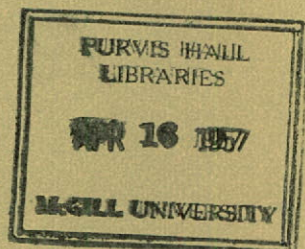


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ANNUAL  
REPORT

1955

THE TWENTIETH  
CENTURY FUND











*with the compliments of*

THE TWENTIETH CENTURY FUND

330 WEST 42 STREET · NEW YORK 36, N. Y.

*August Heckscher, Director*



ANNUAL REPORT

THE TWENTIETH CENTURY FUND

1955

THE TWENTIETH CENTURY FUND

*330 West Forty-second Street · New York 36, N. Y. · Bryant 9-8117*

WASHINGTON OFFICE

*711 Fourteenth Street, N.W., Washington 5, D. C. · Republic 7-2256*

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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 nearly \$14 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. Mr. Dewhurst resigned to conduct a major research project in Europe and to take the post of Economic Adviser to the Fund.

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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\* Resigned as a member of the Board of Trustees December 31, 1955, to become Director of the Fund.

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*Executive Director (resigned December 31, to become Economic  
Adviser)*

AUGUST HECKSCHER

*Director (January 1, 1956)*



# Change and Choice:

THE TWENTIETH CENTURY FUND LOOKS AHEAD

A REPORT OF A TRUSTEE COMMITTEE  
of the Twentieth Century Fund, November 1954, commented in these words upon the conditions which stretch before us at the second half of the century:

No age has been driven so urgently as our own by social and technological forces. A wholly new scale of population increase and the invention of a wholly new source of power have the effect of transforming virtually every institution from top to bottom.

In this country the next decades are bound to see new patterns of social living developing with a rapidity which makes it hard to keep abreast of them and even harder to know what they involve in terms of changed values and mental concepts. There will be an intensive cultivation of this continent — cultivation in the largest sense of the word — compared to which everything done heretofore will seem like a mere scratching of the surface. New cities, new regions, new industries, new realms of comprehension will open in staggering succession.

In the world the changes and stresses will be even more difficult to compute and analyze. The nation-state as it originated in the sixteenth century is passing through radical and often unobserved transformations. Yet the next emerging order has no name that can describe it, no values that command allegiance or assent. Within this over-all revolution, every lesser aspect of life is subject to the doubts and agonies of re-creation.\*

\* This passage has been quoted, but without the Twentieth Century Fund's name being used, in *Philanthropic Foundations* by F. Emerson Andrews, p. 349, Russell Sage Foundation, New York, 1956.



It is in such conditions, the report indicated, that the research foundations, and the Twentieth Century Fund in particular, must seek out their guidelines and carry on their work.

## I

For twenty years the Fund has made its task that of focusing inquiry upon points in the social system at which the problems and tensions of change are evident. On dozens of pressing issues it has gathered the essential facts and in the form of committee reports based upon the facts has given expression to constructive recommendations. Difficult or controversial issues have not been avoided. Controversy, as Edward A. Filene, the Fund's founder, liked to insist, is itself a measure of the need for fuller enlightenment.

The years during which the Fund's work has been done have seen American capitalism undergoing a profound change. Contradictions which the Marxists had believed to be inherent and ultimately fatal have to a large extent been eliminated; endemic conflicts, as between capital and labor, have shown themselves capable of being tempered and compromised. The benefits of the system have been distributed so widely and on so vast a scale as to approach in a highly industrialized setting the twin blessings which the first Americans sought in the wilderness: equality and abundance.

This transformation of capitalism is graphically illustrated by the changing attitude in the United States toward leisure. Through the last century and well into the present one leisure was equated with idleness and its increase was generally held to be at odds with a successful and productive economic system. Today leisure is a part, an essential part, of such a system. It has been sanctioned as a goal, and the activities and pursuits it involves have become a recognized factor in the total functioning of the economy. This difference is one surface indication of a change so deep that many have felt that some other word than capitalism, with its residual connotations, should be found to describe the modern American economy.



The Fund has played a significant part in interpreting these economic events. A year that has seen its publication of *America's Needs and Resources: A New Survey*, by J. Frederic Dewhurst and associates, could not but stand as a high-water mark in this regard. Studies in the economic status of older people and in agricultural policy (to name but two of those recently completed) are evidences of the Fund's continuing preoccupation with the dilemmas as well as the opportunities of an expanding economy. Whatever else it undertakes, the Fund will no doubt go forward along this line in the future.

## II

Accompanying these economic changes over the past decades have been changes at the deepest level in the conditions of life. There have been marked alterations in the community which the modern citizen inhabits and in the qualities needed to inhabit it well. The scale of things with which the citizen must deal is new; and new kinds of pressure and of choice have been imposed on him.

From the total context of this novelty three areas may be isolated for consideration.

