

THE TWENTIETH
CENTURY FUND
ANNUAL REPORT

1959



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THE TWENTIETH
CENTURY FUND

THE TWENTIETH CENTURY FUND
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The Twentieth Century Fund

THE TWENTIETH CENTURY FUND is a nonprofit foundation specializing in research and public education on the vital issues of the day, with an emphasis on economic and social questions and international affairs.

Nonpartisan and objective in its approach, the Fund publishes the results of its researches in book form and further disseminates the research findings through a wide variety of public education activities. On occasion the Fund appoints committees of qualified citizens to review the research findings and make recommendations for public policy which are published with the report.

The Fund was founded in 1919 by Edward A. Filene, Boston merchant and civic leader, who made a series of gifts that now constitute the Fund's capital assets. Income from this endowment is used solely to support the activities of the Twentieth Century Fund.

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Rightly To Be Great...

A FOREWORD BY THE DIRECTOR

Kathmandu, Nepal

ACCIDENTS OF TRAVEL and the exigencies of the deadline have set the writing of this Foreword in a remote Asian kingdom, where until a decade ago the inhabitants lived sealed off from the world, and the wheel, for all practical purposes, might never have been invented. Even today, when the traveler comes over the mountains by airplane, and moves, at least in the central city, amid bicycles, jeeps and motor cars, the simple cart is still a stranger to the inhabitants. They go on foot, with their burdens upon their back. Pilgrims and traders, as they have done for a thousand years, make their way along mountainous trails too steep and tortuous for even a beast to follow.

South of here, in a wide area from Teheran to Bangkok, lie the teeming lands of the South Asian rim. Many of them have arrived newly at independence and nationhood; all are struggling to come to terms with a world they did not make, with which they only imperfectly sympathize, and which yet imposes stark challenges upon them. In the more fortunate of them, nobody starves. Abundance of nature and the absence of population pressure might seem to give them time to learn and to develop in their own way. Yet even in such countries strong forces of change break against the old institutions. Elsewhere, with population increasing as rapidly as 3 per cent a year, the penalty for not changing fast enough is certain misery, with social and political consequences which could doom the last decades of the century to upheavals compared to which even two world wars would seem mild.

Traveling through these countries one is impressed by how much

there is to do. Whole populations to be educated; hundreds of thousands of villages to be given elementary services; vast bureaucracies to be trained; agriculture to be lifted from the routine of ages; and industry to be brought where there seems little in the skills or disposition of the peoples to encourage it: the agenda of the underdeveloped countries is long and sobering indeed. So much to do — and such seeming paucity of means to do it!

Characteristic of this area are governments composed of mild men, anxious to abide by the forms of democracy. Ineptitude or corruption softens elsewhere the drive to action, and even leaders who have postponed democracy or given it a meaning to suit themselves seem, at least for the time being, to be far from authoritarians or tyrants. Everywhere a sensitiveness toward traditions and old cultural norms, declining easily into obeisance to pressure groups and special interests, sets the context within which great decisions must be made. The brilliance of a small intellectual group at the top, the dedication of a handful of young people fresh from their studies, seem but poor instruments for the mighty tasks of construction and renovation. It is not surprising, alas, if even this support — placed as it is and subject to so many disappointments — should often be weakened by cynicism or despair.

I come back from these reflections to life in our own country and to the work of the Fund. The need for action is hardly less great among us than among the poor countries; and action is a quality to which a research foundation is surely expected to contribute. On the first part of this proposition — that the capacity to act is too often wanting — I say little here. It is a matter of record that we let the natural resources of the United States be exploited almost beyond repair before we began to take measures to restore the balance; even now we are letting our railroad system disintegrate, and our cities become unmanageable, when a timely policy could save untold trouble and public expense in the future. It is not beyond us to become committed in international affairs to positions which we can neither logically defend nor find the will to

escape from. Seen from a distance, as the traveler sees it, the United States gives the impression of being poised at this juncture in a state of heavy immobility, aware it must undertake large actions yet not finding within itself the resources to make a clear choice.

Of the responsibility of research in contributing to action I would speak in somewhat more detail. The discouraging fact seems to be that research is becoming increasingly divorced from deeds. The social sciences seem to have taken over from the natural sciences the old idea that any addition to human knowledge is of itself a boon, regardless of its seeming pertinence or relevancy. A new fact is expected to come in handy, like the missing piece of a jigsaw puzzle, when it is most needed. The trouble is, of course, that in the world as it actually exists, with its imperious necessities and its huge accumulation of books and surveys, the isolated fact is apt to remain isolated. Having been given no life or destiny by its first begetter, it is all too unlikely ever to be given life by another. It dies within its own solid covers, too remote or detached to influence the rapidly moving stream of events. Research which disavows any responsibility except that of being objective and nonutilitarian may well qualify as "pure." But it is a kind of purity which a society — particularly a society in an age of change — can overvalue.

The divorce of research from a sense of relevance and pertinency has been encouraged by developments within the social science disciplines. Political science becomes behavioral in its approach; economics becomes concerned with model-building. The desire to know and to understand takes the place of the desire to act; under the banner of relativism and cultural norms almost any practice, no matter how barbarous or irrational — from head-hunting to the taking of bribes — can be justified as part of the social process. If the students in our universities are indeed turning from the social sciences to the arts, the explanation may be that they feel themselves let down and somehow cheated by this denial of moral responsibility among those who teach the once-

great disciplines. In the arts they can, at least, achieve a sense of involvement, a feeling that they are men and women with a capacity to create and apply critical standards.

When research takes on an existence of its own there are subtle degradations which affect the policy-makers no less than the scholars. Then it seems that no move can be made until a research project has been launched and the last fact ascertained. The foundations and universities find themselves fulfilling in society a role which they would be the last to claim — repositories of an ultimate sanction and a kind of final veto. Not able to act themselves, they seem capable by their choice of research projects to limit and define the action of others. Yet in the life of the world there are things that need to be affirmed, and things that need, above all, to be done.

In rare but significant cases, it is true, reform measures have followed irresistibly upon the disclosure of facts through a scholarly survey; even then there has usually been (if one looked deep enough) a passion and a conviction at play, however carefully disguised by the scholar's method and apparatus. Facts *can* "speak for themselves"; in practice they rarely do. It is not research that tells us where as a nation we ought to be tending or by what measures, how timed and executed, we ought to be getting there. At best, research casts some little light upon a pathway which faith and insight have already marked out.

The Twentieth Century Fund in its small way has been consistently preoccupied with the relation between scholarly research and the spheres of action. The founder of the Fund, E. A. Filene, liked to insist that facts should not "gather dust" upon a shelf of books; a wide and active dissemination has long been part of the Fund's program. In addition, the Fund in earlier years made it a practice to combine a basic survey of some field with a committee of responsible laymen charged with drawing from the facts practical conclusions or recommendations of policy. The technique has its limitations: committees consume too much of the time of our best men, and representatives of special inter-

ests or views can either resist agreement or water down recommendations to a point where they lack substance. Yet in one way or another it has seemed important to keep research in the stream of realistic decision-making.

Useful techniques and methods for this purpose no doubt wait to be invented; but in the end the answer surely must lie in the tradition that binds scholars and statesmen alike. "Rightly to be great," we can all repeat with Shakespeare, "is not to stir without great argument." Facts are linked with action; policy and research are not part of two different worlds. The idea of "great argument" as the forerunner and accompaniment of action at the highest level is characteristic, we would like to think, of our society. The challenge is to make sure that such a goal is not lost amid the fragmentation of knowledge, the specialization of disciplines, and the heretical (and actually unscientific) assumption that facts by themselves tell the whole story.

The leader and policy-maker should not find the concept of "great argument" hard to define, however hard it may be to fulfill in the heat of battle. Facts marshaled and lucidly presented, sustaining and illuminating convictions born in the responsible exercise of power: this is the course of statesmanship. But what of the scholar or researcher? He cannot use facts to support a predetermined thesis. No doubt; and yet the greatest works of scholarship have had at the heart of them a kind of belief; their objectivity has been achieved through stress and effort, not born of the original sin of indifference.

There is another sense in which research contributes to the great argument of democracy. Even the survey most restricted to a recital of bare facts can by its timing, by its roots in actual events, link itself to the big choices to be made. A piece of research may fail; it may be late in coming or wide of the mark in its results — but let it not be said, at least, that it was begun without wanting to influence what men do! Research must aim to create the framework of action, to set limits to the debate among practical men. Meanwhile the honest scholar can

always keep the hope that the reflection of reality which he creates will be by itself so compelling as to make the subsequent action self-evident.

Looking over the work of the Fund summed up in the following pages, I would not want to claim that all the projects under way or completed meet the test of action set forth above. It is enough for the moment if they were all conceived with an intent to meet it. The world carries in this mid-century the burden of vast tasks to be accomplished. It would be a betrayal of destiny if the foundations — or any one of them — were to use themselves in obscure exercises divorced from actual needs. Great institutions have been disbanded or dissolved because they failed to answer the cry of the social order for meaningful results. It would be a tragedy if the modern foundation, under the false yoke of methodology or scientific objectivity, were to find itself, too, cut off from the public it must serve.

AUGUST HECKSCHER, *Director*

February 1960

Studies Published in 1959

THE ECONOMY, LIBERTY AND THE STATE

HONDURAS

PENSION FUNDS AND ECONOMIC POWER

The Economy, Liberty and the State

Author: CALVIN B. HOOVER
Professor of Economics, Duke University

IN *The Economy, Liberty and the State*, which the Twentieth Century Fund published in 1959, one of the country's most eminent economists, Calvin Hoover, combines a lifetime's experience as a firsthand observer of the world scene with a spirit of intellectual discovery. He seeks to cast new light on the world's economic and political systems and explore in new perspective their interaction in terms of the survival of liberty.

