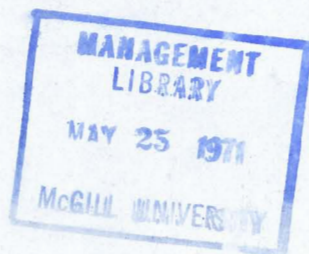
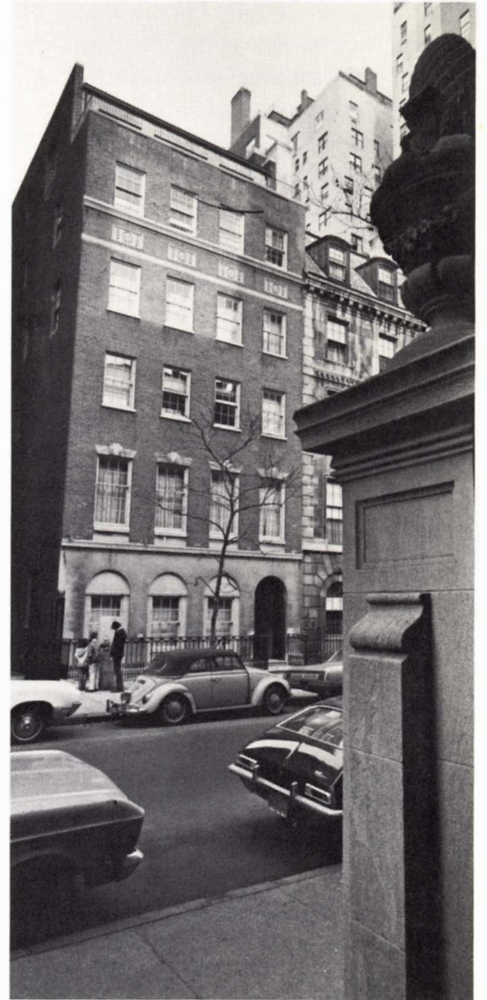


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The Twentieth Century Fund

Annual
Report
1970





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The Twentieth Century Fund is a research foundation engaged in the study of economic, political and social issues and institutions. It was founded in 1919 by Edward A. Filene, who made a series of gifts that now constitute the Fund's capital assets.

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The Twentieth Century Fund Annual Report 1970



Contents

Dedication

Tribute to Adolf A. Berle, Jr.

Director's Report

Tribute to Evans Clark

Trustees and Officers

Investment Advisory Group

Introduction

Completed Projects

Book-Length Studies

Task Forces

Staff Papers

Studies In Progress

Communications

Community

Film

Institutions

Economic Development

Economic Issues

Grants

Publishing

Public Information

Headquarters Staff

Task Force Members

Finances

Dedication

This report of the Fund, which was delayed due to the unfortunate death of Adolf A. Berle, Jr., is dedicated to him and to Evans Clark. Both were remarkable men who were the Fund's moving spirits for many long and fruitful years.

Adolf A. Berle, Jr., first became a Trustee in 1934 and was its Chairman from 1951 until his death late in February 1971. Like Evans Clark, Adolf Berle was a friend of Edward A. Filene, the founder of the Fund, and gave a great deal of his time and energy and thought to it. Through the force of his personality and the strength of his persuasive powers, he was not only responsible for bringing together a diverse group of distinguished Americans to serve as Trustees but constantly attempted to make use of the Fund's resources for prescient and searching inquiries on a host of critical problems.

Evans Clark, the first full-time Director of the Fund from 1928 to 1953, served as a member of the Board of Trustees until his death in August 1970. He charted the Fund's course as a research-oriented foundation and established its reputation for pioneering scholarship. Almost until the last he maintained a lively interest in the Fund and its activities, reading its material and frequently commenting on it.

It is impossible to provide full or precise measure of either Adolf Berle's or Evans Clark's contributions to the Fund. But the appreciations that appear on the following pages, one by August Heckscher, who was Director during a large part of Adolf Berle's term as Chairman, and the other by Louise Field, who worked closely with Evans Clark, provide some insights into their special gifts and strengths of character.

M. J. Rossant

Adolf A. Berle, Jr. 1895–1971

We remember Adolf Berle in many roles, in public and private life; at Mr. Rossant's invitation, I say a few words about him in his role as Chairman of the Board of the Twentieth Century Fund.

I had the privilege of serving under him as the Fund's Director, and seeing him among his peers, in a role that meant a great deal to him both for sentiment and for duty's sake. It pleased him to think of Edward A. Filene, founder of the Fund—a man so unlike himself in almost all ways, a merchant through and through, though touched with a strange and wayward imagination. Adolf used to speak later of himself and his fellow trustees as "merchant princes," the phrase combining practical and ideal elements in a way he thought characteristic of life at its best. Often, when the items on the agenda of a Fund meeting had been dealt with and its regular income disbursed, he would propose something unexpected and generous, a happily inspired contribution to some cause or to the work of an individual. In such seemingly unprepared and unpredictable gestures he felt we were acting in the spirit of the founder. It could be the despair of a director, trying to administer things in a tidy way; yet in this manner Adolf led us into some of the Fund's most satisfying moments.

To the more regular business of the Twentieth Century Fund he brought his immense learning, his curiosity, and his absolute conviction that great truths about the social order still waited to be revealed. Reading the other day passages from his writings, as we recalled him in the beautiful memorial service in the Columbia University chapel, I was struck by how often the word "adventure" appeared. Adolf really considered thought to be the supreme adventure, holding high risks as well as the greatest of rewards. Action was essential for its own sake and for the saving of the world; yet at bottom action was a way of putting thought to the test, of challenging belief. He wanted the Fund to encourage and liberate men of thought. I think he was often disappointed that we on the staff could discover so few geniuses. The truth is, only he could have fulfilled many of the ideas which he threw out, and could have given them form and style. Yet it was like him to expect much of others—and to be not too severe in his judgment when they inevitably fell short of what he proposed and hoped for.

One sees him now as he embarked upon such a favorite proposal. The moment usually came when the agenda called for the report of the Chairman. They were certainly some of the most unusual reports that a gathering of trustees has ever been permitted to hear. Adolf talked on very quietly, about the world as he saw it, about the need for large visions to accomplish some intellectual task. He could be somber almost to the point of despair; the prophet in him saw the end of all things—from the current prosperity and the latest economic or socio-

logical fads to institutions that had endured a thousand years. Yet in the end hope redeemed his discourse. The possibility of finding a fresh synthesis, a theory as new as the new condition of man, would be held out. And we were left with the uneasy thought that if we had really grasped all that Adolf was saying, if we could match his vision, we would know the heart of things and change the world. But we possessed only the imperfect instruments of a foundation to do what he was urging—a little money (though more, quite often, than we could spend for such difficult ends as he defined), and the cooperation of researchers and scholars who almost invariably saw less far than he did and were busy and preoccupied with their own concerns. If the proposals of the Chairman's report did not always end in Fund projects, they left us who had heard them with unique insights.

He described the Twentieth Century Fund as the "best club" in town. This was a joke he liked to repeat; it had a serious meaning for him, and indeed as he presided over the functions and meetings of the Fund he interpreted it in his own way. To be among men of many professions, all of them outstanding and gifted; to find a congeniality of ideas and hopes; to let the mind range freely and to speak without any need of "front" or pretense—this was a sort of club such as philosophers might have envisaged.

Adolf took great pains in building up the Board of Trustees, keeping it together, and filling the rare vacancies that occurred. If under his long tenure the reports of the Chairman had a special character, and the dispensing of grants sometimes seemed quixotic, the methods by which the nominating committee proceeded could be called positively unorthodox. Sometimes meeting after meeting would go by while a place remained unfilled. All the trustees would be asked to compile long lists of candidates, and somehow the lists would never be heard of again. It would be solemnly announced that no one over thirty would be considered—and in the end, behold, a candidate would be proposed whom no one had thought of. He could as well be over sixty as under thirty.

Trustee and Chairman of the Twentieth Century Fund 1934–1971

The point was, Adolf had to wait until just the right man appeared and became available. How often the choice did seem miraculously right! Meanwhile it would be fascinating to watch the skill and affection with which he dealt with a diverse board. He was known as a man who expected to have his own way in important matters. Patience was not ordinarily thought of as being numbered first among his virtues. Yet in this company he watched and listened, sensitive to every nuance of feeling. With tact he pushed the board to accomplish a surprising amount of business at its meetings.

As Director of the Fund, it puzzled me in the beginning to hear him say that this was one institution which was really run by its Trustees. I suppose I had the impression that *I* was running it. Moreover the Trustees met infrequently, and then conversed about many things beside those on the agenda, and were agreeably disposed to favor the staff's suggestions. Yet I came to see that in saying this, as in so much else, Adolf was speaking his own truth. Under him, the Trustees ran the Fund by indirection: they set the tone, they carved out objectives, they let fly some memorable hints. Though he was himself reluctant to interfere in details, and was trusting of the men he trusted, he was far from unaware of what we on the staff might need in the way of help and encouragement. The minutes of these years speak for the thoughtful way he handled personal problems, and much else is written only in the hearts of those who knew his kindness.

He had begun by emphasizing the importance of economics as a field of study for the Fund. As the decades went by he constantly enlarged his field of concern and came to see almost everything human as being relevant to such an enterprise. The arts, the environment, the deepening inquiry into personality and the enhancement of life engaged him. The financial investments of the Fund continually involved his skills. One never knew where his interest and sympathy might alight next. The fund was a remarkable institution under him; and the man seems the more remarkable when one recalls that this was only one of the many channels into which he poured his energies and his zeal.

August Heckscher
Trustee
Director, 1956–1967



The Director's Report

The nation's foundations are very different—in size, in purpose, in operation, in effectiveness. Their diversity is a natural consequence of their creation by rich and philanthropic people with different bents and interests. It also appears to be a very desirable and natural asset in our pluralistic society. Yet in some respects foundations may be too diverse and too individualistic for the public good or even their own. It is not merely that a few foundations have been established for dubious motives or have operated in questionable fashion, casting unfortunate shadows on all the rest. It is rather the disturbing fact that the individualism that even the best foundations prize and protect so zealously may be keeping them from realizing their potential in many ways. So it is legitimate to inquire whether the diversity of foundations is costing too high a price.

There is, of course, no simple answer to this question. Some foundations have made significant contributions to science, to the general welfare or to the specific concerns of their communities; conceivably they could not have done as well without complete independence. But there are many foundations whose material resources are not employed as productively as they could be if they collaborated in joint ventures or cooperated in other ways with other foundations.

Certainly neither funds nor skilled personnel are so abundant that foundations can reject arrangements that might make more productive use of their resources. Even so rudimentary a form of collaboration as a clearing house that provided comprehensive information on various projects being considered by foundations would not only avoid a substantial degree of wasteful duplication but might serve to open up avenues for rewarding cooperation. It also would be helpful—and not difficult—to establish an association of foundation personnel; such an organization might yield many benefits. It could adopt appropriate professional standards, promote the exchange of ideas and techniques, and give foundations some notion of the pool of talent they could tap for both administration and research.

There is no danger that a clearing house for foundations or a professional association of foundation personnel would lead to a monolith. The trustees and executives of foundations can be counted on to protect the identities of their institutions which, in many cases, are operated under charters that clearly spell out precise objectives and definite fields of interest. Moreover, just as there

are many critical areas which need foundation support, so there are many forms that foundation support can take. But even when foundations insist on acting independently, they would clearly benefit from knowledge of what other foundations have done or are doing.

While the great independent foundations in the United States may possess adequate staff and funds, the majority are not so fortunate. Their capacity to engage in intellectual risk taking would increase with some form of joint operation. Some cooperative steps have already been taken by foundations, but more needs to be done. For example, one foundation might supply most of the skilled manpower for a project while another might furnish most of the funds; or for a particular project a consortium could conceivably be formed to undertake research, active operations and evaluation, with individual foundations responsible for each different phase. The very notion of foundation consortia or partnerships could stimulate a new wave of pioneering among smaller foundations that now hesitate to go it alone because they lack the requisite resources or for other reasons.

There are other forms that partnerships might take and other rewards that could result. The amount of funds available for programs might increase materially if foundations shared the cost of professional investment management, for the resulting economies of scale would be significant. It is likely that income would also rise if foundations were willing to pool and diversify their resources, since this step would let them take greater risks and receive greater rewards. Pooling of resources might also make capital available for pioneering in such areas as new technologies for communications and education and social investment to promote better housing or to improve the environment.

It may be worth pursuing collaborative plans to make the most effective and rational use of the varied skills as well as the funds that foundations joining in small groups would bring together. And there seems to be merit in establishing some sort of critical evaluation procedure for foundations which would provide them with tougher and more objective assessments than they can get on their own. Such evaluations can be enormously helpful in strengthening foundations for the challenges and opportunities that lie ahead.

The passage of the Tax Reform Act of 1969 should stimulate exploration of methods of collaboration and ways of sharing costs. For example, the auditing and legal requirements of the new law might cause a sizable drain on foundations; sharing the same counsel for common legal problems would give foundations the most expert advice at much less cost than they now are facing.

In its own activities the Fund has worked in a modest way with other foundations. It joined with the Rockefeller Brothers Fund in sponsoring the Theatre Development Fund. It has collaborated with the Ford Foundation in establishing the International Baccalaureate program. And it co-sponsored with the Carnegie Endowment for International Peace two international conferences on international satellite communications. In less formal ways, too, the Fund has been cooperating with other foundations that have common interests or problems. Outstanding instances of successful collaboration can also be found elsewhere—for example, the International Rice Research Institute of the Ford and Rockefeller Foundations, which has done much to feed a hungry world.

