most opportune to help. I have never known such a case of need. Committee to distribute food consists of prominent Americans here and influential Belgians in Belgium and American Minister and Consuls in Belgium all under my direction.

British Government forbids export of food and no food can be bought on continent. Help needed is food and clothing for women and children.'

"It will require a million dollars a month for seven or eight months to prevent starvation. In fact, many will starve now before food can reach them. No food can be bought and exported from any country in Europe. Every dollar you choose to give will save or prolong a human life if you give it quickly enough. No other time will come in any land when there can be greater need. Do not send money. Buy six parts wheat, two parts rice, two parts beans, and ship in neutral ships consigned to American Consul at Rotterdam. Inform me when you ship and I will arrange all diplomatic requirements for landing, for transit to Belgium and for distribution in small quantities by the Commission of Relief, which as a means of reaching all the people have taken over all grocery stores.'

"Immediately upon receiving these messages, the Rockefeller Foundation enlisted the co-operation of the shipping department of the Standard Oil Company of New York in securing the vessel, and at the same time gladly availed itself of the voluntary services of Mr. Lionel Hagenaers, a Belgian now resident in New York and member of the Belgian Relief Committee, in purchasing the cargo. The Foundation encountered considerable difficulty in finding a capacious vessel, and the pressure upon the market for foodstuffs was such that it was impossible to comply exactly with Ambassador Page's suggestions as to proportions. To fill and despatch the ship called for an expenditure of about \$275,000.

"On next Tuesday morning, therefore, the Massapequa, of the New York & Porto Rico Steamship Company, will sail direct to Rotterdam, Holland, laden with 4,000 tons of supplies, consigned to the American Consul. The cargo will consist of:

28,500 barrels of Flour.
14,000 packets (100 lbs. each) of Rice.
3,000 bags (200 lbs. each) of Beans.
1,000 boxes (100 lbs. each) of Bacon.

"The British Consul has kindly agreed to certify that these supplies are absolutely for the aid of non-combatants and should not be delayed in transit.

"The extraordinary need in Belgium is further indicated by the following cablegram received from Mr. H. C. Hoover, of the American Relief Committee in London:

"Have received reports from members of our Commission, from the American Minister in Brussels, and from local officials that within three weeks the last vestige of foodstuffs in Belgium will have been exhausted and the entire population of over seven million people will be faced with starvation. The minimum supply of foodstuffs required amounts to about ninety thousand tons of cereals per month, together with bacon or lard. The minimum monthly expenditure required is from four to five million dollars, of which some part returnable through sales. It therefore appears that the problem of feeding the people of Belgium transcends other Belgian relief. The one function of Americans in Belgian relief is the purchase and dispatch of food. We have expended every dollar that we have

received in the purchase and dispatch of foodstuffs already, and it will take all the funds we can raise here to take care of emergency pending arrival of stuffs from America.'

"It is obvious that no philanthropic exertion will be too great to relieve the acute suffering of those victims of the war who are innocent of any participation in it."

New York, November 8th, 1914.

In order that there may be the greatest dispatch in collecting foodstuffs for the relief of the non-combatant people of Belgium, the Rockefeller Foundation in addition to the measures of relief initiated by itself, has arranged to provide a steamship pier, to charter ships, and to convey free of charge from New York to Belgium such supplies as the public may wish to contribute.

This plan is in co-operation with the Belgian Relief Committee of New York of which Mr. Robert W. DeForest is chairman. The purpose is that through the facilities provided by the Foundation and the activities of the Committee in collecting funds and supplies, various individuals and agencies throughout the country, who desire such co-operation, may make their assistance most timely and effective.

To this end Mr. Robert W. DeForest and Mr. John D. Rockefeller, Jr., on behalf of the Foundation and the Committee, have joined in an appeal to the public of the United States to give either in money or supplies for Belgian relief.

Arrangements have been made with the Bush Terminal in New York to act as a receiving depot. The Rockefeller Foundation is negotiating to obtain as quickly as possible another large neutral ship. As rapidly as a cargo is collected it will be forwarded direct to Belgium.

The facilities thus provided insure that any contribution in money will be expended solely for supplies, and in no part for organization or distribution charges. Any person who gives either in money or in food can be certain that the whole of his contribution will reach some one in Belgium who needs help.

Following the announcement that the Rockefeller Foundation would send a Commission of experts to Europe to advise as to time, place and means whereby relief can be best provided for needy non-combatants in all the warring countries, that Commission has now been constituted as follows: Mr. Wickliffe Rose, Chairman, Director General of the International Health Commission; Mr. Erbest P. Bicknell, National Director of the American Red Cross, whose services have been loaned for this purpose to the Rockefeller Foundation, and who has had exceptional experience in the conduct of relief after the San Francisco Earthquake in 1906, and in other disasters.

In reference to the War Relief Commission, the plans for sending cargoes of supplies to Belgium, and as to whether the placing of mines in the North Sea would interfere, Ambassador Page of London has cabled as follows:

"Hurry Rose. North Sea adds no difficulty or danger, British Navy will convoy your ship. The International Commission for Relief here organized committees in Holland and Belgium under diplomatic arrangements made by governments of the United States, Spain, Holland, and Belgium, and have

secured guarantee of safety from German military authorities, and made a perfect system for distribution by Belgians in every neighborhood in Belgium. This does not call for the sending of money to England. It calls only for food to be sent to starving women and children in Belgium and this is the only channel."

The War Relief Commission will sail for Europe on the steamship "Lapland" next Wednesday. They will go direct to Liverpool, and then to Belgium. As rapidly as their recommendations are received, the Rockefeller Foundation will take steps to carry them out. The public will be fully advised of the conditions as reported, for the co-operation of all Americans will be required if this vast problem is to be solved.

BELGIAN RELIEF—FOOD SUPPLY.

An Appeal to the American People.

The Belgian Relief Committee in New York appeals to the people of the United States to relieve the distress of the unfortunate people of Belgium whose homes have been devastated by the war, and who are now in desperate need of food. We are advised by the American Committee in London that, in order to meet the absolute necessities, food must be imported in very large quantities from America. The Belgian Relief Committee, with the co-operation of the Rockefeller Foundation, has made the following arrangements:

Chambers of Commerce, Boards of Trade, Trade Associations, Women's Clubs and other organizations or individuals throughout the United States wishing to make contributions may do so in either of two ways:

1. By sending contributions of money to the Belgian Relief Committee, No. 10 Bridge Street, New York City. Checks should be drawn to the order of Belgian Relief Committee. All receipts will be acknowledged and credited to the organizations, committees, or individuals from which they come, and the Belgian Minister will be kept informed of contributions received. The concentration of money contributions in the hands of the New York Committee will avoid competition in the purchase of supplies and the consequent increase in prices.

2. By shipping any of the following articles, charges prepaid, preferably in carload lots:

WHEAT	PEAS
FLOUR	BEANS
RICE	CANNED GOODS
COFFEE ($\frac{1}{4}$ chicory)	CURED OR SALTED MEATS

Perishable goods, such as potatoes, apples, or other fresh fruits, cannot be accepted.

All shipments should be consigned to the Belgian Relief Committee, Bush Terminal, Brooklyn, N. Y. As shipments will have to stand railroad journey, transfer at New York, and a long sea voyage, they should be shipped in good strong packages. Individual packages should have a tag showing the contents.

The Rockefeller Foundation will bear the expense of ocean transportation of all supplies thus furnished to the European

port most accessible to Belgium. As the extent of need and the amount of supplies which will be contributed cannot now be predicted with certainty, this offer of the Foundation will for the present apply only to shipments received in New York on or before December 31st, 1914, but is subject to renewal if circumstances require.

There is no purpose to interfere with the entire freedom of any individual or organization to render aid in his or its own way. But rather to provide efficient transportation and distribution facilities which may be freely utilized by all who may desire to avail themselves of such co-operation.