Among the leading economic systems of the world, modern capitalism as it exists in the Western nations is strong, productive and popular, Mr. Hoover concludes; yet its continuance — along with the personal liberty which has characterized it — cannot be taken for granted.

“The survival of liberty seems to depend upon the ability of the modified forms of capitalism of the Western world to endure. Even in these countries, however, the survival of liberty depends upon the end result of the evolutionary process through which capitalism has been going in recent decades in which the roles of the state and of organizations have grown so tremendously. Already we can speak of capitalism as characteristically an organizational economy rather than an economy of individual enterprise.” The question of modern capitalism's survival must be equated with the question of liberty's survival, he says.

Mr. Hoover, a former President of the American Economic Association, has written widely in the field of economics and has frequently served as administrator, adviser or consultant in government. He has also served as consultant to many private groups, including the Committee for Economic Development and the National Planning Association's Committee of the South. A far-ranging traveler since the first world war, Mr. Hoover made two trips abroad, with travels in the Soviet Union and Eastern Europe, while writing this new report.

In his study Mr. Hoover points to what he regards as a major threat to modern capitalism as it now exists: "The greatest weakness of modern capitalism," he says, "is its lack of support among a large part of the intelligentsia. Their failure to support it renders the system vulnerable to replacement by a substitute system through parliamentary or revolutionary means, or to continuous expansion of the role of the state to the point where drastic change might be required in order to keep the economy functioning. . . . Intellectuals generally do not accept the proposition that the alternative to capitalistic organization and direction of production through the market is administration of the economy by a hierarchical bureaucracy. . . ."

The study concludes with a chapter on the prospect for the survival of liberty and an epilogue on the changing economic systems of Eastern Europe.

Honduras

Authors: VINCENT CHECCHI AND ASSOCIATES
Checchi and Company, Consulting Economists

THE TWENTIETH CENTURY FUND has directed several of its studies to the problem of economic development. An over-all study—*Approaches to Economic Development* by Norman S. Buchanan and Howard S. Ellis—has been supplemented by analyses of particular countries. The case of Honduras seemed to the Fund to offer particular interest. The economy of this small country did not provide ready promises of growth, yet political conditions favoring improvement made an impartial survey of the prospects and possibilities appear a worth-while undertaking.

The research staff for the study, headed by Vincent Checchi, found that, despite recent progress made in the direction of political maturity and stability, the continuance of stable government and the acceleration of much-needed economic development in Honduras are being jeopardized by a serious deterioration in the financial position of the country. This is attributable mainly to the economic setbacks suffered by the nation's largest foreign exchange earner, taxpayer and employer, the banana export industry.

Nevertheless, the study found many reasons for optimism, provided a sustained and vigorous development program can be worked out and put into action, and enough financing from outside sources can be made available. In such a program the United States can play an especially important role.

Mr. Checchi has served as an economist and chief of the East-West Trade Branch of the Economic Cooperation Administration and has also handled loan applications from Latin American countries for the International Bank for Reconstruction and Development. He was assisted in the Honduras project by Joseph J. Magurn and Harry G. Clement, both of whom were formerly with the Department of Commerce, and by Miss Inge Kaiser. All are associated with Checchi and Company, consulting economists, of Washington, D. C. Dr. David F. Ross, Chairman, Department of Economics, Bethany College, West Virginia, also assisted in the work.

The study concludes that in making plans for Honduran economic development even greater emphasis than heretofore must be placed on education. Improvement of transportation is also stressed. To avoid financial collapse, it was recommended that the government should take immediate steps to obtain currency stabilization assistance, additional project loans and expanded technical assistance from abroad, accompanied by fiscal measures at home to prevent inflation, and should embark on a campaign to persuade private capital to come to Honduras, in particular for the development of light manufactures.

Pension Funds and Economic Power

Author: PAUL P. HARBRECHT, S. J.
Member, Institute of Social Order, Saint Louis University;
Contributing Editor, Social Order Magazine

THE GROWTH of private pension and retirement funds at the rate of over \$4 billion a year to a total of around \$40 billion represents one of the most spectacular phenomena in recent American financial history.

In order to gauge the effects of this concentration of financial power on the American economy, as well as to explore how the pension funds themselves are being administered and handled, the Twentieth Century Fund sponsored a study of pension funds by Paul P. Harbrecht, S.J., which it published at the end of 1959 under the title *Pension Funds and Economic Power*.

Upon publication, the study struck many chords of interest, reflecting its far-reaching and varied findings. The *New York Times* emphasized the author's discussion of the role of private pension funds in the changes taking place in the capitalist system, as did the Associated Press. *Business Week* brought together a panel of experts to comment on the report's criticism of the ill-defined lines of responsibility in controlling pension funds. *U. S. News and World Report* featured the impact of pension funds on the stock and corporate bond markets.

Pension Funds and Economic Power analyzes the objectives, theory and practices of the pension trusts, outlines their history, discusses the

various types of plans now set up and takes a critical look at the adequacy of present pension fund practices and procedures, and calls attention to the influential position of the pension trusts in the capital market.

Father Harbrecht's study points up the need for new social concepts in keeping with the transformations being brought about in the United States by the emergence of the pension trusts, mutual funds and other new financial institutions which represent the latest step in the organization and control of productive property. Father Harbrecht calls this new society "paraproprietal"—that is, beyond property. It is not a society organized by individual property ownership and diffused power, he points out. Property ownership is not the organizing principle; power is. This is the direction of the transition, to the paraproprietal society, to the society beyond property.

Investment Management of Pension Funds

Following up its interest in trying to illuminate some of the problems of management of the growing concentration of capital assets in private pension funds, the Fund has in progress a second study in this field. Paul L. Howell, economic consultant, is engaged in preparing a report focused on the investment policies and practices of industrial pension funds.

He plans to present an appraisal of the results of investment in various types of securities — government and corporate bonds, mortgages, common stocks, etc.— and to illustrate his findings by detailed analyses of the performance record of several individual funds.

The study will also examine the impact of the pension funds on the capital markets and suggest some of the implications and directions of their future growth and financial management.

Research Projects in Progress

CIVIL-MILITARY RELATIONS

DISTRIBUTION COSTS AND METHODS

EUROPEAN COAL AND STEEL COMMUNITY

EUROPE'S NEEDS AND RESOURCES

MEGALOPOLIS

NUCLEAR ENERGY

POWER AND PEACE

SOUTH ASIA

TIME, WORK AND LEISURE

TROPICAL AFRICA

YUGOSLAVIA

Civil-Military Relations

Research Director: HAROLD STEIN

Professor of Public and International Affairs at the Woodrow Wilson School of Public and International Affairs, Princeton University; formerly Deputy Director of the Office of War Mobilization and Reconversion

AT ONE TIME in our history it was relatively easy to separate military affairs from civil affairs. Our country's early philosophy of government, as expressed in our Constitution and other basic instruments, calls for a clear separation of military and civilian controls, with the civilian element dominant.

Today this line is not easy to draw. Military and civil affairs are inextricably merged, bound together in a way which makes the decisions of war and peace increasingly complex.

By far the largest share of our record-breaking national budget is devoted to military affairs, and accordingly every budgetary consideration, foreign or domestic, must be measured by and adjusted to this central fact. Indeed, as the Twentieth Century Fund study *Arms and the State* says, the civil and military elements in our society have become so deeply intermeshed that neither the uniformed officers nor the administrative bureaucracy nor the representative legislature speak from any firm, independent position of principle or policy.

Arms and the State, by Walter Millis with Harvey C. Mansfield and Harold Stein, was published in 1958, as the first unit in the Twentieth

Century Fund survey of civil-military affairs. It provides an over-all review of civil-military relations during the critical years from 1931 to the present.

Currently the Fund is completing preparation of a series of case studies of certain major decisions in the realm of civil-military affairs in recent decades. These give a detailed narrative of the events, often of seemingly minor importance in themselves, in the course of which an administrator or administrative group arrived at policy decisions. As such, these case studies will illuminate the already published historical survey by providing detailed insights into the way specific decisions were arrived at. It is expected, too, that some light will be cast on the governmental decision-making process as a whole, of greater application than just the cases themselves.

The case studies expected to be included in this second volume will be: Aid to Russia: The First Year; Birth and Death of the M-Day Plan; Directives for the Occupation of Germany: The Washington Controversy; Super-Carriers and B-36 Bombers; Appropriations, Strategy and Politics; To the Yalu and Back; Bases in Spain; The American Decision to Rearm Germany; The Italian Armistice; The Movement of the Fleet to Pearl Harbor; The Far Eastern Crisis of 1931-32.

Harold Stein, director of the project on civil-military relations, has supervised the preparation of this volume and edited it. The case studies will be contributed by Marvin D. Bernstein, Albert A. Blum, Paul Y. Hammond, Martin Lichterman, Francis Loewenheim, T. J. Lowi, L. W. Martin, Robert J. Quinlan and Michael D. Reagan.

One case study has been completed and placed in the Fund's files, but will not be included in the forthcoming volume because the project's orientation has been shifted to focus on relatively recent events. This is Arthur S. Olick's study of the Geneva Disarmament Conference of 1932.

Distribution Costs and Methods

Research Director: REAVIS COX

*Food Fair Stores Foundation Professor of Marketing,
Wharton School of Finance and Commerce,
University of Pennsylvania*

Assistant Research Directors:

THOMAS C. FICHANDLER

Research Associate, Twentieth Century Fund

CHARLES S. GOODMAN

*Professor of Marketing, Wharton School of Finance
and Commerce, University of Pennsylvania*

THE COMPLEXITY and variety of American consumer and capital goods have resulted in the individual being assigned an ever narrower and more specialized role in their production. Each individual produces but a fractional part of the goods and services which he himself uses. At the same time we have an extraordinarily high level of living with a dazzling choice of goods. The connecting link between our highly specialized system of production and the incredibly rich harvest it makes possible is our system of distribution. We have built up a system of production and distribution of great ingenuity and intricacy. It is, furthermore, a system constantly changing; revolutionized yesterday by the spectacular appearance of frozen foods, and tomorrow by devices still on the drawing boards.