It should be profitable for the Fund (and, we believe, for other foundations as well) to extend and enlarge upon such collaborative measures and to explore avenues like those suggested. As a research foundation, the Fund is primarily concerned with the investigation and analysis of institutions and issues of significance to the public. Yet the Fund has no desire to see its studies gather dust on library shelves. Because so much of its work is designed to effect change and bring about reform, it would welcome greater rationalization of

effort among foundations so that it might work more closely with those whose capabilities and objectives are activist in nature. And it would support other forms of cooperation designed to make foundations more responsive and responsible to the public interest and better equipped to engage in pioneering ventures.

The proposals offered here are primarily designed to improve the performance of foundations as a group. For the most part, they will not restrict the independence or blur the identity of those willing to join in a variety of collaborative efforts. Given the many problems facing the nation—problems that foundations, because of their independence and their flexibility, are peculiarly equipped to examine and attack—there seems little doubt that working more closely together while maintaining their own identities would make foundations more valuable to the public and more rewarding to themselves.

Even though government has taken over many tasks once carried out by foundations, there is a great deal of innovation and experimentation that foundations can do in serving the public in economic and social areas. But their capacity for doing so depends in part on achieving greater effectiveness and professionalism in their operations. Their diversity is unlikely to be thwarted by exploring forms of collaboration. On the contrary, it is probable that cooperation will serve to make individual foundations more aware of both their limitations and their strengths, thereby enabling them to perform more effectively in the public interest.

M. J. Rossant

Evans Clark 1888–1970

Life at the Fund with Evans Clark was seldom static and never dull. He expected people and events to keep moving. Full of energy, always walking quickly and hurrying to meetings—meanwhile pouring out a stream of letters and manuscript—Evans was naturally genial yet was impatient of either delay or sloppiness in performance. He always knew how the work of his associates was progressing and was ready to help when help was needed.

These characteristics of the Fund's first director were invaluable assets in working with the Trustees to meet the challenging demands of the depression years, the war and the postwar era. His drive to get on with it, his personal involvement in the demands of a war economy and, above all, his unwavering enthusiasm for bringing the Fund's resources to bear directly on the solution of current problems, were somehow communicated to the staff, to researchers and to the committees that were assembled to work out policy recommendations based on Fund studies. He provided the leadership in opening up new fields—postwar housing and labor problems, medical care and social security, inflation and consumer needs, and concern with the precarious postwar situation of Turkey and Greece and Latin America.

In the first decade of Evans Clark's directorship he had some rough going. His ideas of how to use the limited funds available most effectively were sometimes in conflict with those of the founder as well as some of the Trustees. He had to practice patience and restraint and, even after the direction of the Fund's work was determined—away from grant-giving and toward initiating studies of issues of public significance—Evans often had to defend the Fund's course against powerful personalities inside the Fund and without.

Then and later, Evans thrived on attacks as proof of the Fund's impact. Whether the tone of criticism was favorable or adverse, he responded to it, often by personal letter or, if sufficiently provoked, by public protest. As a writer and editor, he was acutely aware of the techniques and values of publicity for the Fund and its major projects. He insisted on giving careful thought to the preparation, writing and timing of manuscripts and the writing and timing of news releases.

Evans also was alert to the possibilities of "translating" the major findings of Fund projects into more popular forms of communication. He himself experimented with photography, motion pictures and radio broadcasts as fascinating hobbies; early in his career with the Fund he employed these approaches to attract wider audiences. Radio and television programs based on Fund studies were launched, and films and filmstrips were produced. All of these devices helped to spread the foundation's influence as an educational institution at home and abroad.

When Evans retired as the Fund's director, the Trustees acknowledged his contribution in building the Fund from modest beginnings to a position of leadership:

The work of any foundation is in important degree a monument to the personality and vision of its chief executive, and the reputation of the Fund, its many publications and other achievements, and its acknowledged leadership in certain fields, stand as the best proof of Evans Clark's success. His friendships within and without the Fund have been deep as well as varied. The work of the Fund and its Staff has been crystallized into practical results by his patient, kindly and unflagging effort. He has brilliantly carried forward the concept left to the Fund by its founder, Edward A. Filene, whose friend he was; and has pointed the way to the possibility of larger usefulness.

The view of the Trustees was shared by the staff, which found that he often applied his philosophical beliefs in practical ways. His intense concern with physical and mental health problems did not stop with the setting up of collective programs; he was no less involved with the health and welfare of every individual on the staff. Indeed, as head of the Fund family, Evans took personal interest in all of its operations, from housekeeping details to meetings of the Trustees.

Outside the Fund, Evans Clark had a complex pattern of pursuits and outlets for his highly varied talents. During the war and postwar years, for example, he served as chairman of the Advertising Council's Public Policy Committee, where he helped to influence the mood and broaden the direction of public opinion on social issues. He also was engaged in a colorful variety of what might best be described as enthusiasms, including his activities as a fire buff. Both his apartment and office were wired with tie-ins to the New York City fire alarm system. Alarms for modest blazes could be ignored but never a five-alarm fire; in that case Evans and his camera—if he didn't forget it—were off and on their way to the scene of action. In addition, as an observer of bird life and a member of the Audubon Society for many years, Evans was always delighted with an exchange of bird-watching experiences and considered it an exciting ornithological event when the tufted titmouse invaded New Jersey in force.

Director of the Twentieth Century Fund 1928–1953

The Clarks were also frequent travelers. Evans always kept his associates informed by postcard of his impressions of Rome or Rio or his pleasure in returning to the Virgin Islands. During foreign travels he pursued his hobbies of taking motion pictures and collecting records, especially of Latin American folk music. The Clark record collection became well-known, first when Evans acted as commentator on Latin American music on WNYC and WQXR; later it became known as selections "from the collection of Evans Clark," which were constantly played on "Nights in Latin America," a radio program that continues year after year.

Perhaps this flow of recollections of Evans Clark's years at the Fund and the imprint of his personality and character on those who knew him should end on the note of his love of dancing. Parties at the Fund were not typical office parties. Evans was always a genial and successful host, imparting an air of fiesta by providing the music (almost invariably Latin American dance rhythms), mixing his favorite frozen daiquiris, showing movies of South American street festivals and asking anyone to dance who had the skill and sense of rhythm to follow him through the intricate steps of the rhumba or tango. An expert dancer, continuing to take lessons for reasons of both health and pleasure, Evans implored his friends to follow suit, sometimes teaching his dance partners the latest dips and bends of the samba.

Evans did not keep his work and his personal interests—in people, in nature and in lively pursuits—separated. The knowledge he gained in the far-ranging experiences of his intellectual and professional life had an impact on the equally varied interests and experiences of his personal life, which influenced his work. Somehow work and play were all of a piece to Evans, who managed to infuse his staff and his friends with his dedication and effervescence.

Louise Field
Research Associate
1939-1967





Trustees and Officers

Trustees

Morris B. Abram

Partner, Paul, Weiss, Goldberg, Rifkind, Wharton and Garrison; formerly president, Brandeis University

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Professor emeritus of law, Columbia University; formerly U.S. Assistant Secretary of State

Jonathan B. Bingham

United States Representative, 23d Congressional District, New York; formerly U.S. representative on the Economic and Social Council of the United Nations

Arthur F. Burns

(on leave)

Chairman, Federal Reserve Board of Governors; formerly counselor to the President

Erwin D. Canham

Editor-in-chief, the *Christian Science Monitor*

Hodding Carter III

Editor, the *Delta Democrat-Times*

Evans Clark†

Formerly Executive Director, The Twentieth Century Fund, and member, Editorial Board, the *New York Times*

Benjamin V. Cohen

Lawyer; formerly counsellor to the Department of State

J. Kenneth Galbraith

Professor of economics, Harvard University; formerly U.S. Ambassador to India

Patricia Roberts Harris

Partner, Strasser, Spiegelberg, Fried, Frank and Kampelman

August Heckscher

Administrator of recreation and cultural affairs and commissioner of parks for the City of New York; formerly Director, The Twentieth Century Fund

David E. Lilienthal

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Georges-Henri Martin

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Lawrence K. Miller

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H. Chr. Sonne

Chairman, National Planning Association; chairman, American-Scandinavian Foundation

Herman W. Steinkraus

Honorary president, U.N. Association of the United States of America; formerly president, Chamber of Commerce of the U.S.

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Howard M. Stein

Chairman, Dreyfus Corporation

The Investment Advisory Group, together with the director, advises the Fund's financial committee on ways to increase resources for an expanded research program

*Deceased February 17, 1971

†Deceased August 28, 1970

‡Deceased November 1, 1970

Introduction

This new report of the Twentieth Century Fund is the first to be issued on a fiscal year basis. It provides information on the Fund's research and dissemination activities as well as on its finances for the fiscal year that began on July 1, 1969, and ended on June 30, 1970. But because of the changeover from a calendar year to a fiscal year basis, which is more consistent with the Fund's operations, it was decided to include developments that took place in the first six months of 1969.

The decision to adopt a fiscal year basis was not the only important change made by the Board of Trustees. Indeed, the eighteen months covered in this report have been a period of increased activity and significant change in the policies and procedures of the Fund. In the financial area, an investment advisory group made up of three distinguished professional money managers was formed to assist in the handling of the Fund's portfolio. In the research area there was a major increase in the number of new projects approved by the Trustees, along with the introduction of research papers by staff personnel, the establishment of independent Fund task forces that attempt to find constructive solutions to specific problems in a relatively brief time span and the growing use of film. In the public information area, the Fund assigned publication of its book-length studies to commercial publishers and university presses to expand the audience for its works and also carried on experiments in graphics in both its newsletter and its paperback publications.

These changes have served to make the work of the Fund more timely and responsive to social currents without sacrificing its traditional concern for

high standards of scholarship. Furthermore, the Fund staff is continuously evaluating its activities to broaden the Fund's role as a useful contributor to society in a time of uncertainty and upheaval.

The Fund's expanded program and its new emphasis on shorter, timely projects have already produced results. In the period under review a record total of eighteen studies either were completed or were in their final editing stages. Nine were book-length studies, of which two involved research in the developing countries of the third world, a traditional area of concern for the Fund, and two were studies of institutions, which is a field of more recent but growing Fund activity. *Mutual Funds and Other Institutional Investors: A New Perspective* and *The Alliance That Lost Its Way* were published and received very

favorable and extensive press comment, while arrangements were made for the publication of *The Military Establishment: Its Impact on American Society* and *Haiti: The Politics of Squalor*. The nine other completed studies, comprising task force reports in the area of political financing, satellite communication, performing arts centers and public labor relations, as well as two staff papers, were all published in paperback by the Fund.

At the end of the fiscal year, twenty-seven projects were in progress.



Completed Projects

Book-Length Studies

The Alliance That Lost Its Way: A Critical Report on the Alliance for Progress

The Alliance study, initiated by the Fund as part of its continuing interest in the developing world and its relations with the United States, was completed early in 1970 and was published in November by Quadrangle Books. Its research directors, Juan de Onis, a veteran Latin American correspondent of the *New York Times*, and Jerome I. Levinson, formerly deputy director of the Agency for International Development and now an official of the Inter-American Development Bank, explored the forces and the events that led to the establishment of the Alliance and provided a balance sheet of the Alliance's achievements and failures over the past decade.

De Onis and Levinson found that the Alliance was flawed from the beginning, partly because the assumptions on which it was based were faulty, partly because its promises were far more ambitious than the will and the resources that were devoted to it. As a result, the performance of the Alliance trailed far behind expectations. Yet the study also found that the Alliance had many accomplishments to its credit and recommended ways to meet some of its economic and social objectives.

The study received considerable press coverage both in the United States and in Latin America. A full-page review in the *New York Times Book Review* noted: "The cumulative effect of the book is devastating. [The authors] have on the whole succeeded admirably in conveying the dimensions, causes and implications of the Alliance's failure." The *Washington Post* observed that the authors "have put together a superb record" of the Alliance while in an editorial the *Milwaukee Journal* commented that to disregard the study's findings "will just add more fuel to the fires of distrust . . . between the U.S. and its Latin neighbors."

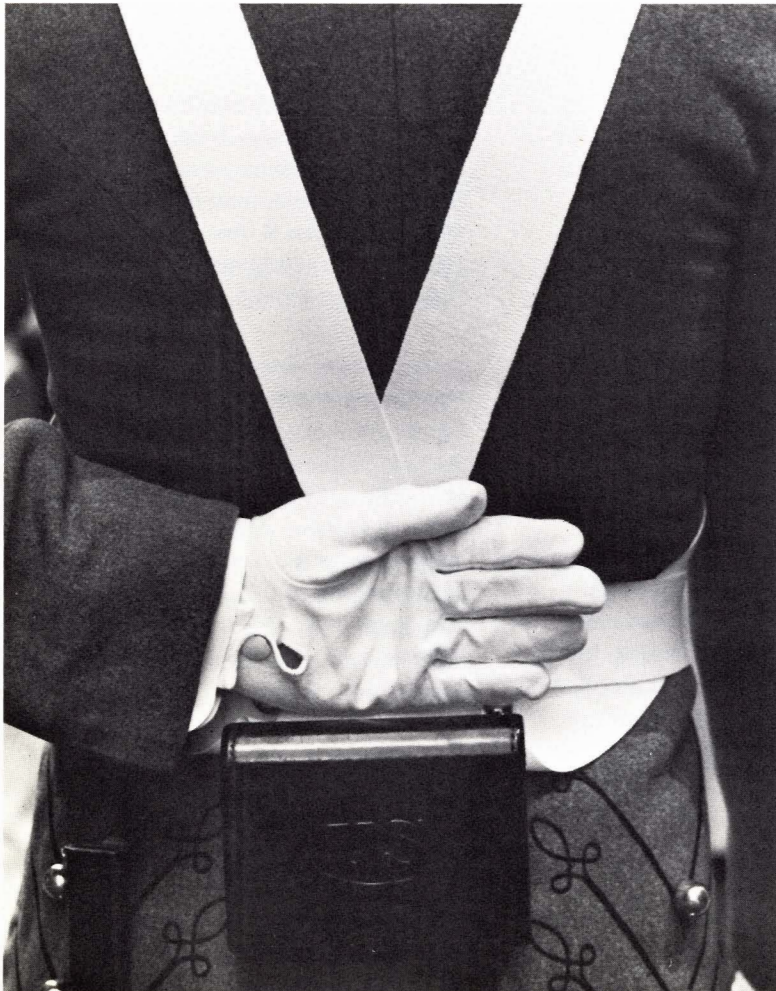
Mutual Funds and Other Institutional Investors: A New Perspective

The latest in the Fund's long tradition of research on financial institutions and issues, the study of major institutional investors, was completed in 1970 and published in August by McGraw-Hill. This comprehensive and critical analysis was conducted by Irwin Friend, Marshall Blume and Jean Crockett of the University of Pennsylvania's Wharton School of Finance and Commerce. Their work offered a great deal of information and insight on the growing importance of mutual funds and other major institutional pools of capital to the financial markets and to the economy.

