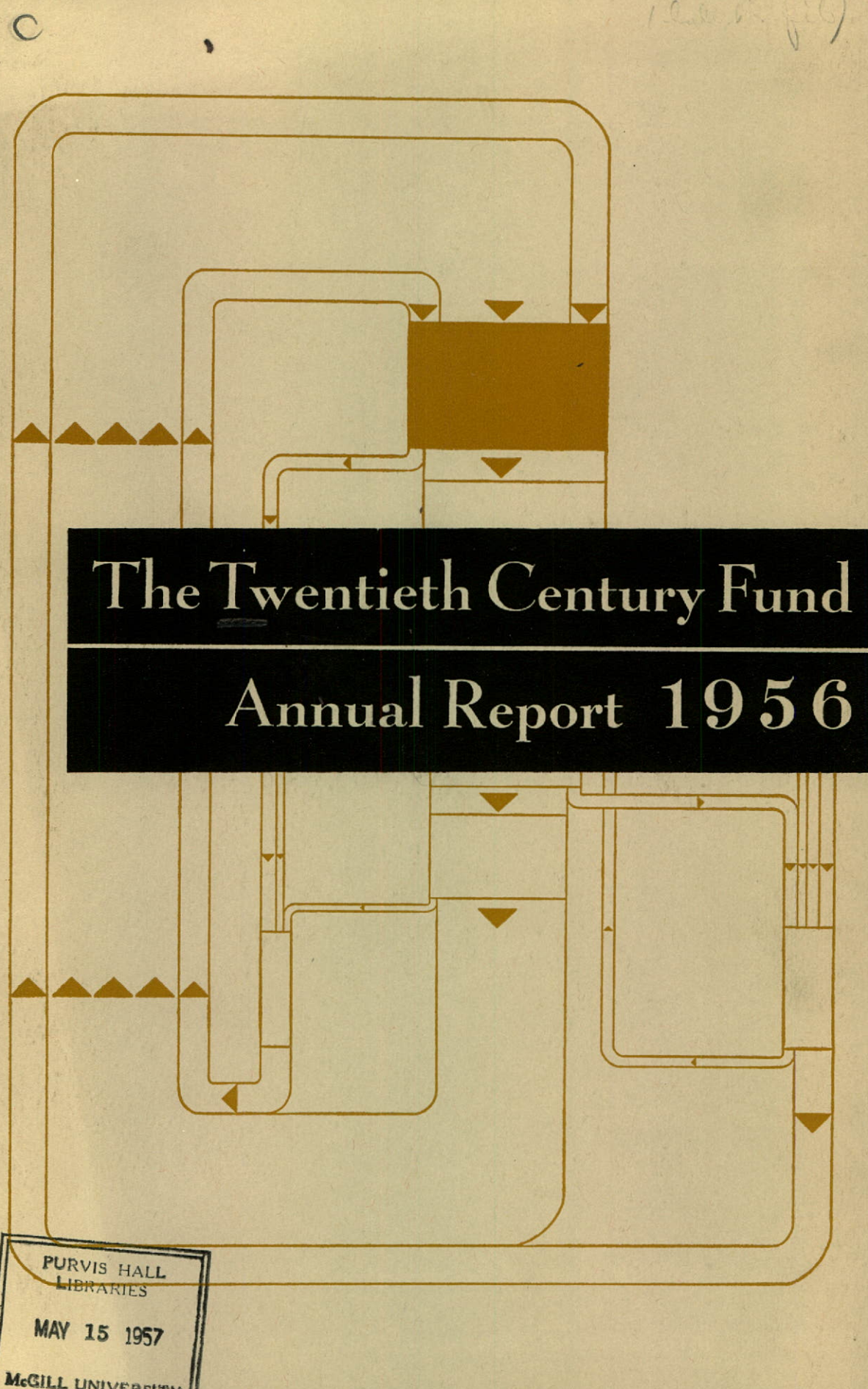


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The Twentieth Century Fund  
Annual Report 1956

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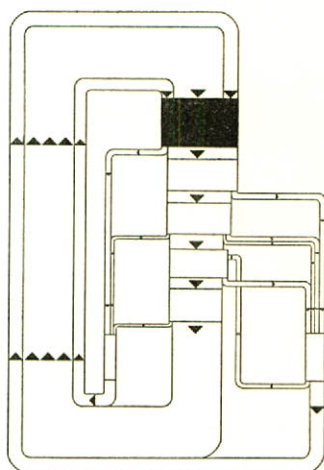


ANNUAL  
REPORT

1956

THE TWENTIETH  
CENTURY FUND

*The background of the cover design is adapted from a chart of the flow of income and expenditures in the United States contained in U.S.A. in New Dimensions, being published in 1957 by The Macmillan Company. The decorative art work throughout this Annual Report is adapted from charts made for the book by Rudolf Modley. A paperbound, popular, illustrated summary of the Fund's major study of the American economy, America's Needs and Resources: A New Survey, by J. Frederic Dewhurst and associates, the book is written by Thomas R. Carskadon and George Soule.*



## THE TWENTIETH CENTURY FUND

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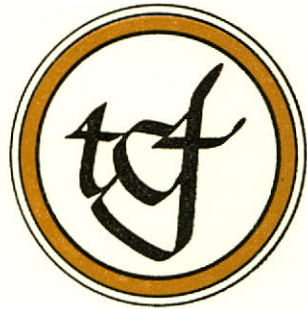
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# The Twentieth Century Fund

FOUNDED IN 1919 BY EDWARD A. FILENE



**T**HE TWENTIETH CENTURY FUND is a nonprofit, philanthropic foundation whose broad purposes as expressed in the Certificate of Incorporation are:

... promoting the improvement of economic, industrial, civic and educational conditions. It shall be within the purpose of such corporation to use any means to such ends as may from time to time seem expedient . . . including study, investigation, research, publication, publicity, instruction, the organization of charitable or educational activities, agencies and institutions, and the aid of any such activities, agencies and institutions already established.

The Fund has functioned for the past twenty years, not in the usual foundation pattern of making grants to agencies or individuals, but as an operating research institution conducting its own program of economic and social studies and publishing and disseminating the results.

The founder of the Fund was Edward A. Filene, Boston merchant and civic leader, who made a series of gifts that now constitute the Fund's capital assets of more than \$13 million. Income from this endowment is used solely to support the activities of the Twentieth Century Fund.

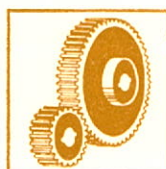
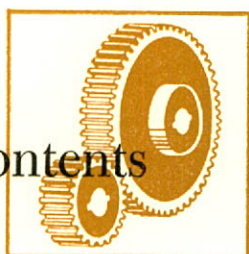
From its inception in 1919, Mr. Filene served as President of the Fund and was active on the Board of Trustees until his death in 1937.

Associated with him from the early days were two close personal friends, John H. Fahey and Henry S. Dennison, who did much to shape the direction and content of the Fund's activities. Mr. Dennison served on the Board of Trustees from 1922 until his passing in 1952. Mr. Fahey followed Mr. Filene as head of the Fund in 1938 and served until his death in 1950, when he was succeeded by the present Chairman of the Board, Adolf A. Berle, Jr. The first Executive Director of the Fund was Evans Clark, who was appointed in 1928 and served for twenty-five years until his retirement in 1953. He was succeeded by J. Frederic Dewhurst and, on January 1, 1956, by August Heckscher as Director.

The Fund's usual practice is to appoint a special research director for each new project. In addition, the Fund sometimes appoints a special committee of qualified citizens to review the research findings and to prepare its own report of recommendations for dealing with the problems disclosed by the study. Completed research reports are published in book form by the Fund under its own imprint, and the findings are further disseminated through a wide variety of public education activities. Fuller details of the background and program of the Fund are given in an institutional leaflet, "The Work of the Twentieth Century Fund," which is available on request.



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## *From the Trustees*

The Trustees of the Twentieth Century Fund have sought through the years to inquire into some of the problems presently or prospectively pressing upon the democratic community we know as America. They have made available yearly reports upon the operations of the Fund. This year they call attention to a specific document, the Report of the Director, which immediately follows.

The Director's position is a vantage point providing both possibility and privilege of meditating on a wide range of American problems. They are developed from the Fund's explorations and its studies. This gives him opportunity to state, for the Trustees and those to whom the Fund communicates, a considered view on various problem areas which presently excite or soon will demand particular attention as the drive of American life pushes into new, often uncharted, territories. In such reports, a regular part of our annual accounting, the Director will address himself to a theme which underlies various projects of the Fund, or will speculate upon some of its findings, or reflect something of the preoccupations which have developed within the staff and among the Trustees. It seems worth while to ask a thoughtful American public to pause and consider some great problem as particularly worthy of attention or requiring bold thought.

The economic, social and international outlook of the United States has changed so profoundly in the past generation that the phrase "twentieth century revolution" is not an exaggeration. Our chief task has been to discover, analyze and make evident some of the demands of this continuing change.

Specific details of new projects and progress of previously announced projects are given in the main body of the present report. The Director's paper underscores one aspect giving importance to them all.

*The Trustees of the Twentieth Century Fund*

ADOLPH A. BERLE, JR., *Chairman*



# Time, Work and Leisure —

## A PROBLEM IN AMERICAN VALUES



NEXT TO THE ABUNDANCE of things the citizen has, the abundance of time at his disposal is perhaps the most striking characteristic of the present American scene. The signs of this abundance are clear and familiar. The working day has been shortened. Two decades hence the five-day work week is almost certain to have been reduced to four. Vacations have been lengthened, and meanwhile at both ends of the life span — in youth and in age — the period uncommitted to a regular occupation has been extended.

As significant as the actual gain in time off is the general, underlying conviction among the citizens that the amount of free time available to them is vitally important to their lives. Along with the technological revolution which made possible a drastic decrease in work hours has gone a revolution in attitudes and in philosophy. To a lessening degree is a man's job the central focus of his concern. Work no longer appears to him as the only road to virtue and salvation. Outside the job lies the world of family and cultural pursuits, and attainment of satisfaction in such areas seems hardly less significant than advancement along the strait and narrow path of the career.