To save hundreds of thousands of Belgians from starvation it is evident that very large demands will have to be made upon the generosity of the American people. The Belgian Relief Committee and the Rockefeller Foundation having determined to co-operate in sending relief as promptly and efficiently as possible, now join in asking the good people of this country to do their utmost in this extreme emergency.

The arrangements for distribution have been made by the American Committee in London of which Ambassador Page is Chairman, and provide for distributing stations in Belgium under the immediate supervision of the American Consuls in the afflicted region. Every precaution seems to have been taken to ensure the delivery of supplies to needy persons for whom otherwise no provision whatever would be made.

Serious problems will undoubtedly arise as to the organization of relief measures, including the great task of rehabilitation which must follow emergency relief. In order that the aid coming from America may be constantly guided by the most reliable information as to the location and extent of need and the methods of relief, the Rockefeller Foundation is sending a War Relief Commission to Europe to supply this information from time to time. The public will be kept informed concerning the progress of relief measures so that the extent and manner of its participation may be most wisely determined.

All communications should be addressed to the Belgian Relief Committee, 10 Bridge Street, New York City.

ROBERT W. DE FOREST, Chairman Executive

Committee, Belgian Relief Committee, New York.

JOHN D. ROCKEFELLER, JR., President.

Rockefeller Foundation, New York.

BELGIAN RELIEF COMMITTEE IN NEW YORK

EMANUEL HAVENITH, Belgian Minister to the United States.

PIERRE MALI, Belgian Consul General in New York.

REV. J. F. STILLEMANS, President.

ROBERT W. DE FOREST, Chairman of Executive Committee.

LYMAN ABBOTT

ARMAND BATTA

JAMES M. BECK

CORNELIUS N. BLISS

ROBERT S. BREWSTER

HENRY W. DE FOREST

CLEVELAND H. DODGE

LIONEL HAGENAERS

THOMAS H. HUBBARD

REV. O. A. NYS

H. FAIRFIELD OSBORN

W. BARCLAY PARSONS

BERNARD RAAP

JOHN VAN RICKSTAL

THOMAS THACHER

FRANK A. VANDERLIP

ALFRED T. WHITE

26 Broadway, New York.

December 7, 1914.

Mr. Jerome D. Greene, who, for a year or more past has divided his time between acting as a member of Mr. John D. Rockefeller's personal staff and as secretary of The Rockefeller Foundation, has been obliged, on account of the increasing demands of the latter position, to suspend his activities as a member of Mr. Rockefeller's staff and will for the present devote his entire time to the executive work of The Rockefeller Foundation.

Mr. Ivy L. Lee, now Executive Assistant to the President of the Pennsylvania Railroad, has accepted appointment as an additional member of Mr. Rockefeller's staff, the other members of which beside Mr. Greene are Messrs. John D. Rockefeller, Jr., and Starr J. Murphy.

Mr. Lee is a graduate of Princeton University. After several years' journalistic work he served for three years as general manager in Europe for Messrs. Harris, Winthrop & Co., Bankers. He returned two years ago to become associated with the Pennsylvania Railroad.

Mr. John D. Rockefeller, having retired from active business fifteen or twenty years ago, his staff, of which Mr. Lee becomes a member, are his immediate advisers in matters both of business and philanthropy, and are his direct representatives in the various corporations in which he is financially interested and on the large philanthropic boards which he has created.

RELEASED FOR PUBLICATION MONDAY,
DECEMBER 7, 1914.

Mr. John D. Rockefeller, Jr., as President of the Rockefeller Foundation, authorizes the following statement:

The international interest aroused in the work of the Rockefeller Foundation through its efforts on behalf of Belgian relief has led to innumerable inquiries for details as to its work and purposes. The fact that the Federal Commission on Industrial Relations is contemplating an investigation of the Foundation's plan to conduct an inquiry into industrial relations indicates a further interest in the Foundation's activities.

Its object being wholly one of public service, the policy of the Foundation is to furnish current information with reference to its work, hoping thereby to enlist that confidence and active co-operation on the part of the public which is so necessary to the successful fulfillment of its purposes. It therefore seems fitting at this time to make a brief statement of the more important work so far accomplished and planned, to be followed by the annual report now in preparation, which will contain full details of the Foundation's activities and finances.

The Foundation has thus far despatched one shipload of food, 4,000 tons, to Belgium, which has already been received and distributed; it is now loading a second ship in New York harbor, which will carry 6,500 tons, and has purchased for delivery at Philadelphia to a third ship 280,000 bushels of wheat. These three shiploads represent an expenditure of about \$1,000,000. It has also sent a Commission to Europe, to advise as to how and where further relief to non-combatants may be most effectively provided, and is ready to spend millions of dollars, if necessary, in this direction.

Realizing also that the war and the industrial depression

have created great want at home, the Foundation, acting upon requests from various local charitable organizations, has just voted to contribute \$45,000 to assist in the relief of the poor of New York City. Of this amount, the Association for Improving the Condition of the Poor will receive \$25,000; the Charity Organization Society, \$10,000; and the Brooklyn Bureau of Charities, \$10,000.

The Foundation has established the International Health Commission, the purpose of which is to extend, not only in this country but to foreign countries and peoples, the work of eradicating the hookworm disease and the establishment of agencies for the promotion of public health and sanitation. The Commission is already at work in the British West Indies, Central America, Ceylon, the Malay States and the Philippines.

Last spring the China Medical Commission was appointed, to study the needs of medical education and public health in China, and its important and far-reaching recommendations are now receiving consideration.

Other appropriations of special public significance are as follows:

\$2,550,000 to the Rockefeller Institute for Medical Research, for addition to land, buildings and endowment.

\$750,000 toward the fund being raised by Wellesley College, because of the emergency resulting from its extensive fire loss.

\$225,000 for the purchase of a tract of 85,000 acres on the Louisiana Coast of the Gulf of Mexico which has been turned over to the Louisiana Conservation Commission, as a refuge for migratory birds, which gather here in winter from all parts of the North American continent. This was done to prevent the wanton destruction of this wild life, so important to the agricultural interests in keeping down the insect pests, which, it is estimated, inflict a loss upon the country of upwards of \$400,000,000 a year.

Next in public interest to the Belgian relief work has been the establishment of a department for the investigation of industrial relations, to direct which Mr. Mackenzie King, formerly Minister of Labor of Canada, has been appointed.

For several years past Mr John D. Rockefeller and his advisers have had under consideration the establishment of an organization for social and economic research. Upon the establishment of the Rockefeller Foundation one of the first matters discussed was the advisability of the organization of such an institution, and a committee of leading economists and business men was created to consider whether such an organization could wisely be established.

While the general subject of economic research was under consideration, the industrial disturbances in Colorado impressed the President of the Foundation with the great need and public importance of finding an effective means of preventing such conflicts and caused him to urge a far-reaching study of industrial relations as the most important immediate inquiry to which the Foundation could direct its attention.

In view of the passion aroused in Colorado and many divergent interests involved there, it was felt that the Foundation itself should not interfere in that situation, but that it was of the utmost consequence that the root causes of that and similar disturbances should be ascertained, and, if possible, removed, not only in Colorado but elsewhere.

The Rockefeller Foundation is, moreover, a large owner of corporate securities, and in that capacity is itself directly concerned in maintaining harmonious relations between the companies in which it is interested and their employes. It was therefore felt that if the Foundation could work out on a basis compatible with sound economics a substantial improvement in the relations between capital and labor, it would not only be discharging its obligation as indirectly a large employer of labor, but would also perform for the general public a greater social service than it could render along usual philanthropic lines. It was also felt that there was hardly anything the Foundation could do which would more effectively conform to its chartered purposes, namely, "to promote the well-being of mankind."

Realizing that the success of such an endeavor would depend almost entirely upon the character and attainments of the person conducting the work, the Foundation felt itself peculiarly fortunate in being able to enlist the co-operation of Mr. MacKenzie King, who had had wide experience in the actual solution of labor problems in Canada.

Mr. King has from the outset indicated to the Foundation his desire to avoid any form of organization which may cause it even to appear that his work is intended to rival or encroach upon the work of existing organizations, and in particular the work properly assignable to government departments and agencies.