In economic terms, the study found that the rise in institutional investment helped to lower the cost of raising money for American business. In market terms, the study produced extensive documentation demonstrating that professional managers of institutional funds did no better on the average than the market as a whole. Moreover, the analysis of trading activity showed that mutual fund managers contributed to excessive

price swings for smaller and more speculative stock issues while having little or no impact on the stock prices of larger, well-seasoned companies.

The study, released at a Fund press conference, received both copious and extensive newspaper and magazine coverage. Stories by the Associated Press, United Press International and Dow Jones News Service appeared in papers all over the country. *Business Week* and *Newsweek* carried special features on the study and *Fortune* reviewed it in great detail, commenting at length on the finding that mutual funds, based on a survey of 229, failed to achieve superior results in the 1960's despite the cult of "performance" that was then so much in vogue.



Other Book-Length Studies

There were two other studies completed during the last fiscal year for which publication dates have been arranged. One, *The Military Establishment: Its Impact on American Society*, by Adam Yarmolinsky of the Harvard Law School, was due to be published in early February 1971 by Harper & Row. Mr. Yarmolinsky, aided by a team of specialists, analyzed the growth of the American military since World War II and attempts to gauge its influence, direct and indirect, on various aspects—cultural, economic, social—of American life. This institutional study found that many areas have become militarized over the past few decades while the military itself has become increasingly “civilianized.”

The other completed work was a traditional Fund “country” study, *Haiti: The Politics of Squalor*, by Robert I. Rotberg of the Massachusetts Institute of Technology. Scheduled for publication in March 1971 by Houghton Mifflin Company, it provides a thorough account of one of the world’s poorest microstates and gives particular emphasis to the historical, political and social roots of the Duvalier dictatorship. In addition, Rotberg and Christopher K. Clague, associate professor of economics at the University of Maryland, made an extensive examination of Haiti’s economic conditions and recommended some constructive reforms.

Publishers are being sought for four studies that were either completed or in the final editing stages at the end of the

fiscal year. They were: a study of agricultural development and ways in which it can be employed to speed overall economic growth, by Dr. Ranaan Weitz of the Settlement Study Center, National and University Institute of Agriculture, Rehovot, Israel; an investigation of public opinion by Lester Markel, former associate editor of the *New York Times*; an examination of fanzines—amateur fan types of publications, many published by youths, that draw much of their inspiration from science fiction, fantastic fiction and comics—by Dr. Frederic T. Wertham, a psychiatrist and social commentator; and an account of American policy in Southeast Asia by Russell H. Fifield, professor of political science at the University of Michigan. In addition, the Fund supported a comparative study of economic policies in the developing world carried out by Angus Maddison and published in Britain by George Allen & Unwin.

Task Forces

Of the nine shorter reports completed, seven were task force reports and two were papers by members of the Fund's staff.

The task force reports represent an effort by the Fund to contribute to the solution of urgent and critical public issues. They also revive, in modern form, an old Fund practice of selecting a group of experts to analyze and investigate specific problems and to arrive at needed reforms. Since their publication, the new task force reports have won considerable acclaim in the news media for their concise and forthright presentations.

Voters' Time

The first of the Fund's independent task forces, as well as its first excursion into the area of political research, was the five-man Commission on Campaign Costs in the Electronic Era, which reported in September 1969 on ways of easing the economic burden of campaigning on television and radio for presidential and vice presidential candidates. In its report, entitled *Voters' Time*, the commission recommended that prime broadcast time be made available to presidential and vice presidential candidates of major parties and of important third parties. The report proposed that these programs be aired simultaneously over every broadcast facility in the United States during the thirty-five days before a general election and that they be paid for by the federal government at reduced costs.

Both the composition of the bipartisan commission—it was headed by Newton Minow, a former chairman of the Federal Communications Commission, and included Dean Burch, the current F.C.C. chairman—and its recommendations attracted widespread attention in the press and in Congress.

Columnist Marquis Childs praised *Voters' Time* as "one of the best reports on the subject" of television campaign spending. *Life* magazine said in a leading editorial that the report's "imaginative approach should be given a fair trial," and the *Ashland* (Ky.) *Independent* described the recommendations as possessing a "persuasive rationale."

In October 1969, the report was the subject of hearings before the Communications Subcommittee of the Senate Commerce Committee; and in December 1970, Rep. John B. Anderson of Illinois introduced a bill based on *Voters' Time* with hearings scheduled for 1971.

Electing Congress: The Financial Dilemma

Congressional campaign financing was the next political problem to come under review by a Fund task force. The report of the bipartisan nine-member group that undertook the study pointed out that most congressional campaigns are noncompetitive, that incumbents are most likely to win, especially if they have money, that in races with no incumbent the candidate with the most money has the best chance of winning and that candidates can—and frequently do—avoid reporting a major portion of their campaign contributions and expenses. By way of remedy, the task force called for the creation of a new federal agency to regulate election campaigns. It also recommended removing all limits on

campaign spending and on the size of contributions while proposing that all contributions be subject to compulsory public disclosure.

The report, accompanied by a factual background paper on campaign financing by David L. Rosenbloom (who also served as task force rapporteur), was released at a Washington, D.C. press conference. It was accorded extensive treatment by radio and television and in news and editorial columns. The *New York Times* observed that the proposals “would help bring some equity into an area of American life that is becoming alarmingly the province of the rich,” and the *Seattle Post-Intelligencer* said, “The work of the task force is very timely and represents areas of concern in the political processes where strong action must be taken. The *Post-Intelligencer* endorsed the concept of full disclosure of congressional campaign contributions and expenditures and the idea of creating a bipartisan commission, vested with strong authority, to regulate federal election campaigns.” Many papers and commentators stressed that the task force findings and the recommendations should serve as a stimulus to reform. As the *Weekly Bond Buyer* put it, the Fund deserved “warm plaudits . . . for its highly worthwhile attempt to replace disorder in the American election system with sensible order.”

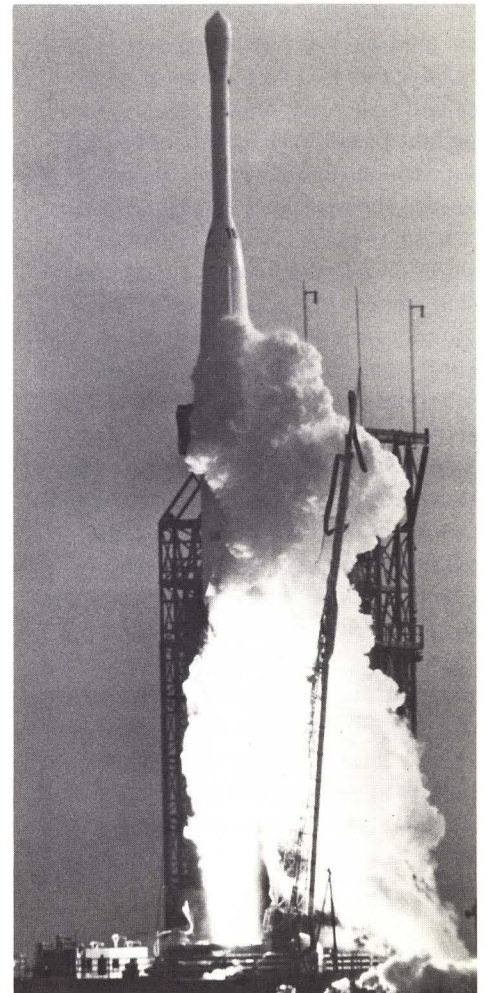
The entire text of the report was entered in the *Congressional Record* and was cited in a number of congressional hearings on campaign financing.

Communicating by Satellite

Recognizing that the transmission of voice and written messages around the world had been revolutionized by the introduction of communications satellites, the Fund established a seven-man task force to investigate the future of international satellite communications. The Fund’s group of experts—the first wholly independent body to study satellite communications—issued its report entitled *Communicating by Satellite* in the fall of 1969. Its key recommendation called for transforming Intelsat (the International Telecommunications Satellite Consortium) into a bigger, more comprehensive and fully integrated system that could provide imaginative and efficient service to all mankind. It recommended greater flexibility in operating Intelsat and increased diversification in its services; in addition, it urged that assistance be given to the developing countries in meeting their communications problems.

Following the publication of the task force report, the Fund joined with the Carnegie Endowment for International

Peace in sponsoring an international conference of experts to explore further the problem of integrating different satellite systems. Participants from ten nations—the United States, Canada, Mexico, the United Kingdom, France, Poland, the Soviet Union, Nigeria, India and Japan—as well as from the United Nations and the International Broadcast Institute met in October 1969 at Talloires, France. Speaking as individuals rather than as representatives of their countries or organizations, members of the group



discussed the control of satellite systems and direct satellite broadcasting. J. E. S. Fawcett of the Royal Institute of International Affairs in London served as chairman of the joint meeting. The report of the conference, published late in 1969 by the Fund in English and by the Carnegie Endowment in French, revealed that participants favor a globally integrated system open to all nations regardless of their political affiliations, and a strengthened International Telecommunication Union with ability to expand its regulatory role.

As a result of the favorable reception accorded both the Fund task force and the joint Carnegie-Fund reports as well as the considerable number of unresolved issues, especially relating to regulation and control of satellite communications and direct broadcasting, the trustees of the Fund in 1970 decided to reappoint its task force for another series of deliberations and, at the same time, approved a second joint Fund-Carnegie international conference. The Fund's task force completed its work on schedule and its second and final report, entitled *The Future of Satellite Communications: Resource Management and the Needs of Nations*, was published in October 1970. It found that satellite resources are potentially more than adequate for all foreseeable needs; that fears of propaganda and "cultural imperialism" in direct satellite-to-home broadcasting were much exaggerated; and that the structure of the International Telecommunication Union required simplification and strengthening so that it could serve effectively as the coordinating body for a world communications system.

The second international conference under the joint sponsorship of the

Carnegie Endowment and the Fund was held in mid-October at Cap Ferrat, France. Its report was scheduled for publication early in 1971.

Pickets at City Hall

Rising concern over the militancy and conflict affecting labor relations in the public sector prompted the Fund to invite a distinguished group of authorities on labor, unions, personnel relations and legal affairs to study and report on the problems of public service employees—in schools, hospitals, transportation, sanitation and public safety—that have been a particularly troublesome element in the overall "urban crisis." In its report, entitled *Pickets At City Hall* and issued in April 1970, the task force called for the creation of an independent agency to administer a code of labor relations for public employees at the state and local levels. It went on to urge that the proposed agency be completely free from executive control and subject only to judicial review.



The task force was unanimous in agreeing that the surest safeguard against strikes by government employees was the establishment of legally required procedures for intensive negotiations. It also suggested proposals designed to initiate direct negotiations at the state and local levels and to limit public employee infringement on the decision-making authority of legislative bodies.

News coverage of the report was extensive. The full text of the report was reproduced in the *Daily Labor Report*, issued by the Bureau of National Affairs, and the *United States Municipal News*, published by the United States Conference of Mayors, gave it prominent coverage. The New York State Public Employment Relations Board twice cited passages of the report in a case involving a striking teachers' union. And its recommendations were hailed by Rep. Lawrence J. Burton of Utah in the House of Representatives.

Bricks, Mortar and the Performing Arts

A Fund task force was established to examine the financial plight of performing art centers. The nine-member task force, composed of experts in various aspects of performing arts, issued its report, along with a background paper by Martin Mayer, in May 1970.

Entitled *Bricks, Mortar and the Performing Arts*, the report of the task force urged that wherever possible, remodeling of existing structures, such as vaudeville houses and movie theaters,

was preferable to the construction of increasingly expensive new buildings; it also recommended that performing arts centers could help to support themselves by allocating part of their space to commercial ventures. Noting that many of the problems of arts centers were the result of amateur bumbling or grandiose ideas, the group stressed that theatrical consultants should be given a much larger role in the planning of arts centers and that their recommendations should be overruled "only on the most considered arguments."

The *Oklahoma Times* described the report as a valuable guide in the designing and operation of arts centers. The *Hartford Courant* called it "vastly interesting and provocative. The compilation of statistics is as eloquent as copious, and the reasoning and deductions are straight from the shoulder."

Staff Papers

Beginning in 1969 the Fund gave members of its expanded research staff the opportunity to write relatively short and largely factual papers on issues of public interest.

