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January 15, 1925.

My dear Doctor Russell:

Here is a preliminary draft for the agenda of the special conference meeting to be held at Princeton at the end of February.

The present form represents the essential points in summary statement. The paragraphs will all be expanded and statistical tables, graphs, etc., will be added. For example, Mr. Kirk has assembled the data which show with respect to every capital project the amount which we have given and that contributed by the beneficiary. These facts will also be put in the form of graphs so that at a glance the trend of policy will be shown.

I think no points are introduced in this agenda which were not presented explicitly or implicitly in the statement which I made to the Board at the November meeting. You will remember that the conference meeting of February was proposed for the discussion of the points raised in that statement.

The present draft has been gone over carefully by Mr. Greene and Mr. Embree who concur in the statements of principles of organization, policies and recommended procedures. A copy was also given to Doctor Simon Flexner just before he sailed. He has promised to send a memorandum which will be considered before the final draft is prepared.

I am by this post sending a copy to Doctor Pearce. I hope you and he will have an opportunity to confer. In any event, I shall expect memoranda of comment and suggestion from you and from him. These will be gone over carefully

Dr. F. F. Russell.

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January 15, 1925.

in connection with the final revision.

As the time for the conference approaches, I more and more regret that you and Doctor Pearce are to be absent. It is extremely important for us to have full statements from you on any points with respect to which you have opinions. While it would be very desirable if possible for the officers to represent substantial unanimity, each one should feel perfectly free to express any divergence of opinion. Any letters or memoranda which you desire to submit will be presented directly to the Board.

Trusting that your trip is proving in every way satisfactory, I am,

Very sincerely yours,

George E. Vincent

Dr. F. F. Russell,
Rockefeller Foundation,
22 rue de l'Elysée,
Paris, France.

GEV:DSB

THE ROCKEFELLER FOUNDATION

Agenda for the Special Conference Meeting, February 23-25,
1925, at Princeton, New Jersey.

(Preliminary draft, January 15, 1925)

Development of the Foundation's activities: Since 1911 the following have been the chief features of the work done under Foundation auspices:

The International Health Board (1911), replacing the Rockefeller Sanitary Commission, has gradually expanded its program, increased its current operating budget to \$3,000,000 for 1925, (including a special yellow fever appropriation of \$500,000) and has requested large appropriations for capital expenditure in the creation or extension of schools and institutes of hygiene and public health. This growth has been guided by a carefully worked out policy.

The China Medical Board (1913) organized on a geographical rather than functional basis, after preliminary aid to missionary hospitals through grants, fellowships, etc., has concentrated its efforts upon the Peking Union Medical College, upon premedical education and on aid to two medical schools.

The Division of Medical Education (1920) was created to administer an expanding program of co-operation with medical schools in many countries in improving their facilities and putting their teaching methods upon a higher level. Emergency aid in certain European countries has been undertaken as a temporary measure of relief to be gradually superseded as conditions improve. Under the auspices of this Division large capital expenditures have been made. Certain forms of service through surveys, bulletins of information, etc., are a part of the Division's program.

The Division of Studies (1923), recently created, is administering certain activities which have more or less bearing upon public health and medical education (e.g., dispensary development, nursing education, mental hygiene) and has made beginnings in aiding the biological sciences.

Certain miscellaneous appropriations made since the Foundation was chartered fall under three general groups: Projects intrinsically important, but consistently grouped in no one field supported in the early days of the Foundation before definite policies had been formulated; gifts of many kinds at the request of the Founder under an original provision which he renounced in 1919; appropriations aggregating \$22,000,000 made in connection with various phases of war work.

The income of the Foundation, except during the War when by special vote appropriations were made from capital, has proved until recently ample to meet the growing needs of the Boards and Divisions of the Foundation. In making the budget for 1925 it has been evident that with expanding expenditures and a decreasing revenue the limit of income was being rapidly approached.

The fundamental theory of the Foundation may be characterized as follows:

A single fund is held by a Board of self-perpetuating Trustees under a charter which gives wide powers and large discretion in promoting "the well-being of mankind throughout the world".

Subsidiary Boards and Divisions without separate legal status or endowments have been created by the Trustees to carry on special activities so long as these are approved. It is within the power of the Trustees at any time to dissolve existing administrative units and to substitute others to fulfil different purposes.

Unity of administration and control within the Foundation are secured by the appointment of members and officers of subsidiary Boards by the Foundation Trustees, by the provision that the President and Secretary of the Foundation shall be ex officio Chairman and Secretary of the departmental boards, by identity of personnel in the Executive Committees of the Foundation and of the Boards and by the approval by the Foundation Trustees of all Board programs and the appropriation of funds for putting these into execution.

General Policy: As a result of the experience of the various administrative agencies of the Foundation certain policies have been adopted.

Careful first-hand investigation by representatives of the Foundation precedes the elaboration of any project. The plans, suggestions and applications of interested persons are not acted upon until the situation has been surveyed and checked by a competent staff member.