In spirit and method the work will be akin to that of the Rockefeller Institute for Medical Research. In so far as Mr. King's inquiries have to do with industrial controversies, his attitude will be that of a physician who investigates the nature and causes of the pathological conditions with which he has to deal, with a view, if possible, to the discovery of effective remedies.

It cannot be too clearly understood that the purpose of this inquiry is not to apportion blame in present or past misunderstandings, nor to justify any particular point of view; the sole purpose is to be constructively helpful. The final and only test of the work will be the degree to which the constructive suggestions growing out of the investigation actually improve the relations between capital and labor.

The foregoing summarizes the major activities so far undertaken by the Foundation. A statement covering completely the finances of the Foundation is in preparation and will be made public.

RELEASED FOR PUBLICATION TUESDAY,
DECEMBER 8th.

In the general summary of its work and plans given out yesterday, the Rockefeller Foundation announced that it was preparing for publication in advance of its annual report, a complete statement of its finances.

The funds of the Foundation, all of which were contributed by Mr. John D. Rockefeller, consist of securities the market value of which at the time they were donated was \$100,000,000. In making this gift, Mr. Rockefeller expressly empowered the Directors of the Foundation in their discretion to utilize either the principal or the income or both for the chartered purposes of the Foundation, namely, "to promote the well-being of mankind throughout the world."

The Directors of the Foundation are Messrs. Charles W. Eliot, President Emeritus of Harvard University; Dr. Simon Flexner, Scientific Director of the Rockefeller Institute; Frederick T. Gates; Jerome D. Greene; A. Barton Hepburn, Chairman of the Board of Directors of the Chase National Bank; Charles O. Heydt; Harry Pratt Judson, President of the University of Chicago; Starr J. Murphy; John D. Rockefeller, John D. Rockefeller, Jr., and Wickliffe Rose, Director General of the International Health Commission.

The income of the Foundation to date has been approximately \$5,500,000, its appropriations approximately \$6,500,000.

The funds which Mr. Rockefeller has given to the Foundation are as follows (shown in Schedule D., p. 27):

It was for many years the custom of Mr. Rockefeller in dealing with applications or suggestions concerning philanthropic objects to base his decision upon an expert investigation of the merits of each case. As time went on, the task of deciding wisely upon an ever increasing mass of applications, and, what was even more important, of providing the constructive imagination necessary for intelligent philanthropy, became more and more onerous.

For these reasons, Mr. Rockefeller felt the need of organizations or groups of counsellors specially fitted to deal with such matters, and which should be independent of the life of any individual. He has accordingly for the past fifteen or twenty years delegated his activities in this direction more and more to the various organizations and institutions he has created. The more important of these, each with its separate and independent funds, are: The General Education Board, The Rockefeller Institute for Medical Research and The Rockefeller Foundation.

STATEMENT ISSUED JANUARY 1, 1915.

The S. S. "Massapequa" was despatched to Rotterdam by the Rockefeller Foundation yesterday with 3,500 tons of food and clothing for the Belgian war sufferers. This is the second voyage of the "Massapequa," which was the first of the Belgian relief ships to leave this country.

The Foundation has now spent over \$1,000,000 on ships and cargoes for Belgian relief. The "Massapequa" sailed on her first voyage November 2, with a cargo purchased by the Foundation. The next ship despatched was the "Agamemnon," December 4, with 2,800 tons of food purchased by the Belgian Relief Committee and the Committee of Mercy. The "Neches" sailed on December 12, with 4,800 tons of food supplied entirely by the Rockefeller Foundation.

The "Massapequa" yesterday carried a cargo made up of donations received from all over the United States, in response to the joint appeal of the Foundation and the Belgian Relief Committee.

In addition, the Foundation supplied a cargo of wheat for the S. S. "Ferrona" which was despatched from Philadelphia December 23, by the Commission for Relief in Belgium.

The first object of the Rockefeller Foundation in taking up the matter of Belgian relief in October was to start with the least possible delay the stream of food supplies flowing into Belgium from this country. In the extreme emergency that was presented considerations as to the efficiency of the dis-

tributing organization in Belgium, and as to the possibility of obstacles being confronted in the course of distribution, had to be delayed for later inquiry, but steps were taken to make such inquiry at the earliest possible moment. Accordingly a War Relief Commission was appointed consisting of Messrs. Wickliffe Rose, Director General of the International Health Commission, Ernest P. Bicknell, National Director of the American Red Cross and Henry James, Jr., Manager of the Rockefeller Institute for Medical Research, and this Commission sailed for Europe on November 11, 1914. The Commission found the London organization of the American Commission for Relief in Belgium active and efficient. The Rockefeller Commission then proceeded to Rotterdam and Belgium, and for several weeks studied the extent of the need and inspected the distributing agencies, with the result that they were able to give the highest praise to the joint activities of the American Commission, the Belgian relief agencies and the Diplomatic authorities of the several countries concerned. The Commission is now giving its consideration to other aspects of war relief in Europe and a further report is shortly expected.

Publicity Material used in 1912 and 1913.***THE PROPOSED INCORPORATION OF THE ROCKEFELLER FOUNDATION IN THE DISTRICT OF COLUMBIA.**

In the spring of 1910 a bill was introduced in the United States Senate to incorporate the Rockefeller Foundation. The object of the incorporation was stated in the following terms: "To promote the well-being and to advance the civilization of the peoples of the United States and its Territories and possessions, and of foreign lands, in the acquisition and dissemination of knowledge; in the prevention and relief of suffering; and in the promotion of any and all of the elements of human progress." To this end the corporation was further authorized to establish, maintain, and endow, or to aid others, whether individuals, associations, or corporations, to establish, maintain, and endow, institutions and other agencies for carrying on said objects. The membership of the corporation was to be not less than five nor more than twenty-five. The term of membership was to be three years, and elections were to be by co-optation. No limitation was placed upon the amount of funds which the corporation might hold. Provision was made for the exemption from taxation of personal property and funds applied to the uses of the trust, but real estate was not specifically exempt. No officer, trustee, member, or employee was to receive any pecuniary benefit from the operations of the corporation, except reasonable compensation for services. The transactions of the corporation were to be annually reported to the Secretary of the Interior, and, finally, the charter was to be subject to alteration, amendment, or repeal at the pleasure of the Congress of the United States.

The publication of the terms of the proposed charter was followed by wide public discussion and some adverse criticism. The principal objections urged were: that there should be some limitation on the power of members of the corporation to elect their successors; that there should be a limit to the amount of money that could be heaped up for purposes subject to so broad a definition as that given by the charter; that the Foundation should not necessarily be perpetual, but that it should be subject to termination and to the distribution of its funds at some period in the future; and, finally, that the control of the Foundation should be more specifically vested in Congress. These criticisms were carefully considered by Mr. Rockefeller and his advisers in the friendly spirit which for the most part prompted them, with the result that the bill for the incorporation has now been reintroduced in an amended form. The changes in the bill amount merely to a specific statement of limitations that might at any time have been incorporated in the charter under the power of amendment given to Congress by the last section. Nevertheless the incorporators have felt that

*See Question 25 (b) & (c) on page 49.

†The present bill adds here the words "by eleemosynary and philanthropic means."

there were advantages in making some or all of the proposed changes in the charter upon its original passage.

The first important amendment specifically stated that Congress might at any time impose such limitations upon the objects of the corporation as the public interest should demand, and that all gifts or property received by the corporation should be held subject to this provision. The total amount of property was specifically limited to one hundred million dollars, exclusive of increases in the value of property subsequent to its receipt.

The next amendment provided that the income of the corporation should not be accumulated or added to the principal, but should be currently applied to the purposes for which the corporation was created, subject only to such reasonable delay as might be necessary in the wise administration of the fund.

The next amendment provided that after the expiration of fifty years from the receipt of any property, the corporation might distribute the principal as well as the income with the consent of two-thirds of the members of the corporation; and that such distribution should take place after one hundred years from the time the property was received if Congress should so direct.