The first staff paper, *Trade Policy in the 70's*, by Gordon L. Weil, dealt with the need for new trade arrangements following the end of the Kennedy round of international negotiations. Weil described the various options open to policy makers and warned that failure to arrive at constructive new policies would open the door to ill-conceived and possibly protectionist measures. He explored ten specific problem areas—tariffs, nontariff barriers, agriculture, trade with developing countries, regional trade groups, direct foreign investment, export promotion, international balance of payment problems, East-West trade and institutional trade arrangements—and supported increased trade liberalization, which has been the prevailing policy since the New Deal era.

Excerpts from Weil's report appeared in the *Harvard Business Review* and the *Atlantic Community Quarterly*. It also received favorable mention in the press. For example, the *Minneapolis Star* noted that "the Nixon Administration can do worse than heed the advice of The Twentieth Century Fund."

A second staff paper, *The President's Commissions*, by Frank Popper, was published in April 1970. Popper recommended that presidential commissions be replaced by national commissions appointed jointly by the President, Congress, "and perhaps the Supreme Court," in order to make the commissions accountable to the public. As Popper saw it, use of presidential commissions "often leads to genuine abuses,

especially the narrowly political use by a President of a mechanism which ostensibly is out of politics and functions best when it is apolitical.”

Presidential commissions—dealing with such issues as civil disorders, obscenity and campus unrest—have become increasingly controversial. As a consequence, the report by Popper, the first on the subject in recent years, was given a lot of attention by the press. Alan Otten, chief of the Washington Bureau of the *Wall Street Journal*, made the report the basis for an article on the paper’s editorial page. James Carey of the Copley News Service wrote that the Fund staff paper “has opened up highly relevant channels of discussion,” while Arnold Isaacs remarked in the *Baltimore Sun* that “Nixon would have been better off if he had heeded a principal recommendation of the Twentieth Century Fund, ‘If a President cannot and will not attack a broad social problem, he should not appoint a commission.’ ” The *Des Moines Register* said in an editorial: “The Fund study is a contribution to improving the application of independent brainpower and prestige to the solution of problems.”

By special arrangement with the Fund, the Center for Information on America published an abridged version of Popper’s paper in its Grass Roots Guides series.



Studies in Progress

Communications

Early in 1969, the trustees of the Fund approved a broadening in the scope of its activities to cover mass communications, plotting a systematic program of examining and evaluating various areas of the mass media—their audience, influence, operation and performance. This program, which involved both short reports and lengthier studies, was created at a time when both politicians and the public were just beginning to express dissatisfaction and disaffection with the nation's press. Unfortunately, most criticism has been based on emotion rather than fact, since there is a dearth of reliable research on the workings and influence of the communications media. In large part the Fund's decision to conduct research in the communications field was motivated by a desire to fill this perturbing information gap.

The reports on satellite communications and on the costs of electoral campaigning, mentioned earlier in this report, represent the Fund's initial efforts in its research on communications. They were followed by the studies on public opinion by Lester Markel and of fanzines by Dr. Frederic T. Wertham. A number of other works are in progress:

The Underground Press

Laurence A. Leamer, a former associate editor of *Newsweek*, is assessing the impact and significance of the so-called "underground press" in the United States.

Partly impressionistic in his approach, Leamer is tracing the history of the underground press—which can be more precisely described as "anti-establishment"—and its various metamorphoses from the beatnik generation through the hippie era and the period of antiwar



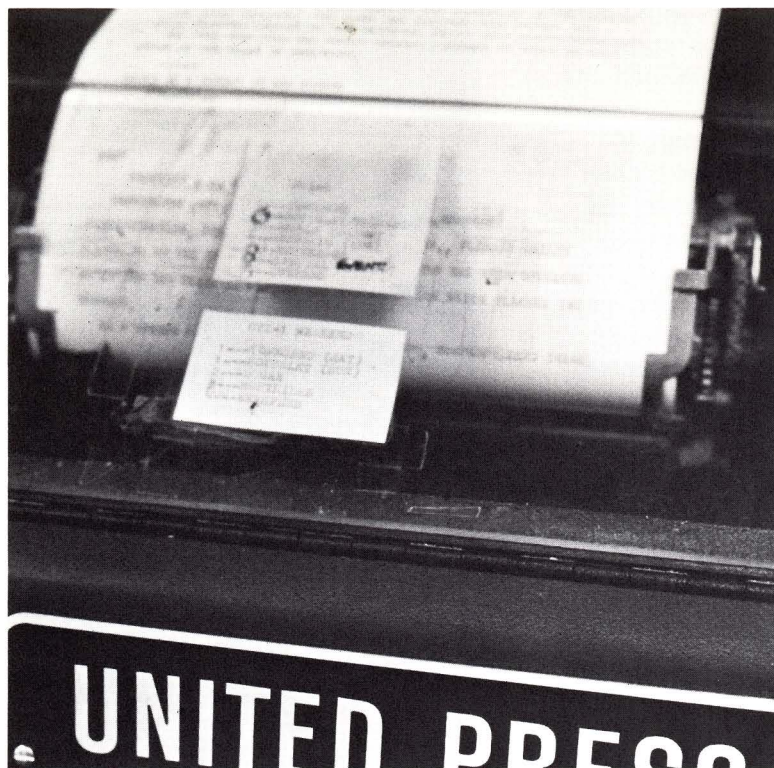
militancy to the present, a time of flux and uncertainty. He is appraising a wide variety of this new breed of publication by the yardstick of conventional journalism and the more flexible and subjective standards of the "new" journalism. In addition, Leamer is scrutinizing the readership and influence of different papers.

The study is scheduled for completion in 1971.

The Flow of News

The issues of news control—the extent to which major wire services and networks dominate the flow of daily news—is being examined in another study in the Fund's communication series by Arthur E. Rowse, a former newsman and author. His book-length study is investigating the extent to which news agencies compete with one another in news coverage, the way they determine what is news, and the relevance of their output. In the process, Rowse should be able to confirm or invalidate charges made by Vice President Agnew and others that a handful of men control the public's access to the news.

The project is expected to be completed by mid-1971.



Media Monopoly

Controversy is rising over the issue of local media monopoly—the common ownership of newspapers and broadcast stations—as a result of recent decisions opposing such monopolies by the Federal Communications Commission. In an attempt to gauge the effects of such monopolies on the public, the Fund has mounted a study of the media in three Ohio cities—Portsmouth, Steubenville and Zanesville—each of which has a population of about 50,000. It is in cities of this size where the problems of media monopoly are most likely to arise.

Guido H. Stempel of the Ohio University School of Journalism is conducting the study, which is to be completed in late 1971.

Community

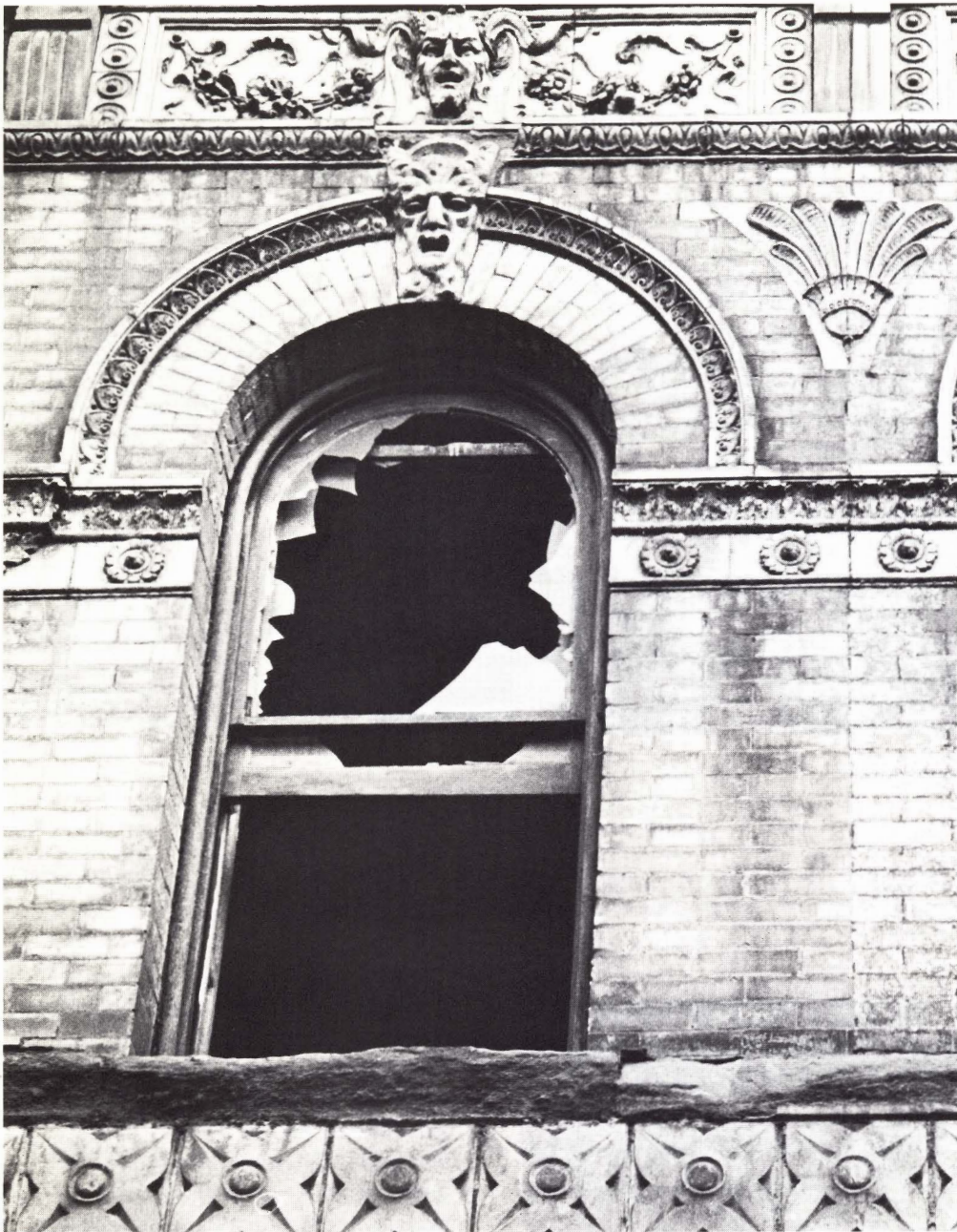
The Fund has long been interested in research on urban problems. It has had notable successes, such as Jean Gottmann's *Megalopolis*; it also has had some disappointments. But whatever the results, the problems confronting the nation's cities are so complex and so pressing that urban studies remain a major area of Fund activity. The most recently published work in the area was *Pickets at City Hall*, the report of the Task Force on Labor Disputes in Public Employment. A number of other projects are in progress:

Democratic Development of New Towns

The creation of entirely new towns—or of new towns within established cities—is one possible answer to the problem of urban blight. There are more than a hundred new towns presently on the drawing boards or in various stages of development, and more are on the way. They are being designed to provide better living conditions and more rational land use for a diverse group of inhabitants, industries and activities. Yet little consideration has been given to the ways in which new towns should be governed.



A Task Force of nine experts, headed by Robert C. Weaver, formerly U.S. Secretary of Housing and Urban Development, has been assembled by the Fund to study the social and political issues involved in the development and governance of new towns. Royce Hanson, president of the Washington Center for Metropolitan Studies, is rapporteur for the task force and is preparing a background paper on the problems confronting new town governments. It will accompany the report of the task force, which is scheduled for publication in the spring of 1971.



Community Development Corporations

The Fund task force on community development corporations is seeking to arrive at appropriate policies for guiding corporations that are attempting to improve economic conditions in the nation's urban ghettos. Financiers, businessmen and urban administrators are participating in the task force's deliberations. Geoffrey Faux, formerly director of the Economic Division, Office of Economic Opportunity and now at the John Fitzgerald Kennedy School of Government at Harvard, is preparing a background paper on urban community development corporations while serving as rapporteur for the task force.

The group is evaluating the role and performance of community development corporations such as the Bedford Stuyvesant Restoration Corporation in New York and the Hough Area Development Corporation in Cleveland. It is also considering a number of other issues, including the effectiveness of a community corporation in forging links between inner-city efforts and outside resources. Its report is scheduled for publication in 1971.



New York City

Andrew Hacker, professor of government at Cornell University, is examining New York City and its population in an attempt to identify the salient features of the urban individual: his political and social character, his economic status, his behavior as a citizen, his reaction to living in a crowded and complex environment. Hacker is taking a historical approach, comparing the New Yorker of 1910 with the present urban resident, buttressed by an analysis of economic, social and cultural trends.

The study is scheduled for completion early in 1971.

Suburban Resources

Two urban authorities, Paul Davidoff and Neil Gold, are investigating the economic resources of the suburbs in order to determine whether they can be employed to help resuscitate inner cities. In the course of writing this book-length study, the research directors will be testing whether problems of race and poverty can ever be resolved without taking steps to marshal the resources of the suburbs.

During the last two decades 80 per cent of the new jobs created in the nation's largest metropolitan areas have been located in the suburban rings that surround the traditional city core. Despite this development, restrictive zoning laws and controls over land use—the main barrier to development of job-linked moderate cost housing in the suburbs—have deprived city residents of suburban jobs. The study will explore realistic means of overcoming the resistance of the suburbs to making their resources more readily and widely available to central cities.

Gold and Davidoff plan to complete their study in 1971.

Film

Washington, D.C.

A film on Washington, D.C. is another Fund project in the community area. It is being produced by Jesse Sandler, former writer and associate producer of NBC's "Wide Wide World" and now an independent filmmaker. Sandler is making use of *cinema vérité* techniques in illustrating both Washington's special status as the nation's capital and the urban problems it shares with other American cities. Thus he will deal with the controversy over granting home rule to the city as well as the rise of crime and a continued exodus of white middle-class families to the suburbs.

The film is expected to be completed in 1971.

