

908  
Pro  
CR-1  
cap. 1

MAY 2 1952

THE ROCKEFELLER FOUNDATION COMMISSION  
ON REVIEW OF THE  
INTERNATIONAL HEALTH DIVISION

Expenditures of the IHD, 1913-1949



Note concerning the Table (R.C. 5)  
of Expenditures of the I.H.D., 1913-49

The attached table presents the expenditures of the IHD, 1913-1949, for the 37 years of the Division's existence, according to periods which correspond with the administrations of the four Directors. The data are a condensation of the annual IHD financial reports based on the four periods, 1913-1922, 1923-1935, 1936-1944, 1945-1949, respectively. Further information is, of course, available in greater detail for individual years in the annual reports of the Division. This combined table shows over-all expenditures by major categories of activity and by certain subdivisions. It provides totals by activity for the four periods and for the entire 37 years; also grand totals covering the four administrative periods and a few yearly averages are given. The table represents an effort to bring together the principal financial elements on one page. For the benefit of those who are not fully conversant with IHD history and practices, some interpretation and evaluation are offered.

The first period, 1913-1922, covers the administration of Dr. Wickliffe Rose during the years of the original International Health Commission and the International Health Board. Features of his program included the control and investigation of certain specific diseases; namely, hookworm studies and demonstrations, the greater part of which were in foreign countries (the ratio of foreign to local expenditures was 4:1); malaria studies and demonstrations, principally in the U.S.; tuberculosis activities for which the major expenditure was made in France. Referring to the latter item a Commission for the Prevention of Tuberculosis in France was created in 1917 and supported for a number of years in cooperation with the French government and the American



Red Cross. After preliminary surveys to define the problem, the program included the establishment of tuberculosis dispensaries throughout the country, the training of visiting nurses and a campaign of popular education. The Yellow Fever program of the IHD was also undertaken during this period and total expenditures up to 1922 amounted to \$640,000. The Division's program in the control and investigation of specific diseases comprised, therefore, only these four subjects during the first ten years.

Under the classification of State and Local Health Services, the development of this type of cooperative assistance was begun, and the promotion of rural or county health departments, largely in the U.S., followed as a logical sequence of the hookworm and malaria programs.

During Dr. Rose's directorship, the P.H. Education program of fellowships and travel grants, was initiated, though less than 4% of the total operating cost was devoted to this function. Capital grants for building, equipment, and endowment comprised a sizeable proportion, approximately 50%, of total expenditures for 1913-1922. The capital grants during this interval were made for the Johns Hopkins School of Hygiene and Public Health, and the Harvard School of Public Health.

In this initial period of development, IHD activities were thus limited to the four mentioned specific diseases, to State and Local Health Services, P.H. education, and capital grants. From a small group of 17 doctors during the Health Commission days, 1913-1915, the staff grew to 63 members by the end of 1922. It has been said that, during Dr. Rose's administration, the major policies and principles of IHD work were fully determined. There have been important increases in expenditures subsequently, and new studies and activities have been undertaken, but the basic parts of the Division's program were established early.



The second period, from 1923 to 1935, covers the period while Dr. F. F. Russell served as Director. During these 13 years, the table of expenditures shows an important expansion of activities and disbursements which were accompanied by a further increase in staff. In the control and investigation of specific diseases, the hookworm program continued but declined gradually as a factor of expense. Malaria studies and demonstrations were considerably expanded, particularly abroad, and were second only to yellow fever work in cost. The tuberculosis program, which required about one half million dollars, approximately half being spent in the U.S., continued as an important item. Aid to the tuberculosis activities in France was concluded in 1925. Yellow fever studies and control became the major interest among the specific disease problems; 4.8 millions, or 16% of total operating cost during the 13 years, were expended on this disease. It was also an interval of marked progress in yellow fever research. Likewise Dr. Russell's tenure was marked by the establishment of the IHD laboratories in New York. The new studies initiated during his directorship included Anemia, Dysenteries, Respiratory diseases, Syphilis, Yaws, and Undulant Fever, as the most important.