The self-perpetuating clause was amended by the provision that the election of new members of the corporation should be subject to disapproval within sixty days by a majority of the following persons: The President of the United States, the Chief Justice of the Supreme Court, the President of the Senate, the Speaker of the House of Representatives, and the Presidents of the following institutions: Harvard University, Yale University, Columbia University, Johns Hopkins University, and the University of Chicago.

To make it clear that the charter did not attempt to exempt from taxation property that would otherwise be taxable under the laws of any State in which it might be held, an amendment was made clearly limiting to the United States, or any Territory or District thereof, the provisions of the exempting clause.

Subsequently the charter has been amended by the framers by increasing the minimum number of members of the corporation from five to nine, and by some minor verbal changes calculated to strengthen still further those provisions of the charter which are designed to guard against any possible diversion of the trust from the spirit and intent of its stated purposes.

The adoption of these amendments in deference to helpful criticism seems to have removed all reasonable opposition to the incorporation of the Rockefeller Foundation. No one who has read carefully the terms of the charter, or who has observed the spirit in which suggestions and criticisms have been received, can fail to see with satisfaction these three manifestly controlling motives in the mind of the founder: First, a desire to secure during the visible future the continuation of the method of careful philanthropic investment which has characterized Mr. Rockefeller's benefactions during his lifetime. Second, a desire to prevent the "dead hand," or as some one has aptly observed, "a dead legislature," from hampering in the distant future that use of the fund which would most nearly accord with the contemporary wisdom of future generations. The third motive actuating the incorporation of the Rockefeller Foundation, and expressed in its charter, is the desire to make

this munificent gift directly to the whole American people, and forever subject to the control of their elected representatives. This provision not only possesses a sentimental advantage which the charter of a single State would not afford, but it expresses an implicit confidence in the stability of our national life and in the will of the people to deal justly, both now and forever, with the high purposes of the proposed Foundation.

A valid reason for obtaining a special charter for the Rockefeller Foundation, instead of seeking incorporation under the District Code, is that, the scope of operations being limited to no single State, or even country, it would be inappropriate to have the charter subject to regulations designed chiefly, if not exclusively, for local organizations of the District. The founder wisely proposes to have the objects of the corporation defined and controlled in accordance with the best contemporary wisdom from generation to generation as long as the Foundation endures. He desires that the control thus exercised shall represent the public opinion of the country, rather than that of any single State or section. Otherwise, as between the philanthropic interests of a single locality and those of the whole country, the corporation, if under local control, might wrongly prefer the former.

Some thirty-four organizations secured incorporation by the United States between the year 1899 and the year 1907. Of these the following have objects that from the standpoint of public policy seem to be on all fours with those of the Rockefeller Foundation. While the scope of operations of each is somewhat more limited, they all permit a fairly wide range of educational or philanthropic expenditure:

	BILLS APPROVED.
American Academy in Rome.....	March 3, 1905.
American Historical Association.....	January 4, 1889.
Carnegie Institution of Washington.....	April 28, 1904.
Carnegie Foundation for the Advancement of Teaching	March 10, 1906.
General Education Board (founded by John D. Rockefeller)	January 12, 1903.
National Child Labor Committee	February 21, 1907.

This list shows that the precedent of incorporation by the United States for philanthropic institutions having a national scope is now thoroughly established. It does not appear as a result of the experience of any of these institutions that any abuse or defect has developed; nor does it appear that any form of local incorporation would have satisfactorily achieved the ends of these organizations, whose members are, and probably always will be, distributed throughout the country.

One of the above organizations, the Carnegie Institution of Washington, tried the experiment of incorporation under the District Code, but very early was embarrassed by doubts as to the propriety of carrying on work on a large scale in all parts of the world under a form of incorporation the wording of which was very evidently meant to apply to a local educational institution. The Rockefeller Foundation would probably come under a different section of the Code, but the general objections would be the same, *to say nothing of the practically prohibitive effect of the requirement that a majority of the incorporators should be residents of the District of Columbia—a*

requirement inconsistent with a proper freedom to select the best men from all parts of the country.

The incorporation of the Rockefeller Foundation is intended as a means of maintaining, for as long a period in the future as the trustees or Congress may deem best, an approved method of careful philanthropic expenditure. The scope of the charter is purposely made wide, but wide only within the strict limits of charitable intent. The aggrandizement of the members of the corporation, or of the corporation itself, through the administration of the Trust, is expressly excluded by the provision that no person connected with the Foundation shall derive any pecuniary benefit therefrom other than fair compensation for services, and that the income of the endowment shall be spent each year—not added to the principal.

The characteristic of Mr. Rockefeller's benefactions in the past is that they have been the means of stimulating rather than replacing self-help and self-reliance. Thus the work of the Commission for the Eradication of the Hookworm has been carried on exclusively through State agencies with the co-operation of hundreds of local physicians, and has been made the occasion of permanently improving the local public health organizations. The promotion of improved methods of corn and cotton growing in the South by the General Education Board has not been by flooding the agricultural communities with money they have not earned, as a substitute for local enterprise, but by showing through a few farms here and there, with a moderate expenditure for instruction and demonstration, how a hundred neighboring farms could, with their own labor, double or quadruple their products. The endowment of education through schools, colleges, and universities has stimulated the sense of local responsibility instead of destroying it, as is graphically indicated by the fact that for about seven and a half millions of dollars contributed conditionally through the General Education Board to institutions of learning in all parts of the country since 1905, about thirty-eight millions of dollars have been raised by those institutions in fulfillment of the Board's conditions. The sending of a single physician to Texas two months ago by the Rockefeller Institute for Medical Research, has resulted in the effective instruction of the public health authorities and many private physicians in that State, once for all, as to the method of dealing with a virulent outbreak of epidemic cerebro-spinal meningitis. Incidentally the new curative serum was administered to hundreds of persons, with a resulting decrease of the normal death rate from 75 per cent. to less than 25 per cent.

The question how the Rockefeller Foundation is to spend its money is a legitimate one for the public to ask before the charter is granted, especially in the light of ignorant forebodings lest a large sum of money might seek the protection of a charter for private rather than for public ends. This question is answered, first, by the unequivocal language of the charter, pledging the use of the money exclusively for charitable and humanitarian purposes, subject to the control of Congress; and, secondly, by the concrete illustration of how these same resources have been used, while under private control, through the General Education Board, the Sanitary Commission for the Eradication of the Hookworm Disease, and the Rockefeller Institute for Medical Research. It may be

confidently expected that far-reaching measures for the promotion of public health along both educational and medical lines will have the first attention of the trustees.

JEROME D. GREENE,
*General Manager of the
Rockefeller Institute for Medical Research.*

SOUTHERN BUILDING.

WASHINGTON, D. C., *March 15, 1912.*

COMMENTS BY OPPONENTS OF THE ORIGINAL DRAFT.

From "*The Independent*."

When a year ago Mr. Rockefeller asked that Congress grant a charter for his Foundation, we hastened to call attention to the possible dangers involved in the perpetuation of so vast a trust, which might grow by accretion indefinitely, and which would be controlled by a close board of self-perpetuating trustees. These and other apprehensions led Congress to hesitate and fail to grant the charter. While these dangers did not seem very imminent, and we presume the fund would have continued indefinitely to perform its beneficent purpose, it seemed wise to Congress to avoid a possible peril, and the gift to the people was declined under the circumstances. * * *

But Mr. Rockefeller and his advisers were not discouraged or offended. They simply took back the offered charter and carefully revised its draft to meet these and all other possible objections.

First, the board of trustees is not to be an unlimited, self-perpetuating body which may continue indefinitely in a course which may be inimical to the public good. When a trustee dies or resigns, the election of his successor can be vetoed by an outside body, consisting of the President of the United States, the Vice-President, the Chief Justice of the United States, the Speaker of the House of Representatives, four men representing the people, and the presidents of five universities—Harvard, Yale, Columbia, Johns Hopkins and Chicago. That certainly ought to assure independence as well as necessary continuity. These are men of the highest character, who know equally what would imperil the interests of the people and what are the demands of progressive research or public welfare. If these men cannot be trusted no men can.