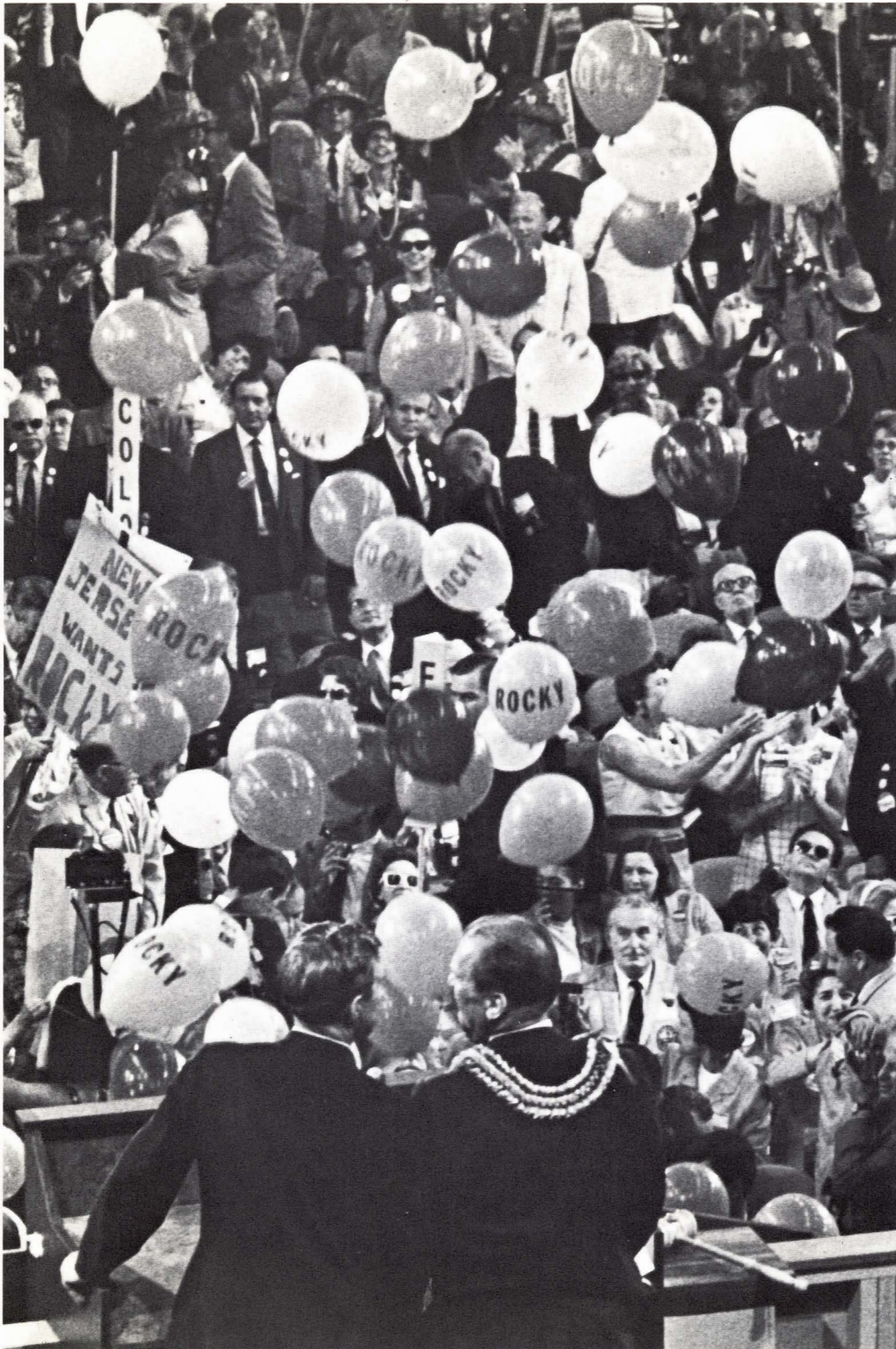
Institutions

Over the past few years the Fund has placed major emphasis on institutional studies. At a time when many of the nation's institutions have come under attack and international institutions or institutional arrangements are being questioned, the critical analyses of the sort that are being carried out under the Fund's auspices appear particularly timely and useful. A few have already been published and have demonstrated their value. For example, Gunnar Myrdal's *Asian Drama*, which took an institutional approach toward the subject of economic development, has been widely praised for its comprehensiveness and depth. Two more recent publications, *Mutual Funds and Other Institutional Investors: A New Perspective*, by Professors Friend, Blume and Crockett, and *The Alliance That Lost Its Way*, by Jerome Levinson and Juan de Onis, which analyzes the institutional nature of the Alliance for Progress, have both been recognized as important contributions to public understanding and, potentially, to public policy.

A study on the multiple impacts of the world's single biggest and most powerful institution, the military establishment, is being published in February 1971. A number of other institutional studies are either in the editing process or nearing completion.

Financial Institutions

Beginning in 1968 the Fund initiated an exploration of the nation's financial institutions. Its purpose was to determine whether these institutions were operating effectively and efficiently. A series of meetings that brought together government officials, representatives of various financial markets, economists, lawyers and political scientists was held at the Fund. While these sessions proved



most informative, the potential research directors approached by the Fund were unable to provide a satisfactory project proposal. The Fund staff is continuing to explore new projects on financial institutions.

Political Parties

Together with shorter Fund reports like *Voters' Time* and *Electing Congress: The Financial Dilemma*, this full-length study of the American political parties is designed to provide fresh insight and information on political parties and how they might best adapt to changing social conditions in the coming decade. Its research directors are Dr. John S. Saloma III, a political scientist at the Massachusetts Institute of Technology, and Frederick H. Sontag, a research and public relations consultant. They are conducting extensive research on the advent of new technology, the demand for greater participation of various interest groups and the prospects for reform of the parties.

One of the broadest studies of the political parties in many years, the Saloma-Sontag project began in 1969 and was originally expected to be completed by the end of 1970. Its deadline has been extended to March 1971.

Constitutional Change

Revision of the American Constitution has been the subject of a Fund study by Clement E. Vose, professor of government at Wesleyan University. The work, a full-length manuscript on the ways in which the Constitution has been and can be changed, is now being edited and up-dated in light of recent court decisions. According to readers of the work in manuscript, it promises to be a landmark study of immense value to all those interested in the factors and pressures that are involved in constitutional change.

The project began in 1969; editing will be completed by early 1971.

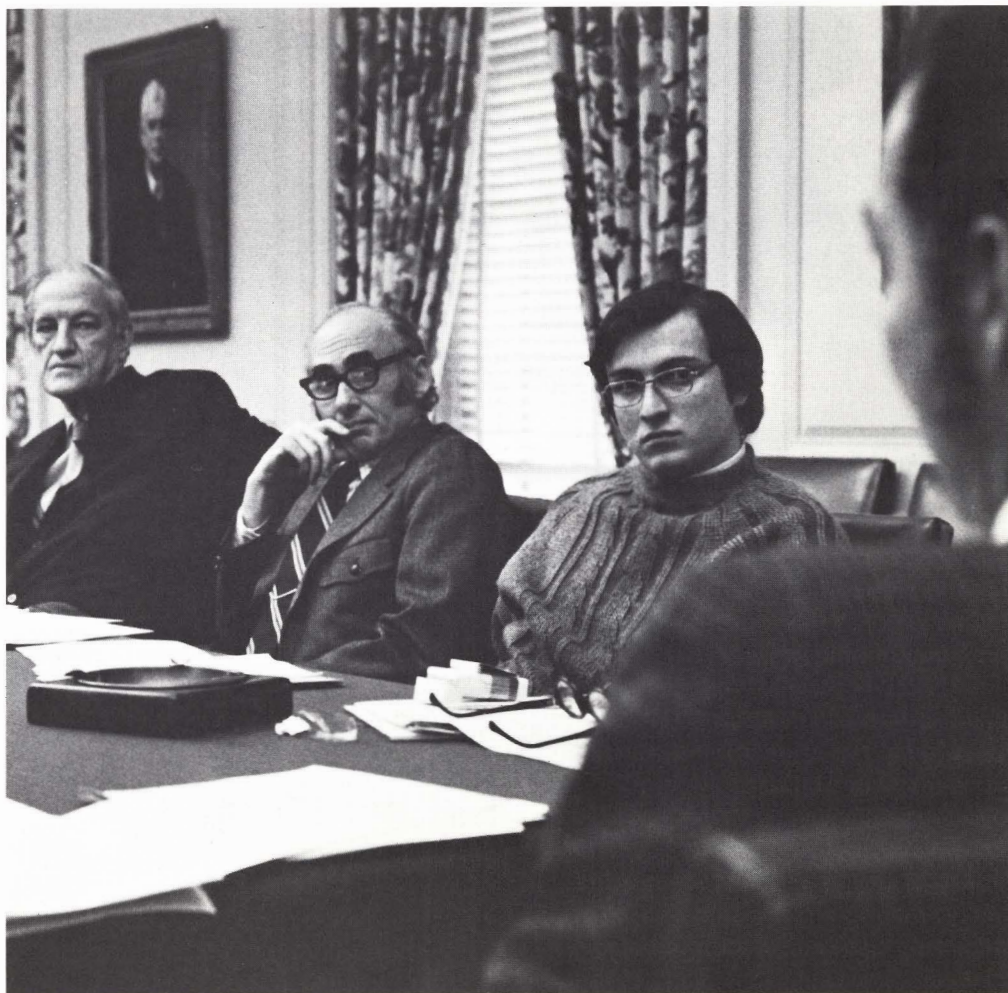
Leadership and Change in Higher Education

American universities have been a major institutional target. The quality of their administrative leadership has been particularly attacked and is the subject of a Fund study by Warren Bennis, on leave from his post as vice president for academic development at the State University of New York at Buffalo. He is drawing on his own experiences and is also surveying college and university administration on other campuses.

The study is due to be completed in 1971.

Universities and Cities

An investigation of the urban campus and its relations with its surrounding community has been undertaken for the Fund by George Nash, a sociologist at Columbia University's Bureau of Applied Social Research. The study, which began in 1968 and was supposed to have been completed by 1970, has been returned to the research director for major revisions.





Art Museums

An analysis of the nation's art museums by Jan C. Rowan, former editor of *Progressive Architecture*, was completed on schedule. The Fund staff felt that additional research, particularly on the management and trustees of these institutions, was needed. Accordingly, publication of the study has been delayed while fresh material is being accumulated and analyzed.



Foundations

The nation's biggest foundations, those with assets of \$100 million or more, are being studied by Waldemar A. Nielsen, formerly president of the African-American Institute and a long-time observer—as well as executive—of foundations. His work, based on interviews with foundation trustees, staff and grant recipients and on his own analytical judgment, attempts to evaluate the successes and failures of the major foundations. While he will describe the roles they have played and the impact they have had, he plans to stress recommendations for reform of foundations, which rank among the youngest and least explored of the nation's private institutions.

Think Tanks

A project studying the functions and importance of private problem-solving institutions—popularly known as “think tanks”—has been under way since December 1968. Unfortunately, the research director who assembled a

substantial amount of data and other material for the project has failed to provide a completed manuscript. As a result, the Fund is looking for another research director to take over and complete the unfinished work.

U.N. Specialized Agencies

The Fund sponsored an institutional investigation in 1970 of three of the specialized agencies of the United Nations—the Food and Agriculture Organization, the International Labor Organization and the United Nations Educational, Scientific and Cultural Organization. David Egli, a Geneva-based journalist who undertook the study, was unable to complete a satisfactory manuscript. The Fund staff is investigating other possibilities for a project on these specialized agencies.

Public Authorities

Jerome Zukosky, who undertook a Fund study of public corporations such as the New York Port Authority and the Metropolitan Transit Authority, was unable to complete his work on schedule. The project has been resumed under the direction of C. W. Griffin, an engineer and writer who has reported on transportation and environmental problems. A complete draft of his manuscript is expected before mid-1971.

Economic Development

Economic development has been a continuing field of Fund inquiry. Because the pace of development has been disappointing in many countries of the third world, causing the developed nations to become disenchanted with their assistance programs, the Fund has felt it important to launch a number of critical but constructive studies that may help to find fresh ways of spurring growth. In the eighteen months under review, two works, Robert I. Rotberg's exhaustive study of Haiti and the study of the place of agriculture in development strategy by Raanan Weitz were completed. Several other studies are in progress:

Economic Development in the Caribbean

A survey and analysis of the peoples and resources contained in the scattered islands of the Caribbean region got under way in 1968. Although considerable information was compiled, the research director in charge of the project failed to complete his work on schedule. As a result the Fund engaged Dr. Roland I. Perusse, a political scientist and a specialist in international organizations on leave from the staff of Governor Ferre of Puerto Rico, to complete the project. Perusse planned to offer proposals for economic integration of the Caribbean and recommendations for American policy toward a Caribbean common market. The new schedule calls for the study to be completed by the spring of 1971.

Capitalism and Development in India and Pakistan

A radical analysis of economic development in the Asian subcontinent is being conducted by Thomas E. Weisskopf, an assistant professor at Harvard University. A self-proclaimed radical economist,

he intends to test his thesis that orthodox forms of development cannot be applied in the third world, and he also hopes to develop a new approach to the diverse problems of development. Although the study will deal mainly with India and Pakistan, Weisskopf believes his study will be a guide to all developing nations.

The two-year study is scheduled for completion in September 1972.

Green Revolution

Another development project dealing with the Indian subcontinent is focusing on the accelerating pace of agricultural progress—the so-called “green revolution.” The research director for the Fund study is John W. Mellor of Cornell University, who is analyzing the effects of expanded agricultural production on the economic and political structure of India. He will attempt to determine how and when rapid agricultural progress and production will stimulate faster growth in other sectors of the economy.