This deep change, raising questions with which no institution such as the Twentieth Century Fund can fail to be preoccupied, is bringing the industrialized countries of the West to a new stage of civilization. Leisure time has before this belonged to a small group in

society; it has been won at the cost of slavery or, at best, of toil and drudgery by the great mass. But now leisure is promised for all, and all seem determined to pursue it as a goal. The consequences must not only affect the economic system, but the whole quality and texture of the country's life.

## II

The gift of time comes from the machine. Mounting productivity means that an increasing volume of goods is turned out per man-hour, and people have the choice of taking the increment for their use or accepting it in the form of shortened work hours. Over the past hundred years in the United States approximately two thirds of the added productivity has gone for more goods and services, one third for more free time. Whether this unconsciously determined proportion will continue in the future is a matter of debate. The pressure for shorter work hours, longer vacations and earlier retirements may be accompanied by a willingness to accept a rate of material growth somewhat below that which would otherwise be possible. Some observers already see the possibility of the consumer's appetite for



Each symbol represents 10 hours worked per week

The decrease over the past hundred years in work hours in the United States is graphically illustrated by the chart above. (From *U.S.A. in New Dimensions*. © 1957 The Twentieth Century Fund.)



things being surfeited; others are convinced that the products now being prepared in the laboratories and on the drafting board will prove so attractive as to make men and women work at least as long as at present in order to be able to possess them.

The choice between more leisure or more goods is not, however, as simple as it has just been made to appear. The prevalence of free time in a society is not necessarily a limiting factor upon output. In the enjoyment of leisure men and women create demands which stimulate the economic system, fostering trades and industries and developing new geographic regions. The pressure for shorter working hours (without cutting pay) acts at the same time as a spur to make management seek constantly more efficient methods of production. Men are replaced by machines; machines are replaced by new machines of greater subtlety and effectiveness. Thus it is that throughout the industrialized West the drive for shorter hours has in the past hundred years been one of the factors bringing about an astonishing increase in productivity.

The upper limits of this process have not been reached, but that there are such limits seems plain. A society cannot go on indefinitely expecting to get more and more by working less and less. In one of the studies of the Twentieth Century Fund an optimistic attitude is taken toward meeting the economic needs of older people, on the ground that rising productivity enables the active population to support the burden with comparative ease. But if workers in the younger age groups insist on leisure of their own, the problem becomes more difficult. The point at which today's widespread preoccupation with free time may begin noticeably to cut into production needs to be ascertained.

A society which links leisure with productivity will find, too, that not all its citizens are able to benefit to the same extent from the power of the machine. The service trades tend to increase in proportion to manufacturing where leisure values prevail; yet it is the service trades, along with the professions and the arts, which are least capable of increasing their yield through mechanization or automation. Either some groups in the society are going to have to be reconciled

to working for lower rates of pay than the average, with consequent strains and tensions, or else the costs of services are going to have to mount disproportionately. Indeed, it is the added costs of services (rather than of manufactured goods) which are providing an important source of today's inflationary pressures.

### III

Free time is not in itself leisure. To refer to the older person forcibly retired or the unemployed worker as people of leisure is to mock the ideal to which civilization has so long aspired. To describe mere idleness and self-indulgence as leisure is to use the word in a questionable sense. The classes which in great historical periods maintained learning and manners, which pushed back the frontiers of the physical and intellectual world, have made leisure synonymous with freedom, and freedom synonymous with self-discipline and disinterested effort. There was always the danger that leisure would degenerate into luxury and ritual. It very frequently did. But the ideal of voluntary, spontaneous action, in causes directly or indirectly serviceable to the community, cannot be discarded if today's new challenge is to be met.

The machine technology, which made free time possible in large quantity, also did much to confound its use. Robbing work of its deeper satisfactions, it left the intervals between work for aimless activities, pursued in a thin culture and an ugly environment. The recovery of a constructive idea of leisure must, therefore, depend on a re-examination of the work process. This, in turn, must lead to the realization that leisure is not a vacancy, an escape from doing things, but a quality of life capable of pervading in some degree a man's total existence.

A high level of spontaneity, a sense of unforced effort, an enjoyment of work for its own sake — these are not absent where the machine technology has been developed in conformity with human values. They are as much to be sought in after hours as on the job itself. Every job that does not degrade men has elements of this kind. Often it requires only a slight change in conditions, an unper-

ceived heightening of morale, to make the worker conscious that he is doing what he would want to do, even were it not for the wage. In the best lives the vocation and the avocation are closely related. The line dividing work from leisure becomes difficult to draw.

It is not a mere paradox to say that men and women have attained leisure only when they recapture in their free time something of what in their happiest moments they find in work — the satisfaction born of having mastered manageable things, the relaxation that comes from moving in an element where one feels instinctively at home. Recreations and hobbies, as a matter of fact, have always been related to the world's work. They have provided in playful or symbolic guise a means of meeting certain deep needs of the social order. Thus outdoor recreations have brought men back to the resources of nature when industrialization seemed in danger of fatally cutting them off; games have nurtured values essential to constitutional freedom. And what are hobbies, rightly understood, but a way of keeping alive crafts and skills which the machine seemed likely to obliterate from memory?

Once free time is accepted as a raw material, capable of being transformed into leisure but not necessarily identical with it, many interesting questions confront a society. How is time best managed and apportioned? In what amounts and at what period of the life span should it be dispensed so as to achieve the most favorable results? The flood of undifferentiated time now given men and women in the form of retirement seems obviously self-defeating; perhaps, too, there is a superabundance of free time for youth. Looking at time on a narrower scale, we may wonder whether a three-day dosage at the week's end will eventually prove as useful for leisure as continuance of the present week end with a free day added somewhere toward the middle of the week.

The answers to such questions can only be given as the result of inquiry, of experience and thoughtful testing. But to ask the questions is perhaps the beginning of wisdom in a period where time is plentiful but where leisure is still an elusive, and too often an illusory, ideal.

#### IV

An obvious result of the new leisure in the United States has been, disconcertingly enough, a new measure of uniformity. It seems that in their free time men and women tend to do the same things, to buy the same goods, to watch the same television shows. Apparently it is the dream of all to move into a few states favored with mild climates, and there to pursue the same pattern of outdoor living — preferably *gracious* outdoor living.

Yet here is only part of the explanation. More subtly, men and women seek by means of leisure activities to confirm their status and establish their participation in the groups they deem significant. The importance they attached to the job formerly provided them with a sense of identity. Getting ahead was the all-embracing goal. Today, by contrast, the goal very often is getting *in*. To belong to the right group in the community, to reveal nothing which is at odds with its prevailing fashions and concepts, is a substitute for the assurance which the successful career once gave.

Uniformity is very probably increased by making the family the dominant interest. Free time comes to mean time with the family, and that too often means a domestication of the adventurous spirit. There was shrewd insight, we realize now, in those authors of Utopias who saw a danger in the citizen's staying too much at home and being cut off from the liberalizing influences of society. In descriptions of the ideal society, where work is not burdensome and leisure is plentiful, the home is frequently pictured as comfortable yet so simply arranged as not to preoccupy men unduly.

#### V

That there are such tendencies in the new leisure is undeniable; but to see only them and to miss the challenge and opportunity would be perverse. Freeing men from unremitting toil, giving them a wide field in which they can choose their own pleasures and pursuits, has been the aim of civilized peoples. To distribute these boons equably through the population has been the promise of democracy. At this

juncture, when so large a measure of fulfillment is in view, it would hardly seem sensible to give oneself up to somber predictions.

A more useful approach is to recognize our being in the presence of one of those profound shifts in values and ways of living which touch a country's whole life and affect the working of every institution. The emphasis on leisure will remake and transform much that has been familiar. Similarly, the older, deeply ingrained habits of the United States will give to the new leisure its specific form and substance. All that this country is — what it has been in history and desires for the future — will determine what use we now make of our opportunities. There is nothing in free time which by itself determines whether our citizens shall grow more conformist or various, whether they shall attain a new dimension of freedom or merely seek escape from a sense of purposelessness.

The Twentieth Century Fund has been directing its research in diverse fields, yet it seems that almost everywhere it drops its line it comes upon some aspect or other of the new leisure. Dr. Dewhurst, in his *America's Needs and Resources*, explored the degree to which the fruits of the expanding economy had been chosen for free time, and sketched the pattern of leisure consumption. Professor Cox, studying methods and costs of distribution, comes up against the basic nature of today's leisure-minded consumer. Dr. Gottmann, studying the urban spread along the eastern seaboard of the United States, confronts today's citizen in search of an environment where he can give significance to his free time.

Perhaps no individual or institution could expect to deal with more than limited aspects of the new leisure. Yet to make a beginning is important. For in proportion as this country faces up to the problem it has a chance to give fresh zest to its domestic policies, to revitalize its culture, and to make life more meaningful for all its citizens.

AUGUST HECKSCHER, *Director*

March 1957



# Studies Published in 1956



THE AGRICULTURAL COMMODITY PROGRAMS

ECONOMIC NEEDS OF OLDER PEOPLE

# The Agricultural Commodity Programs

RESEARCH DIRECTOR: MURRAY R. BENEDICT

*Professor of Agricultural Economics, Giannini Foundation of  
Agricultural Economics, University of California*

ASSOCIATE RESEARCH DIRECTOR:

OSCAR C. STINE

*Formerly Assistant Chief, Bureau of Agricultural Economics, U. S.  
Department of Agriculture*

IN 1955 the Twentieth Century Fund published *Can We Solve the Farm Problem?*, by Murray R. Benedict. This book provided an objective presentation of the origins, operations and effects of existing agricultural programs. It also contained recommendations for broad lines of national farm policy as formulated by a special Committee on Agricultural Policy, appointed by the Fund from among the nation's leaders in the field.

When plans were made for this study it was recognized that no single type of farm aid program can be applied to all commodities or even to any very large group of them. Consequently the Fund thought it wise to prepare a second study volume that would analyze results of individual commodity programs. This second volume, *The Agricultural Commodity Programs: Two Decades of Experience*, was published in December 1956. Authors of the study are Murray R. Benedict, Professor of Agricultural Economics, Giannini Foundation of Agricultural Economics, University of California, and Oscar



C. Stine, formerly Assistant Chief in the Bureau of Agricultural Economics, U. S. Department of Agriculture.

The new volume has chapters on cotton; tobacco; wheat, rye and rice; oilseed crops; coarse grains and livestock; butter, cheese, poultry and eggs; sugar; wool; marketing agreements in fruits and vegetables; potatoes; fluid milk.

