

Social Science Research Council

230 Park Avenue, New York 17, N. Y.

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SSRC

Administrative budget

PENDLETON HERRING
President

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	October 19, 1951			

Dr. Joseph H. Willits
The Social Sciences
The Rockefeller Foundation
49 West 49th Street
New York 20, N. Y.

DEC 6 1951

Dear Joe

Attached is our formal letter of application in accordance with our telephone conversation. I am preparing for you next week a brief additional statement concerning the role of the SSRC in the broad setting of the current development of the social sciences today. We do not have anything of this character already prepared, but I shall be delighted to try my hand at drafting a statement that may prove helpful in preparing the docket.

At our Executive Committee meeting last night, we gave particular attention to selecting as possible new members of the Investments Committee several individuals of long experience and recognized standing in investment affairs. We will proceed at once in talking with these candidates about the possibility of their serving on our Investments Committee.

Sincerely

PH

PHmr
Encl.

Social Science Research Council

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American Anthropological Association

FRED EGGAN, UNIVERSITY OF CHICAGO
RALPH L. BEALS, UNIVERSITY OF CALIFORNIA AT
LOS ANGELES
WENDELL C. BENNETT, YALE UNIVERSITY

American Economic Association

GEORGE W. STOCKING, VANDERBILT UNIVERSITY
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THEODORE W. SCHULTZ, UNIVERSITY OF CHICAGO

American Historical Association

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October 19, 1951

DEC 6 1951

Dr. Joseph H. Willits, Director
The Social Sciences
The Rockefeller Foundation
49 West 49th Street
New York 20, N. Y.

Dear Dr. Willits

This letter confirms the points covered by our recent conversations with respect to certain aspects of the future financial support of the Social Science Research Council.

As you know, we have for some years felt the need of sufficient support on a stable and continuing basis to meet the annually recurring expenses which are essential if the Council is to function effectively. These consist of general administration and of conference and planning activities toward which the Rockefeller Foundation has been providing a total of \$90,000 a year.

Establishment of the Council's operations on a firm basis is dependent upon obtaining a capital sum that will underwrite its basic expenses. As a result of our recent discussions with you, it seems to us appropriate to place these matters before the Foundation at this time. For more than twenty-five years the Rockefeller Foundation has provided the Council with funds for a great variety of purposes. The Council's accomplishments over the years have been encouraged and sustained by the Rockefeller Foundation far more than by any other one source of support. The grant of a capital sum to the Council by the Foundation would serve to insure stability and continuity into future decades for an organization that the Foundation has sustained generously through investments both of funds and of confidence.

We are suggesting, therefore, a financial arrangement that involves a larger single grant than the Foundation has ever made to the Council but a sum which involves a smaller annual amount than that provided heretofore under the periodic three- or five-year term grants to the Council for its general administration and conference and planning.

We propose that a million and a half dollars be granted by the Foundation to the Council as a capital fund. During the first ten years following the grant, this sum might well be so restricted that only its income could be used. Thereafter, insofar as necessary, the principal might be drawn upon at the rate of five per cent per annum, though this should be done only if alternative support is insufficient. It is further proposed that during the first three years of the grant the income be allowed to accumulate. A renewal of our Conference and Planning Fund grant, as requested in an accompanying letter, would mean that income from the capital sum would not have to be drawn upon until 1955. Thereafter, use of the current annual capital income, supplemented by gradual use of the amount accumulated in the first two and a half years, would give the Council another five years in which to acquire sufficient additional capital funds to round out the \$90,000 a year formerly obtained from the Rockefeller Foundation.

Our total actual annual needs for general operations are considerably in excess of \$90,000. We have had, however, in recent years a grant of \$40,000 per year from the Carnegie Corporation for general support and we are also now in the second year of a five-year grant of \$60,000 per annum from the Ford Foundation for developmental purposes. These grants encourage us to believe that the prospects for the future are good and that persistent efforts to carry forward the Council's objectives over the next decade will result in sufficient financial assistance from these and other foundations to sustain the Council's activities.

We are ready to meet the challenge that would be presented by favorable action on the part of the Foundation. Assurance that a considerable part of basic administrative costs was covered by the financial returns from the capital sum proposed would enormously strengthen the Council's work. We are certain, furthermore, that the Foundation's grant would aid us in obtaining from other sources the additional general funds needed. The Council's record in managing the funds which have in the past been entrusted to it, and the success of its Committee on Investments in prudently safeguarding the Council's present modest reserve fund, makes us feel confident that we can faithfully assume the responsibility of managing the now suggested sum.