Enterprises are undertaken only in co-operation with governments and with responsible institutions. It is believed that lasting results can be secured only as responsibility is assumed by the agencies which are to be looked to for the permanent carrying on of the work. There have been few departures from this policy, the most notable being the Peking Union Medical College.

Some contribution by the government or institution concerned to the program of development is usually insisted upon. Such contribution may take the form of actual payment of cash for capital expenditure or in the case of governments the promise to provide additional annual maintenance. There has been considerable variation in the ratio of contribution by the Foundation and by the beneficiary concerned. In some cases as for example the Johns Hopkins School of Hygiene and Public Health there has been virtually no contribution by Johns Hopkins

University. In other cases contributions have been small. A table is being prepared in which the ratio in every case is shown.

It is the policy of the various boards and divisions to withdraw from a co-operative project and to leave the entire administrative and financial responsibility with the beneficiary as soon as this can be done in justice to the enterprise. In the case of medical education this withdrawal takes place as soon as the conditions of a gift have been met. The co-operation of the International Health Board and of the China Medical Board often extends over considerable periods.

The Foundation carefully abstains from anything which could be regarded as intervention in the administration of a government activity or institutional work. (Note: Since agreements with certain medical schools are not fully consistent with this principle the Trustees have approved a plan for modifying these understandings so that university trustees will not be bound in perpetuity to continue any particular form of organization or instruction.)

The Theory of the Foundation Fellowships: During 1925 nearly 800 individuals will receive directly or indirectly some form of scholarship aid from Foundation sources. Fellowships are granted directly by the agencies of the Foundation in accordance with a well-defined policy.

No fixed number of fellowships is created and assigned to countries or institutions. The system is kept perfectly flexible. There is no such thing as a vacant fellowship. Fellowships are created for individuals. Individuals are not sought for fellowships.

Candidates are selected through recommendations of governments and institutions, confirmed by staff representatives of the Foundation. There is no public announcement of fellowships and no solicitation of applicants.

Each fellow is selected for a special kind of training for a position

in his own country to which he promises to return. In almost all cases assurances from a government or an institution that a place will be available for the candidates are secured at the time the appointment is made.

(Note: The principles which have been outlined above apply with few exceptions to all the regular fellowships which are granted under Foundation auspices. The Foundation exercises no supervision over the fellowships granted by the National Research Council of the United States and the Medical Research Council of Great Britain to which bodies the Foundation contributes funds for fellowship purposes.)

Certain problems of actual administration: While in theory team work within the Foundation has been assured, inevitably problems have arisen as the work has developed.

There is a natural tendency towards autonomy and independence in the different units. Such an outcome was to be anticipated. The interest of each unit in the development of its work is a source of strength and a sense of responsibility is essential to successful administration.

It is not, however, always easy to maintain consistent and unified policy. One Board or Division may mature a project before its bearing upon the plans of other administrative units has been adequately considered. This may and sometimes does result in lack of co-ordination and consistency from the standpoint of the Foundation as a whole.

It is difficult to interest the trustees in somewhat complicated technical proposals presented in voluminous agenda which must be acted upon within a few hours. It is hard to escape the feeling that many times the Trustees are forced into a more or less perfunctory attitude. There is little time for discussion, almost no opportunity for individual trustees to make suggestions, etc. The holding of Board and Foundation meetings on successive days in November has done something to improve the situation, but the Trustees

may well be asked to discuss this problem frankly and to offer suggestions for its solution.

The Trustees are almost completely dependent for the appraisal of results upon the officers and staff who have initiated and administered the activities. There is nothing corresponding to an independent audit of the financial operations of the Foundation. There are a number of ways in which the Trustees might inform themselves more independently of what is being accomplished. The problem is by no means simple. Each method that might be employed involves possible weaknesses and dangers.

The tendencies towards setting up under private auspices administrative machinery which takes on some of the aspects of governmental bureaucracy must be vigilantly guarded against. A very large endowment and a system of retiring allowances are in great danger of creating an atmosphere in which officers and staff come to think of themselves as holding life positions. A group brought together to accomplish certain definite results may easily become a group looking for something to do in order to preserve and perpetuate its existence.

In addition to the above, there is constant confusion in the public mind with respect to the five Rockefeller Boards and the gifts made by the Founder and his son. The policies and programs of these different agencies, the visits of their officers and staff members in the United States and in foreign countries, give rise to misinterpretations which are probably in the circumstances inevitable.

Budget making as a means of team work: In governments, universities and all other institutions budget making is regarded as a means of promoting co-ordination and unity of effort. The Rockefeller Foundation is no exception to this rule.

Problems within the organization have arisen chiefly from lack of early knowledge and discussion by all concerned of projects before these have been matured and before expectations of beneficiaries have been raised. A proposal may easily be carried so far to completion as to make it difficult if not impossible to raise questions and secure modifications. One Board or Division can rarely adopt a modification of policy which does not directly or indirectly affect the policy and procedure of one or all of the other units.