The study emphasizes the fact that over the years there has been an increasing lack of flexibility in adapting specific programs for specific commodities; and the authors hold this to be a principal defect of the system of postwar general price supports. The authors also point out that most of the programs now in operation do not fit the needs of the day but were designed mainly for two situations highly uncharacteristic of the present — one a prolonged and severe depression and the other a period in which war requirements for increased production were dominant. Changes and modifications are needed in developing programs suited to present-day conditions, the authors say. The study has proved to be of wide interest among agricultural groups and has been given much attention in agricultural publications.

These two farm studies, along with the Fund's earlier *Farm Policies of the United States, 1790-1950*, form a series which represents the Fund's interest in an issue of major importance and its recognition of the relation of the farm problem to the technological developments which have concerned it so continuously. American agriculture has been transformed by scientific advances. Here, perhaps more clearly than elsewhere, we see the impact of technology upon older habits and methods of production; but here the results have a dimension not evident in industry. For the farmer since the beginning of the Republic has been considered the key figure in a free society. Merely to absorb the dispossessed or unemployed farmer in other trades, to

industrialize and urbanize him, has gone against the grain of the American citizen. We have seen, consequently, the deliberate effort by the national government to counter “inevitable” trends – to introduce considerations of value in technological and economic processes. The formulation of farm policy is a laboratory in which the mutual adjustment of economic compulsions and basic values can profitably be studied.

# Economic Needs of Older People

RESEARCH DIRECTORS:

JOHN J. CORSON

*Partner, McKinsey & Company*

JOHN W. MCCONNELL

*Dean of Graduate School, Cornell University*

THE FUND VOLUME *Economic Needs of Older People* was brought out in January 1956. The study, comprehensive in its coverage, focuses attention on one of the major social problems of the times: the economic status of older persons in the United States.

Although increased social security benefits and other measures have recently improved the lot of older persons, much remains to be done. The study found that nearly three fourths of Americans over 65 have either no income of their own or less than \$1,000 income a year.

With a view to making a thorough analysis of the entire problem, the Fund study covers health, employment and other conditions as they affect our over-65 population. Recognizing that in order to bring about improvement it would be important to suggest useful lines of action to take in the future, the Fund appointed a committee of experts in the field to make recommendations on the basis of the research findings. Their report, carried as the final chapter of the study, stresses some central principles on which future advances might be based.

The study itself was made by John J. Corson and John W.

McConnell. Mr. Corson is a partner in the management consultant firm of McKinsey & Company and Mr. McConnell is Dean of the Graduate School, Cornell University. Both men have held posts giving them wide experience in the economic problems of aging and retirement.

*Economic Needs of Older People* includes information on the number of people over 65 in the country, their financial status and sources of income, where and how they live, their health needs, and their status in the labor force. In estimating the extent to which their needs have been filled, the study not only appraises public and private pension and assistance plans, but goes beyond economic needs alone and ascertains to what extent we have provided for a life of dignity and well-being for our older people. Housing, medical care and opportunities for leisure time activities are discussed.

The study received considerable attention in the press, including a feature in a national magazine. It also served as the basis for a radio series broadcast during the summer by the National Broadcasting Company network with H. V. Kaltenborn as commentator. The Fund published a booklet on these broadcasts which has been in wide demand.

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Formerly Consultant on Social Security, UAW-CIO

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## Research Projects in Progress

ANTITRUST POLICIES AND ENFORCEMENT

CIVIL-MILITARY RELATIONS

DISTRIBUTION COSTS AND METHODS

ECONOMIC AND POLITICAL SYSTEMS

EFFECTS OF TECHNOLOGICAL CHANGES

EUROPEAN COAL-STEEL COMMUNITY

EUROPE'S NEEDS AND RESOURCES

FRENCH PRODUCTIVITY

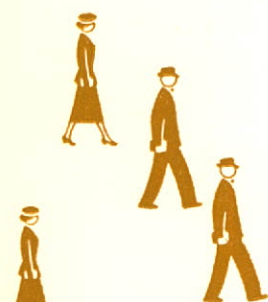
MEGALOPOLIS

PENSION AND WELFARE FUNDS

POWER AND PEACE

PROGRESS OF GREECE

TROPICAL AFRICA



# Antitrust Policies and Enforcement

RESEARCH DIRECTOR: SIMON N. WHITNEY

*Chief Economist and Director of the Bureau of Economics of the Federal Trade Commission; formerly Chief, Research Department, Twentieth Century Fund*

SINCE 1890 when concern over the role of big business in the American economy culminated in the Sherman Antitrust Act, the progress of mergers and restrictive agreements has been of compelling interest to government and businessmen alike. The interest is very much alive today as the executive and legislative branches of government keep a watchful eye on various merger moves and proposals.

In 1950 the Fund undertook a study of the antitrust laws, hoping that a detailed study of the actual effects of these laws to date might provide some guidelines for future policy in this field so vital to our economy. The study surveys the economic effects of the antitrust laws and of trade practices in twenty industries. It examines the trend of concentration and the competitive status of these industries, with particular attention to the impact of antitrust laws and court decisions. The project is under the direction of Simon N. Whitney. It was started when Mr. Whitney was Chief of the Fund's Research Department. He is now Chief Economist and Director of the Bureau of Economics of the Federal Trade Commission.

As Mr. Whitney has gone ahead with his study he has found that of even more importance than the specific successes of antitrust actions has been the continuing presence of this body of law. Many

a violation of competitive standards has never come into being, he believes, because of the deterrent effects. The study brings out some of the weaknesses of antitrust enforcement, too. It points to the frequency with which basic economic forces such as changes in demand, advances in technology, or interindustry competition have exerted a greater influence than the antitrust laws.

"Nevertheless," says Mr. Whitney, writing a year-end report to the Director of the Fund, "our findings do not support the opinion that the antitrust laws are ineffective. Rather we find them to constitute one reason why the American economy is more competitive than other economies. Their primary achievement is to keep our economy from being 'cartelized.'" But he adds that only a country whose people held to a competitive philosophy would pass such laws or would enforce them once passed. The antitrust laws are therefore as much effect as cause.

#### COMMITTEE ON ANTITRUST POLICY

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Goldthwaite H. Dorr Lawyer, Dorr, Hand, Whittaker & Peet	Edward S. Mason Dean, Graduate School of Public Ad- ministration, Harvard University
Edwin B. George Director of Economics, Dun and Brad- street, Inc.	

## Civil-Military Relations

RESEARCH DIRECTOR: HAROLD STEIN

*Visiting Lecturer, Woodrow Wilson School of Public and International Affairs, Princeton University*

THE INSEPARABILITY of military and diplomatic considerations which have been imposed upon the conduct of United States foreign relations in the past decade has focused attention on civil-military relations. Their vital interrelationship was strikingly underlined, for example, in the Suez crisis in 1956. Their increasing importance has been apparent since the end of World War II, during a period which has brought the United States into the most extensive involvement in world affairs in its history.

Since 1953 the Twentieth Century Fund has been conducting a broad study of civil-military relations and of the influence of military considerations on government policy. It is hoped this study will shed light on a field gaining special importance in view of our increasing military commitments — United States troops stationed in every part of the world, major military alliances in Europe and Asia, and commitments under the United Nations. The study was undertaken following the decision of the Fund's Trustees to enlarge its field of research by including social and political, as well as economic, questions.

Director of the study is Harold Stein, visiting lecturer at Princeton University and formerly Deputy Director of the Office of War Mobilization and Reconversion. More recently he has been Staff Director of the Inter-University Case Program, supported by several leading American universities, for preparing case histories of the decision-making process in the development of public policy. Dur-



ing 1956 Walter Millis, the journalist and military historian, was brought into the study, writing a historical review of postwar developments in United States civil-military relations with an examination of the agencies and institutions which have grown up to deal with these matters. The first volume of the study will comprise a survey of this kind covering the whole of the past two decades; the second volume will contain case histories of decisions in which both civil and military considerations figured and an analysis of basic elements of procedure. It will seek also to reach some general conclusions about problems of civil-military relations.

## 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 DIRECTOR:  
THOMAS C. FICHANDLER

*Research Associate, Twentieth Century Fund*

WHILE THE system of selling and distributing goods in the United States has been characterized as one of the wonders and strengths of the nation's dynamic economy, it has also been the target for charges of unduly high costs and wastefulness. The first comprehensive study of the entire system, providing an objective measurement of its workings and seeking to evaluate it fairly, was the Fund's *Does Distribution Cost Too Much?*, published in 1939. This study covered the system as a whole as well as its major components: retailers, wholesalers, manufacturers, and the facilitating agencies — transportation, advertising, credit.

Since 1939 distribution has undergone many changes — in ways of thinking about the distributive function itself and the part it plays in our economic system, as well as in specific new developments such as the supermarket, frozen foods, the impact of air transportation and scores of other changes, technological and managerial. Interest in the subject has grown and the Fund received many suggestions for an up-to-date study in the field.

In 1953 such a study was launched by the Trustees. It is a fresh

approach that will explore the nature and organization of the system and analyze the role of distribution along with production as an integral part of the total process of providing goods and services for the American people.

Reavis Cox, a professor of marketing at the Wharton School of Finance and Commerce, University of Pennsylvania, is directing the study. Mr. Cox has had wide experience in research and as a writer and teacher in the field of distribution. Assistant research director of the project is Thomas C. Fichandler, Research Associate of the Fund. The report is scheduled for publication late in 1957 or early in 1958.

The new emphasis in the United States on marketing procedures will be fully recognized. In the new study "distribution" will designate the sort of things that must be done to organize and operate a system of exchange; the term "marketing" will refer to the particular forms taken by the system of exchange in the United States. Speaking of the difference between the two, Mr. Cox says: "With this differentiation, evaluation of a system of distribution becomes something quite different from evaluation of the American system of marketing. The differentiation is turning out to be very useful in unraveling some of the difficulties that impede efforts to evaluate the aggressive promotion and merchandising that characterize American marketing."