The study will look at the role and significance of the distribution

function in its broadest sense — as a highly complex process in the organization of our economic and social life. It will first attempt to measure how much of our economic activity goes into distribution and then attempt to arrive at an evaluation of how effectively it does its job.

In response to recent developments which have tended to emphasize the need for a comprehensive evaluation of distribution and parts of the marketing structure that have been subjected to increasingly sharp criticism, the study will examine some of the targets of criticism such as “destructive” competition, monopolistic practices, and certain aspects of the role of promotion and advertising.

The Fund has had a special interest in distribution since it sponsored a study in this field which was published in 1939 titled *Does Distribution Cost Too Much?* The present work will provide a new and expanded version of the widely used chart of the first study showing the flow of goods from producer to consumer. The study will bring out in a way not possible before the part contributed by distribution to the values consumers acquire when they buy the end products of a large number of individual industries.

Reavis Cox, research director for the study, is President of the American Marketing Association, 1959-60. Mr. Cox now expects to have a completed manuscript by the summer of 1960.

European Coal and Steel Community

Research Director: LOUIS LISTER

*Formerly Chief of the Coal Branch of the
Economic Cooperation Administration*

AT A TIME when European efforts toward economic integration are moving at an accelerated rate, the Fund is publishing, in 1960, a study of the first major step toward this integration — the European Coal and Steel Community. Its accomplishments as a pioneering move and as an experiment born amid many doubts have great significance today for European integration. The lessons go well beyond the immediate goal of organizing the steel and coal production of the member nations of the community — France, Italy, West Germany, the Netherlands, Luxembourg and Belgium.

For over a decade the idea of European federation has carried the hope for a better future in Western Europe; it is perhaps the only large idea to have stirred Western Europe in the postwar era. Encompassing in its broadest sense political and military as well as economic institutions, the idea counts its adherents in nearly every country in Western Europe and has found staunch support in the United States as well. The present study deals from the economic standpoint with the European Coal and Steel Community as a part of the movement for European integration.

The European Coal and Steel Community, established in 1952, the

European Economic Community and the European Atomic Energy Community, organized in 1958, are the expression of the economic aspect of the integration movement. Although the Communities exclude the United Kingdom, Switzerland, Austria, Spain, Portugal and Scandinavia, Mr. Lister nevertheless draws the British and American coal and steel industries into the discussion at many points, for they are within the same web of problems.

Terminating early in 1959, this study covers the essential economic developments of the first six years of the Community's life, a period sufficient to uncover the major trends and problems. It does not attempt to give a comprehensive, much less a day-to-day, account of all the events or aspects of the Community, but focuses on the major points of significance – how efficiency can be increased through greater international specialization, how new institutions can bend, or be bent by, well-established ways of conduct – by relating developments to the specific economic goals of the Community and to the broader aspects of the economic life of the member states.

In the preface to his study Mr. Lister notes that a critical analysis in depth revealing so many complex problems may appear to take the bloom off the simple and inspired ideal of European federation, but this study is presented with the hope that an understanding of the difficulties will strengthen sympathy for the ideal and will help promote more effective methods for its realization.

Louis Lister, director of the study, is an economist, and was a member of the United States delegation to the European Coal and Steel Community in 1952-1953. He has also represented the United States in other international organizations.

Europe's Needs and Resources

Research Director: J. FREDERIC DEWHURST
Economic Adviser, Twentieth Century Fund;
formerly Executive Director, Twentieth Century Fund

Associate Research Directors:

JOHN O. COPPOCK
Formerly Deputy Chief, Central European Division,
Foreign Operations Administration, Washington, D. C.

P. LAMARTINE YATES
Economic Consultant, author of Forty Years of
Foreign Trade and other works

THE PACE OF European economic recovery and expansion has brought into view new horizons of prosperity hardly even dreamed of in the desolation of postwar Europe. There has been an unprecedented rise in family incomes and in the European standard of living since World War II. The producer has gained a new understanding of the profit potentialities of the mass market. The consumer realizes that even with a modest income today he can enjoy what his parents would have considered unattainable luxuries.

The changed attitude of consumers, especially of the rising generation, is of course a response to the fact that the economies of mass production and organization, together with the convenience of time payments, have brought automobiles, refrigerators and TV sets — and conducted tours to foreign countries — within the financial reach of those



EUROPE'S ECONOMIC STRENGTH AT A GLANCE Indicators of a nation's economic health: the amount of power which backs each worker on his job and the per capita output of goods and services.

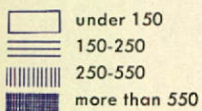
ASPECTS OF THE EUROPEAN ECONOMY

In some ways the fixed boundaries on the map of Western Europe are illusory. There are European statesmen who hope to make them still less a barrier, and historic moves are underway to dim the importance of these boundaries in an effort to achieve greater unity — to gain greater economic strength and political stability. The moves have been animated largely by economic considerations. The maps on these pages indicate something of these vital economic factors. The maps are derived from material in the Fund's forthcoming major study under the direction of J. Frederic Dewhurst of the needs and resources of the European economy.

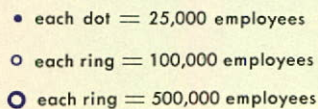


EUROPE AT WORK: THE DISTRIBUTION OF POPULATION AND INDUSTRY

Density of Population per Square Mile



Localization of Manufacturing





Oslo

Stockholm

Helsinki

Copenhagen

Hamburg

Berlin

POLAND

Warsaw

Prague

Vienna

Budapest

HUNGARY

YUGOSLAVIA

Belgrade

ROMANIA

Bucharest

BULGARIA

Sofia

BLACK SEA

GREECE

Athens

U. S. S. R.

DENMARK

NORTH
D
OM
EA

MAN
Y



SEA





A PROFILE OF HOUSING IN EUROPE



-  Dwellings with Less Than One Person per Room each bar = 10%
-  Dwellings with Running Water each circle = 20%

with modest incomes. Perhaps just as important is the assurance provided by the humanitarian measures of the welfare state.

Class markets have been displaced by mass markets for a growing number of products. In part this reflects the very real narrowing of income differences arising from the "leveling-down" effect of progressive income taxes on the upper-income classes and the "leveling-up" effect on the lower-income groups of such varied measures as minimum-wage laws, housing subsidies and rent control, family allowances and maternity aid, unemployment and old-age insurance — not to mention the most important fact of all, that workers' wages have risen much more extensively than the cost of living since World War II.

Still the course ahead cannot be fully discerned. Risks and dangers exist. Despite the promising emergence of new regional arrangements, may not the presently constituted blocs create new problems? Will the immense economic gains already made be exploited so as to reach the fullest potential and capabilities? Even now, there is hesitancy to paint the bold picture; to examine and test the possibilities of ever greater economic integration looking toward a vastly expanded mass market and entirely new horizons of economic activity.

The present work was prompted by a number of European observers and Americans who suggested that an over-all look at Europe along the lines of the Twentieth Century Fund's major stock-taking of the entire American economy, *America's Needs and Resources*, by J. Frederic Dewhurst and associates, might be of value on both sides of the Atlantic.

The European survey covers the eighteen non-Communist countries of Western Europe. It goes well beyond a statistical survey of Western Europe, providing synthesis and analysis in terms of the area's entire economic potential and that of the individual countries. Research on the study is complete and the manuscript is now being prepared for the printer with a view to publication early in 1961. Mr. Dewhurst, the research director, and his chief associates have been assisted by a small research staff and by a number of European specialists.

Megalopolis

Research Director: JEAN GOTTMANN

*Professor, Ecole Pratique des Hautes Etudes and
Institut d'Etudes Politiques, University of Paris
(on leave)*

THE DEVELOPMENT of Megalopolis — that continuous stretch of cities and suburban areas reaching from north of Boston to south of Washington, D. C. — is significant not only as a unique regional phenomenon, but it foretells patterns of living which may apply to many other parts of the country. Thus in Megalopolis the impression of waste is easily gained. This waste is a part of the modern urbanized economy, for local and national policies favor the kinds of housing (the individual detached home) and transportation (the individual motor car) which devour space, materials and credit on the largest scale. These trends have had such success on the whole that they seemed to fulfill the average American's dream of a better way of life. All this consumption of materials for houses, roads and cars has made many industries and trades more profitable. The very wastefulness of the system has apparently helped to make the American society as rich as it is.

But each economic cycle of this kind reaches at some point of its expansion a level of diminishing returns and even of declining comfort. Whether the waste of space and materials is now threatening to strangle the further growth of the regional economy is in very real question. Over most of Megalopolis the density of activities and the intensity of movement have reached a degree of complexity which is hardly manageable and which threatens this area's essential advantage as the major

hub of the North Atlantic world in commerce, finance and politics. Any further disruption of Megalopolis' efficiency may well shatter the whole national and international system that centers on this area.

Thus Jean Gottmann, research director for the Megalopolis study, poses a pivotal question to which he has addressed himself in the closing stages of his work — a question, incidentally, he is inclined to pose with some optimism, despite the complexity of the problems involved.

The report, which is due in 1961, will explore the implications of Megalopolis as one of the major changes in land use in world history and as a striking expression of the rapid shifts in patterns of living that are now developing in our system. It will also explore something of the implications of these changes for methods of government, political organization and taxation.

Mr. Gottmann is a French scholar and a geographer of international repute and has been recently a member of the Institute for Advanced Study, Princeton. Mr. Gottmann has made other regional surveys in the United States and is the author of *A Geography of Europe and Virginia at Mid-Century*.

Nuclear Energy

Research Director: PHILIP MULLENBACH
Vice President of Growth Research, Inc.;
formerly Director of Research, Nuclear Energy
Project, National Planning Association

WITH THE creation of the atomic bomb the United States began a scientific and technological revolution of profound import. In addition to the development of new weaponry, the United States made known its determination to strive for the peaceful application of nuclear energy through domestic initiative and international cooperation. Here, however, progress has proven unexpectedly difficult.

