

49 - Ag to CIB

INTER-OFFICE CORRESPONDENCE

D.K.

FROM: AG

DATE: January 7, 1949

TO:

CIB	JAN 13 1949	QB
WW		WW (B)
DHS		DHS
WW	JAN 27 1949	WW
RDC	FEB 19 1949	RDC
AG	MAR -7 -49	K

COMMENTS:

reference 49

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SUBJECT:

There is a possibility (Mrs. Carson in going over brief records considers it a certainty) that we operate without sufficiently recording some of our thoughts in connection with policy and program. Though I don't think there is time to rectify this to any great extent, it may justify occasional memoranda on general policy.

Your memorandum on the budget for next year prompts me to put down one or two ideas on the continuing or the non-continuing status for Foundation work.

I wonder whether the rather remarkable success of foundations in the late Teens and the Twenties doesn't owe a good deal to the fact that their programs were devised to correct an accumulation of needs never considered by foundations because there were no foundations in the earlier days. A brook may represent the natural run-off from a water shed but if there is a reservoir up-stream that is ever so lightly tapped, the water in the brook may be augmented by a considerable measure; an accumulation that will diminish once it has poured out. I think it was this reservoir of unmet need and apparently new obligations that gave to the earlier years of the Foundation's work, a roseate character, an excitement and a conviction which would have diminished even if there had been no second world war with its somewhat discouraging effect upon so many of our assumptions and endeavors.

Another point to realize is that the first officers of the first foundations were men not trained and raised in foundation work but men who had experienced enough frustration and disappointment to have some rather deep convictions as to how things ought to be. Furthermore, their earlier service with the Foundation involved a great deal more survey and planning than is possible when so much of our time is taken by the renewal and supervision of existing grants.

From: AG

-2-

To: CIB

The first three or four foundations of any magnitude were relatively unique. Now the Raymond Rich Associates and Russell Sage have put out books that list large number of funds and foundations, most of which have been created since 1915. In effect, the accumulation of needs and opportunities is substantially reduced and the time that we have to look for excellent opportunities is diminished by the larger number of organizations taking care of the more obvious demands. Also, as Officers of the Foundation, we are involved in a measure of advisory capacities that were almost unknown in 1923.

Certainly in the field of research, the contributions of the Federal Government have markedly reduced the need for Foundation grants and this will be all the more evident if a national foundation for research is to be created in addition to or even partly supplanting existing Federal agencies now supporting research work. I would think that it might be wise for us to consider whether in the year, say 1953 or 1954, we could go into a period of nearly complete inactivity in point of making grants, give indication of this moratorium well in advance and devote ourselves rather intensively to the study of needs not met or not likely to be met by other funds than ours. I would have no objection to seeing the capital funds replenished by such amounts as were not appropriated in that year and I know of no way that both internally and externally would place so obvious, and I think, deserved emphasis upon the study of what is worth doing.

*Moratorium  
for fresh  
Study*

At about that time or shortly before it, we shall have either new or relatively new men in the positions of divisional directors to whom such a period of study would be an almost invaluable advantage and that would be another serious argument in favor of a period of study, travel and formulation of new plans.

AG

A. G.

AG:ah