There was also a considerable expansion of activities and expenditures for the promotion of State and Local Health Services. For this purpose, 5.5 million dollars were spent in the 13 years, of which 69% was expended in the U.S. and the balance in foreign countries. Important developments occurred in support of State Health Services, such as P.H. administration, vital statistics, epidemiology, laboratories, P.H. nursing, and sanitary engineering. The amount spent on local or rural health was 2.4 million in the U.S., and 1.4 million abroad. To some, these amounts may suggest that support of local health work was also in the nature of subsidies as well as for demonstration purposes. In



the field of State and Local Health Services and the resulting expenditures, the influence of Dr. J. A. Ferrell, Director for the U.S. at that time, is recognized. It can be claimed with due modesty that the IHD played a significant role in defining and supporting the modern public health movement, both in central and peripheral organizations. To indicate the quantitative growth of county health units in the U.S. in relation to the four IHD periods, the following figures may be noted:

Total Counties in the U.S.	3069
County health units in 1913	3
County health units in 1922	205
County health units in 1935	621
County health units in 1944	1838
County health units in 1949	1979

Activities and expenditures for P.H. education increased markedly under Dr. Russell. In this period, support to the Health Organization of the League of Nations amounted to almost one million dollars from 1923 to 1929. This assistance was granted specifically for the development of their Epidemiological Intelligence Service and the international exchange of public health personnel.

During Dr. Russell's administration, the staff increased from 63 to 74 members. Grants for building, equipment and endowment totaled 12.3 million during the 13 years, which was the largest amount in this category of any of the four periods. As may be observed, capital expenditure, up to 1935, totaled 90% of the \$22,885,000 which have been appropriated for such purpose to date. From 1923 to 1935 some important items of capital expense included the Harvard School of Public Health, the London and Toronto Schools of Hygiene, the Institute of Public Health in Prague, the Yale, Vanderbilt, and St. Lukes (Tokyo) Schools of Nursing, and the Warsaw Institute of Public Health and School of Nursing.



In the field of control and investigation of disease, the period was characterized financially by conclusion of the hookworm program; the peak of expenditures for malaria studies and control was reached; a major financial outlay on yellow fever studies and control took place. Laboratory and field research was expanded and coordinated. This period was also significant in the promotion of State and Local Health Services. One might describe Dr. Russell's administration as marked by a trend toward field and laboratory research including an adaptation of staff toward this end. The second period was a long space of growth, free from wars which occurred during the other three administrations. The accomplishments and prestige of the IHD, well established in Dr. Rose's time, were further consolidated and expanded.

During the third-or-nine year period from 1936 to 1944, Dr. W. A. Sawyer occupied the Director's office. Having played an important role as an associate of Dr. Russell in the yellow fever program and laboratory developments, he was well prepared to carry on existing policy and programs. Among the financial features of this period, hookworm expenditures were terminated in 1944; malaria studies and control received large support, and attention was shifted to foreign fields. Yellow fever expenditures continued at a high level; namely, about two million dollars for the nine years, the largest fraction of which was spent in South America. The IHD laboratories in New York touched their peak of activity at this time, measured in numbers of staff and costs. In the investigation of specific diseases, new studies were undertaken on Infective Hepatitis, Nutrition and Rabies, and increased support was given to Mental Hygiene, Respiratory Diseases (notably Influenza) and Scarlet Fever studies, which were initiated during the previous period. By this time, expenditures for support of State and Local Health Services had declined. P.H.



education continued to form an important part of total expenditures, being 13% of the total for this interval.

The second world war resulted in the establishment in 1940 of the R.F. Health Commission. On this special program, about  $2\frac{1}{4}$  millions were expended from 1940 to 1949. This war-time Commission was created to render emergency service in the public health field to regions afflicted or threatened with refugee problems, disorganization of sanitary services, and the nutritional deficiencies or other conditions arising from the war and constituting major health disasters. It was an effort to contribute to the war and postwar needs by salvaging existing health activities and personnel. Within the general framework of Foundation policies and objectives, the aim was to make a constructive contribution without becoming involved in the support of relief activities. While the original emphasis was to aid Europe, the program was later extended to include all war affected areas.