But let us suppose the five university presidents and the Chief Justice are conservative men, and are going contrary to the will of the people; then another guard is provided. Congress is given the right at any time to limit the objects of the corporation as public interest may demand. Let us suppose an utterly improbable case, that the will of the people is moving toward public ownership of all land and manufactures and service, and that the trustees, notwithstanding the control of the nine men with the power of veto, should use the fund to thwart the will of the people, then Congress is given the right to forbid such expenditure. The fund is not allowed to thwart the people, but the people can coerce the fund. That adds another point of protection where no further protection is needed except against almost inconceivable danger.

Yet one more protective circumvallation is put around the endangered people. The Foundation may wind up its affairs at the end of fifty years, and at the end of a hundred years Congress may close the whole concern. That is enough, or ought to be enough, to quiet the alarm of the most imaginative at scenting peril to the people; and yet it is not quite all. A final provision is that the income, if not spent in any year, shall not be added to the principal, and that the principal shall never exceed the present \$100,000,000. This seems to us both unnecessary and unwise. The fund is devoted to the benefit of the world, and it is forbidden that its amount shall ever be increased. We fail to see why the income of twice or ten times that amount should not be so used, all danger having been triply averted. Mr. Rockefeller is told that he must not by his will add another hundred million to what is thus given to mankind. Why should a mere hundred million be feared? A hundred million is not so fearfully large an amount. There are a plenty of organizations not devoted to benevolence, carried on for personal gain—railroads, manufacturing companies—whose capitalization vastly exceeds this hundred million. Let the Government watch them as it will watch this, and we do not fear their influence; only, the income of this is all spent for the benefit of the world, and theirs for private gain. We should welcome the enlargement of this fund, and we hope this provision will be stricken out.

The advantage of such a large fund is this, that it allows continuity of operation. As in the case of the Carnegie Foundation, lines of research can be carried on, scientific or sociological, which it may take a generation to complete. There are great problems still before the world in every department of knowledge that require long and expensive investigation: in pathology, in physics, in biology, in sociology, in archeology. The experts know it, and they long for combined, continued research. How long would it take us to learn the history of civilization, of which we now know only the barest outlines? How long will it take to abolish poverty? We would have such a noble fund allowed to do all the good it can without suspicious limitations.

Editorial from "*The Survey*."

We trust that the revival of discussion in the press of the pending charter of the Rockefeller Foundation means that those who are in charge of the measure in Congress are finding the conditions favorable for final action. We see no reason for further delay. Over a year ago, in discussing the amendments which were then adopted, we expressed the opinion that the charter should be granted. There is no occasion to repeat the arguments against a self-perpetuating board of incorporators, against the possible accumulation of income in the hands of trustees, and against the principle of perpetual endowment. All of these principles, which were in the proposed charter in its original form, and which are in the charters of many excellent institutions, have been either abandoned outright by the amended bill, or so modified as to be free from serious objection. Trustees, under the pending bill, are to choose their successors, but the choice in each case must be submitted to certain high government officials and university presidents, and it becomes void if a majority of these outside, independent,

and highly qualified electors disapprove. Income cannot be accumulated or added to the principal, but must be currently applied to the purposes for which the corporation is created. After fifty years the trustees may distribute the principal of any particular endowment, and after one hundred years the trustees must make such distribution if directed to do so by the Congress of the United States.

These amendments are important as precedents and as a formal recognition of sound principles of philanthropic endowment and public control. They make it easier for the public to know what policies are governing the trustees, and they make it easier for the public to interfere if there should be occasion. We have no desire, however, to magnify the importance of the changes made in the bill, or to fix attention exclusively on the possibilities of abuse of power inherent in any institution which has at its command such resources as are suggested by the clause limiting the total property of the institution to one hundred million dollars. After due attention has been given to the safeguards against abuse it is altogether natural and proper to revert to the need for just such foundations and to the immense good which they may accomplish. The Rockefeller Foundation is to devote its resources to the acquisition and dissemination of knowledge; to the prevention of suffering and to the promotion of any or all of the elements of human progress. It is to be assumed that this great educational, philanthropic, and civilizing institution will be guided with an eye single to these great purposes. To refuse legal sanction to such an undertaking would be a national blunder. The greater our confidence in the intelligence and in the capacity of the democracy the more heartily will we welcome such voluntary socializing of wealth. Let the state do its utmost to provide for education and the relief of distress, there will still be ample room for all that a hundred million dollar endowment can do in fields which are not ready or which never will be appropriate for state action. A dozen institutions with equal resources, each doing its self-appointed work in co-operation with one another and with less amply endowed agencies, could find legitimate place in the forward movement of human progress and civilization. They will not kill private initiative or any desirable public activity, but will rather promote both. The general effect of the large endowments recently created has been to stimulate and encourage the efforts of those who are working to the same ends both in public and in private. The General Education Board and the Carnegie Foundation for the Advancement of Teaching have enormously strengthened the better tendencies in higher education. The Russell Sage Foundation has had a similar effect in its sphere.

To be afraid of large gifts like these would be to confess civic incompetence. If in some respects courts and legislatures do not now fully protect the public interests and reflect the deliberate public will, this is becoming less and less the case. If we cannot count confidently on the ultimate integrity and good faith of our judges and lawmakers, then there may be some excuse for stubbornly opposing the creation of great institutions of learning and of social reform; for such institutions cannot be carried on without great financial resources; and the possession of great resources implies always the possibility of turning them against the public interest. But if we do have full confidence in our political institutions, in our

power to inflict condign punishment on faithless officials, in our ability to modify by peaceful and lawful means the customs which we have inherited as new needs and conditions arise, in the ultimate soundness and efficacy of the government to which we have entrusted the protection of the public interests, then we may look with appreciation and equanimity on the planting of new institutions which are avowedly consecrated to education, philanthropy, and social reform. Such institutions are needed now and they will be needed tomorrow. Recognizing that they may not be needed forever, the sponsors for the Rockefeller Foundation say in effect: After fifty years we may and after a hundred years we must, if your representatives then so direct us, lay down our task and distribute even our principal funds. Each generation should decide, and will more or less definitely decide for itself, what its needs are, and to what purposes the surplus resources at its command shall be directed. For this reason wise and generous philanthropists are increasingly leaving to their trustees a very broad discretion as to the manner in which, and even as to the purposes to which, their gifts shall be applied.

The pending charter of the Rockefeller Foundation gives the most complete and explicit expression to this idea. Benjamin Franklin, perhaps the shrewdest and most far-sighted man of his generation, left legacies to his native city of Boston and his adopted city of Philadelphia which lay unused for years because he innocently imposed impracticable conditions on the executors of his will. No such difficulties will arise in this instance; first because of the broad terms in which the scope of the Foundation is defined; and second, because in case this scope is found to be broader than is consistent with public interest, the Congress of the United States may at any time impose such limitations upon the objects of the corporation as it may deem the public interest demands.

MR. ROBERT W. DE FOREST IN "*The Survey*."

It is well that John D. Rockefeller has determined to meet the criticism with which his magnificent gift to the nation was received, by amending the proposed charter of his institution. A less broad-minded man, finding such unparalleled generosity met in a spirit of criticism which, however well intended, must have seemed to him and his advisers somewhat captious, might easily have concluded to put his hundred million dollars back in his own pocket instead of giving it to his countrymen. Mr. Rockefeller has shown himself to be above any such impulses and has considered the original criticisms of *THE SURVEY* in the spirit in which they were meant by its editor. In common with many others I have not shared in these criticisms; not because I did not think some future limitations upon the powers of the foundation possibly desirable, or because I did not think it expedient that it should spend its income substantially as it accrued, or because I did not think that principal as well as income might at some future time be wisely expended; but because these and any other changes in the charter that public opinion might hereafter make expedient could have been effected easily by the power of amendment expressly given by the original charter, and because insistence on making them now might have led to the entire withdrawal of the gift. The greater includes the lesser. The amendments which Mr. Rockefeller

has now made, and any others that plainly seemed advisable, could have been made at any time in the original charter by the use of this reserve power. To make them now is simply stating what the trustees chosen by Mr. Rockefeller presumably would have done without any legislative command, and what they could have been made to do under the original charter at any time when public opinion was sufficiently united to force them to do so by the process of amendment.