The new work has adopted the idea of the widely used chart of the first work showing the flow of goods from producer to consumer, although the new flow chart will differ in important respects from the earlier one. 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.

# Economic and Political Systems

RESEARCH DIRECTOR: CALVIN B. HOOVER

*Chairman, Department of Economics, Duke University*

DURING THE present century capitalism, particularly in the United States, has undergone such transformations that it could no longer logically be designated as such either by Karl Marx or by the classical British economists. At the same time, the Soviet economic and political system has developed along lines wholly unforeseen by Marx and totally repugnant to socialist philosophy. Implicit in both cases is the fact that development within various types of politico-economic systems is frequently so extensive as to make labels largely inaccurate. The politico-economic systems of the countries of the world continue, moreover, to change.

A Fund study begun in 1955 seeks to chart some of these changes, to explore the reasons behind them as well as the interrelationship of political and economic factors which to so great an extent underlie the changes. Only with a viewpoint founded on the realities of these changes, rather than on outmoded but still current concepts, can the flow of world affairs be seen and understood in its true perspective.

Research director for the study is Calvin B. Hoover, Chairman of the Department of Economics at Duke University and past president of the American Economic Association. He is the author of books on the economic systems of Soviet Russia and Nazi Germany and other works dealing with the functioning of regional, national and international economies.

Mr. Hoover, revisiting Russia during the summer of 1956 to do

research for his study, writes in a year-end report: "My Russian trip turned out to be productive far beyond my expectations. I traveled widely, inspected factories, state and collective farms, housing projects, had interviews with the managements of these enterprises and with other governmental officials, priced goods in stores, went to parks, universities, factory nurseries for children, movies, operas, ballet and football games, and read the newspapers. Whenever possible I talked with individuals as well although the opportunities to do this were limited."

Noting the profound changes that have taken place in the Soviet scene since Stalin's death, Mr. Hoover questions whether these changes have any permanence and, most importantly, whether a highly centralized and authoritarian economy can be ruled other than by violence. He questions "whether a centralized economy can be subjected to parliamentary and democratic controls, whether the present rulers will ever make a substantial effort in that direction, and, of course, whether democratic forces can somehow establish control of the system regardless of the leaders."

Completing his first year of research on the project, Mr. Hoover says that the aim of his study can best be achieved through emphasis on an analysis of the Soviet and American economic and political systems. "I believe," Mr. Hoover says, "that the general principles underlying the relations between economic systems, liberty and the state can largely be drawn from an analysis of the developments in these two societies." The completed manuscript is expected in 1958.

# Effects of Technological Changes

RESEARCH DIRECTOR: IRVING H. SIEGEL

*Staff Member, President's Council of Economic Advisers*

DESPITE THE FACT that our lives probably will be revolutionized in the foreseeable future by automation, solar and atomic energy, and new wonders as yet unrealized, technological change itself is not an independent, impersonal force that sweeps across a passive civilization. Rather it is part and parcel of the whole culture, affected by the economic and social environment and affecting this environment in turn.

Taking cognizance of the wide implications of technological change and recognizing its pervasive effects on every aspect of our lives, as well as the problems which must accompany such drastic change, the Twentieth Century Fund embarked in 1951 on a study of the effects of technological changes. Its aim is both to foreshadow some of the technological advances which promise to reach large-scale use in the near future and to assess the degree of social and economic changes they are likely to bring.

Director for the study is Irving H. Siegel, a staff member of the President's Council of Economic Advisers. Mr. Siegel was formerly with the Department of Political Economy, Johns Hopkins University.

The study will focus on those industries in which technological advances appear to be most important, industries which in themselves account for a substantial part of the national output. They include not only traditional manufacturing services, but those grow-

ing out of the new world of technology as well. Going below the changes glamorized in popular accounts, it will review technological trends on a broad basis, acknowledging that change actually proceeds all the time in virtually every part of the economy.

Foreshadowing some of the conclusions that Mr. Siegel sees growing out of his specific findings, he says: "The next decade or so will be technologically exuberant, especially if good times generally prevail, but economic and social realities will guarantee no runaway. Many new materials, processes and products will be introduced or gain wider acceptance. Advances in information processing will be as impressive as those made in material processing. Persistence of international tension without the outbreak of catastrophic war would favor ripening of various types of military technology applicable sooner or later to civilian life. Automatic technology will make slower progress than recent literature and propaganda anticipate. Atomic energy will remain a trivial factor in the domestic power supply during the next decade or so, but radioisotopes will acquire increasing importance in industry, medicine and research. Home technology will improve, the health potential will rise, time not committed to work for pay (i.e., 'leisure') will increase somewhat, and the average person's wealth will grow.

"But public and private troubles (many directly connected with technology) will remain, taking on new forms or changing in relative importance. Most people will, in the absence of a terrible war, continue to believe that life is better, while a minority will still insist that it is merely different."

# European Coal and Steel Community

RESEARCH DIRECTOR: LOUIS LISTER

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

SOME OF THE major goals of the fifty-year treaty which created the European Coal and Steel Community (often called the Schuman Plan) are scheduled to be achieved by February 1958, the end of what is termed the initial operating period. The extent to which these goals have been attained and the way in which they have been approached hold broad significance. The implications go far beyond the immediate concerns of the six-nation community which seeks to encourage efficient use of human and material resources through the free and competitive circulation of coal and steel among its members — Belgium, France, Western Germany, Italy, Luxembourg and the Netherlands.

Implicit in the success or failure of the Community are important questions relating to the possibility of further moves toward European economic integration; also questions relating to the over-all economic and political strength and vigor of the continent itself. Taking these into consideration, as well as the concerns of American foreign policy planning that involve European economic conditions, the Fund decided in 1955 to make a study of the Community in order to assess its progress thus far. Louis Lister, director of the study, is at work in Paris and expects to have a finished manuscript early in 1958. An economist, Mr. Lister was a member of the United States delegation to the European Coal and Steel Community in 1952-1953. He



also has represented the United States in other international organizations and was chief of the Coal Branch of the Economic Cooperation Administration in Washington in 1948-1951.

The question of European economic integration has been given new importance with the creation of the European common market and the nuclear energy pool and the United Kingdom's recently expressed interest in creating a free trade zone. Mr. Lister, reviewing the progress of his study at the end of 1956, said: "The change in British policy increases the probability of greater economic integration in Europe — the form, nature and success of which still depend on long and protracted negotiations. . . . It would be surprising if closer British cooperation with the Continent, which would also induce Scandinavia and other European countries to join, did not lead to an eventual reappraisal and readjustment in the policies of the Six and if the change in British policy did not lead to a greater accent on economic rather than political measures.

"Developments and possibilities are therefore now in the making which are of great moment to the operation and success of the European Coal and Steel Community, which will have to find its center of gravity in changed, though not necessarily unfavorable, conditions in the next few years.

"One of the more important questions which a study of the European Coal and Steel Community raises," Mr. Lister said, "concerns the feasibility of subjecting a relatively small, even if important, part of industry to an international authority while the national economies as a whole are still under the control of the respective member states. In turn these states exercise considerable supervision over economic affairs under rules which differ markedly from those applicable to the internationalized industry."

## Europe's Needs and Resources

RESEARCH DIRECTOR: J. FREDERIC DEWHURST

*Economic Adviser, Twentieth Century Fund; formerly Executive Director, Twentieth Century Fund*

ADVANCES IN production and real income in the countries of Western Europe since the end of World War II have far exceeded the expectations of most observers. Yet the tradition of much European thinking along lines of limited economic growth and Europe's reluctance to appreciate its own potential may prevent the fullest realization of present favorable possibilities. European scholars and leaders have observed that what Europe seems to need now is an appreciation of its own strength, a confident outlook for the future and a recognition of the solid base which exists for future growth. A study of Europe's economy in action — somewhat along the lines of the Fund's major work on the American economy, *America's Needs and Resources: A New Survey* by J. Frederic Dewhurst and associates — might help to reveal the existence of such a base, economists in both Europe and the United States have suggested.

Last year the Twentieth Century Fund decided to make such a study, generally following the American survey, which attempted to measure and project into the near future, in relation to expected growth of population, the basic trends in demand for various classes of consumer goods and services, capital equipment and government services. The study of Europe is planned to proceed along these lines and will measure actual performance of the individual countries of Western Europe and of that region as a whole.

Director for the survey is Mr. Dewhurst, who is being assisted by a number of contributors drawn from European experts in various fields. Mr. Dewhurst served for many years as the Fund's Economist before becoming Executive Director in 1953. He resigned from that position to direct the new survey and to serve as Economic Adviser to the Fund. Mr. Dewhurst expects to set up headquarters in Geneva and to complete the survey in 1959.

Mr. Dewhurst reports that among the most striking impressions of his recent extended European trip are the rapid changes in ways of working and living, in many ways comparable to those which have taken place in the United States. Among these he points to aspirations for personal transportation, ushering in a motor age in Europe; rising hygienic and health standards; simplification of household and personal life as a result of the scarcity and increasing cost of domestic service; revolutionary changes in many branches of retail distribution; substitution of national mass markets for class markets; wider use of installment credit and advertising. Despite continued resistance to large-scale advertising along American patterns, European industry is finding out that it is proving to be an efficient means of stimulating sales.

"Most of the changes that may be expected in Europe have been taking place in America over the last few decades," Mr. Dewhurst notes, "but the vast majority of the changes in European working and living habits that can be expected in the future are the inevitable results of technological progress (plus human nature) and would be taking place even if there were no U.S.A. in the world." Public interest in the European common market and other moves toward closer political ties have increased the relevance and timeliness of the study.

## French Productivity

RESEARCH DIRECTOR: JEAN FOURASTIÉ

*Professor, National Conservatory of Arts and Trades, Paris; President, Labor Commission, French Commissariat for the Modernization Plan*

ONE OF THE reasons for the economic advances in France since the war is a rise in that country's productivity. Still further increases in rate of output are vital to France's economic future.

Can American techniques be imported into such a country as France and prove effective in raising productivity? An answer to this question is being sought by the Fund in a study conducted by Jean Fourastié, a widely known expert in the field of productivity, who has played an important role in the postwar economic planning activities of the French government. Working with him in Paris has been André Laleuf, on leave from the Bureau of the Budget of the French Ministry of Finance.