There was a small shift in total staff numbers, from 74 to 70, by the end of 1944. The laboratory complexion of new staff members was typical of the period; no study leaves for staff members were made during this time.

The gradual cessation of the practice of making capital grants may be observed in the figure of  $2\frac{1}{2}$  million dollars which were appropriated during the nine years. During Dr. Sawyer's administration the average annual expenditure was less than for the previous or the subsequent periods.

As a brief appraisal only, the third period was noteworthy for the production of yellow fever vaccine and for many additions to our knowledge of the epidemiology of yellow fever and malaria. The eradication of Anopheles gambiae from Brazil and Egypt under the direction of IHD staff was an impressive achievement of those years. The Division continued its program of P.H.



education, and the promotion of health organizations on a world wide basis. Staff and program were naturally influenced by the events of war from 1940 to 1946; during that interval 11 staff members were on leave of absence for military and allied services.

The fourth and final period, considered from the financial and administrative angles, represents the Directorship of Dr. G. K. Strode which began in June, 1944. Concerning work on the specific diseases, the hookworm program had long since terminated, expenditures for malaria studies and control were diminished, and such programs were mostly in foreign countries. Support of nutrition, syphilis and typhus studies remained relatively important. This period marked the concluding phase of our yellow fever studies. It will be noted that expenditures for the IHD laboratories continued at the same, or a slightly higher level, due to structural expense and the annual grant to the Rockefeller Institute which has been effective since 1947.

The relative increase in expenditures for State and Local Health Services shows renewed emphasis in the field of health promotion through this activity. By this time, assistance to local health departments in the U.S. has been completed and by far the largest expenditures were in foreign fields.

P.H. education continues to be an important part of the program. At present it costs more obviously to train the same number of individuals or the same amount will provide training for fewer individuals.

Most of the R.F. Health Commission funds mentioned above as available from 1940 to 1949, were expended during the latter period. The number of staff has now declined from 70 in 1944 to 53 members at present. In comparing expenditures for field service (salaries, travel, etc.) during the four periods, it will be observed that the annual cost during Dr. Rose's administration was



about \$200,000,\* while during the second and third periods this expense averaged about \$700,000 yearly. In the final period, the average annual cost has been \$780,000. To interpret this consistency or small variation since 1923 would involve consideration of staff numbers, salary scales, and changing costs of travel and commutation. Regarding the levels of salaries, the following figures may be noted:

	No. of Staff Members (exclusive of Director)	Average Salary
1930	81	\$5,758
1935	75	6,344
1940	75	6,635
1945	72	7,010
1950	56	8,648

During the fourth period, capital grants had practically ceased. However, appropriations by Trustees' actions providing funds for the general support of the Johns Hopkins and Harvard Schools of Public Health were made and partially expended; an appropriation of \$300,000 to the Toronto School of Nursing was authorized but is not yet paid.

To evaluate this period which began in 1944, it may be regarded in part as a transition. The study of certain diseases in the field and laboratory was actively maintained. An important departure for the IHD was the study and support of projects in the field of "Medical Care." For this purpose, \$492,000 were appropriated by the IHD. Following a careful survey, support has been granted to certain group health insurance plans in the New York area; financial aid has been given to the Sub Committee on Medical Care of the American Public Health Association and for the study and teaching of this administrative problem at several university centres.

\* In the early financial reports of the IHD, it was customary to charge salaries to specific activities so the expenditures for field service are not comparable for the first and second periods.



Perhaps the most significant development in this period has been the growing recognition of the interdependence of health and social economic factors. As an example of cooperative effort between divisions or disciplines the Crete Survey was undertaken in 1947. In 1948 two staff members were assigned to study and explore the subject of population in relation to public health. These endeavors and the resulting deliberations among officers and others have led to the concept of human ecology as a possible basic theme of Foundation interest.