While chronic famines may be a thing of the past in India, bumper crops, like the one in 1967, will not occur every year and are not self-generating. Mellor will describe the ingredients of a successful green revolution and offer his own recommendations for bringing about greater growth in agricultural production and in the economy as a whole.

The study is scheduled for completion in December 1971.

The Kibbutz Economy

A thorough economic analysis of Israel's *kibbutzim* under the direction of Dr. Haim Barkai, member of the board of trustees and staff of the Maurice Falk Institute for Economic Research in Jerusalem and professor of economics at the Hebrew University in Jerusalem, has been a joint project of the Fund and the Falk Institute.

Scheduled for completion in March 1970, the work is still not finished.

Planning and Budgeting in Low-Income Countries

An attempt to discover the pitfalls that have deterred or slowed growth in the developing countries is being carried out by Aaron Wildavsky and Naomi Caiden of the University of California at Berkeley. They are investigating both the theories and practices of planning and budgeting processes in a number of low-income countries, focusing mainly on those in Asia. Their examination is designed to determine why these countries, which do not appear to lack skilled technicians, have not been able to achieve more satisfactory rates of growth.

The study is scheduled for completion in October 1971.

Economic Issues

Almost from its beginning fifty-one years ago the Fund has researched economic issues. Although economic problems no longer occupy most of the Fund's attention, they retain a highly significant place in the overall program. A number of projects are under way:

Control of Multinational Corporations

A study of the management of multinational corporations is being undertaken by Walter Goldstein of the State University of New York at Albany. His main interest is the executives who direct these corporations—their origins and training and their responsiveness to domestic issues in the countries in which they operate, particularly issues that may conflict with policies of their companies. Based in Geneva, Switzerland, Goldstein is interviewing a selected group of business executives and is assembling data to measure the extent of "internationalization" of the economies where multinational corporations play an important role.

The project is due to be completed in 1972.

Federal Economic Policies

The federal government's policies are being examined for the Fund by Harvey H. Segal, editor of the *Journal of Economic Issues* and former professor of economics at the University of Massachusetts. Instead of treating just one or two aspects of economic policy, Segal is attempting to analyze the entire range of instruments at the disposal of federal policy makers. He will study the

evolution of federal policies and will attempt to measure their effectiveness by evaluating them as an integrated whole.

Completion of the manuscript is scheduled for September 1972.

Public Pension Systems

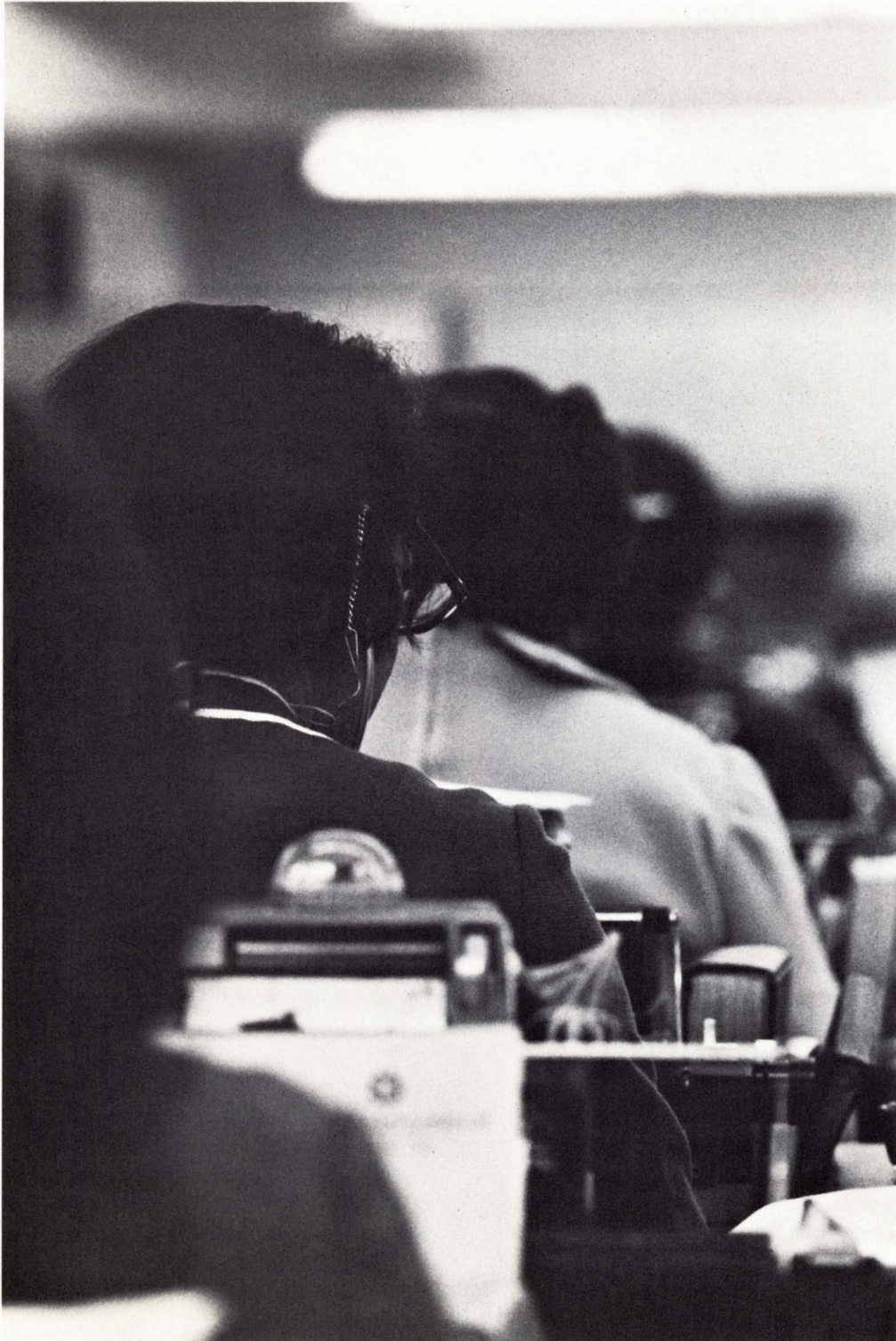
Public pension systems, which have over seven million members and assets of some \$50 billion, are being analyzed by Robert Tilove, a pension expert. He will analyze benefits, costs, policies and procedures for funding and investment and will describe the mechanics of decision making in pension plans in every state of the union. His main purpose is to recommend measures to make these systems more economical and equitable.

The study is expected to be completed by the end of 1971.

Women in Employment

The discriminatory practices confronting women in the labor force are being studied by a fourteen-member task force. The group plans to suggest reforms on such issues as equal opportunity, equal pay, the need for child care centers and the training of women who wish to reenter the labor force.

Eleanor Holmes Norton, New York City commissioner on human rights, is chairman of the task force, which is expected to issue a report and recommendations in 1971.



Private Insurance and the Nation's Health

The cost and quality of health insurance is the subject of a Fund study by John Krizay, former director of the State Department's Office of Regional Economic Planning for Latin America. His investigation is delving into the causes for rising health prices, high doctors' and hospital fees and rising insurance premiums. It will attempt to measure the quality of medical care and to determine whether patients are getting adequate service from doctors, hospitals and insurance companies. Krizay plans to study the evolution of health care insurance and is concluding a survey of the extent and the form of involvement of private insurance companies in the current health care structure.

The study is scheduled for completion in July 1971.

Power, Ownership and Property

In 1969 the Fund reinstated a study begun several years earlier by Paul P. Harbrecht, now professor at the Osgoode Hall Law School, York University, Toronto. The study concerns the relationship of wealth and power in modern society. Although Harbrecht made some progress, he has again fallen far behind the schedule he set for completion of the manuscript.



Grants

As a research oriented foundation, the Fund does not ordinarily provide grants to other institutions or individuals. However, its trustees have approved grants under exceptional circumstances. In the period under review, five grants were made.

New York City

In 1969 the Fund, a nonprofit and almost wholly tax-exempt organization, made its third annual payment to New York City for municipal services it receives free of charge as a resident property owner. The payment was for \$12,000; previously it had made payments of \$10,000. Mayor John V. Lindsay hailed the Fund's action as "an extremely significant precedent."

Theatre Development Fund

For the second consecutive year the Fund made a grant of \$50,000 to the Theatre Development Fund (TDF), which was established with the help of the Fund, the Rockefeller Brothers Fund and the National Endowment for the Arts. Its purpose is to enlarge the potential audience for the theater by making tickets available to students, teachers and union members at little or no cost to provide support for meritorious productions. The Fund has committed itself to grant an additional \$50,000 to the TDF for 1971, provided pledges of matching support come from other sources. John E. Booth, the Fund's associate director, was active in establishing TDF and served as its first president.

International Baccalaureate Office

The Fund made a grant of \$25,000 to assist the International Baccalaureate Office in its experiment to develop an "international baccalaureate," a universally acceptable accreditation for admission to schools of higher educa-

tion. The Fund, along with the Ford Foundation, committed itself to supporting the experiment for a three-year period.

Black Academy of Arts and Letters

The Fund provided a \$50,000 grant to the Black Academy of Arts and Letters, which was established with the help of the Fund to promote the recognition of the black contribution to American culture. In agreeing to support the Black Academy for a three-year period, the Fund's trustees were supporting the initiative of Adolf A. Berle, Jr., the late Chairman of the Fund, who proposed that a permanent institution be established to promote and to recognize accomplishments of black artists and writers. The strength of the board's conviction was indicated by its willingness to depart from normal Fund practice by making a grant to help establish the organization. Consequently, formal announcement of the creation of the Black Academy of Arts and Letters was made in March 1969 at the Fund's fiftieth anniversary celebration held at the American Academy of Arts and Sciences. Professor C. Eric Lincoln of the Union Theological Seminary was elected the first president of the Academy.

Gilbert Seldes

Mr. Seldes died in September 1970 after substantially researching and writing the first draft of an autobiographical study of American culture in his lifetime under a continuing Fund grant. The work had been intended for publication as a Fund study. His literary executor is formulating plans for having the study printed.

Publishing

Because of the rising costs of the Fund's new and expanded research program, the Fund decided to assign the publication of its book-length studies to commercial publishers and university presses. This decision marked a break with the Fund's tradition of publishing its own studies. However, most of the studies issued by outside publishers will bear the Fund's imprimatur. Shorter publications, including task force reports and staff papers, will continue to be issued by the Fund in paperback. The Fund's distribution service will handle these publications and also will continue as a major sales agent for the Fund's book-length publications. Thus the Fund's Standing Order Plan, under which individual and institutional subscribers interested in receiving Fund studies regularly and automatically are provided a discount on all publications, will continue to be operated by the Fund.

Paperbacks Published in 1969 and 1970

Trade Policy in the 70's, by Gordon L. Weil. A paperback recommending fresh negotiations and new policies on tariffs, nontariff measures, agriculture, trade with developing countries and regional trade groups. Published May 1969, 75 pages, \$1 (bulk rates)

Voters' Time—Report of the Twentieth Century Fund Commission on Campaign Costs in the Electronic Era. Published October 1969, 64 pages, \$1 (bulk rates)

Communicating by Satellite—First report of the Twentieth Century Fund Task Force on International Satellite Communications. Background paper by Paul L. Laskin. Published October 1969, 79 pages, \$1 (bulk rates)

Communicating by Satellite: An International Discussion—Report of an international conference sponsored by the Carnegie Endowment for International Peace and the Fund. (This 30-page paperback, distributed free of charge, was published in November 1969 and is now out of print.)

Pickets at City Hall—Report and recommendations of the Twentieth Century Fund Task Force on Labor Disputes in Public Employment. Published April 1970, 33 pages. Free up to 9 copies, 10¢ each 10-100, over 100 at cost.

The President's Commissions, by Frank J. Popper. A paperback describing and evaluating the special presidential commission, with recommendations for increasing its effectiveness. (This 75-page paperback, which sold for \$1, was published in April 1970 and is now out of print.)

Electing Congress: The Financial Dilemma—Report of the Twentieth Century Fund Task Force on Financing Congressional Campaigns. Background paper by David L. Rosenbloom. Published June 1970, 91 pages, \$1 (bulk rates)

Bricks, Mortar and the Performing Arts—Report of the Twentieth Century Fund Task Force on Performing Arts Centers. Background paper by Martin Mayer. Published June 1970, 99 pages, illustrated, \$1 (bulk rates)

The Future of Satellite Communications: Resource Management and the Needs of Nations—Second report of the Twentieth

Century Fund Task Force on International Satellite Communications. Appendixes by Walter R. Hinchman and D. A. Dunn. Published October 1970, 80 pages, paper, \$1 (bulk rates)

Bulk rates for the six \$1 books listed above: 1-4 copies, \$1 each; 5-49 copies of one title, 40 per cent discount; 50 or more copies of one title, 46 per cent discount.

Reprints of Earlier Fund Studies

Three Fund studies that had been out of print were reprinted by the Fund in clothbound editions in 1969: *America's Needs and Resources: A New Survey*, by J. Frederic Dewhurst and associates; *Megalopolis*, by Jean Gottmann; and *Yugoslavia and the New Communism*, by George W. Hoffmann and Fred W. Neal.

Cooperation With Other Publishers

Within the period covered by this report, arrangements were made for an abridgement by Pantheon Books of Gunnar Myrdal's *Asian Drama* and a Japanese translation of Gordon Weil's *Trade Policy in the 70's*. *Reapportionment: The Law and Politics of Equal Representation*, by Robert McKay, was reprinted by Clarion Press, and *Patterns of Italian Political Participation*, by Giorgio Galli and Alfonso Prandi, was published by Yale University Press.

Public Information

Throughout the year the Fund kept the public informed of all its activities through the use of news releases, the Fund's newsletter and press conferences.