None of the new provisions of this amended charter militate in any respect against the usefulness of Mr. Rockefeller's great gift. None of them stand in the way of its wise administration, for it is inconceivable that a majority of five university presidents and four high officials of the federal government should ever veto the election of any qualified trustee.

Mr. Rockefeller's action in this matter only illustrates again the sincerity of purpose, breadth of conception and well poised judgment which have to such an extraordinary degree been manifest in his public benefactions.

JANUARY 14, 1911.

From "*The Cleveland Leader*."

In the press of questions of closer personal interest, it is probable that the public has largely lost sight of the Rockefeller Foundation. Even when it was first proposed it is doubtful that the country realized its full import. One hundred million dollars invested for perpetual use in advancing the welfare of the American people is an immense sum and with it much could be accomplished.

It was the power that could be exerted through the use of one hundred million dollars that made Congress hesitate about bestowing a federal charter on the foundation, in the form first proposed. A self-perpetuating governing body was contemplated. The fear was expressed that this organization might, in time, with the vast sum of money back of it, direct its efforts along lines dangerous to the country. Therefore, the charter was not granted.

But the subject has been again brought before Congress in a new form. A bill providing for a different form of administration of the fund has been introduced in both the House and the Senate. An effort has been made to eliminate the causes for objection found in the original measure.

The new plan is more elastic than the first one. The trusteeships are not self-perpetuating. The income cannot be accumulated, but must be expended each year. The trustees are subject to veto by an outside authority. The foundation may be ended by the trustees at the end of fifty years and by Congress at the end of one hundred years. In the meantime Congress may put any limitations it deems expedient upon the acts of the corporation, at any time it chooses.

There are many who do not endorse the methods by which the millions of the Standard Oil magnates were acquired. But John D. Rockefeller could not have devised a better way of disposing of a large part of his immense fortune than giving it for the benefit of the American people, for all time to come. Surely some plan can be found for accepting and utilizing this gift without leaving the way open for any dangerous use of the wealth involved. If the bill just introduced in Congress does

not sufficiently guarantee this security, it should be an easy matter to make it right by amendment.

A gift of \$100,000,000 for the advancement and well-being of the American people is too rich in great possibilities to be declined. Its refusal would be a confession of weakness and incompetence in self-government.

WASHINGTON, D. C., *February 20, 1912.*

62d Congress. }
2d Session. } H. R. 19,227.

A BILL TO INCORPORATE THE ROCKEFELLER FOUNDATION.

As Amended by the Committee on the Judiciary.

SYNOPSIS.

SEC. 1. INCORPORATORS.—The following persons are constituted a body corporate of the District of Columbia: John D. Rockefeller, John D. Rockefeller, Jr., Frederick T. Gates, Starr J. Murphy, Charles O. Heydt, Harry Pratt Judson, Wickliffe Rose, Simon Flexner, and Edwin A. Alderman.

SEC. 2. TITLE.—"The Rockefeller Foundation."

SEC. 3. OBJECT.—"To promote the well-being and to advance the civilization of the peoples of the United States and its Territories and possessions and of foreign lands in the acquisition and dissemination of knowledge; in the prevention and relief of suffering; and in the promotion, by eleemosynary and philanthropic means, of any and all of the elements of human progress."

RESTRICTION OF OBJECT.—Congress may at any time impose such limitations upon the objects of the corporation as it may deem the public interest demands; all property received must be accepted and held subject to this proviso.

SEC. 4. POWERS OF THE CORPORATION.—To establish, maintain, and endow, or to aid others to establish, maintain, and endow, institutions and other agencies for carrying on the objects of the corporation; to purchase, hold, sell and convey real estate necessary or convenient for said objects; to erect buildings, employ teachers, agents, etc.; to make donations for similar objects; to collect statistics and information; to publish and distribute books, etc.

SEC. 5. FURTHER POWERS.—To have a common seal; to sue and be sued; to receive, hold, grant, convey, hire or lease real or personal estate for the purposes of the incorporation; to accept and administer trusts for such purposes.

LIMITATION OF AMOUNT OF PROPERTY.—Total amount of property held at any one time, whether absolutely or in trust, not to exceed one hundred million dollars, exclusive of increases in value of property subsequent to its receipt.

CONDUCT OF BUSINESS.—The corporation empowered to prescribe by by-laws or otherwise various regulations for the management of the property and the transaction of its business.

SEC. 6. INCOME.—The income of the property not to be accumulated or added to the principal, but to be currently applied to the objects of the corporation.

SEC. 7. DISTRIBUTION OF PRINCIPAL.—The corporation empowered to distribute the principal of any property fifty

years after its receipt; the corporation required to make such distribution after one hundred years, if so directed by Congress.

SEC. 8. MEMBERSHIP.—The number of members to be not less than nine nor more than twenty-five. If the number falls below nine no gifts can be made until the vacancies are filled. Members divided into three classes; the term of service three years; one-third of the members elected each year.

SEC. 9. ELECTION OF MEMBERS.—Members to be elected by the members of the corporation subject to disapproval by a majority of the following persons: The President of the United States, the Chief Justice of the Supreme Court, the President of the Senate, the Speaker of the House of Representatives, and the presidents of the following institutions, namely: Harvard University, Yale University, Columbia University, Johns Hopkins University, and the University of Chicago.

SEC. 10. OFFICE OF THE CORPORATION.—Principal office to be in the District of Columbia.

SEC. 11. TAXATION.—All personal property used for the purposes of the corporation to be exempt from taxation by the United States or any Territory or District thereof. This provision does not affect the taxation of either real or personal property under the laws of the State in which it may be situated. No officer, trustee, member, or employee to receive any pecuniary profit except reasonable compensation for services in effecting the purposes of the corporation.

ANNUAL REPORT.—An annual report to be filed with the Secretary of the Interior stating in detail the property held and the use made of it.

SEC. 12. ALTERATION, AMENDMENT, OR REPEAL.—“That this charter shall be subject to alteration, amendment, or repeal at the pleasure of the Congress of the United States.”

SEC. 13. TO TAKE EFFECT IMMEDIATELY.—“That this act shall take effect immediately on its passage.”

AMENDMENTS EMBODIED IN THE PETERS BILL.

The Peters Bill, as summarized above, embodied the following amendments made after the introduction of the original bill in the 61st Congress:

SEC. 3.—Congress specifically reserves the right to impose such limitations upon the objects of the corporation as it may deem the public interest demands.

SEC. 5.—The total amount of property held at any time, whether absolutely or in trust, is limited to one hundred million dollars.

SEC. 6.—The income of the property is not to be accumulated or added to the principal, but is to be currently applied to the objects of the corporation.

SEC. 7.—The corporation is empowered to distribute the principal of any property fifty years after its receipt; it is required to make such distribution after one hundred years if Congress shall so direct.

SEC. 9.—The election of new members of the corporation is subject to disapproval within sixty days by the four Federal officers and five university presidents specified in the bill.

SEC. 13.—The act is to take effect immediately on its passage.

AMENDMENTS MADE BY THE HOUSE COMMITTEE ON THE JUDICIARY.

The House Committee on the Judiciary, to which the Peters Bill was referred, adopted the following amendments:

SEC. 1.—The following persons are added to the list of Incorporators: Harry Pratt Judson, Wickliffe Rose, Simon Flexner, and Edwin A. Alderman, making nine in all.

SEC. 3.—On page 2, line 4, after the word "promotion" are inserted the words, "by eleemosynary and philanthropic means."

SEC. 8.—The minimum number of members of the corporation is increased from five to nine.

In the event of the number of members falling below nine, the corporation is forbidden to make any gifts until the vacancies are filled.