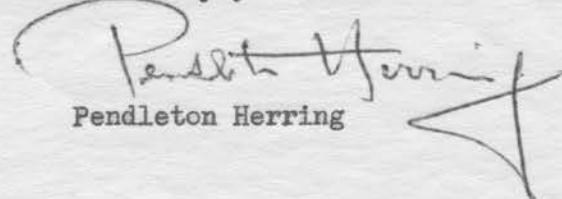
Today the Council stands in a stronger position than ever before in the confidence both of foundation officers and trustees and of social scientists over the country. It is primarily due to the Foundation's aid over the past twenty-five years that we are now in an excellent position to help meet the demands made from many quarters for a better understanding of human relationships through the advancement of social science research. The Council has succeeded because it has won the loyalty and support of those genuinely concerned with the development of objective, systematic, and scientific methods for analyzing human and social problems.

Our progress toward this goal would have been impossible had it not been for the understanding and sympathetic support of the larger foundations, particularly of the officers and trustees of the Rockefeller Foundation. Our fellowship program, sustained for nearly two decades by the Foundation, has been of tremendous value in the development of hundreds of individuals who are now actively engaged in research and teaching. Indeed, a high proportion of the leaders in the social science fields are former Council fellows. At the same time over the years, due to the Foundation's support for research planning and the financing of a great variety of substantial projects, the whole level of scientific work in the various disciplines concerned with men and society has been raised. The foresight of the Rockefeller Foundation, expressed in years gone by when there was relatively much less recognition of the importance of social science research, is now proving its soundness.

The initial investments of the Foundation in these fields of study were made at a time when it was difficult to predict the degree of success that research into social, economic, and human relationships could achieve. The record of the past two decades indicates clearly that still greater returns can be anticipated from social science research in the years ahead. The necessity for developing and applying analytical scientific methods for a clearer understanding of human affairs is inescapable. The persistent and devoted efforts by those with a truly scientific bent must be encouraged and supported. The Social Science Research Council has attained a central and strategic position in this advance. It is recognized as fulfilling unique and essential duties. A greater measure of stability in its financial support will result in greater resoluteness and continuity of effort.

It is our earnest hope that this request for funds may be acted upon favorably and that the funds sought will be made available, at the convenience of the Foundation, at a date not later than June 30, 1952.

Sincerely yours


Pendleton Herring

PHmr

ANNEX

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All of the income in 1952-53 and 1953-54, and part of it in 1954-55, would be set aside to be used in 1954-55 and subsequent years to round out a total of \$90,000 a year after the General Administration and Conference and Planning grants expire. By Council fiscal years this would result in the following schedule:

<u>1952-53</u>	<u>1953-54</u>	<u>1954-55</u>	<u>1955-56</u>	<u>1956-57</u>
\$50,000 CP	\$50,000 CP	\$50,000 CP	\$60,000 inc	\$60,000 inc
<u>40,000 GA</u>	<u>40,000 GA</u>	<u>40,000 inc</u>	<u>30,000 acc</u>	<u>30,000 acc</u>
\$90,000	\$90,000	\$90,000	\$90,000	\$90,000

(\$60,000 to be set aside)	(\$60,000 to be set aside)	(\$20,000 to be set aside, making a total accumulation of roughly \$147,300 for use in later years)
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<u>1957-58</u>	<u>1958-59</u>	<u>1959-60</u>	<u>1960-61</u>	<u>1962-63</u>
\$60,000 inc	\$60,000 inc	\$60,000 inc	\$60,000 inc	\$60,000 inc
<u>30,000 acc</u>	<u>30,000 acc</u>	<u>27,300 acc</u>		
\$90,000	\$90,000	\$87,300	\$60,000	\$60,000

Note #1: Actually if allowance is made for income on the accumulated fund beyond the year 1954-55, which has not been done here, the picture would be a little more favorable so that not only 1959-60 but also a part of 1960-61 would be brought up to the \$90,000 level.

Note #2: "inc" of course means the income at 4% on the capital fund; "acc" refers to the supplementary amount available by accumulating the capital fund's income during the first two and a half years.