In March 1969, the Fund held a news conference in Boston on the occasion of the establishment of the Black Academy and the Fund's fiftieth anniversary. Since then, the Fund held five other press conferences, four of them in Washington, D.C., to mark the release of new studies. All press conferences were well attended and Fund reports received widespread national and international newspaper, radio and television coverage.

The Fund Newsletter, containing information about research projects in progress, is sent free of charge to more than 8,000 readers. Eight issues were published in the period covered by this report.

The Work of the Fund, a descriptive folder, and the *Publications Catalogue* were updated and reissued. These publications are available free of charge.

Gross National Product: The Flow of Income and Expenditures in the United States, a printed chart originally prepared for *America's Needs and Resources: A New Survey*, was updated to include 1969 figures. Copies of the GNP chart are distributed by the Fund for use in economics instruction.

In addition, a ten-minute, animated color film based on the GNP chart was also produced by the Fund. The film, completed by Eric Martin of the Cambridge Design Group, who worked in collaboration with Professor Paul Samuelson of MIT, is being distributed by McGraw-Hill.



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1924-1931

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Consultants

Theodore Draper
Isador Lubin

Task Force Members

Commission on Campaign Costs in the Electronic Era (1969)

Newton N. Minow, chairman

Senior partner, Leibman, Williams, Bennett, Baird & Minow; formerly chairman, Federal Communications Commission from 1961 to 1963

Dean Burch

Chairman, Federal Communications Commission; formerly chairman, Republican National Committee from 1964 to 1965

Thomas Gardiner Corcoran

Lawyer, Corcoran, Foley, Youngman & Rowe, Washington, D.C.

Alexander Heard

Chancellor, Vanderbilt University; authority on problems of campaign finance; author, *The Cost of Democracy* (1960)

Robert Price

President, Price Capital Corporation; formerly Deputy Mayor of New York City from 1966 to 1967

Task Force on International Satellite Communications (1969–1970)

Harold K. Jacobson, chairman

Professor of political science and director, International Organization Program, University of Michigan

Abram Chayes

Professor of law, Harvard University

Jean d'Arcy

Director, Radio and Visual Services Division, Office of Public Information, United Nations

Donald A. Dunn

Associate professor of engineering-economic systems, Stanford University

Leland L. Johnson

Member, senior staff, economics department, Rand Corporation

Lionel Kestenbaum

Lawyer, Washington, D.C.

Edward McWhinney

Professor of law and director, Institute of Air and Space Law, McGill University

Paul L. Laskin and

Gordon L. Weil, rapporteurs

Walter R. Hinchman, consultant

Program policy manager, Office of Telecommunication Policy

Task Force on Labor Disputes in Public Employment (1970)

Archibald Cox

Professor of law, Harvard Law School; formerly U.S. Solicitor General

Charles C. Killingsworth

Professor, economics, Michigan State University; formerly president, Industrial Relations Research Association

Joseph A. Loftus

Special assistant to the U.S. Secretary of Labor

John W. Macy, Jr.

President, Corporation for Public Broadcasting; formerly chairman, United States Civil Service Commission from 1961 to 1969

Walter E. Oberer

Professor, law and labor relations, Cornell University Law School

William Simkin

Formerly director, Federal Mediation and Conciliation Service

George W. Taylor

University professor, University of Pennsylvania; architect of New York State's legislation on strikes by public workers; formerly chairman, National War Labor Board, 1945

Saul Wallen*

President, New York Urban Coalition; arbitrator and mediator

H. Edwin Young

Chancellor, University of Wisconsin, Madison

Merlyn S. Pitzele, rapporteur

Executive director, Retirement Advisors, Inc.; formerly chairman, New York State Mediation Board from 1950 to 1957

Philip Taft, consultant

Professor emeritus of labor economics, Brown University

Task Force on Performing Arts Centers (1970)

Julius Bloom

Executive director, Carnegie Hall

Martin Feinstein

Director of publicity, Hurok Concerts, Inc.

Arnold Gingrich

Publisher, *Esquire* magazine

Patricia A. Harris

Assistant manager, Lyric Opera of Chicago

John P. MacArthur

Partner, MacArthur and Walsh, Albany

Martin Meyerson

President, University of Pennsylvania

Joseph Papp

Artistic director and producer, New York Shakespeare Festival Public Theater

William Severns

Chief administrator, Los Angeles Music Center

Roger L. Stevens

Chairman, board of trustees, John F. Kennedy Center for the Performing Arts

Martin Mayer, rapporteur

Toni Greenberg, research assistant

Task Force on Financing Congressional Campaigns (1970)

Thomas B. Curtis, chairman

Vice president and general counsel, Encyclopedia Britannica, Chicago; formerly member of Congress

Neil Staebler, vice chairman

Formerly member of Congress, Democratic National Committeeman from Michigan

Herbert E. Alexander

Director, Citizens' Research Foundation

Charles Barr

Administrative assistant to the chairman of the board, Standard Oil Company, Indiana

Russell D. Hemenway

Director, National Committee for an Effective Congress

David Jones

Administrative assistant to U.S. Senator James L. Buckley

Vernon E. Jordan, Jr.

Director, United Negro College Fund

John P. Sears

Campaign consultant, Washington, D.C.

Mary Zon

Research director, Committee for Political Education, American Federation of Labor-Congress of Industrial Organizations

David L. Rosenbloom, rapporteur

Assistant professor of government, Hamilton College

**Task Force on Democratic Development
of New Towns (1971)**

Robert C. Weaver, chairman

Professor of economics, City University of New York; formerly U.S. Secretary of Housing and Urban Development from 1966 to 1968

Marilyn Gittell

Director, Institute for Community Studies, Queens College, New York

Randy Hamilton

Executive director, Institute for Local Self-Government, Berkeley

Alan F. Kiepper

City manager, Richmond, Virginia

John Levering

Director of institutional relations, Rouse Company, Columbia, Maryland

Hubert G. Locke

Director, new cities project, Metropolitan Fund, Detroit

William J. Nicoson

Director, Office of New Communities Development, Department of Housing and Urban Development, Washington, D.C.

Royce Hanson, rapporteur

President, Washington Center for Metropolitan Studies

**Task Force on Women and
Employment (1971)**

Eleanor Holmes Norton, chairman

New York City commissioner on human rights

William Asher

Manager, industrial relations, Xerox Corporation

David Bazelon

Judge, U.S. Court of Appeals, Washington, D.C. Circuit

Antonia Chayes

Formerly dean, Jackson College for Women, Tufts University

Anthony Downes

Director, Real Estate Research Corporation, Chicago

Jo Freeman

Graduate student in political science, University of Chicago

Harold Gibbons

Vice president, International Brotherhood of Teamsters

Rita E. Hauser

Partner, Moldover, Hauser, Strauss and Volin, New York; U.S. representative to U.N. Commission on Human Rights

Aileen Hernandez

President, National Organization for Women, San Francisco

Maurice Lazarus

Vice chairman of the board, Federated Department Stores, Boston

Esther Peterson

Consumer advisor to the president, Giant Food Company, Landover, Maryland; formerly U.S. Assistant Secretary of Labor from 1961 to 1969

Sylvia Roberts

Lawyer, Baton Rouge; secretary, Louisiana Commission on Status of Women

Thomas Winship

Editor, the *Boston Globe*

Harris Wofford

President, Bryn Mawr College

**Task Force on Community Development
Corporations (1971)**

Robert Browne, chairman

Director, Black Economic Research Center, New York

Herman Gallegos

Executive director, South West Council of La Raza, San Francisco

Bernard R. Gifford

President, FIGHT, Inc., Rochester

Richard Green

Director of community developments, Cleveland

John McClaughry

President, McClaughry Associates, Washington, D.C.

Richard Rosenbloom

Chairman, doctoral program, Harvard Business School

Don Sneed

President, Unity Bank Trust Company, Roxbury, Massachusetts

William Spring

Professional staff member, Senate Subcommittee on Employment, Manpower and Poverty

George Sternlieb

Director of urban studies, Rutgers University

Franklin Thomas

Executive director, Bedford-Stuyvesant Restoration Corporation

Jarvis J. Slade

Senior partner, New York Securities Company

Nathan T. Farrett

Executive director, Foundation for Community Development, Durham, North Carolina

Geoffrey Faux, rapporteur

Fellow, Institute of Politics, John Fitzgerald Kennedy School of Government, Harvard University; formerly director of the Economic Division, Office of Economic Opportunity from 1967 to 1970

Accountants' Report

The Board of Trustees
Twentieth Century Fund, Inc.:

We have examined the balance sheet of Twentieth Century Fund, Inc. as of June 30, 1970 and the related statements of income, appropriations, expenditures and changes in income funds, and changes in principal funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The Fund has kept its records and has prepared its financial statements for previous years generally on a cash basis except for securities, which had been recorded at quoted market values. At the beginning of the current year the Fund, with our approval, adopted the accrual basis of accounting and the policy of recording securities at cost. Appropriate adjustments, where material, have been made to fund balances at the beginning of the year.

In our opinion, the accompanying financial statements present fairly the financial position of the Twentieth Century Fund, Inc. at June 30, 1970 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles. The current year's supplementary data included in Schedules 1 and 2 have been subjected to the same auditing procedures and, in our opinion, are stated fairly in all material respects when considered in conjunction with the basic financial statements taken as a whole.

Peat, Marwick, Mitchell & Co.
New York, N.Y.

October 6, 1970

Finances

Balance Sheet

June 30, 1970

Assets

Investments—at cost	
(quoted market value \$22,095,653)	\$19,903,877
Cash	270,739
Advances and Accounts Receivable	11,929
Land and Building (note 3)	495,000
<i>Total Assets</i>	\$20,681,545

Funds and Obligations

Accounts Payable	\$ 313,460
Unpaid Appropriations	1,325,903
Principal Funds:	
1922 Fund—Non-expendable	1,333,766
General Fund—Expendable	17,941,245
Income Funds (deficit)	(232,829)
<i>Total Funds and Obligations</i>	\$20,681,545

See accompanying notes to financial statements.

Statement of Income, Appropriations, Expenditures and Changes in Income Funds

Year ended June 30, 1970

Income:

Income from investments	\$1,346,787
Sale of publications	26,757
Royalties on sale of publications	20,871
<i>Total income</i>	\$1,394,415

Appropriations and expenditures:

Research projects	\$ 986,344
Special projects	160,372
General and administrative	561,425
Publications	102,369
Education and public information	42,344
<i>Total appropriations and expenditures</i>	\$1,852,854

Excess of appropriations and expenditures over income \$ 458,439

Income funds balance (deficit):

At beginning of year (note 1)	\$ 225,610
At end of year	\$ (232,829)

See accompanying notes to financial statements.

Statement of Changes in Principal Funds

Year ended June 30, 1970

1922 fund—non-expendable:

Balance at beginning of year (note 1)	\$ 1,067,292
Net gain on investment transactions	266,474
Balance at end of year	\$ 1,333,766

General fund—expendable:

Balance at beginning of year (note 1)	\$17,739,318
Net gain on investment transactions	201,927
Balance at end of year	\$17,941,245

See accompanying notes to financial statements.

Notes to Financial Statements

June 30, 1970

(1) Change in Accounting Methods

As of July 1, 1969, the Fund adopted the accrual basis of accounting and the policy of recording securities at cost. Previously, the Fund had maintained its records generally on the cash basis of accounting, except for securities which were recorded at quoted market values. Fund balances have been adjusted at the beginning of the year to reflect these changes as follows:

	1922 fund	General and income funds
<i>Balance at beginning of year, as originally reported:</i>		
1922 fund	\$2,069,271	—
General account	—	26,084,190
Operating account	—	(169,914)
	<hr/> 2,069,271	<hr/> 25,914,276
<i>Adjustments:</i>		
Change from cash to accrual basis of accounting, net. .	—	(986,252)
Record securities at cost	(1,001,979)	(6,963,096)
Balance at beginning of year, as restated	<hr/> \$1,067,292	<hr/> 17,964,928*
<i>* Consisting of:</i>		
General fund		17,739,318
Income fund		225,610
		<hr/> \$17,964,928

(2) Pension Plan

Permanent employees of the Fund are covered by a Teachers Insurance and Annuity Association pension plan. Total expenditures amounted to \$9,832 for the year. There are no unfunded past service costs.

(3) Fixed Assets

Land and building are recorded at cost. Other fixed assets are charged directly to income when acquired. Depreciation has not been recorded.

(4) Tax Reform Act of 1969

Under provision of the Tax Reform Act of 1969, the Fund will be subject to a 4% excise tax on net investment income for the year beginning July 1, 1970.