62d Congress }
2d Session } H. R. 21,532.

A BILL

TO INCORPORATE THE ROCKEFELLER FOUNDATION.

As Introduced by Mr. Peters, March 8, 1912.

[The exact text of the bill is given in fine print. A summary of the contents of each section precedes it in larger print. Portions of the text in *italics* embody substantial changes from the original Senate Bill.]

SEC. 1. INCORPORATORS.—The following persons are constituted a body corporate of the District of Columbia: John D. Rockefeller, John D. Rockefeller, Jr., Frederick T. Gates, Starr J. Murphy, Harry Pratt Judson, Simon Flexner, Edwin A. Alderman, Wickliffe Rose, and Charles O. Heydt.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That John D. Rockefeller, John D. Rockefeller, Junior, Frederick T. Gates, Starr J. Murphy, Harry Pratt Judson, Simon Flexner, Edwin A. Alderman, Wickliffe Rose and Charles O. Heydt, together with such persons as they may associate with themselves, and their successors, be, and they hereby are, constituted a body corporate of the District of Columbia.

SEC. 2. TITLE.—"The Rockefeller Foundation."

SEC. 2. That the name of such body corporate shall be "The Rockefeller Foundation," and by that name it shall have perpetual succession, *save as hereinafter provided*.

SEC. 3. OBJECT.—"To promote the well-being and to advance the civilization of the peoples of the United States and its Territories and possessions and of foreign lands in the acquisition and dissemination of knowledge; in the prevention and relief of suffering; and in the promotion, by eleemosynary and philanthropic means, of any and all of the elements of human progress."

RESTRICTION OF OBJECT.—Congress may at any time impose such limitations upon the objects of the corporation as it may deem the public interest demands; all property received must be accepted and held subject to this proviso.

SEC. 3. That the object of the said corporation shall be to promote the well-being and to advance the civilization of the peoples of the United

States and its Territories and possessions and of foreign lands in the acquisition and dissemination of knowledge; in the prevention and relief of suffering; and in the promotion, by *elemosynary and philanthropic means*, of any and all of the elements of human progress: *Provided, however, That the Congress of the United States may at any time impose such limitations upon the objects of the said corporation as it may deem the public interest demands, and any and all gifts, devises, bequests, or property at any time received or held by said corporation shall be received and held subject to the terms of this proviso and to the terms and limitations which may be imposed by any Act of Congress hereafter passed with reference thereto.*

SEC. 4. POWERS OF THE CORPORATION.—To establish, maintain, and endow, or to aid others to establish, maintain, and endow, institutions and other agencies for carrying on the objects of the corporation; to purchase, hold, sell and convey real estate necessary or convenient for said objects; to erect buildings, employ teachers, agents, etc.; to make donations for similar objects; to collect statistics and information; to publish and distribute books, etc.

SEC. 4. That for the promotion of such objects the said corporation shall have power to establish, maintain, and endow, or to aid others, whether individuals, associations, or corporations, to establish, maintain, and endow institutions and other agencies for carrying on said objects, and any of them; to purchase, hold, sell, and convey real estate necessary or convenient for the said corporate objects, and to erect, improve, enlarge, and equip buildings and other structures necessary or convenient for said objects, or any of them, and to acquire, make, and furnish all necessary or convenient apparatus and other accessories; to employ and aid others to employ teachers, lecturers, assistants, and agents; to donate to any individual, association, or corporation engaged in similar work money or property, real or personal, which shall at any time be held by the said corporation hereby constituted, subject to the terms of any gift, grant, bequest, or devise by which the said corporation shall have received the same; to collect statistics and information, and to publish and distribute books, documents, and reports containing the same, and in general to do and perform all things necessary or convenient for the promotion of the object of the corporation.

SEC. 5. FURTHER POWERS.—To have a common seal; to sue and be sued; to receive, hold, grant, convey, hire or lease real or personal estate for the purposes of the incorporation; to accept and administer trusts for such purposes.

— **LIMITATION OF AMOUNT OF PROPERTY.**—Total amount of property held at any one time, whether absolutely or in trust, not to exceed one hundred million dollars, exclusive of increases in value of property subsequent to its receipt.

— **TRANSACTION OF BUSINESS.**—The corporation empowered to prescribe by by-laws or otherwise various regulations for the management of the property and the transaction of its business.

SEC. 5. That the said corporation shall further have power to have and use a common seal and to alter and change the same at its pleasure; to sue and be sued in any court of the United States or other court of competent jurisdiction; to take or receive, whether by gift, grant, devise, bequest, or purchase, any real or personal estate, and to hold, grant, convey, transfer, hire, or lease the same for its corporate purposes; to accept and administer any trust of money, or of real or personal estate for any purpose within the object of the corporation as aforesaid: *Provided, however, That the total amount of property held at any one time, including that which is held absolutely as well as that which is held in trust, shall not exceed the value of one hundred million dollars, exclusive of increases in the value of property subsequent to its receipt by said corporation; to prescribe, by by-laws or otherwise, the terms and conditions upon which money, real estate, or personal estate shall be acquired or received by the said corporation, and for the grant, transfer, assignment, or donation of any or all property of the said corporation, real or personal, to any individual, society, or corporation for any of the said purposes for which the said corporation is hereby incorporated; to make by-laws, subject to the provisions of this Act, for the admission or exclu-*

sion of its members; for the election of its trustees, officers, and agents; for the casting of votes by its members or trustees by proxy; for the purchase, management, sale, or transfer of its property; for the investment and control of its funds, and otherwise generally for the management of the property and the transaction of the business of the corporation. The enumeration of special powers in this Act shall be deemed to be by way of amplification and not by way of limitation of the general powers hereby granted.

SEC. 6. INCOME.—The income of the property not to be accumulated or added to the principal, but to be currently applied to the objects of the corporation.

Sec. 6. That the income of the property of the said corporation shall not be accumulated or added to the principal, but shall be currently applied to the purposes for which the corporation is created, subject only to such reasonable delay as may be necessary in the wise administration of the fund.

SEC. 7. DISTRIBUTION OF PRINCIPAL.—The corporation empowered to distribute the principal of any property fifty years after its receipt; the corporation required to make such distribution after one hundred years, if so directed by Congress.

Sec. 7. That at any time after the expiration of fifty years from the receipt by the said corporation of any property, whether by deed, grant, devise, or bequest, the said corporation may distribute the principal, or any part thereof, as well as the income thereof, in furtherance of the objects of said corporation, provided such action shall be authorized by a resolution passed by the affirmative vote of two-thirds of all those who shall at the time be members of the corporation, at a special meeting held on not less than thirty days' notice, given in writing, which shall state that the meeting is called for the purpose of considering a resolution to authorize the distribution of the whole or some part of the principal of said funds; and after the expiration of one hundred years from the date of its receipt by said corporation the said corporation shall distribute the principal, in furtherance of the objects of said corporation, if so directed to do by the Congress of the United States; and all gifts, grants, devises, or bequests to the corporation shall be taken and held subject to the provisions of this section.

SEC. 8. MEMBERSHIP.—The number of members to be not less than nine nor more than twenty-five. If the number falls below nine no gifts can be made until the vacancies are filled. Members divided into three classes; the term of service three years; one-third of the members elected each year.

Sec. 8. That the members of the corporation shall be not less than nine in number and not more than twenty-five, as may be prescribed by the by-laws of the corporation: Provided, That if and when the number of members shall be less than nine the members remaining shall have power to add, and shall add, to their number until the number shall be not less than nine: And provided, That no act of the corporation shall be void because at the time such act shall be done the number of the members of the corporation shall be less than nine, except that no gift to any individual, association, institution or corporation shall be made when the number of members is less than nine; that all the members of the corporation shall be its trustees; that no member of the said corporation shall, by reason of such membership or his trusteeship, be personally liable for any of its debts or obligations; that each member of the corporation shall hold his membership for a term of three years and until his successor shall be chosen: Provided, however, That the members shall be at all times divided into three classes, equal numerically as nearly as may be, and that the original members shall at their first meeting, or as soon thereafter as shall be convenient, be divided into three classes, the members of the first class to hold their membership and office until the expiration of one year, the members of the second class until the expiration of two years, and the members of the third class until the expiration of three years from the thirtieth day of June next after the enactment of this law, and that in every case the member shall hold office after the expiration of his term until his successor shall be chosen: And provided further, That in case any member shall, by death, resignation, incapacity to act, or otherwise, cease to be a member during his term, his successor may be chosen to serve for the remainder of such term and until his successor shall be chosen.