Perhaps part of the fault lies in initial policies not sufficiently grounded in reality. In 1954, not long after President Eisenhower's Atomic Power for Peace speech before the United Nations, American plans for developing the peaceful use of atomic energy relied largely on private effort to bring nuclear power into a competitive position with conventional energy sources as rapidly as possible. This reflected the strong reaction against long government domination in atomic energy and fear of the federal government's role in electric power (possibly an "atomic TVA").

However, the costs of private development proved greater and the economic urgency less than expected. By the end of 1959 policy had shifted toward the Atomic Energy Commission's taking a greater responsibility and initiative for achieving an apparently receding goal. Now a crude balance, made uneasy by the pervasive institutional rivalry

of private and public power, seems to have been established between government and private effort.

Abroad, also, construction of nuclear power plants fell to a low level in 1959 as the recession, manifested in depressed conventional fuel prices, set back the emergence of nuclear power in Western Europe. Euratom's promise as a viable economic institution became clouded when the response of the electric utilities invited to participate in joint U. S.-Euratom programs proved disappointing. Though in the eyes of European supporters of Euratom this was a "temporary phase," it and other developments compelled the United States to question the extent and kind of support it should provide for Euratom and for the International Atomic Energy Agency.

In 1957 the Twentieth Century Fund embarked on a study of the peaceful uses of nuclear energy to examine some of the pressing problems involved in its development — problems reflected in the current dilemmas. In addition to identifying the major economic issues in nuclear energy development, the study will attempt to contrast the foreign and the domestic needs for a new energy source and to describe the interrelations of our foreign and domestic policies in the field of nuclear energy.

The author of the study, which is set for publication in 1961, was formerly an economist with the Atomic Energy Commission in Washington.

Power and Peace

Author: HERBERT ROSINSKI

*Lecturer and Consultant, Industrial College of the Armed Forces,
Naval War College and Army War College;
Member, Institute for Strategic Studies, London*

IN EXTENDING the scope of its work from the economic surveys which constituted its major contributions in an earlier period, the Twentieth Century Fund has recognized the necessity of occasionally giving an individual scholar an opportunity to deal in his own way and at his own pace with some basic issue of his concern. Herbert Rosinski has been one of those whose thinking over many years has been in fields which touch at the heart of the twentieth-century world: the impact of new technologies, new forms of weapons and new national movements on the international structure. His study is one of several in which the Fund, from varying points of view, attempts to analyze the nature and implications of power.

Using power and peace as the underlying theme of his work, the author will seek to define and elucidate the nature of the modern world, particularly with respect to the complex issues of the nuclear age. As Mr. Rosinski looks at the developments of the recent past, he finds that the problems of the control of power and the maintenance of peace which now confront us have been viewed all too frequently in terms of a few decades or centuries, but not in the longer perspective of the main outlines of the development of converging civilizations. He feels it vital that an attempt be made to understand our present situation in its broadest terms.

This approach has not only theoretical interest, Mr. Rosinski feels, but practical interest as well in our own day and time. It should help toward an understanding of the impact in different parts of the world of such concrete issues as the basic policy and strategy of the Communist bloc — the significance of Khrushchev's visits to the United States and other countries and the implications of his proposals for total disarmament. It is hoped that a broad look at the development of the civilizations of the three groups — the Western democracies, the Communist countries and the Asian and African peoples — will throw light on how the recent turn in the character of their relations should be considered and judged. A further objective of the study is to establish the widest possible common ground between the specifically American point of view and the other national and regional viewpoints with which some accommodation must be found if these problems are to be capable of solution at all.

Mr. Rosinski is the author of a history of the German army and its relation to the general history of the nation which is considered a landmark in military-political writing. He has long been a student of naval and military history within a broad frame of contemporary world civilization. During 1959 Mr. Rosinski was at work revising his manuscript, which he expects to have completed by mid-1960.

South Asia

Research Director: GUNNAR MYRDAL
Professor of Economics, Stockholm University;
formerly Executive Secretary of the United Nations
Economic Commission for Europe

SOUTH ASIA — the region south of Russia and China, stretching from Pakistan in the west to Indonesia and the Philippines to the east — is a world in the making. Here are immense populations and rapidly changing societies. Within a brief period, colonial regimes have crumbled, leaving new nation-states to seek their political consolidation, establish administrative services, shape economic plans and attempt to engender modernization and development.

Whatever direction this development takes, the impact upon the rest of the world will be great and the interest of the United States must be profound. Convinced of this, the Fund in 1957 undertook a study of South Asia under the direction of Gunnar Myrdal.

It is the importance of this area as a developing force, rather than as a regional entity, which may be said to justify the survey in the form it is taking. Mr. Myrdal points out that "There are no mystical qualities in geographical proximity necessarily establishing such interrelations between peoples, living in neighboring countries, that they come to form a 'unit' in any relevant sense, either culturally, politically or economically. In the particular case of South Asia many circumstances have combined to make their mutual relations feeble. Economic plan-

ning, and indeed all the economic policies of these countries, have, in fact, a rather narrow nationalistic horizon — narrower, it would seem, than would be rational from the point of view of their development goals and their other long-term interests.

“Nevertheless, the countries of this region display enough similarities in basic conditions to make comparisons relevant, while, at the same time, they are different enough to make comparisons highly interesting and rewarding from the point of view of an analysis of the main causal relations.”

Mr. Myrdal points out that the study will not attempt a descriptive survey of all the facts in this huge part of the world which is the home for a fourth of mankind; rather it will be an analysis in very broad terms of trends and problems — what Mr. Myrdal has called a prolegomenon to the questions of underdevelopment, development and planning for development in the several countries in the region.

Mr. Myrdal has had his headquarters in New Delhi during the main part of the study and has traveled widely in the region. He is preparing to leave for Europe in the late spring of 1960. Mogens and Esther Boserup, who have been his principal assistants, will then have completed their work with the project; and in Stockholm, to which Mr. Myrdal now returns after many years of work abroad, the research and writing will be completed.

Time, Work and Leisure

Research Directors: AUGUST HECKSCHER
Director, Twentieth Century Fund

SEBASTIAN DE GRAZIA
Political scientist and consultant;
author of The Political Community

Associate Research Director:

THOMAS C. FICHANDLER
Research Associate, Twentieth Century Fund

OVER THE last one hundred years the sharp decline in the length of the average work week apparently gave Americans large quantities of free time. The Twentieth Century Fund in 1957 undertook a study of leisure to find out how much free time had been gained and what people did with it. These are not the only goals of the study. It was clear from the start that the more conscientiously one were to go about examining the subject of leisure, the more clearly would one find that it could not be bottled up under the single label of "free time." For this reason *Time, Work and Leisure* became the more exact and, as it turns out, the more exacting title of the Fund's study.

An interest in what a society does with its free time must lead quickly to questions about the rest of its time. Work time, for example, cannot be neatly separated from free time. The two may be indistinguishable for some persons; or the one may compensate for the other: what one does in his work time may influence what he does in his free time, and vice versa. For the subject of leisure, then, an approach with breadth

and perspective seemed called for, the kind of study that takes the whole community as its concern, that brings together the findings of the pertinent sciences, and does not hesitate to ask fundamental questions if they seem relevant. This is the way of the political philosopher, and as the work has developed it can best be described as a study of the political philosophy of leisure.

The dynamics in such an approach are often complex. The data thus far gathered and analyzed, though, already show the usefulness of the wider approach. The gain in free time in the United States, it now seems clear, has not been as large as commonly supposed. Part of the apparent gain results from a misplacing of statistical categories; another part arises from ignoring the working time that the individual spends on and off the job today on things he did not do fifty or a hundred years ago.

With much of the quantitative ground work laid, research at the end of 1959 turned chiefly to the qualitative part of the study. Thus there has been need to consider the relation of freedom to leisure and free time, a point that, surprisingly, has escaped most philosophers. Scrutiny in turn of the word "time" revealed it to be a key concept. It has thrown light, for example, on the relationship of free time and the period of old age in human life.

The next steps in the study involve the question of education for leisure, what role education has played in the past and, in light of this, what role it can or should be made to play amid all the changes of the future. The study is set for completion in 1961.

Tropical Africa

Research Director: GEORGE H. T. KIMBLE
Chairman, Department of Geography, Indiana University; formerly Director, American Geographical Society

WHEN THE Twentieth Century Fund started its major study of tropical Africa, George H. T. Kimble, research director for the study, remarked that the darkest thing about Africa has always been our ignorance of it. For all too many Americans awareness of Africa seemed hardly more than a Hollywood composite of jungle, juju and quaint native customs.

But even in the few short years since this study of Africa was set in motion, events in Africa have exploded onto the front pages of newspapers around the world. Dramatic headlines have served to illustrate and emphasize the vital role that this large, rich and turbulent area is destined to play in the march of human affairs. In fact, the very ferment in Africa which has resulted in a whole brood of new nations and alignments has in itself necessitated a delay in the publication of the African study to 1960 in order to bring the study as up to date as possible in the face of rapidly changing events.

One element in the swift changes during the past few years has been the strong inclination of Africans to do their own thinking and not to accept what the outsider — be he American businessman, European politician or Asian philosopher — tells them to think. They are on their way, but whether to full democracy or some other system, few people would yet be willing to say.

What all can see, though, is the pivotal position Africa occupies in our politically divided but economically interdependent world. As Mr. Kimble has pointed out, Tanganyika is handier to Russia than Texas and is more tempting strategically. What happens in the uranium mines of the Belgian Congo today may well affect the Pentagon tomorrow. "Thus self-interest — to invoke no higher motive — demands that we take cognizance of these facts. It also demands that we try to see the significance of what is happening to the land and its people, to their livelihood, welfare and development."