The study's scope is broad, examining the technological advances, techniques and methods which have contributed to the high rate of productivity in the United States as well as fundamental approaches and attitudes toward competition, sales and marketing, labor-management relations, and other social aspects of the subject. The focus will be on those elements which may be suitable to French needs, taking into account the diversity in economic and cultural backgrounds of the two countries.

One purpose of the study, says Mr. Fourastié, will be to encourage acceptance in France of the consequences and benefits of modern scientific ways of thinking; to encourage escape from the domination of traditional attitudes rooted in the past and adoption of attitudes

oriented toward the future. Mr. Fourastié recommends, therefore, that any action for increasing productivity be based on a very broad education of the public in the social effects of technical progress. As an example of the kind of information to disseminate among the public, he cites an analytical comparison of the purchasing power of wages in France and in the United States in 1925 and in 1955. These studies were made on the catalogues of Sears, Roebuck for the United States and the Manufacture de Saint-Etienne for France. It appears from this comparative study that, in products of the handicraft type, purchasing power does not show much variance between France and the United States. On the other hand, differences are substantial and sometimes represent a gap exceeding 1 to 10 in ratio for those products which are manufactured in the United States in large-scale mass production and in plants utilizing the latest mechanical and managerial techniques.

Another element which Mr. Fourastié regards with special interest is the increasing trend in American industry toward long-term planning based on analyses drawn from vast reservoirs of information and statistical forecasts. He views this as one of the essential factors of progress.

The study is intended primarily for the French public, and will be printed in France by the Presses Universitaires de France. It should, however, be of interest to American scholars as well. The Fund hopes that it will make some contribution to American efforts, initiated on a large scale with the Marshall Plan, to raise European productivity as a means of achieving greater economic strength for the free world.

# Megalopolis

RESEARCH DIRECTOR: JEAN GOTTMANN

*Member, Institute for Advanced Study, Princeton, New Jersey;  
Professor, School of Political Science, University of Paris (on  
leave)*

A STRIKING DEVELOPMENT in present-day America is the ever-increasing pace of urbanization — creating problems which go beyond the limits of a single city and extend to entire urban areas.

The largest of the developing urban areas is the single concentration of population, industry, commerce and cultural activities comprising a continuous strip running from a line north of Boston to south of Washington. It has a population of close to 30 million, or almost one fifth of the entire nation, and a length of over 600 miles and is gaining many of the characteristics of a single city. This area seemed to be the most promising for a study designed to provide an insight into the trends and problems ahead, exploring the effects of the modern form of urban development on the way people live, their recreation and their work and the implications for methods of government and taxation.

Conducting this study is Jean Gottmann, a French scholar and a geographer of international repute. Mr. Gottmann is at present on leave as Professor, School of Political Science, University of Paris, and is a member of the Institute for Advanced Study, Princeton. He has made previous regional surveys in the United States.

The extended seaboard city, to which Mr. Gottmann has given the name of Megalopolis, is actually a combination of conventional cities and adjacent areas. While Megalopolis is a unique phenomenon at present, Mr. Gottmann points out, it has vast implications for the

rest of the country. Already there are several areas where the many-city groupings of a Megalopolis are beginning to be repeated and where a growth of continuously urbanized space is evident.

Mr. Gottmann says the United States has demonstrated that enough agricultural commodities of all kinds can be produced for a populous nation to enjoy a high standard of living by the work of only one eighth of the total population, and notes that this proportion of farmers within the nation may and probably will be further reduced. Thus 90 per cent of the nation must live from nonagricultural pursuits, but not necessarily in poorly planned and ill-functioning urban territories. This momentous evolution in the patterns of living, leading to a new semiurbanized civilization, is most advanced in Megalopolis.

“The new forms thus attained, the intensity of the problems, the solutions attempted,” Mr. Gottmann says, “must be compared to what happens in all these respects in other principal metropolitan areas in the United States and perhaps in Canada. A clearer mode of classification for both problems and possible solutions may thus be worked out, based on factual observation rather than generalized theory. The whole survey may help to evaluate this new expanding frontier of the American economy: the urbanization of the land.”

## Pension and Welfare Funds

RESEARCH DIRECTOR: PAUL L. HOWELL

*Economic Consultant*

A FACTOR of largely unexplored importance in our economy is the gigantic growth of funds built up in private business for employee retirement benefits. Preliminary estimates indicate that such funds aggregate nearly \$30 billion and are increasing by about \$3.5 billion annually.

About 45 per cent of the money set aside to finance retirement benefits is placed with life insurance companies for financial management. About 50 per cent is placed with trust departments of banks. The remaining 5 per cent is under the direct investment management of the employing corporation.

These funds are important from the point of view of increased wage costs; and they also indicate a possible shifting of some measure of industrial control, as well as a redirection of the flow of savings. That funds of such magnitude can exert far-reaching influence on the economy as a whole cannot be doubted. But just how great is this influence and what is the nature of its impact? What does it signify for the future? How are these funds being controlled? How are their investment policies managed? Are there adequate safeguards to protect them and the rights of the employees for whose benefit they are being accumulated? These are some of the problems the Fund is keeping in mind in undertaking this study.

To answer some of these questions and to learn more about the organization, management and impact of pension and welfare funds the Twentieth Century Fund has embarked on a study which is scheduled for completion in manuscript form by the end of 1957.



The study is being directed by Paul L. Howell, an economic consultant and Adjunct Professor of Finance at the Graduate Schools of Business Administration at New York and Columbia Universities. Mr. Howell, formerly a staff member of the Securities and Exchange Commission, has been a consultant to governmental agencies and state public service commissions, to the New York Stock Exchange and numerous industrial enterprises. He has written extensively in the field of finance and economics.

One of the more interesting aspects of the subject which Mr. Howell has examined in his initial research is that of pension fund ownership. "The funds are much like the famous headless horseman of Sleepy Hollow," he says, "no one seems to own the underlying equity. The insurance companies and banks are merely trustees or custodians and do not hold any beneficial ownership. To secure federal income tax deduction the funds have to be put irrevocably outside of the corporations' business. Neither the union as an organization, nor the current employees have any vestige of legal ownership. Customarily even the retired employees have only contract rights but no legal title to any pension funds or control over their investment and management. These economic and legal interests are going to be hammered out more distinctly over the coming decade and are most important from the viewpoint of society as well as the individual."

## Power and Peace

AUTHOR: HERBERT ROSINSKI

*Lecturer and Consultant, Industrial College of the Armed Forces,  
Naval War College and Army War College*

AS PART of a plan to extend the range of its interests into new areas, the Board of Trustees has authorized a study whose aim will be to define and elucidate the fundamental problems of coexistence which will confront mankind in the remaining decades of the twentieth century. A further objective will be to study ways to harmonize the specifically American point of view with the other national and regional viewpoints with which some accommodations must be found if these problems are to be solved.

The study will be carried out by Herbert Rosinski, whose work on the history of the German army and its relation to the general history and movement of the nation is considered a landmark in military-political writing. Mr. Rosinski has long been a student of naval and military history within a broad context of contemporary world civilization.

The basic elements of Mr. Rosinski's study will fall into three main parts. The first will survey the broad political-cultural framework of the "global-nuclear" age as it relates to the fundamental problem of turning power from war to peace.

The second part will treat the nuclear age in its narrower strategic and technical setting. The most important portion of this section will discuss such questions as: How far and to what degree is disarmament, or at least a limitation of armaments, possible and advisable under present conditions? To what extent is it possible to maintain an equilibrium of national power based upon a stalemate arising out

of mutual terror? What are the psychological and material conditions under which such an equilibrium can be made to “stick”? What is the probable relationship between this central system of mutual deterrence (or, alternatively, mutual annihilation by thermonuclear warfare) and the worldwide problems of equilibrium of force and of limited local conflicts? How, in effect, can war be avoided when the processes of world development will give rise to continuing frictions of a kind which previously could have been resolved only by war?

The final section will consider the broad objective: peace. It will attempt to differentiate between the ambiguous concept of peace in its formal and negative state, characterized only by the absence of military conflicts, and the concept of peace as a positive state, characterized by a purposeful effort at productive cooperation and cultural-economic integration. It will explore the problem of filling the moral vacuum which would be likely to follow the elimination of war and the solution of present-day economic and political difficulties — the problem of preserving man’s spiritual integrity and his capacity for coherent political action if the desired state of ease and abundance is in fact attained. The study is not a detailed survey but rather one that grows out of the author’s reflections of many years. It is planned for completion in 1958.

## Progress of Greece

RESEARCH DIRECTOR: WILLIAM H. MCNEILL

*Associate Professor of History, University of Chicago*

THE TWENTIETH CENTURY FUND published in 1948 *Report on the Greeks*, a study which described what was happening to a country mired in poverty, torn by civil strife, and situated at a dangerous crossroads of civilization. Since that time the United States has appropriated over \$2.3 billion for aid to Greece. This is the equivalent of \$315 for every Greek man, woman and child, an amount of aid per capita far greater than any other nation has received from the United States.

The results of this dramatic experiment in economic aid may now be assessed in some measure. The Fund's Board of Trustees felt it would be timely to take another look at Greece, not only for the new insights and understanding to be gained of Greece itself, its progress and its problems, but also for the light it might shed on the effectiveness of United States economic aid programs and procedures.

William H. McNeill, Associate Professor of History at the University of Chicago and one of the authors of the original study, revisited Greece in the summer of 1956 on a grant from the Fund and it was felt that his survey was of sufficient interest to warrant a published report.

Mr. McNeill, writing to the Director of the Fund at the conclusion of his study tour, said, "When I returned to Greece in August 1956 the question in the forefront of my mind was this: Had American money and Greek effort succeeded in putting the country back on its feet so that a tolerable future now seemed open to the Greeks? Or had the aid program amounted to a holding operation, preventing

Communist victory, but failing to relieve effectively the basic difficulties of Greek economy and society?