In the postwar years changes including the entry into the international health field of other agencies such as the World Health Organization, Institute of Inter-American Affairs, and expansion of the Pan American Sanitary Bureau activities have also affected the IHD. It has been a period of analysis, review and orientation. In a word, the IHD has reached the stage which prompted the creation of the Review Commission.

During the past five years, the average annual expenditure has been 2.48 million which is higher than any previous record. In part, this was due to the R.F. Health Commission expenditures which were in the nature of a special emergency fund. Exclusive of the latter amount, the annual expenditures have averaged about 2.2 million per year. The year 1950, however, begins a period of marked restriction of the Division's budget. That is, the IHD's funds have decreased from approximately 2.2 million in 1949 to 1.8 million for the current year. Obviously, this change must be accompanied by limitation or modification of program, staff, or both.

Attention may be called to a few other general points. Over the full period of 37 years, the expenditures above a half million dollars for study and control of any specific disease may be listed in their order of magnitude.



Yellow Fever	\$8,200,000
Malaria	4,372,000
Hookworm and other intestinal parasites	3,866,000
Tuberculosis	3,160,000
Respiratory diseases	548,000

While results are not necessarily measured by gross financial figures, the achievements and reputation of the IHD are related significantly to the investigations and control of the above specified diseases.

To evaluate the financial story from another angle, the over-all expenditures covering 37 years may be examined on a percentage basis for the following major items:

Building, Equipment and Endowment	25.0%
Field Service	24.0%
Control and Investigation of Specific Diseases	24.0%
Laboratories of IHD at Rockefeller Institute (exclusive of staff salaries)	3.0%
P.H. Education	10.5%
State and Local Health Services	9.0%
R.F. Health Commission	2.3%
Other	2.2%

By chance, the first three items represent approximately the same amount of total expenditures. That 24% of the total was devoted to field service indicates that about one-fourth of the budget is so expended. It illustrates the basic fact that the Division is not only a dispensing or grant-making agency but that the staff conducts research and operates as an advisory and consulting service. A large part of IHD field activity and the expense thereof relate to personal services of field staff. This is an important consideration for the understanding and judging of past program.

As a final point in this financial presentation, it will be observed that total expenditures of the IHD during 37 years have been \$91,400,000.



Since the establishment of the International Health Commission in 1913, and the incorporation of the R.F. in the same year, a total of \$409,800,000 has been expended by the organization through its different divisions. The dates of establishment of the other divisions and their approximate total expenditures to the end of 1949 may be noted for comparison as follows:

	<u>Year of Establish- ment</u>	<u>Approx. Total Expenditures</u>
Division of Medical Education	(1919)	
Medical Sciences (includes all appropriations for P.U.M.C. and China Medical Board, Inc.)	(1929)	\$120,800,000
Natural Sciences	1929	36,600,000
Social Sciences	1929	53,900,000
Humanities		
Advisor	1929	
Full-time Director	1932	22,900,000
General*		54,200,000
Administration		24,500,000
Public Health		
International Health Division		\$91,400,000
Other Public Health Work of		
R.F.** . . . . .		<u>5,500,000</u>
		<u>96,900,000</u>
		<u>\$409,800,000</u>

\* Includes World War I work, Founders' designations, General Education Board, and other general appropriations.

\*\* Includes Nursing Education prior to its inclusion in IHD program and appropriations for Institutes of P.H., League of Nations made by Trustees' actions.