Informal personal contacts between the various officers can accomplish much in the way of preserving team work, but with the increasing complication and volume of the Foundation's activities a more regular and officially recognized form of conference seems desirable. The Executive Committee passes upon formulated proposals but a Budget Committee - the President, the Directors of the Boards and Divisions, the Secretary and the Comptroller - could co-operate usefully in preparing a comprehensive Foundation budget which should include both the current annual budgets of the Boards and Divisions and a proposed schedule of appropriations for capital expenditures for buildings and endowment.

Under the form of organization suggested above procedure would be as follows: (1) proposals of plans by directors and boards; (2) consideration of these plans by the Budget Committee; (3) preliminary submission to the Trustees of the Foundation at the May meeting of assembled estimates both for current maintenance of regular programs and for capital expenditures during the following calendar year; (4) detailed elaboration of current maintenance budgets and of such plans for capital expenditure as are provisionally approved at the May meeting; (5) final approval at November meeting of the Foundation of the detailed current maintenance budgets and the capital projects so elaborated. (Note: While this provides for the annual budget making, it is understood that new capital projects could be taken up in accordance with the above procedure at any meeting of the Foundation.) It is reasonable to suppose that this procedure would insure a complete understanding and unity of

action which experience has shown cannot always be counted upon unless some official agency of conference is recognized by the trustees.

Future Policy: The Trustees naturally desire from time to time to review what has been accomplished and to make general forecasts for the future.

The present work of the Foundation lies almost exclusively within the fields of public health and medical education. These are large areas and are at present by no means intensively cultivated. There are a great many opportunities for expanding existing programs within these general divisions of scientific knowledge and activity.

It would be easy to drift into the tradition of declining to aid all projects outside the fields of public health and medical education or the Trustees might by vote or agreement limit the activities of the Foundation to these fields.

If, however, flexibility is one of the principles upon which the Foundation was created, it is a question whether flexibility would not be sacrificed by a determination to confine the Foundation's work to health and medical education. If such a decision were reached it might easily result in a completely professionalized staff. In such circumstances, it would be hard to avoid a permanent crystallization about a restricted program.

If it is deemed wise to reserve some part of the income of the Foundation for activities in other, though not necessarily wholly unrelated, fields, it would be well to have the Trustees record their decision to this effect.

Human biology as a new field for the Foundation. The time seems to have arrived at which concerted and direct effort in the field of human biology((a) anthropology (b) general zoology (c) psychology, psychiatry and in their application in mental hygiene) may bring results of distinct value to human progress. This

is a field fundamental to medicine and public health. Intensive effort in it would fit in with the program in science of the International Educational Board.

Already study of animals and plants has given us some information concerning heredity and growth and is indicating the types of study that may yield further results. The means of measuring bodies and minds have been extended within recent years; so that anthropometric studies may now be carried out with precision not before possible. Knowledge of brain processes and of mental and emotional states, while still limited in extent, is approaching the exactness of a science.

Young men of excellent abilities are interested in these problems and can be brought into increasingly effective groups for research and teaching. Society at large, while conservative and often timorous, is making what use it can of new knowledge concerning mental hygiene and is indicating a willingness to apply to its own life and progress the lessons of past civilizations and the principles of heredity and growth as findings here emerge from tentative speculations into well established and repeatedly proven conclusions.

Types of projects that might be considered include:

Studies of Primitive Peoples already begun in Australia

Support of a center for study of race relationships and race biology

Co-operation in development of one or more strong centers in psychology and psychiatry at Universities

Support of especially promising research programs under

special leadership (e.g. proposal for biological research at Johns Hopkins under Pearl)

Support of special centers of biological research (e.g. Woods Hole, similar stations on Pacific Coast etc.)

Wide use of fellowship principle and of visiting and exchange professorships.

Conclusions the officers would welcome either expressions of opinion or resolutions with reference to the following questions:

1. Reaffirmation of the theory that the various activities of the Foundation are to be regarded as co-ordinated parts of a unified institution within which each Board or Division is responsible for initiating proposals,

and for administering programs which have received the approval of the Trustees of the Foundation.

2. Approval of the creation of Budget Committee to consist of the President of the Foundation, the Directors of the two boards and the two divisions, the Secretary and the Comptroller, this Committee to serve as an agency of economic co-ordination and of budget making.

3. Approval of the budget making procedure herein before outlined.

4. Reaffirmation of the general policy of careful investigation, co-operation with governments and institutions, contribution by beneficiaries, withdrawal by the Foundation as soon as the work permits, and abstention from intervention in governmental or institutional administration.

5. Approval of the idea of maintaining the flexibility of the Foundation, the expression of willingness to consider proposals which fall within the field of Human Biology and the appointment of a special committee or council to co-operate with the Director of the Division of Studies in elaborating proposals.

6. A request to the President and Directors to present a report upon various methods which might be adopted for detached surveys and appraisals of field work which is carried on under the auspices of the Foundation.