“The best way to seek answers to these questions was to return to certain villages which we had visited in 1947, to see what changes had come to the lives of the peasants in these communities. There are two justifications for this procedure. First, a village is a manageable unit for study and firsthand observation, and keeps fairly detailed public records. Second, and more important, I am firmly convinced that what might be called the base level of life in Greece is set by what happens in the villages. It follows that by sampling different types of village, as we did in 1947, one can hope to win at least an impressionistic insight into long-term and quite fundamental shifts in Greek social and economic life.”

Mr. McNeill visited each of the villages he had studied in 1947 in order to be able to compare the current state of affairs with that of the earlier days. In addition he worked in Salonika and Athens conferring with friends and government officials. The Fund expects to publish his report as a small volume in 1957.

# Tropical Africa

RESEARCH DIRECTOR: GEORGE H. T. KIMBLE

*Formerly Director, American Geographical Society*

AFRICA remains largely unknown to most Americans. This is especially true of central Africa — that is, Africa between the Tropics. Today that ignorance can be costly. The ascending role of this part of the world has broad implications for us and for all nations. It occupies a pivotal position in our politically divided yet economically interdependent world. It almost certainly has the largest untapped reservoir of the world's resources, many vital to us. New sovereign powers are emerging, each being wooed by the enemies as well as the friends of freedom. Furthermore, the United States has always felt a compelling interest in the hopes and aspirations of other free peoples.

In 1953 the Fund set in motion a major survey of tropical Africa — that vast expanse of land lying below the Sahara and extending down to the Union of South Africa. The study of this area, which is nearly three times as big as the United States, will be broad in scope. The first part of the published report will deal with the economy of tropical Africa, providing general information as well as a detailed examination of particular industries, agriculture, mineral exploitation, transportation, and population trends. A second part 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. Publication is scheduled for 1958.

The study is being directed by George H. T. Kimble, formerly director of the American Geographical Society. Mr. Kimble has traveled extensively in Africa during the last two years and is aug-

menting his own observations with contributions from some fifty experts in various fields.

Stressing the diversity of Africa, Mr. Kimble commented on his return from his latest trip: "Tropical Africa is not really a 'place' but rather it is a mosaic of places that have so far eluded the classifier's grasp. The real places, as distinguished from those that have been contrived for political purposes, are those compounded of blood and soil, cattle and crops, language and tradition, feelings and beliefs. Within the bounds of every major political unit, there are enough variations in some or all of these 'place' components to produce disconcertingly large differentiations of land, life and livelihood. Around the slopes of Mount Kilimanjaro, for instance, there are as many types of climate as there are between Florida and Maine, and a correspondingly large number of types of vegetation. In Kenya alone there are not less than seventy different linguistic groups.

"Most of these groups differ from one another in far more than language. They differ in their attitudes toward the great epochs of life. They differ as to what is right and what is wrong. They differ in fundamental attitudes regarding property, family, the place of man in his community and the responsibilities of man to his fellow man. But the fact that similarities of physical appearance and social order do exist among most of the 150 million people who live within the tropical African borders has unfortunately made it difficult for us to appreciate the order of magnitude of differences which are largely unseen, and unfelt, by the majority of observers." Recognition of these differences, Mr. Kimble feels, is essential if we are to understand, and in any way participate in, the economic and political development of Africa.





## 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. The economic and social questions studied by the Fund are of such importance to national policy, in both the domestic and international fields, that they are likely to be of imminent concern to this wider public. To reach it 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

IN RECENT YEARS the Fund has produced nine films based on various of its studies. Schools, colleges, business organizations, study and discussion groups and citizen organizations of all kinds have made extensive use of these films. They carry informational value and also serve to awaken interest in a subject and stimulate discussion. In several instances Fund films have been used on television.

In 1956 the Fund, with Stanley Neal Productions, Inc., had under way two new films, both to be ready for release early in 1957. One is based on *Can We Solve the Farm Problem?: An Analysis of Federal Aid to Agriculture*, by Murray R. Benedict, the other on *American Imports*, by Don D. Humphrey.

### CAN WE SOLVE THE FARM PROBLEM?

Agriculture is one section of the American economy causing deep concern, directly affecting not only the farmer, but the taxpayer and consumer as well. This film focuses upon the core of the complex farm problem: surplus production. It shows in human terms how the problem of agricultural surpluses developed and grew; where we now stand in our efforts to solve it. The film gives the background of price supports, first as they were brought in to bolster sagging agriculture during the great depression of the 1930s and next as a means to stimulate desperately needed production during World War II. Today completely changed conditions confront us and new thinking is called for.

The film suggests a future course for dealing with the farm problem which follows the recommendations framed by the Committee on Agricultural Policy of the Twentieth Century Fund, a committee drawn from among the nation's leaders in the field.

“Can We Solve the Farm Problem?” is a 16mm., one-reel, sound film in color with a running time of 10 minutes. It is available for purchase from Stanley Neal Productions, Inc., 475 Fifth Avenue, New York 17, N. Y.

#### AMERICAN IMPORTS

“American Imports” is a film that deals with a central problem of United States domestic and foreign policy. To what extent CAN we import goods from abroad without hurting home industries? To what extent MUST we import to fulfill our international responsibilities as well as to meet home demands for foreign goods?

The film shows that if the United States wants to sell farm products, raw materials and manufactured goods to other countries it must buy from them. The question is how much to import? Tariff laws, quota systems, the “invisible” tariff, presidential and congressional policy, public opinion, the interests of business, labor, agriculture and the American consumer—all these are involved in the question.

The viewer is shown by this film some of the processes of foreign trade and is brought to a “town meeting” attended by various interested community leaders and their guest, a European businessman. Through the contrasting viewpoints and exchange of ideas among these men and women the question of imports is removed from theory and abstractions and linked directly to the concerns of everyday life in a typical American community. “American Imports” stresses the value and necessity of import trade, while recognizing the need for measures to aid the occasional business that may be injured in this process. It is based on a study jointly sponsored by the Twentieth Century Fund and the National Planning Association and written by Professor Don D. Humphrey of Duke University, a recognized expert on international trade.

“American Imports” is a 16mm., one-reel, sound film in color with a running time of 12 minutes. It may be purchased from Stanley Neal Productions, Inc.

#### OTHER FILMS

One of the most popular Fund films is “The Living City,” based on the study *Renewing Our Cities*, by Miles L. Colean, and produced for the Fund by Encyclopaedia Britannica Films, Inc. After describing the blight which has attacked our major cities in the form of decay and slum areas, the picture goes on to show how we can marshal the forces that make for urban renewal and regeneration. This film won national attention as one of the five nominees for a Motion Picture Academy award — an “Oscar” — in the short documentary class in 1953, the year of the film’s release. It was chosen for showing at the Congress for the International Federation for Housing and Town Planning held in Vienna in 1956.

Another film that has caused considerable interest is “Look to the Land,” derived from a chapter of *America’s Needs and Resources: A New Survey*, by J. Frederic Dewhurst and associates. This film is a color documentary picturing the nation’s wealth in natural resources — its soil, forests, ranges and water resources — and dramatizing the problems raised by the way in which much of this wealth has been squandered through wasteful and unwise usage. It concludes on a positive note, pointing out that the country’s priceless heritage can be restored and preserved if its citizens will face up to the problems involved. This film was also produced in association with Encyclopaedia Britannica Films, and John Barnes was the writer-producer for this film and also for “The Living City.”

Fund films from previous years that are in current circulation are: “Distributing America’s Goods” (1946), “Building America’s Houses” (1947), “Productivity: Key to Plenty” (1949), “Round

Trip: The U.S.A. in World Trade" (1952), "Producing for Defense" (1952), "Working Together: A Case History of Labor-Management Cooperation" (1952), and "Inflation" (1953). All these films are distributed, for rental or sale, by Encyclopaedia Britannica Films, Inc., through its head office in Wilmette, Illinois, and its nationwide group of branch offices.

## Radio

THE Twentieth Century Fund and the National Broadcasting Company presented during the summer a nationwide radio series of six programs based on the Fund's study *Economic Needs of Older People*. The programs were done in documentary style and featured actual voices of older people describing some of the day-to-day problems — as well as some of the joys and rewards — of their time of life. The distinguished journalist and broadcaster, H. V. Kaltenborn, himself a very active 78, made an ideal commentator for the series. A number of public officials and other experts in the field were heard.

The titles of the six programs were: Income — the Greatest Need; Let the Work Go On; In Sickness and in Health; Roof over My Head; The Golden Years; and The Summing Up.

The programs drew a wide response and the series has won two national awards, those of Radio-TV Daily and Freedoms Foundation, as the best public service radio program of 1956. The Fund had the scripts printed in a pamphlet which it sold at cost to over 2,000 interested persons. The radio series itself is available on tape recordings for discussion or teaching purposes — but not for broadcasting

— through the Audio-Visual Center, Kent State University, Kent, Ohio. As the year 1956 ended, the National Broadcasting Company was making plans to rebroadcast the series in 1957.

## Newsletter and Clipsheet

THE Fund issues a Newsletter three times a year and in it describes current Fund projects and activities and discusses future plans. The Newsletter regularly goes, free of charge, to approximately 15,000 institutions and individuals, including leaders in industry, education, government and welfare. In addition to these, the Newsletter now goes to several thousand persons who are especially interested in international affairs. These people signified their wish to receive the Newsletter as a result of a circularization of an edition which featured the increasing number of Fund works dealing with world affairs. The Newsletter has extended its use of one-page pictorial presentations of highlights from Fund studies. One such page, based on the Fund's study *Economic Needs of Older People*, was in particularly wide demand in 1956 by schools, colleges and libraries and the Fund sent out a great many copies of this issue of the Newsletter to accommodate special requests.

Another item reproduced in the Newsletter which evoked a large demand for copies was a small-scale reproduction of a 13" x 16" color chart of the flow of income and expenditures in the United States. The Fund later reprinted the original chart, making it available in quantity on separate sheets. The chart originally came from *America's Needs and Resources: A New Survey*.

With each edition of the Newsletter the Fund issues a Clipsheet, made up of short items from various Fund studies and designed for “filler” use by a wide variety of publications. Clippings of several thousand of these items are received each year. The Newsletter and Clipsheet are sent without cost to any individual or organization wishing to receive them.