EXPENDITURES OF INTERNATIONAL HEALTH DIVISION, 1913-1949,  
ACCORDING TO PERIODS WHICH REPRESENT APPROXIMATELY THE  
RESPECTIVE ADMINISTRATIONS OF THE FOUR DIRECTORS OF THE  
DIVISION

R.C.5

Dr. Wickliffe Rose, 1913-1922; 10 years  
Dr. F. F. Russell, 1923-1935; 13 years

Dr. W. A. Sawyer, 1936-1944; 9 years  
Dr. G. K. Strode, 1945-1949; 5 years

	<u>1913-22</u>	<u>1923-35</u>	<u>1936-44</u>	<u>1945-49</u>	<u>Total</u>
Control & Investigation of Specific Diseases & Deficiencies	\$5,661,953	\$9,214,936	\$5,022,505	\$2,009,620	\$21,909,014
Anemia (Puerto Rico)		30,144	11,114		41,258
Diphtheria (U.S., Austria, China)		5,771	8,416	15,332	29,519
Dysenteries (Tenn., Va.)		45,483			45,483
Infective Hepatitis			24,907	6,111	31,018
Intestinal Parasites, principally					
Hookworms: U.S.	483,475	358,489	23,910		865,874
Foreign	1,949,927	1,032,960	16,815		2,999,702
Malaria: U.S.	291,573	631,076	188,120	48,386	1,159,155
Foreign	67,747	1,547,072	1,196,457	401,812	3,213,088
Mental Hygiene (J.H. Univ., Tenn., Poland)		20,063	204,837	59,611	284,511
Nutrition (U.S., Toronto, Mexico, India)			180,584	140,375	320,959
Rabies (Alabama)			152,221	14,506	166,727
Respiratory Diseases		33,738	458,020	56,592	548,350
Scarlet Fever		13,166	56,530		69,696
Syphilis & Yaws (U.S., Jamaica, Finland)		73,829	132,502	138,118	344,449
Tuberculosis: U.S.		227,141	240,062	56,074	523,277
France	2,228,942	160,784			2,389,726
Other Foreign		132,942	113,936		246,878
Typhus		13,128	22,754	78,831	114,713
Undulant Fever		62,191			62,191
Yellow Fever: Africa	3,000	800,912	200,549	246,775	1,251,236
Caribbean	268,772	179,381	7,996	1,545	457,694
So. America	362,285	3,685,102	1,736,479	594,016	6,377,882
Other	6,232	101,246	6,513		113,991
Other Studies & Miscellaneous		60,318	39,783	151,536	251,637
Laboratories of I.H.D. at R.Inst. <sup>x</sup>		433,923	1,313,051	1,038,095	2,785,069
State & Local Health Services:	409,078	5,504,806	1,280,602	1,061,217	8,255,703
State Health Services: U.S.	14,295	746,981	102,902	207,420	1,071,598
Foreign	51,279	969,267	506,317	358,892	1,885,755
Local Health Depts.: U.S.	321,990	2,392,535	34,761		2,749,286
Foreign	21,514	1,396,023	636,622	494,905#	2,549,064
Medical Care				492,706	492,706
P.H. Education (details in table R.C.1.)	316,198	4,491,763	2,674,284	2,163,038	9,645,283
Health Organization of League of Nations	15,020	928,104			943,124
R.F. Health Commission			827,483	1,314,100	2,141,583
Miscellaneous	198,179	123,775	128,475	56,367	506,796
Field Service: Salaries, Travel, Etc.	1,999,200	9,025,164	6,342,871	3,913,953	21,281,188
Field Offices		79,839	125,771	352,463	558,073
Building, Equipment & Endowment	8,373,018	12,261,846	2,250,078		22,884,942
TOTAL	\$16,972,646	\$42,064,156	\$19,965,120	\$12,401,559	\$91,403,481
Average per year exclusive of capital grants	\$859,963	\$2,292,485	\$1,968,338	\$2,480,312	\$1,851,852
Average per year inclusive of capital grants	\$1,697,265	\$3,235,704	\$2,218,347	\$2,480,312	\$2,470,364

<sup>x</sup>Exclusive of staff salaries which are shown in table R.C.4 and are included under Field Service of this table.

\*Includes P.H. Administration, Vital Statistics, Epidemiology, Laboratories, P.H. Nursing, Sanitary Engineering, Bureaus for Study & Reform of P.H. Activities (Europe) & Other State Health Services.

#Includes \$60,000 for Crete P.H. Survey