Investments—Principal Funds

June 30, 1970

Summary**Schedule 1**

Description	Book value			Quoted market value
	1922 fund	General fund	Total	
Short-term marketable obligations	\$ —	3,056,416	3,056,416	3,069,800
<i>Bonds:</i>				
U.S. Government	—	100,094	100,094	93,200
Foreign Government	99,000	197,172	296,172	260,500
Financial	—	398,580	398,580	356,875
Industrials	249,500	1,890,737	2,140,237	1,779,219
Utilities	497,799	3,303,501	3,801,300	3,266,313
	846,299	5,890,084	6,736,383	5,756,107
<i>Common stocks:</i>				
Financial	—	115,857	115,857	182,250
Industrial	353,499	7,052,840	7,406,339	10,211,541
Utilities	139,150	2,449,732	2,588,882	2,875,955
	492,649	9,618,429	10,111,078	13,269,746
<i>Total investments all funds</i>	\$1,338,948,	18,564,929	19,903,877	22,095,653

Investments—Principal Funds, *continued*

Schedule 1

Description	Par value	Book value	Quoted market value
<i>Short-term marketable obligations:</i>			
<i>Treasury bills:</i>			
Aug. 13, 1970	\$ 250,000	\$ 248,197	\$ 248,417
Aug. 27, 1970	1,000,000	982,675	991,010
Aug. 31, 1970	200,000	197,850	198,073
Sep. 3, 1970	1,400,000	1,381,178	1,385,545
Sep. 17, 1970	250,000	246,516	246,755
<i>Total short-term marketable obligations</i>		3,056,416	3,069,800
<i>Bonds:</i>			
<i>U.S. Government:</i>			
Treasury bond May 15, 1975 6%	100,000	100,094	93,200
<i>Foreign government:</i>			
Province of Ontario 9.25% 2000	100,000	99,000	98,500
Province of Quebec 7.875% 1999	200,000	197,172	162,000
		296,172	260,500
<i>Financial:</i>			
Walter Heller & Co. 9.50% 1989	100,000	100,000	100,875
Marine Midland Bank 7.625% 1994	100,000	99,500	80,000
Savings Banks Trust Co. 7.375% 1972	200,000	199,080	176,000
<i>Total Financial</i>		398,580	356,875
<i>Industrials:</i>			
Continental Oil Co. 7.50% 1999	100,000	99,750	88,875
Dow Chemical Co. 7.75% 1999	125,000	125,000	120,625
General Electric Co. 3.50% 1976	150,000	128,063	117,750
General Motors Acceptance Corporation 3.625% 1975	300,000	248,628	238,500
B. F. Goodrich Co. 8.25% 1994	50,000	50,000	46,094
Liggett & Myers Tobacco Corporation S.F. 6% 1992	300,000	309,375	217,875
Marathon Oil Co. 8.50% 2000	200,000	199,500	188,250
National Cash Register Co. 7.70% 1994	100,000	100,000	91,500
Pan American World Airways Inc. 5.25% 1989	250,000	234,813	110,625
R. J. Reynolds Tobacco Co. 7.875% 1994	100,000	99,750	91,000
<i>Standard Oil Co. (Ohio):</i>			
7.60% 1999	100,000	100,000	90,375
8.50% 2000	100,000	99,750	98,000
Virginia Railway 6% 2008	100,000	95,670	64,500
Weyerhaeuser Co. 7.65% 1994	200,000	200,000	184,000
Youngstown Sheet & Tube Co. 4.50% 1990	50,000	49,938	31,250
<i>Total industrials</i>		\$2,140,237	\$1,779,219

Investments—Principal Funds, *continued*

Schedule 1

Description	Par value	Book value	Quoted market value
<i>Bonds, continued:</i>			
<i>Utilities:</i>			
American Telephone & Telegraph Co.:			
5.625% 1995	\$ 200,000	\$ 201,500	\$ 139,000
5.50% 1997	300,000	308,750	205,500
Detroit Edison Co.:			
6% 1996	300,000	312,813	226,500
9% 1999	100,000	99,750	101,000
El Paso Natural Gas Co. 5.25% 1977	115,000	123,050	86,250
Florida Power & Light Co. 8% 1999	100,000	101,141	90,125
Hawaiian Telephone Co. 8% 1994	150,000	152,448	135,375
Illinois Bell Telephone Co. 8% 2005	100,000	102,000	89,875
Illinois Power Co. 8.35% 1999	200,000	200,000	192,500
Indiana & Michigan Electric Co. 8% 1974	100,000	101,000	100,000
Iowa Electric Light & Power Co. 8.625% 1999	200,000	200,530	194,500
Louisville Gas & Electric Co. 4.875% 1987	100,000	91,500	69,125
Northern States Power Co. 8% 1999	100,000	96,168	90,625
Northwestern Bell Telephone Co. 6% 2001	50,000	51,188	35,125
Northwestern Bell Telephone Co. 7% 2009	150,000	149,125	119,813
Ohio Edison Co. 8.50% 1999	100,000	102,000	93,375
Pacific Gas & Electric Co.:			
7.50% 2001	100,000	100,612	85,750
9% 2001	100,000	99,250	98,500
Philadelphia Electric Co. 9% 1995	100,000	102,250	101,000
South Central Bell Telephone Co. 8.50% 2001	200,000	198,799	186,000
Southwestern Bell Telephone Co. 8.25% 2005	100,000	101,500	93,250
Texas Electric Service Co. 7.625% 1999	100,000	102,090	88,750
Union Electric Co.:			
8.25% 1999	100,000	101,500	92,250
9% 2000	100,000	99,875	99,000
Virginia Electric & Power Co.:			
7.125% 1999	100,000	100,930	81,250
7.75% 1999	200,000	200,000	177,250
9% 2000	100,000	100,000	99,000
Wisconsin Natural Gas Co. 8.75% 1994	100,000	101,531	95,625
<i>Total utilities</i>		3,801,300	3,266,313
<i>Total bonds</i>		\$6,736,383	\$5,756,107

Investments—Principal Funds, *continued*

Schedule 1

Description	No. of shares	Book value	Quoted market value
<i>Common stocks:</i>			
Alpha Portland Cement Co.	10,000	\$ 221,827	\$ 155,000
American Can Co.	5,000	240,226	180,000
American Telephone & Telegraph Co.	11,024	307,048	454,740
Boston Edison Co.	11,000	253,447	360,250
Burlington Industries, Inc.	5,000	195,029	172,500
Central Illinois Light Co.	15,000	255,077	313,125
Christiana Securities	2,000	282,798	204,000
Consolidated Natural Gas Co.	14,000	352,550	337,750
Consumers Power Co.	10,000	175,041	280,000
Emerson Electric Co.	10,000	472,534	511,250
Equitable Gas Co.	6,000	256,159	165,750
Federated Department Stores	119,000	437,209	3,480,750
First National Bank of Boston	3,000	115,857	182,250
General Electric Co.	6,000	512,236	405,000
General Motors Corporation	10,000	599,510	621,250
Mobil Oil Corporation	10,000	315,080	437,500
National Steel Corporation	7,000	328,820	231,875
The New York Times Class A	10,000	527,199	157,500
Niagara Mohawk Power Corporation	15,000	270,281	210,000
Northern Natural Gas	10,000	459,439	442,500
Ohio Edison Co.	14,524	128,241	290,480
Phillips Petroleum Co.	25,000	667,301	618,750
Public Service Electric & Gas Co.	12,000	232,358	255,000
Sante Fe Industries	10,000	250,390	180,000
Standard Oil Co. of California	10,500	464,744	422,626
Standard Oil Co. (Indiana)	10,000	244,167	412,500
Standard Oil Co. (New Jersey)	1,300	83,644	71,175
Standard Oil Co. (Ohio)	11,000	218,799	605,000
Southern Pacific Co.	6,000	95,622	141,750
Union Carbide Corporation	7,000	340,823	237,125
Union Electric Co.	13,200	206,289	221,100
Union Pacific R.R. Co.	10,000	400,843	316,250
Wm. Wrigley Jr. Co.	2,000	200,490	195,000
<i>Total Common stocks</i>		10,111,078	13,269,746
<i>Total investments</i>		\$19,903,877	\$22,095,653

Project Appropriations, Disbursements and Unpaid Balances

Year ended June 30, 1970

Schedule 2

Title of project and project director	Appropriated to Jun. 30, 1969	Balance Jul. 1, 1969	Appropriated during year	Disbursed during year	Balance Jun. 30, 1970
<i>Research Projects:</i>					
The Alliance That Lost Its Way, J. de Onis and J. Levinson . . .	\$ 54,000.00	\$ 15,370.20	\$ (809.24)	\$ 14,560.96	—
Americans in Southeast Asia, R. Fifield	40,000.00	6,701.92	—	4,015.71	2,686.21
Art Museums Policy, J. Rowan	61,300.00	41,418.91	—	38,715.05	2,703.86
Asian Drama, An Inquiry Into the Poverty of Nations, G. Myrdal	255,000.00	5,281.47	(33.77)	5,247.70	—
Capitalism & Underdevelopment in India & Pakistan, T. Weisskopf	—	—	57,300.00	—	57,300.00
Centers for Performing Arts, Twentieth Century Fund Task Force	15,000.00	12,723.27	3,817.57	16,540.84	—
Community Development Corporations, Twentieth Century Fund Task Force	25,000.00	24,944.78	—	7,302.64	17,642.14
Congressional Campaign Financing, Twentieth Century Fund Task Force	—	—	17,875.36	17,875.36	—
Democratic Development of New Towns, Twentieth Century Fund Task Force	—	—	26,200.00	1,500.00	24,700.00
Economic Development in the Caribbean, R. Perusse	180,000.00	102,405.48	—	12,614.71	89,790.77
Economic Policies of Federal Government, H. Segal	—	—	86,250.00	—	86,250.00
Fanzines, F. Wertham	—	—	10,000.00	4,030.60	5,969.40
Film on the City of Washington, D.C., J. Sandler	—	—	89,900.00	—	89,900.00
Film on Municipal Courts, F. Wiseman	—	—	71,100.00	—	71,100.00
Financial Institutions, W. White and E. Shapiro	23,500.00	23,500.00	—	—	23,500.00
Flow of News, A. Rowse	—	—	54,350.00	2,466.66	51,883.34
Foundation Activities in the United States, W. Nielsen	65,750.00	62,525.00	—	27,209.32	35,315.68
From Peasant to Farmer: A Revolutionary Strategy for Development, R. Weitz	62,500.00	13,480.39	1,672.73	15,153.12	—
Future of Satellite Communications, Twentieth Century Fund Second Task Force	—	—	15,000.00	11,284.02	3,715.98
Green Revolution, J. Mellor	—	—	82,500.00	3,823.55	78,676.45
Haiti: The Politics of Squalor, R. Rotberg	66,000.00	26,177.20	—	18,286.40	7,890.80
International Satellite Communications, Twentieth Century Fund First Task Force	21,000.00	14,454.08	(898.39)	13,555.69	—
Kibbutz Economy, H. Barkai	50,000.00	3,125.00	—	—	3,125.00
Leadership and Change in Higher Education, W. Bennis	—	—	26,900.00	—	26,900.00
Media Council	41,600.00	39,369.54	—	9,259.59	30,109.95
Media Monopolies, G. Stempel	—	—	17,973.00	—	17,973.00
The Military Establishment, Its Impacts on American Society, A. Yarmolinsky	125,000.00	53,536.61	—	38,511.72	15,024.89
Municipal Collective Bargaining, J. Capozzola and S. Spero	94,000.00	2,675.57	390.50	3,066.07	—

Project Appropriations, Disbursements and Unpaid Balances, *continued*

Schedule 2

Title of project and project director	Appropriated to Jun. 30, 1969	Balance Jul. 1, 1969	Appropriated during year	Disbursed during year	Balance Jun. 30, 1970
Impact of Mutual Funds and Other Institutional Investors:					
A New Perspective, I. Friend	92,000.00	69,852.13	—	61,620.86	8,231.27
National Pressures within the Multinational Corporation, W. Goldstein	—	—	55,000.00	—	55,000.00
New York City, A. Hacker	32,000.00	32,000.00	—	24,063.29	7,936.71
Pickets at City Hall, Twentieth Century Fund Task Force ..	31,500.00	21,819.05	(11,346.11)	10,472.94	—
Planning and Budgeting in Low-Income Countries, A. Wildavsky and N. Caiden	—	—	41,250.00	1,224.00	40,026.00
Political Parties, J. Saloma and F. Sontag	\$150,000.00	\$150,000.00	\$ —	\$ 81,376.17	\$ 68,623.83
Power, Ownership & Property, P. Harbrecht	106,000.00	16,725.25	—	—	16,725.25
Private Insurance Coverage and Public Health Care, J. Krizay	—	—	77,100.00	1,437.50	75,662.50
Public Authorities, J. Zukosky	97,000.00	54,432.39	—	27,150.82	27,281.57
Public Employment Retirement Systems, R. Tilove	—	—	93,950.00	1,777.78	92,172.22
Public Opinion and Public Policy, L. Markel	102,000.00	60,866.95	—	59,513.46	1,353.49
Social Movements, Government Institutions and American Constitutional Change, C. Vose	45,900.00	43,656.29	—	32,353.76	11,302.53
Suburbs and Urban Development, P. Davidoff and N. Gold ..	—	—	111,300.00	30,854.72	80,445.28
Think Tanks, H. Klein	50,400.00	32,780.74	—	17,701.64	15,079.10
Underground Press, L. Leamer	—	—	12,000.00	3,130.20	8,869.80
U.N. Specialized Agencies, D. Egli	—	—	43,900.00	15,000.00	28,900.00
Universities and the Cities, G. Nash	39,600.00	13,814.72	—	11,216.92	2,597.80
Voters' Time: Report of the Twentieth Century Fund Commission on Campaign Costs in the Electronic Era ...	185,000.00	26,637.33	(17,397.32)	9,240.01	—
Women and Employment, Twentieth Century Fund Task Force	—	—	21,100.00	1,355.25	19,744.75
<i>Total research projects</i>		970,274.27	986,344.33	654,509.03	1,302,109.57
<i>Special projects:</i>					
American Cultural Change, Gilbert Seldes	—	—	5,537.00	5,537.00	—
Black Academy of Arts and Letters	—	—	50,000.00	50,000.00	—
International Baccalaureate Office	—	—	25,000.00	25,000.00	—
International Satellite Communications:					
Joint Conference—Carnegie Endowment for International Peace (includes consultant \$10,000 grant)	—	—	20,000.00	—	20,000.00
McGill University Institute of Air and Space Law	—	—	9,835.00	6,041.89	3,793.11
Theatre Development Fund	—	—	50,000.00	50,000.00	—
<i>Total special projects</i>		—	160,372.00	136,578.89	23,793.11
<i>Total projects</i>		\$970,274.27	\$1,146,716.33	\$791,087.92	\$1,325,902.68

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