## Special Educational Activities

The Foreign Policy Association made extensive use of a Fund study, *Approaches to Economic Development*, by Norman S. Buchanan and Howard S. Ellis, in one of its Headline Series booklets, *Underdeveloped Lands – Revolution of Rising Expectations*. This booklet, one of a series published during the year by the Association on important aspects of American foreign policy, had a particularly good reception, coming out at a time when there was much government emphasis and public discussion on the place of foreign aid in United States global planning and the form such aid should take.

Plans also got under way during the year for translations of *Approaches to Economic Development* by publishers who had negotiated for the rights to print the study in Persian, Arabic and Japanese.





## Publishing Activities



THE Fund publishes its studies in book form, under its own imprint, and total sales of over half a million volumes are a measure of the scope of these publishing activities. Fund books are priced only to return their manufacturing and distribution costs. They are sold in the United States and Canada through regular book channels and through direct mail by the Fund itself. Foreign sales are handled by W. S. Hall & Co. for Europe and the British Isles and, in an arrangement concluded at the end of the year, by Feffer & Simons, Inc., for the rest of the world.

Active promotion of Fund books abroad by its export representatives resulted in sales throughout the world and particularly in Japan, England, Germany, India and the Netherlands. Fund books were included in exhibits in Germany, Italy, the Netherlands, Poland and Yugoslavia. The Fund's interest in overseas markets has been given impetus recently by its expanding list of books in the international field.

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, if they wish to purchase, they are allowed a substantial discount. Details of this 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 1956, are listed in the table following.

## Sales of Publications, 1930-1956

TITLE	PUBLISHED	1956 SALES	TOTAL SALES TO END OF 1956
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*	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	2*	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

NOTE: The first seven titles in this table were issued originally by other publishers; the Fund later took over the distribution.

TITLE	PUBLISHED	1956 SALES	TOTAL SALES TO END OF 1956
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	6	2,620
American Housing	1944	48*	10,636
Postwar Planning in the United States, No. 3	1944	0	4,390
Democracy Under Pressure	1945	85*	42,453
Financing American Prosperity	1945	15	6,089
Tomorrow's Trade	1945	14	20,963
Trends in Collective Bargaining	1945	27	14,336
For This We Fought	1946	11	19,571
Cartels in Action	1946	55	6,040
America's Needs and Resources (first edition)	1947	1	22,129
Rebuilding the World Economy	1947	20	8,732
Electric Power and Government Policy	1948	9	1,618
Cartels or Competition?	1948	70	4,215
Report on the Greeks	1948	12	4,782
Partners in Production	1949	163	9,839
Turkey: An Economic Appraisal	1949	71	2,917
U.S.A.: Measure of a Nation	1949	631 <sup>a</sup>	55,341
Brazil: An Expanding Economy	1949	65	3,230
America's Capital Requirements	1950	*	1,278
Monopoly and Free Enterprise	1951	263	8,028
Defense without Inflation	1951	16	7,202
Financing Defense	1951	20	4,326
British Planning and Nationalization	1952	121	4,773

\* Out of print.

a. Of this figure, 629 copies were reported sold by Macmillan in 1956 for which royalty payments have been received.

T I T L E	PUBLISHED	1956 SALES	TOTAL SALES TO END OF 1956
Costa Rica: A Study in Economic Development	1952	86	2,112
The Federal Debt	1953	56	2,393
Farm Policies of the United States, 1790-1950	1953	428	3,181
Employment and Wages in the United States	1953	213	4,329
Defense and the Dollar	1953	26	3,666
Economic Controls and Defense	1953	102	3,671
Renewing Our Cities	1953	248	5,341
World Population and Production	1953	534	6,670
Foreign Exchange in the Postwar World	1954	448	2,968
Approaches to Economic Development	1955	1,595	5,260
America's Needs and Resources: A New Survey	1955	1,290	8,899
American Imports	1955	982	2,272
Can We Solve the Farm Problem?	1955	1,731	2,645
World Commerce and Governments	1955	1,532	2,410
Economic Needs of Older People	1956	4,210	4,210
The Agricultural Commodity Programs	1956	713	713
Total		<u>15,920</u>	<u>520,251</u>

# Administration



HEADQUARTERS STAFF

FINANCIAL STATEMENTS

DETAILED STATEMENT OF ASSETS



## Headquarters Staff, 1956

AUGUST HECKSCHER, *Director*

THOMAS R. CARSKADON, *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*

\* BERNADETTE E. HIGGINS, *Copy Editor*

AUDREY BRENTLINGER, *Secretary to the Director*

\* DOROTHY GILES, *Secretary to the Director*

ALICE MENDEL, *Secretary to the Associate Director*

### SECRETARIAL AND CLERICAL

IDA CARLOMAGNE, ROSE COHEN, ARLENE FELDMAN, HUGO FOSCO,

RITA GOTTMANN, \* BETTY R. MERKIN, \* BLANCH B. OLDAKER,

DOROTHY A. PEPPER, EILEEN REGELMANN, \* PATRICIA J. ROBERT-

SON, SADIE ROSENFELD, SANDRA SELTZER, ETHEL A. STEIDLER

\* Resigned during year.

# Finances

## FINANCIAL STATEMENTS

DECEMBER 31, 1956

WITH COMPARATIVE FIGURES AT DECEMBER 31, 1955

### *Statement of Assets and Principal*

	DECEMBER 31	
	1956	1955
CASH	\$ 433,527.24	\$ 313,797.07
INVESTMENTS, AT INDICATED MARKET VALUE:		
United States Government bonds	\$ 966,907.50	\$ 248,790.00
Authority and revenue bonds	26,400.00	30,600.00
Preferred stocks	2,210,752.50	2,438,008.75
Common stocks	9,394,984.50	10,882,101.00
Total investments (see note)	<u>\$12,599,044.50</u>	<u>\$13,599,499.75</u>
HEADQUARTERS PROPERTY, AT COST	300,000.00	—
PRINCIPAL OF FUND	<u>\$13,332,571.74</u>	<u>\$13,913,296.82</u>

### *Statement of Changes in Principal*

	YEAR ENDED DECEMBER 31	
	1956	1955
OPERATING RECEIPTS AND DISBURSEMENTS:		
Operating receipts:		
Interest and dividends on investments	\$ 597,529.28	\$ 563,242.42
Sales of publications	78,531.53	88,263.66
Sales and rentals of films	1,605.28	3,134.28
Total Operating Receipts	<u>\$ 677,666.09</u>	<u>\$ 654,640.36</u>
Operating disbursements	<u>538,263.69</u>	<u>528,611.68</u>
Excess of Operating Receipts over Disbursements	<u>\$ 139,402.40</u>	<u>\$ 126,028.68</u>
CHANGES IN INVESTMENT HOLDINGS:		
Increase (decrease) in indicated market value of investments held throughout the year	\$ (587,022.50)	\$ 1,476,982.01
Increase (decrease) in indicated market value over purchase cost of investments purchased during the year	(50,419.73)	94,739.76
Gain (loss) on sales of investments based on indicated market value at beginning of year or purchase price during year	<u>(82,685.25)</u>	<u>81,384.23</u>
Increase (decrease) in Principal Resulting from Changes in Investment Holdings	<u>\$ (720,127.48)</u>	<u>\$ 1,653,106.00</u>
Net Increase (decrease) in Principal	<u>\$ (580,725.08)</u>	<u>\$ 1,779,134.68</u>
BALANCE OF PRINCIPAL AT BEGINNING OF YEAR	<u>13,913,296.82</u>	<u>12,134,162.14</u>
BALANCE OF PRINCIPAL AT END OF YEAR	<u>\$13,332,571.74</u>	<u>\$13,913,296.82</u>

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



# Report of Independent Certified Public Accountants

The Board of Trustees,  
Twentieth Century Fund, Inc.:

We have examined the financial statements of Twentieth Century Fund, Inc. as of December 31, 1956. 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. We had previously made a similar examination for the preceding year.

In our opinion, the accompanying financial statements present fairly the financial position of Twentieth Century Fund, Inc. at December 31, 1956 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., January 17, 1957

# Cash Transactions, 1956

## SUMMARY

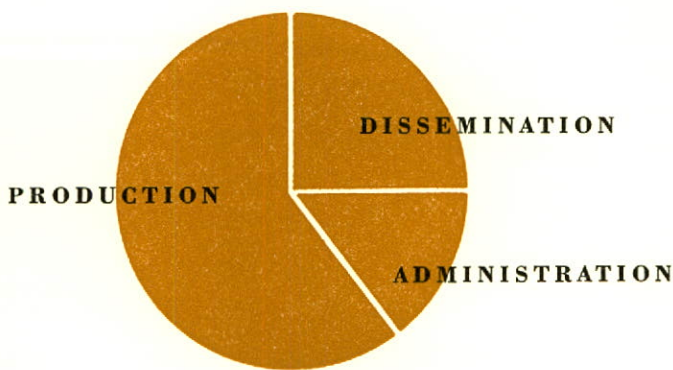
Cash Balance January 1	\$ 313,797
Total Receipts	<u>2,280,214</u>
Total Receipts and Cash Balance	\$2,594,011
Total Disbursements	<u>2,160,483</u>
Cash Balance December 31	<u>\$ 433,528</u>

## RECEIPTS

Interest and Dividends from Investments	\$ 597,529
Sales of Publications	78,532
Sales and Rental of Films	1,605
Proceeds from Sales of Investments	<u>1,602,548</u>
Total Receipts	<u>\$2,280,214</u>

## DISBURSEMENTS

Headquarters Activities	\$ 291,901
Research Projects	150,050
Progress of the Greek Situation	\$ 2,157
Antitrust Policies and Enforcement	3,477
Technological Changes	3,895
Agricultural Commodity Programs	4,330
Civil-Military Relations	26,231
Tropical Africa	30,015
European Integration – exploratory	324
European Coal-Steel Community	24,618
Distribution Costs and Methods	17,784
French Productivity	6,927
Metropolitan Areas – exploratory	405
Metropolitan Areas – main study	3,177
Economic and Political Systems	6,618
Money Power – exploratory	203
Pension and Welfare Funds	6,874
Peacetime Uses of Atomic Power	227
Europe's Needs and Resources	<u>12,788</u>
Special Projects	
Maritain Grant	3,750
Publishing of Survey Reports	60,577
Popular Volumes	10,248
Radio and Television	15,027
Special Dissemination	<u>3,557</u>
Total Operating Disbursements	\$ 535,110
New Headquarters Expenses	3,153
Purchase of Investments	1,622,220
Securities	\$1,322,220
New Headquarters Building	300,000
Total Disbursements	<u>\$2,160,483</u>

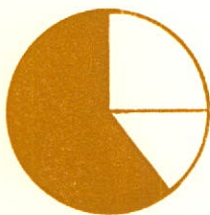



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**TOTAL OPERATING EXPENDITURES FOR  
THE YEAR 1956: \$535,000**

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

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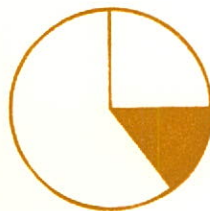
**PRODUCTION OF RESEARCH  
FINDINGS: 60%**

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: 25%**

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: 15%**

General administration.