SEC. 9. ELECTION OF MEMBERS.—Members to be elected by the members of the corporation subject to disapproval by a majority of the following persons: The President of the United States, the Chief Justice of the Supreme Court, the President of the Senate, the Speaker of the House of Representatives, and the presidents of the following institutions, namely: Harvard University, Yale University, Columbia University, Johns Hopkins University, and the University of Chicago.

Sec. 9. That the successors to the incorporators named herein and the additional members of the corporation and their successors shall be elected by the members of the corporation for the time being, but before such election shall become effective written notice thereof shall be mailed by said corporation to each of the following-named persons at his official post-office address, namely: The President of the United States, the Chief Justice of the Supreme Court, the President of the Senate, the Speaker of the House of Representatives, and the presidents of the following institutions, namely: Harvard University, Cambridge, Massachusetts; Yale University, New Haven, Connecticut; Columbia University, New York City, New York; Johns Hopkins University, Baltimore, Maryland; and the University of Chicago, Chicago, Illinois. If such election shall be disapproved by a majority of the persons above named, it shall be void; but it shall become effective if and when it shall be approved by such majority, or at the expiration of sixty days from the mailing of such notices if it shall not have been disapproved by such majority.

SEC. 10. OFFICE OF THE CORPORATION.—Principal office to be in the District of Columbia.

Sec. 10. That the principal office of the corporation shall be located in the District of Columbia, but offices may be maintained and meetings of the corporation, the trustees, and committees may be held in such other places as the by-laws may from time to time designate.

SEC. 11. TAXATION.—All personal property used for the purposes of the corporation to be exempt from taxation by the United States or any Territory or District thereof. (This provision does not affect the taxation of either real or personal property under the laws of any State in which it may be situated.)

Sec. 11. That all personal property and funds of the corporation held, used, or invested for its purposes as aforesaid, or to produce income to be used for such purposes, shall be exempt from taxation by the United States or any Territory or District thereof.

SEC. 12. COMPENSATION FOR SERVICES.—No officer, trustee, member, or employee to receive any pecuniary benefit except reasonable compensation for services in effecting the purposes of the corporation.

Sec. 12. No officer, trustee, member, or employee of said corporation shall receive any pecuniary benefit from the operations thereof, except reasonable compensation for services in effecting one or more of the purposes of the corporation.

SEC. 13. ANNUAL REPORT.—An annual report to be filed with the Secretary of the Interior stating in detail the property held and the use made of it.

Sec. 13. That the corporation shall annually file with the Secretary of the Interior of the United States a report in writing, stating in detail the property, real and personal, held by the corporation, and the expenditure or other use or disposition of the same or of the income thereof during the preceding year.

SEC. 14. ALTERATION, AMENDMENT, OR REPEAL.—“That this charter shall be subject to alteration, amendment, or repeal at the pleasure of the Congress of the United States.”

Sec. 14. That this charter shall be subject to alteration, amendment, or repeal at the pleasure of the Congress of the United States.

SEC. 15. TO TAKE EFFECT IMMEDIATELY.—“That this act shall take effect immediately on its passage.”

Sec. 15. That this Act shall take effect immediately on its passage.

COPY OF A CIRCULAR LETTER SENT TO MEMBERS
OF THE SENATE UPON THE PASSAGE OF THE
ROCKEFELLER FOUNDATION BILL, BY THE
HOUSE OF REPRESENTATIVES ON JANUARY 20,
1913.

The bill to incorporate the Rockefeller Foundation (H. R. 21532) after a unanimous report by the Judiciary Committee of the House was passed on January 20, by a vote of 152 to 65, and sent to the Senate. There it has been referred to the Judiciary Committee.

This bill was originally introduced by Senator Gallinger in 1910 and favorably reported by the Committee on the District of Columbia. At this point it received wide discussion in the press and some criticism, but the latter proceeded largely from sources by no means hostile to the general purposes of the proposed Foundation, and was directed toward the improvement of the bill in certain particulars. With the cordial approval of the incorporators the bill was accordingly amended and re-introduced by Senator Gallinger as S. 2675, which is substantially the same as H. R. 21532, the significant changes being the insertion of the words "by eleemosynary and philanthropic means" as an explicit qualification of all the activities of the Foundation; and the increase of the minimum number of members of the corporation from five to nine, together with a provision that no gifts could be legally made by the Foundation so long as the number of members should remain by any chance less than nine. With reference to the criticisms and suggestions that have been before the public the following features of the bill in its present form should be noted:

(1) The element of perpetuity has been removed, provision having been made for the dissolution of the Corporation and the distribution of its funds, either voluntarily or at the direction of Congress.

(2) The amount of the endowment has been limited and the income is to be spent—not added to the principal.

(3) The Trustees are not to be a close corporation, the election of new members being subject to disapproval by certain specified representatives of the public interest.

(4) Congress has complete power to impose such limitations upon the objects of the corporation as the public interest may demand; and all gifts must be accepted subject to this provision.

(5) No exemption from state taxation is, or constitutionally could be, conferred by the bill, and no exemption whatever is conferred with respect to real estate.

(6) A charter is sought through Congress solely because the gift is to the people of the United States, and is to be controlled by them rather than in the interest, however beneficent, of any one section.

The accompanying circular gives the history of the measure up to the time of its latest introduction into the House and also describes in some detail the changes referred to above and the considerations on which they were based. I trust that you will recognize in these features of the present bill an ample safeguard against any dangers that may have been attributed to the original plan, and that by promoting the early passage of the bill you will enable the incorporators to enter upon the import-

ant work in the lines of education, research and public health to which they are pledged.

Respectfully yours,

JEROME D. GREENE,

Trustee for the Rockefeller Institute for
Medical Research and Member of the
General Education Board.

Schedule of Publications Issued by The Rockefeller Sanitary Commission for the Eradication of Hookworm Disease and the International Health Commission.*

ROCKEFELLER SANITARY COMMISSION:

1. Soil Pollution as Cause of Ground-Itch, Hookworm Disease (Ground-Itch Anemia), and Dirt Eating. By Ch. Wardell Stiles, Ph.D., U. S. Public Health and Marine-Hospital Service. —A Circular for Use in Schools Issued by The Rockefeller Sanitary Commission for the Eradication of Hookworm Disease. Washington, D. C., 1910.
2. Report of Scientific Secretary. 1911.
3. Report of Administrative Secretary (First Annual Report). 1910.
4. State Systems of Public Health in Twelve Southern States. 1911.
5. Second Annual Report. 1911.
6. Hookworm Infection in Foreign Countries. 1911.
7. Third Annual Report. 1912.
8. Fourth Annual Report. 1913.

INTERNATIONAL HEALTH COMMISSION:

1. Resolutions establishing the International Health Commission. 1913.
2. Outline Plan for Co-operating in the Work of Relief and Control of Uncinariasis (Hookworm Disease) in Infected Countries. 1913.
3. Countries, by Groups, in which Hookworm Infection Has Been Demonstrated. 1913.
4. Hookworm Disease. A Simple Sketch for the Layman. 1914.
5. The International Health Commission: Its Scope, Method of Work, and Organization. 1914.

OTHER PUBLICATIONS:

1. The Rural School and Hookworm Disease by John A. Ferrell, M.D. (Bulletin No. 20, United States Bureau of Education). 1914.
2. Public Health Work as a Career, by John A. Ferrell, M.D. (From the Journal of the American Medical Association, August 22, 1914).

*See page 32, Question 2.

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41