The Africa study will be published in two volumes. The first will deal with the economy of tropical Africa, providing general information as well as a detailed examination of agriculture, mineral exploitation, industrialization, transportation, trade and population trends. The second volume will cover the changing society and polity of tropical Africa — colonial policies, native administration, the rise of nationalism; art and music; education and mass communications; health and disease, as well as many other facets of African life.

Mr. Kimble, author of several books and a frequent contributor to magazines, has made several trips through Africa in the course of his work on this study.

Yugoslavia

Research Directors: GEORGE W. HOFFMAN

Associate Professor of Geography, University of Texas

FRED WARNER NEAL

*Associate Professor of International Relations and
Government, Claremont Graduate School, California*

THE Yugoslavian experiment — to find a life under its own Communist system entirely independent of the Soviet Union — is one which has not only held deep interest for Americans, but has gained official United States support. It is an experiment which may have wide significance in world affairs.

In an attempt to assess the meaning of the Yugoslavian experience and to relate it to world political currents, the Fund has undertaken a study of Yugoslavia being directed by George W. Hoffman and Fred Warner Neal.

At the core of the Yugoslavian experiment is the question of the country's ability to create a viable economy. Looking at Yugoslavia's record, the authors of the new study note that while living standards remain below Western levels, they did rise during 1959. This, the authors believe, is largely attributable to the dramatic success chalked up during the year by the Tito regime's decollectivized agriculture, especially the bumper crops of wheat and corn. For the first time since its break with the Cominform in 1948, Yugoslavia will not have to import wheat in 1960 and may even export small amounts. This is particularly significant for the country's serious balance of payments problem.

The long-delayed success in agriculture results both from the regime's acceptance of private use of the land by the peasants, who farm more than 90 per cent of the land, and from vastly stepped-up investments in agriculture during the past four years.

The next big problem to be tackled, the authors of the forthcoming study say, is a serious housing shortage. Anticipatory to a big drive in this field, subsidized rents are being abandoned. Rents will be virtually doubled to a point where they can pay for the upkeep of apartment houses. Wages — some 18 per cent higher in 1959 than in 1958 — are slated to be raised to help apartment dwellers meet the added expense. Although the over-all cost of living has been stabilized, a remaining big problem is how to bring wages up to a point of adequacy without causing a renewal of the earlier inflationary trend or further departing from the ideal of a free market economy within the framework of the Yugoslavian model of a Communist system.

The study is set for publication in 1961. Mr. Hoffman has done research work in Yugoslavia sponsored by the Social Science Research Council and the Research Institute of the University of Texas. In 1957 he traveled in Europe on a grant from the American Philosophical Society. Mr. Neal was formerly a Washington and foreign correspondent for the *Wall Street Journal* and a consultant on Russian Affairs and Chief of Foreign Research on Eastern Europe for the U. S. Department of State. In 1954-55 he was in Yugoslavia as an Associate of the American Universities Field Staff.

Special Projects

POLITICAL SCIENCE

OTHER PROJECTS

Political Science

IN A REVIEW of its objectives undertaken by the Trustees of the Twentieth Century Fund in 1955, emphasis was placed on the desirability of encouraging the search for broad political and social concepts. It seemed evident that facts were in danger of outrunning theory and that the century had been lacking in the creative formulations which had given force and direction to earlier epochs. The Board realized that in such modest help as it could give to the development of political theory, emphasis on the individual, rather than on the team approach, would be essential.

In 1959 the Fund authorized a grant of \$11,000 to Carl J. Friedrich, Eaton Professor of the Science of Government and a member of the Graduate School of Arts and Sciences as well as that of Public Administration, Harvard University, to facilitate work on a major study of political theory, the basic concepts of which have been developing through a distinguished career of writing and teaching. It made a grant of \$1,200 to Eduard Heimann, Lecturer in Christian Ethics, Union Theological Seminary, and Professor Emeritus of Economics and Sociology, New School for Social Research, to help in a basic study of comparative economic systems in the light of their historical and sociological backgrounds. The Fund made payments on a grant to enable Professor Jacques Maritain to pursue his political and philosophical studies.

In addition, a small grant, part of a three-year program, was paid to the American Society for Political and Legal Philosophy toward the publication of papers presented at its annual meeting. A volume entitled *Community* was issued, following an earlier volume on *Authority*.

Other Projects

LATIN AMERICA STUDY GROUP

The Fund has been interested for some time in the possibility of a broad study of economic problems of Latin America. The sharply contrasting geographic, economic, social and political conditions which characterize the nations of Latin America pose a problem of great complexity in framing such a study. Yet the present drive toward economic development in Latin America and the emphasis on regional economic integration suggest that an analysis in depth of these problems might be of value.

In late 1959 the Fund formed a study group to help define a project on Latin America and provide guidelines for its development. Those who took part in the first meeting were, in addition to members of the Fund staff: Albert O. Hirschman, John Adler, Reynold D. Carlson, Vincent Checchi, David Gordon, C. E. Lindblom, Pedro Pages, Charles Wagley, Alfred Wolf. Continuing discussions of the group, to which specialists in various fields are added from time to time, are focusing on the process of economic policy-making in Latin America, taking as examples such stubborn problems as inflation, the lag of agriculture, the inadequacy or fluctuations of export earnings, and the instability of economic policy itself. Participants have augmented general discussion with short papers on topics related to the project, and the Fund plans to publish these papers, as well as a summary of the discussions, in 1960. Albert O. Hirschman, Professor of International Economic Relations at Columbia University, is rapporteur of the group.

ASSISTANCE TO THE NEW SCHOOL

An appropriation of \$50,000 was given by the Fund to the New School for Social Research of New York City to further its work. The Fund does not as a rule make grants to organizations or individuals, but

SPECIAL PROJECTS

special circumstances occasionally cause a change in procedure. In this instance the gift was made on the fortieth anniversary of the New School in view of its pioneering leadership in the field of adult education — a field in which the Fund has had particular interest.

TELFORD TAYLOR GRANT

A third volume in a history of the German military in World War II by Telford Taylor is being aided with a grant of \$5,000 from the Twentieth Century Fund which Mr. Taylor expects to use in the extensive research required for his project. Two volumes of the history have already been published. The new work will focus on the critical winter of 1942-43, with special emphasis on the Russian front.

Mr. Taylor, a New York lawyer and writer, was a military intelligence officer during World War II. He served in the European Theater of Operations and after the war was United States chief of counsel for the prosecution of war criminals at Nuremberg.

ARENA STAGE GIFT

The Fund has generally concurred with traditional foundation practice not to provide funds for the erection of buildings, but rather to seek out needs and problems of society which call for new solutions and new thinking. It has felt, however, that the rigid stand which is taken by so many foundations against "bricks and mortar" can on occasion frustrate needed action. It was with this in mind that the Fund provided a grant to aid in the construction of a new home for the Arena Stage in Washington's new Southwest Redevelopment Area.

Arena Stage, a project of the nonprofit Washington Drama Society, Inc., must vacate its present quarters and the new building will enable it to continue a ten-year history as a cultural attraction of the nation's capital, one which has earned for itself national attention. The new

theater will be designed for the presentation of plays "in the round," but will allow for adaptation to three-sided staging as well. Zelda Fichandler is Producing Director of Arena Stage and Harry Weese is the architect of the new building.

Educational Activities

A MAJOR AIM of the Fund is to call its studies to the attention of those who can make direct use of them, and also to disseminate the main findings to a broader public than usually has access to the full studies themselves. In order to reach most effectively the widest audience which may be interested in the findings of Fund research, special presentations based on the original work may be prepared from time to time for students, civic organizations or perhaps the readers of the scholarly publications, the particular presentation depending on the needs of the various groups. The Fund carries on an active program of dissemination through the press, radio and television, movies, the Fund's own Newsletter and other channels of communication.

Motion Pictures

DURING 1959 a suggested screen treatment was prepared and production plans were started for a motion picture to be based on the Fund's forthcoming study of Megalopolis. The film will be produced jointly by the Fund and Encyclopaedia Britannica Films, and will be released shortly after publication of the study itself, probably in 1961.

The Fund has found that films are useful in presenting some central findings or in outlining the nature and dimensions of a problem being studied. Usually a film is not designed primarily to convey detailed information (in most cases the printed page offers a better medium for this purpose), but it can have value in catching attention, arousing interest in a given subject and implanting in the viewer a desire to know more about it. Thus the films have helped the Fund to reach wider audiences with the findings of its scholarly research. The use of audio-visual aids, including films, is constantly increasing in school and college as well as adult education.

The Fund now has nine films in active circulation. Two one-reel films in color, "Can We Solve the Farm Problem?" and "American Imports: A New Look," are designed especially for use by discussion groups. These are distributed through Stanley Neal Productions, Inc., in New York City.

The remaining pictures are distributed by Encyclopaedia Britannica Films, which has headquarters in Wilmette, Illinois, and branches throughout the country where Fund films are available for purchase or rental. During 1959 sales figures indicated that the greatest current interest was in "Productivity: Key to Plenty." This was originally pro-

duced in 1949 and dramatically sets forth the secret of America's high standard of living — our high rate of productivity. A film made in 1953, "Inflation," also continues to be timely and of present-day concern. It deals with the fundamental factors that apply to any inflationary situation. A perennially popular Fund film is "Distributing America's Goods." This is the story of what happens to goods as they are distributed from farm and factory to the consumer, along with an analysis of the costs involved in the process. Other films that continued to attain good circulation during the year were "The Living City," which deals with the problems of urban renewal, and "Look to the Land," which deals with the conservation and efficient use of land and natural resources.