# Detailed Statement of Assets

DECEMBER 31, 1956 AND DECEMBER 31, 1955

	AS OF DECEMBER 31, 1956		AS OF DECEMBER 31, 1955	
	<i>par value</i>	<i>market value</i>	<i>par value</i>	<i>market value</i>
<b>BONDS</b>				
Authority and Revenue Bonds:				
New Jersey Turnpike Authority				
3% Second Series, July 1, 1988	\$ 30,000	\$ 26,400	\$ 30,000	\$ 30,600
	0.2%	\$ 26,400	0.2%	\$ 30,600
United States Government Bonds:				
Savings Defense Bonds:				
Series G 2½% July 1, 1960	\$ 20,000	\$ 19,340	\$ 20,000	\$ 19,220
Series G 2½% November 1, 1960	80,000	77,360	80,000	76,880
Series G 2½% May 1, 1961	55,000	53,020	55,000	52,690
Treasury 2¾% September 15, 1961	500,000	480,625		
Treasury 2½% November 15, 1961	250,000	236,563		
Treasury 2¾% April 1, 1980-75	100,000	100,000	100,000	100,000
Total Government Bonds	7.5%	\$966,908	1.9%	\$ 248,790
<b>PREFERRED STOCKS</b>				
	<i>shares</i>		<i>shares</i>	
American Bank Note Company 6%	1,000	\$ 62,000	1,000	\$ 70,125
American Brake Shoe Company 4% cv.	1,000	110,000	1,000	105,750
Atchison, Topeka & Santa Fe Railway Company 5%	5,000	51,875	1,000	61,250
Celanese Corporation of America 4½% cv. "A"			1,000	73,875
Celutex Corporation 5%	2,000	35,500		
Central Maine Power Company 3½%	1,000	66,625	1,000	79,000
El Paso Natural Gas Company 5.65%	1,000	100,500	1,000	108,000
Empire District Electric Company 5%	500	47,000	500	52,750
General Cigar Company 7%	1,000	125,000	1,000	134,000
General Railway Signal Company 5%			390	40,950
Gulf States Utilities Company \$4.44	650	59,800	650	67,925
Helme (George W.) Company 7%	1,000	34,000	1,000	38,500
Interchemical Corporation 4½%	1,000	88,000	550	55,688
Jersey Central Power & Light Company 4%	760	67,640	760	69,540
Monongahela Power Company 4.40%	1,000	89,000	1,000	102,000
Pacific Gas & Electric Company 5% 1st	1,500	37,875	1,500	44,062
Philip Morris, Inc. 4%	1,000	75,500		

PREFERRED STOCKS— <i>continued</i>	AS OF DECEMBER 31, 1956		AS OF DECEMBER 31, 1955	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Radio Corporation of America \$3.50 1st	1,500	\$ 107,438	1,500	\$ 127,500
Reynolds Metals Company 4¼% "A"	2,000	85,000		
Royal McBee Corporation 4½% "A"	500	46,500	500	46,000
Safeway Stores, Inc. \$4.30			1,000	123,500
South Carolina Electric & Gas Company 5%	1,400	63,000	1,400	72,625
Tennessee Gas Transmission Company 5¼%	1,000	88,000	1,000	103,250
Toledo Edison Company 4.25%	925	78,625	925	93,656
Tri-Continental Corporation \$2.70	4,000	211,000	4,000	229,000
United States Rubber Company 8% n-c	1,000	145,000	1,000	167,250
United States Steel Corporation 7%	1,000	145,500	1,000	166,500
United States Tobacco Company 7%	1,500	51,000	1,500	54,375
Virginian Railway Company 6%	1,500	43,875	1,500	48,938
Ward Baking Company 5½%	1,000	95,500	1,000	102,000
Total Preferred Stocks	17.1%	\$ 2,210,753	17.0%	\$ 2,438,009

#### COMMON STOCKS

American Chicle Company	550	\$ 30,662	500	\$ 32,937
American Cyanamid Company	1,000	79,500	1,000	67,500
American Gas & Electric Company	4,590	170,978	3,000	148,500
American Natural Gas Company	1,000	64,000	1,000	56,875
American Smelting & Refining Company			1,000	50,125
American Telephone & Telegraph Company	2,200	377,025	2,000	360,750
American Tobacco Company	1,000	73,375	1,000	81,250
Atchison, Topeka & Santa Fe Railway Company	7,500	196,875	1,500	220,313
Bank of New York & Fifth Avenue Bank	300	82,800	300	72,900
Beech-Nut Life Savers, Inc.	2,000	63,500		
Bendix Aviation Corporation			1,000	57,375
Boston Edison Company	2,000	99,750	1,500	85,312
Brooklyn Union Gas Company	1,500	52,125	1,500	50,813
Canadian Pacific Railway Company	3,000	98,625	3,000	101,250
Central Illinois Light Company	2,200	118,800	2,000	104,500
Chase Manhattan Bank	1,350	67,331	1,250	64,062
Christiana Securities Company	10	134,000	20	316,000
Columbus & Southern Ohio Electric Company	3,000	85,875	3,000	96,375
Consolidated Edison Company of New York	2,500	112,500	2,500	118,438

COMMON STOCKS — <i>continued</i>	AS OF DECEMBER 31, 1956		AS OF DECEMBER 31, 1955	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Consolidated Natural Gas Company	2,100	\$ 86,625	2,100	\$ 74,287
Consumers Power Company	3,638	167,348	3,465	169,785
Corn Products Refining Company	1,500	44,437	1,500	45,563
Dayton Power & Light Company	2,000	98,000	2,000	90,750
du Pont (E. I.) de Nemours & Company			1,000	231,000
Federated Department Stores	100,000	3,062,500	50,000	3,500,000
First National Bank of Boston	1,077	70,813	1,077	67,312
General Electric Company	2,000	120,500	3,000	173,250
General Motors Corporation	4,000	176,000	6,300	291,375
Gillette Company			2,000	80,750
Guaranty Trust Company of New York	1,000	85,750	1,000	79,500
Gulf States Utilities Company	1,500	53,437	1,500	55,313
Kansas City Power & Light Company	3,000	117,375	3,000	117,750
Libby-Owens-Ford Glass Company			2,000	172,000
Life Savers Corporation*			2,000	50,750
McGraw-Hill Publishing Company	2,500	88,750	1,000	75,500
Mississippi River Fuel Corporation	4,000	134,500	4,000	128,000
National Biscuit Company	1,000	35,000	1,000	38,750
National Dairy Products Corporation	1,000	38,250	1,000	39,500
National Steel Corporation			1,000	71,750
New York Trust Company	1,000	68,750	1,000	70,250
Niagara Mohawk Power Corporation	3,500	106,313	3,500	113,750
Northwest Bancorporation	1,000	77,500	1,000	66,500
Ohio Edison Company	3,300	165,000	3,300	169,125
Otis Elevator Company	4,000	176,000	2,000	153,500
Pacific Gas & Electric Company	3,150	155,925	3,000	148,500
Pacific Lighting Corporation	3,000	107,625	3,000	118,500
Pacific Telephone & Telegraph Company	1,200	148,800	500	66,626
Phillips Petroleum Company			1,000	82,125
Potomac Electric Power Company	5,775	124,162	5,500	121,000
Public Service Company of Indiana	2,000	74,750	2,000	77,250
Public Service Electric & Gas Company	3,000	94,500	3,000	101,250
Reynolds (R. J.) Tobacco Company	2,000	109,500	2,000	107,750
Rochester Gas & Electric Corporation	6,000	171,000	2,500	111,875
Socony Mobil Oil Company	2,500	137,500	2,000	129,000
Southern Natural Gas Company	2,000	79,750		
Southern Pacific Company	2,000	89,750	2,000	112,000

\* For 1956 see Beech-Nut Life Savers.

COMMON STOCKS— <i>continued</i>	AS OF DECEMBER 31, 1956		AS OF DECEMBER 31, 1955	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Southern Railway Company	2,500	\$ 111,875	1,000	\$ 110,000
Standard Oil Company of California	3,150	155,138	1,575	143,325
Standard Oil Company (Indiana)	3,000	186,375	3,000	153,000
Standard Oil Company (New Jersey)	3,046	178,952	1,520	231,990
Standard Oil Company (Ohio)	1,800	102,600	1,500	70,875
Texas Company	2,000	119,750	1,500	182,250
Texas Gulf Sulphur Company			3,000	112,125
Union Carbide & Carbon Corporation	500	57,875	1,000	110,125
Union Electric Company	3,000	79,125	3,000	87,000
Union Oil Company of California	1,100	65,587	1,000	53,500
Union Pacific Railroad Company	2,500	75,625	500	89,750
Westinghouse Electric Corporation			1,000	60,000
Wrigley (Wm.) Jr., Company	1,000	88,250	1,000	91,000
Total Common Stocks	72.8%	\$ 9,394,983	80.0%	\$10,882,101
New Headquarters Building	2.4%	300,000		
TOTAL OF ALL INVESTMENTS	100.0%	\$12,899,044	100.0%	\$13,599,500
CASH		433,528		313,797
GRAND TOTAL OF ASSETS		<u>\$13,332,572</u>		<u>\$13,913,297</u>

T H E S P I R A L P R E S S · N E W Y O R K