Filmstrip

THE INCREASED use of visual aids in teaching suggested to the Fund the possibility of making filmstrips based on its reports. The most recent series was based on the Fund's major study *America's Needs and Resources: A New Survey* and the popular paperback summary *U.S.A. in New Dimensions*. This filmstrip series, "America's New Dimensions," contains six 35mm. color filmstrips and is being distributed by The Macmillan Company, including a manual, at \$6 per individual filmstrip or \$30 for the set of six. The filmstrips were produced for the Fund by the William P. Gottlieb Company. Recently the filmstrips were presented by the Ohio Council on Economic Education over Station WBNS-TV in Columbus.

Television

IN THE past few years the Fund has participated in several experimental ventures in the field of television, especially educational television, recognizing the presence of an audience which is becoming increasingly

EDUCATIONAL ACTIVITIES

aware of the potentialities of television in the realm of ideas and facts. Findings from such studies as *Farm Policies of the United States: 1790-1950*, *America's Needs and Resources: A New Survey*, *Approaches to Economic Development*, *Renewing Our Cities* and *Partners in Production* have all been utilized in television programs of one kind or another, sometimes forming the basis of the presentation. The high production costs in television and the complexity of television programming have limited the Fund to relatively modest exploratory projects thus far. The burgeoning number of educational television stations and the innovations, such as video tape, however, make the future look more promising, and the Fund expects to continue its explorations wherever an opportunity opens.

One way the Fund has found to keep in close touch with activities in the field of educational television is through its association with WGBH-TV Filene Educational Channel 2. A Trustee of the Twentieth Century Fund is present on the Board of Trustees of both the Lowell Institute Cooperative Broadcasting Council and Station WGBH, which operates with the advice and cooperation of the Institute. The Fund made a contribution to the station's construction in 1953 in memory of Edward A. Filene, founder of the Fund.

Newsletter and Clipsheet

PERSONS interested in the work of the Fund are kept informed of its activities through a Newsletter which appears three times a year. The Newsletter regularly goes to about twenty thousand institutions and individuals, including leaders in industry, education, government and welfare. It provides information on new studies the Fund may be undertaking and frequently gives excerpts from published works. In addition,

the Newsletter often includes one or two special features prepared for students and others interested in basic findings of Fund research studies.

As new studies emerge the Fund issues a Clipsheet, made up of short factual items of interest from these studies and designed for "filler" use by a wide variety of publications. Clippings of several thousand of these items have been received each year.

Special Educational Activities

GRAPHICS

As a means of presenting vital elements of Fund studies in summary and clear form, combining brief text with extensive use of diagrams and pictures, the Fund has issued a series of "graphics." These have embodied main findings from such studies as *American Imports*, by Don D. Humphrey, *Approaches to Economic Development*, by Norman S. Buchanan and Howard S. Ellis, *U.S.A. in New Dimensions*, by Thomas R. Carskadon and George Soule, and *Can We Solve the Farm Problem?*, by Murray R. Benedict. The most recently issued chart, "U. S. in the World Economy: Challenge and Opportunity," is based on material from several Fund studies, with new material from Ben T. Moore, Associate Director of the Fund.

Users of graphics have ranged from high school and college classes to civic organizations and men's and women's clubs and study groups. They have also been used as exhibits in libraries and transferred to slides for use by lecturers and on educational television programs. Reprints of the charts have appeared in various publications and magazines.

Continued demand for the graphics has required a reprinting of those on *American Imports* and *Approaches to Economic Development*. Over one hundred thousand of these charts have been requested by civic groups, high schools and colleges, business and labor groups, and adult education classes.

EDUCATIONAL ACTIVITIES

The graphics, printed on a 12" by 16" sheet, are available without cost for single copies and at one cent each in quantity orders.

FEATURE ARTICLES

The Fund has long made it a regular practice to issue news releases, editorial summaries and other aids to discussion of its studies in the current press. It has worked with editors and journalists in making available its material in the form and at the time best suited for their purposes. One of the means by which the Fund has reached this wider audience has been through *Feature*, a publication which lists the availability of special articles and material for some five thousand specialized and general magazines, labor and business publications, house organs and newspapers.

During 1959 an article called "Our Liberties — Are They Safe?" adapted from the Fund study *The Economy, Liberty and the State*, by Calvin Hoover, proved to be among the most popular of the Fund articles presented through *Feature*, with over two hundred publications requesting the full text.

Also bringing a heavy response were two short graphic presentations based on the Fund study *Can We Solve the Farm Problem?* They were issued consecutively in two parts, under the title "The New Age of American Farming: Part 1 — The Causes; Part 2 — The Consequences." Mats were made for these presentations and they were used by some three hundred publications.

ANTITRUST ABSTRACT

The Fund participated during the year in an experimental project recently originated by the Joint Council on Economic Education. The Council's aim is to reduce the time gap between the appearance of an

authoritative economic research study and its use in school and college teaching.

The Council chose the Fund study *Antitrust Policies: American Experience in Twenty Industries* by Simon N. Whitney as the first in this new series. Under joint sponsorship of the Fund and the Council, an abstract of the first volume of this study was made by George W. Stocking.

Approximately four thousand copies of the abstract were distributed, and preliminary reactions are favorable. Letters indicate that the abstracts fill a need felt by teachers eager to learn of new studies in the realm of economics, yet frequently without access to the original studies, and, indeed, often lacking the time to read them in their entirety.

Publishing Activities

FUND STUDIES are initially made available to the public in book form under the Fund's own imprint. In 1959 book sales were 22,058, with cumulative sales of all Fund works totaling 619,191 volumes to date. Fund books are priced simply to return their manufacturing and distribution costs, the major expenses of research being covered by income from the Fund endowment. Books are sold in the United States and Canada through regular book channels and through direct mail by the Fund itself.

Foreign sales — which this year accounted for nearly 20 per cent of all books sold to bookstores — are handled by W. S. Hall & Co. for Europe and the British Isles, and by Feffer and Simons, Inc., for other parts of the world outside the United States and Canada. Japan, India, England, Germany and the Philippines constituted the chief foreign customers for Fund works in 1959.

Foreign publishers have shown themselves increasingly interested in Fund works. This year a Persian translation of *Approaches to Economic Development*, by Norman S. Buchanan and Howard S. Ellis, was brought out in Iran. A Spanish translation of this work is also under way. *The Economy, Liberty and the State*, by Calvin B. Hoover, is being brought out in Japanese, and Spanish editions of this work and of *Renewing Our Cities*, by Miles L. Colean, are also under way.

The Shape of Tomorrow, a paperback published by the New American Library and based on Fund material, is being brought out in Arabic and Persian.

The Fund maintains a Standing Order Plan through which interested persons and organizations have the privilege of examining each new publication as it is issued and are allowed a substantial discount on copies purchased. Details of the plan, as well as a general catalogue of all Fund publications, are available on request.

The titles of books published by the Fund, and their sales, for 1930 through 1959 are listed in the table following.

Sales of Publications, 1930-1959

TITLE	PUBLISHED	1959 SALES	TOTAL SALES TO END OF 1959
Financing the Consumer	1930	*	3,068
Boycotts and Peace	1932	*	674
How to Budget Health	1933	*	828
The Internal Debts of the United States	1933	*	1,879
Stock Market Control	1934	*	1,268
Labor and the Government	1935	*	1,369
The Security Markets	1935	*	1,812
The Townsend Crusade	1936	*	1,075
Big Business: Its Growth and Its Place	1937	*	2,543
Facing the Tax Problem	1937	*	4,538
How Profitable Is Big Business?	1937	*	1,640
The National Debt and Government Credit	1937	*	1,675
More Security for Old Age	1937	*	1,135
Studies in Current Tax Problems	1937	*	1,242
Debts and Recovery	1938	*	1,557
A Memorandum on the Problem of Big Business	1939	*	2,010
Does Distribution Cost Too Much?	1939	*	8,591
Housing for Defense	1940	*	2,412
Labor and National Defense	1941	*	3,071
Postwar Planning in the United States, No. 1	1942	*	7,091
The Road We Are Traveling	1942	*	38,921
How Collective Bargaining Works	1942	*	4,632
Goals for America	1942	*	33,764
Wartime Facts and Postwar Problems	1943	*	16,048
Postwar Planning in the United States, No. 2	1943	*	5,992

* Out of print.

TITLE	PUBLISHED	1959 SALES	TOTAL SALES TO END OF 1959
Postwar Plans of the United Nations	1943	*	6,163
Where's the Money Coming From?	1943	*	38,105
The Power Industry and the Public Interest	1944	15	2,659
American Housing	1944	*	10,636
Postwar Planning in the United States, No. 3	1944	*	4,390
Democracy Under Pressure	1945	*	42,482
Financing American Prosperity	1945	20	7,056
Tomorrow's Trade	1945	18	21,024
Trends in Collective Bargaining	1945	21	14,430
For This We Fought	1946	11	19,611
Cartels in Action	1946	*	6,155
America's Needs and Resources (first edition)	1947	*	22,129
Rebuilding the World Economy	1947	16	8,805
Electric Power and Government Policy	1948	17	1,674
Cartels or Competition?	1948	18*	4,357
Report on the Greeks	1948	13	4,885
Partners in Production	1949	13	9,951
Turkey: An Economic Appraisal	1949	37*	3,025
U.S.A.: Measure of a Nation	1949	40 ^a	55,790
Brazil: An Expanding Economy	1949	45	3,364
America's Capital Requirements	1950	*	1,278
Monopoly and Free Enterprise	1951	10*	8,558
Defense Without Inflation	1951	33	7,279
Financing Defense	1951	18	4,377
British Planning and Nationalization	1952	25*	4,948

* Out of print.

^a Sold by Macmillan; royalty payments received.

T I T L E	PUBLISHED	1959 SALES	TOTAL SALES TO END OF 1959
Costa Rica: A Study in Economic Development	1952	70	2,336
The Federal Debt	1953	39	2,527
Farm Policies of the United States, 1790-1950	1953	199	3,894
Employment and Wages in the United States	1953	79	4,738
Defense and the Dollar	1953	20	3,740
Economic Controls and Defense	1953	47	3,825
Renewing Our Cities	1953	*	5,694
World Population and Production	1953	230	7,590
Foreign Exchange in the Postwar World	1954	188	3,847
Approaches to Economic Development	1955	716	8,440
America's Needs and Resources: A New Survey	1955	229	9,745
American Imports	1955	65	2,718
Can We Solve the Farm Problem?	1955	145	3,303
World Commerce and Governments	1955	128	3,137
Economic Needs of Older People	1956	161	4,877
The Agricultural Commodity Programs	1956	54	1,700
U.S.A. in New Dimensions	1957	8,752 ^b	66,538
Greece: American Aid in Action	1957	56	2,787
Antitrust Policies: American Experience in Twenty Industries	1958	559	2,873
Arms and the State	1958	1,430	4,395
Honduras: A Problem in Economic Development	1959	471	471
The Economy, Liberty and the State	1959	4,690	4,690
Pension Funds and Economic Power	1959	3,360	3,360
Total		<u>22,058</u>	<u>619,191</u>

* Out of print.

^b 8,721 copies sold by Macmillan; royalty payments received.

Administration

HEADQUARTERS STAFF

FINANCIAL STATEMENTS

DETAILED STATEMENT OF ASSETS

Headquarters Staff, 1959

AUGUST HECKSCHER, *Director*

THOMAS R. CARSKADON, *Associate Director*

BEN T. MOORE, *Associate Director*

ELIZABETH BLACKERT, *Editorial Planning and Assistant to the Director*

THOMAS C. FICHANDLER, *Research Associate*

LOUISE FIELD, *Research Associate*

JOHN E. BOOTH, *Education Associate*

CAROL KIER, *Book Manufacturing and Sales*

BETTY R. HIRSCH, *Bursar*

HELEN M. DOYLE, *Office Manager*

FRANCES KLAFTER, *Research Assistant*

RUTH ROCKER, *Copy Editor*

AUDREY BRENTLINGER, *Secretary to the Director*

ALICE MENTEL, *Secretary to the Associate Director*

HELEN L. GOLDBERG, *Secretary to the Associate Director*

SECRETARIAL AND CLERICAL

IDA CARLOMAGNE, ESTHER ETO, ARLENE FARRELL, HUGO FOSCO,
NETTIE GERDUK, ERMA T. GRABILL, **MILDRED L. GRAY, RITA
LONG, *DOROTHY A. PEPPER, EILEEN REGELMANN, SADIE ROSEN-
FELD, ETHEL A. STEIDLER, **ANNA THAU

*Retired during year.

**Resigned during year.

Finances

FINANCIAL STATEMENTS DECEMBER 31, 1959 WITH COMPARATIVE FIGURES FOR 1958

Statement of Assets and Principal

	DECEMBER 31	
	1959	1958
CASH	\$ 351,398	\$ 439,786
INVESTMENTS, AT INDICATED MARKET VALUE:		
United States government bonds	1,909,459	772,643
Authority and revenue bonds	—	26,400
Public utility bonds	125,350	136,562
Railroad bonds	48,595	—
Preferred stocks	1,864,265	2,081,165
Common stocks	14,306,231	13,600,885
Total investments (see note)	<u>\$18,253,900</u>	<u>\$16,617,655</u>
HEADQUARTERS PROPERTY, AT COST	495,000	495,000
PRINCIPAL OF FUND	<u>\$19,100,298</u>	<u>\$17,552,441</u>

Statement of Changes in Principal

	YEAR ENDED DECEMBER 31	
	1959	1958
OPERATING RECEIPTS AND DISBURSEMENTS:		
Operating receipts:		
Interest and dividends on investments	\$ 665,623	\$ 635,808
Sales of publications	54,977	42,314
Sales and rentals of films	1,225	1,448
Total operating receipts	<u>\$ 721,825</u>	<u>\$ 679,570</u>
Operating disbursements	<u>663,786</u>	<u>688,441</u>
Excess or (deficiency) of operating receipts over disbursements	\$ 58,039	\$ (8,871)
CHANGES IN INVESTMENT HOLDINGS:		
Increase in indicated market value of investments held throughout the year	\$ 1,356,015	\$ 4,377,959
Increase in indicated market value from purchase cost of investments purchased during the year	41,247	59,144
Gain on sales of investments based on indicated market value at beginning of year or purchase price during year	<u>92,556</u>	<u>173,536</u>
Increase in principal resulting from changes in investment holdings	<u>\$ 1,489,818</u>	<u>\$ 4,609,739</u>
Net increase in principal	<u>\$ 1,547,857</u>	<u>\$ 4,600,868</u>
BALANCE OF PRINCIPAL AT BEGINNING OF YEAR	<u>17,552,441</u>	<u>12,951,573</u>
BALANCE OF PRINCIPAL AT END OF YEAR	<u>\$19,100,298</u>	<u>\$17,552,441</u>

NOTE: Though the books of the Fund are maintained generally on a cash basis, the above statements show the investments owned by the Fund at their indicated market values.

Report of Independent Accountants and Auditors

The Board of Trustees

Twentieth Century Fund, Inc.:

We have examined the financial statements of Twentieth Century Fund, Inc. — December 31, 1959. 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.

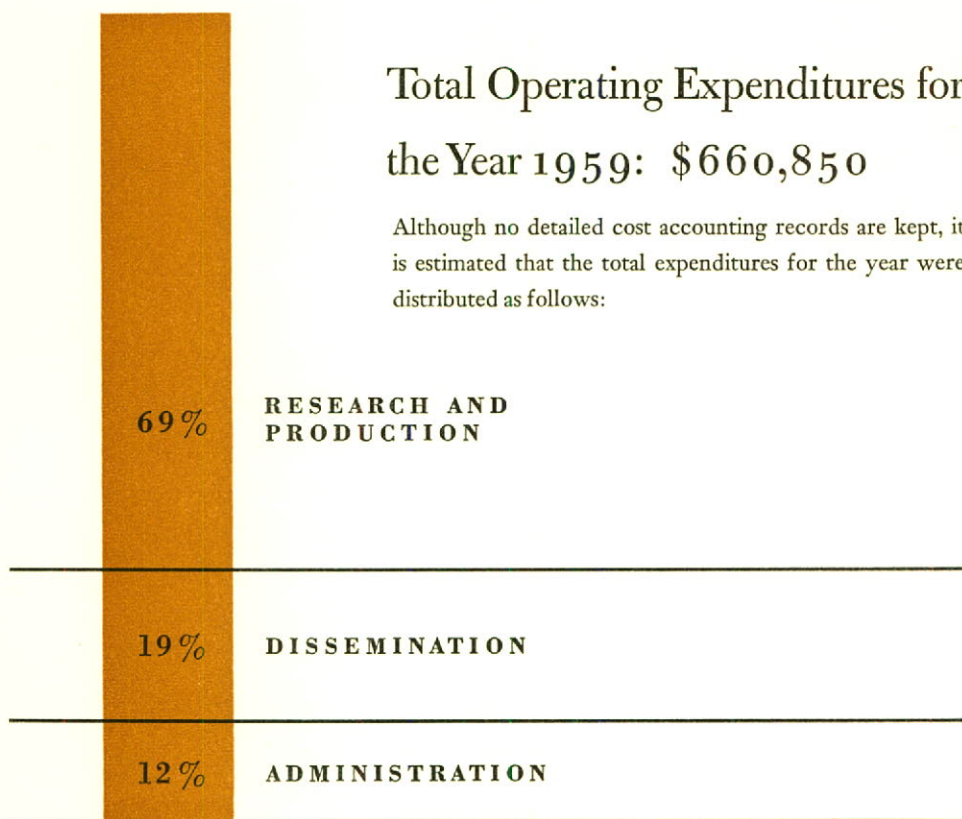
In our opinion, the accompanying financial statements present fairly the financial position of Twentieth Century Fund, Inc. at December 31, 1959 and the changes in its principal for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

(signed) PEAT, MARWICK, MITCHELL & CO.

New York, N. Y., February 2, 1960

Total Operating Expenditures for the Year 1959: \$660,850

Although no detailed cost accounting records are kept, it is estimated that the total expenditures for the year were distributed as follows:



PRODUCTION OF RESEARCH FINDINGS: 69%

Production of research findings: research, writing, revision and editing of studies and reports; publication in book and pamphlet form.

DISSEMINATION OF RESEARCH FINDINGS

TO THE PUBLIC: 19%

Dissemination of research findings to the public through: distribution and promotion of publications; releases and articles for newspapers and magazines; radio and television programs; educational films and filmstrips; the Newsletter and Clipsheet; personal contact with key organizations and individuals.

ADMINISTRATION: 12%

General administration.

Cash Transactions, 1959

SUMMARY

Cash Balance January 1, 1959	\$ 439,786
Total Receipts	3,929,868
Total Receipts and Cash Balance	<u>\$4,369,654</u>
Total Disbursements	4,018,256
Cash Balance December 31, 1959	<u><u>\$ 351,398</u></u>

RECEIPTS

Interest and Dividends from Investments	\$ 665,623
Sales of Publications	54,977
Sales and Rentals of Films	1,225
Proceeds from Sale of Investments	3,208,043
Total Receipts	<u><u>\$3,929,868</u></u>

DISBURSEMENTS

Headquarters Activities	\$ 294,808
Research Projects	193,745
Technological Changes	\$ 7
Civil-Military Relations	405
Tropical Africa	181
European Coal and Steel Community	4,624
Distribution Costs and Methods	164
Megalopolis	37,894
Economic and Political Systems	(16)
Pension and Welfare Funds	1,500
Nuclear Energy	12,143
Europe's Needs and Resources	53,711
Power and Peace	194
South Asia	36,768
Time, Work, Leisure	33,080
Yugoslavia	8,086
European and Atlantic Economic Cooperation – exploratory	2,609
Armaments – exploratory	480
Latin America – preliminary survey	1,282
Technological Revolution in Agriculture – exploratory	633
Special Projects	63,749
Jacques Maritain Grant	4,500
American Society for Political and Legal Philosophy	1,750
Carl Friedrich Grant	5,000

Cash Transactions (*continued*)

Telford Taylor Grant	\$ 299	
New School Grant	50,000	
Eduard Heimann Grant	1,200	
Tapestry	1,000	
Publishing of Survey Reports		\$ 74,632
Education and Dissemination		33,916
Motion Pictures and Filmstrips	236	
Foreign Language Translations	2,000	
Special Dissemination	6,115	
Institutional Literature	25,565	
Total Operating Expenses		\$ 660,850
Headquarters Renovation Expenses		2,936
Purchase of Investments		<u>3,354,470</u>
Total Disbursements		<u><u>\$4,018,256</u></u>

Detailed Statement of Assets

DECEMBER 31, 1959 AND DECEMBER 31, 1958

	AS OF DECEMBER 31, 1959		AS OF DECEMBER 31, 1958	
	<i>par value</i>	<i>market value</i>	<i>par value</i>	<i>market value</i>
BONDS				
Authority and Revenue Bonds:				
New Jersey Turnpike Authority				
3% Second Series, July 1, 1988			\$ 30,000	\$ 26,400
Total Authority and Revenue Bonds			0.1%	26,400
Public Utility Bonds:				
El Paso Natural Gas Company				
5¼% cv. debentures September 1, 1977	\$ 115,000	\$ 125,350	\$ 115,000	\$ 136,562
Virginian Railway Company				
6% debentures, August 1, 2008	43,100	48,595		
Total Public Utility Bonds	0.8%	\$ 173,945	0.8%	\$ 136,562
United States Government Bonds:				
Savings Defense Bonds:				
Series G 2½% July 1, 1960			\$ 20,000	\$ 19,580
Series G 2½% November 1, 1960			80,000	78,320
Series G 2½% May 1, 1961	\$ 55,000	\$ 54,010	55,000	53,680
Treasury 2¾% September 15, 1961			200,000	195,125
Treasury 2½% November 15, 1961			150,000	144,938
Treasury 2¾% Series B April 1, 1980-75	100,000	100,000	100,000	100,000
Treasury 3¼% May 15, 1985	200,000	165,750	200,000	181,000
Treasury Bills 1/28/60	120,000	119,686		
Treasury Notes 4¾% Series A				
May 15, 1964	100,000	99,813		
Treasury Notes 5% Series B				
August 15, 1964	1,360,000	1,370,200		
Total Government Bonds	10.2%	\$ 1,909,459	4.5%	\$ 772,643
PREFERRED STOCKS				
	<i>shares</i>		<i>shares</i>	
Atchison, Topeka & Santa Fe Railway Company 5%	5,000	\$ 47,500	5,000	\$ 51,250
Celotex Corporation 5%	2,000	35,500	2,000	37,000
Central Maine Power Company 3.50%	1,000	64,000	1,000	66,250
El Paso Natural Gas Company 5.65%	800	79,200	1,000	100,500

PREFERRED STOCKS— <i>continued</i>	AS OF DECEMBER 31, 1959		AS OF DECEMBER 31, 1958	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Empire District Electric Company 5%	500	\$ 45,500	500	\$ 49,000
Gulf States Utilities Company \$4.44	650	57,850	650	59,800
Helme (George W.) Company 7% n-c	1,000	33,000	1,000	36,000
Interchemical Corporation 4½%	1,000	89,000	1,000	92,500
Jersey Central Power & Light Company 4%	760	58,330	760	64,600
Monongahela Power Company 4.40%	1,000	81,000	1,000	86,500
Northwest Bancorporation 4.50% cv.	63	9,135	63	7,686
Pacific Gas & Electric Company 5% 1st	1,500	37,125	1,500	37,500
Philip Morris, Inc. 4%			1,000	79,125
Radio Corporation of America \$3.50 1st	1,500	100,875	1,500	106,500
Reynolds Metals Company 4¾% "A"	2,000	86,000	2,000	94,000
Reynolds Metals Company 4½% cv. 2nd	250	36,625		
Royal McBee Corporation 4½% "A"	500	34,000	500	35,500
South Carolina Electric & Gas Company 5%	1,400	64,050	1,400	70,000
Tennessee Gas Transmission Company 4.90%	1,200	103,800	1,200	110,400
Tennessee Gas Transmission Company 5.25%	1,000	93,000	1,000	97,500
Toledo Edison Company 4.25%	925	72,150	925	77,931
Tri-Continental Corporation \$2.70	6,000	302,250	6,000	324,000
United States Rubber Company 8% n-c	1,000	144,250	1,000	146,250
United States Steel Corporation 7%	1,000	139,125	1,000	148,500
United States Tobacco Company 7%	1,500	51,000	1,500	54,188
Virginian Railway Company 6%			3,750	47,812
Ward Baking Company 5½%			10	873
Total Preferred Stocks	9.9%	\$ 1,864,265	12.2%	\$ 2,081,165

COMMON STOCKS

American Can Company	3,000	\$ 129,750	1,000	\$ 50,250
American Cyanamid Company			2,000	103,250
American Electric Power Company			4,704	254,604
American Natural Gas Company	1,331	77,864	1,100	72,050
American Telephone & Telegraph Company	9,666	770,863	3,222	724,950
American Tobacco Company	1,000	106,625	1,000	95,625
Atchison, Topeka & Santa Fe Railway Company	7,500	204,375	7,500	211,875
Bank of New York	506	164,450	506	125,488
Beech-Nut Life Savers, Inc.	2,000	71,000	2,000	88,000
Bethlehem Steel Corporation	4,000	218,000	4,000	209,500

COMMON STOCKS— <i>continued</i>	AS OF DECEMBER 31, 1959		AS OF DECEMBER 31, 1958	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Boston Edison Company	4,400	\$ 273,350	2,000	\$ 120,500
Brooklyn Union Gas Company	4,000	111,500	2,000	99,500
Canadian Pacific Railway Company	3,000	74,625	3,000	87,000
Central Illinois Light Company	4,400	147,950	4,400	146,300
Chase Manhattan Bank	1,500	103,313	1,350	78,300
Chemical Bank New York Trust Company	1,750	119,000	1,000	89,750
Christiana Securities Company	10	173,000	10	141,000
Columbus & Southern Ohio Electric Company			3,000	108,375
Consolidated Edison Company of New York	2,500	146,563	2,500	162,500
Consolidated Natural Gas Company	2,310	111,457	2,100	106,575
Consumers Power Company	3,880	209,035	3,880	216,795
Corn Products Company	1,500	84,750	1,500	81,750
Dayton Power & Light Company	2,251	114,801	2,251	127,181
Federated Department Stores	83,000	5,851,500	93,000	5,161,500
First National Bank of Boston	1,100	105,050	1,077	88,583
Ford Motor Company	1,000	90,750		
General Electric Company			2,000	156,750
General Motors Corporation	2,000	110,000		
Gulf States Utilities Company			2,000	111,500
Kansas City Power & Light Company	3,000	142,500	3,000	150,000
McGraw-Hill Publishing Company			2,500	140,000
Mississippi River Fuel Corporation	4,000	133,000	4,000	150,500
Morgan Guaranty Trust Company New York	1,200	138,900	1,200	110,100
National Biscuit Company	2,500	140,000	1,000	50,375
National Dairy Products Corporation	1,000	47,750	1,000	48,875
Niagara Mohawk Power Corporation	5,000	175,625	3,500	135,188
Northwest Bancorporation	3,000	111,000	1,000	93,000
Ohio Edison Company	3,631	214,683	3,631	217,860
Otis Elevator Company	4,000	346,000	4,000	292,000
Pacific Gas & Electric Company	3,250	208,812	3,250	206,375
Pacific Lighting Corporation	3,000	147,750	3,000	161,625
Pacific Telephone & Telegraph Company	11,025	315,591	1,575	234,675
Potomac Electric Power Company	6,930	187,976	5,775	160,256
Public Service Company of Indiana	5,000	216,250	2,000	92,000
Public Service Electric & Gas Company	3,000	112,500	3,000	115,500
Reynolds (R. J.) Tobacco Company	4,000	240,000	2,000	181,500
Rochester Gas & Electric Corporation			6,000	247,500

COMMON STOCKS— <i>continued</i>	AS OF DECEMBER 31, 1959		AS OF DECEMBER 31, 1958	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Socony Mobil Oil Company	2,750	\$ 114,125	2,750	\$ 133,031
Southern Natural Gas Company	2,000	71,250	2,000	84,000
Southern Pacific Company	6,000	138,750	2,000	131,250
Southern Railway Company	2,500	133,125	2,500	138,125
Standard Oil Company of California	2,000	100,500	2,000	119,500
Standard Oil Company of Indiana	3,000	132,375	3,000	141,750
Standard Oil Company of New Jersey	3,238	160,686	3,205	184,688
Standard Oil Company of Ohio	2,000	111,500	2,000	119,500
Texaco, Inc.	2,080	178,100	2,040	174,930
Union Carbide Corporation	1,000	147,000	1,000	126,125
Union Electric Company	6,600	212,850	3,000	98,250
Union Oil Company of California			1,122	51,893
Union Pacific Railroad Company	2,500	76,562	2,500	89,063
Wrigley (Wm.) Jr. Company	1,000	82,000	1,000	85,000
Youngstown Sheet & Tube Company	1,500	199,500	1,000	117,000
Total Common Stocks	76.3%	\$14,306,231	79.5%	\$13,600,885
HEADQUARTERS PROPERTY — at cost	2.7%	495,000	2.9%	495,000
TOTAL OF ALL INVESTMENTS	100%	\$18,748,900	100%	\$17,112,655
CASH		351,398		439,786
GRAND TOTAL OF ASSETS		\$19,100,298		\$17,552,441