1. *The Problem of Place.* At various levels the citizen no longer finds the real interests of his life corresponding with the physical areas in which his part is supposedly played. The units of needed social and economic authority do not necessarily coincide with the accepted units of government. On the local level the city has long since burst out of its old limits. Suburbia, and now ex-urbia, create fresh patterns of living and conflicts of interest. The region similarly outruns the lines of the states; and, most significantly, a number of international communities outrun the nation-state.

There is today an international economic community, and an international defense community, both with wider boundaries than those within which the traditional attachments are confined. It is within these overlapping and often ill-defined communities, with

their attendant strains and crisscrossings of emotion, that today's citizen must construct a satisfying existence.

2. *The Problem of Power.* As authority does not conform to the older spatial entities, so moral, political and economic power seeks out new forms, lodging itself in relatively unexamined groups and institutions. Such new forms of power, embodied in technological elites, impinge dramatically upon primitive cultures. This is clearly seen where efforts have been made through technical aid to raise the standard of living in hitherto underdeveloped countries; it will be seen even more nakedly when peaceful atomic power is put to the service of these countries. Novel resources will be superimposed upon cultures which in other respects remain at a comparatively simple stage: these will lack not only many underlying technological developments; more subtly they will lack the attitudes, the skills, the ways of acting and thinking which are instinctive to those cultures of which atomic energy is an ultimate expression.

What will be the effect upon those delicate balances which are the essence of a viable civilization, as they are the essence of a mature human being? The answer concerns us as well as the underdeveloped countries. For we are all of us, in varying degrees, under the domination of powers which we have not yet learned to master or assimilate.

3. *The Problem of Purpose.* The capacity to produce seemingly without limit affords the contemporary citizen the luxury of a wide choice; it invites him to act with heightened moral awareness. The economic problem has historically been one of fending off the bitterest lacks. But the increasing rate of productivity brings new possibilities, new alternatives, into view; the choices between these wait to be made at different levels of the social and political order.

How much of the country's increased productivity over the coming decades (to cite a single example of choice) will be taken advantage of in the form of leisure? In the past, as Mr. Dewhurst has shown, about one third has been taken in shorter hours, the rest in added goods and services. As a people can we not now re-examine this



hitherto unconscious decision, deciding whether this particular proportion is to hold? If so, to what end will the leisure be put? And what value will be served by the increased material wealth?

The capacity to produce seemingly without limit is counterbalanced by a comparable capacity to destroy without limit. Such circumstances should impose, at the very least, a mood of thoughtfulness about ourselves and our times.

Thus may be epitomized some of the problems raised by the technological and social changes of these years. To deal with them at any point is to be urged beyond mere factual research; efforts at solution involve much more than administrative arrangements or managerial techniques. Ends, no less than means, come into play. For this reason should such an institution as the Twentieth Century Fund feel compelled to hold back, barred from following where the trail leads?

The answer in the case of the Fund has been at least tentatively given. In recent years, under the trustees' decision to extend the scope of the Fund's work, the fringes of such problems as are outlined above have been repeatedly touched. The changing locus of power, as in civil-military relations or the European Coal and Steel Community; the diffusion of life through new geographical and spatial forms, as in the metropolitan regions; the problem of values, as in the impact of technological change — these have formed the threads of the Fund's evolving pattern of interest. The Africa study, now in process, can by itself be seen as representing facets of all the three problems mentioned.

To go forward in these lines, seeking out the points at which the important stresses manifest themselves, clarifying the concepts which underlie particular researches and the basic philosophy which unifies them, is the task which lies before the Fund. National affairs and international affairs, economics and politics, will thus fall by turns under its purview, the central core being constant though the focus of attention shifts.

The search for hypotheses that can give coherence to the flux around us is not an easy task. It certainly does not admit of easy answers. The Fund's approach is a modest one: it likes to think that through attentive observation of what people are actually doing, through a thoughtful appraisal of alternative courses and goals, light may be cast on the next steps ahead. Even a little light may, in such a time, be worth much.

### III

To emphasize in the second half of the twentieth century a consideration of ends and values seems for such a foundation as the Fund inherently right and indeed almost a matter of course. The years during which the great research foundations have done their work have seen the making of valuable surveys and the gathering of indispensable statistical information; collecting vast bodies of facts has gone along with the mastery of the physical environment. Government agencies, moreover, have stepped in with their immense resources where private groups had pioneered. Yet basic questions of value, of choice and direction, inevitably elude the most thoroughgoing processes of counting and measuring. An age that has been rich in material progress and the accumulation of factual knowledge cannot be said, thus far, to have made comparable advances in insight and understanding.

The foundations which have in the past tended to move from physical science to social science may well feel themselves being drawn in the next decades in the direction of the humanities and philosophy. In this field much remains to be done; the foundations are peculiarly suited to help in doing it. The characteristics of the foundations which enabled them to blaze trails in medical and scientific research will stand them in good stead if they do indeed take this new turn. Freedom from pressure, ability to risk failure and dead ends, independence of particular disciplines and entrenched schools of thought, are no less necessary in the arts than in the sciences.

Perhaps, indeed, they are more important; and this introductory note may well conclude upon the theme of freedom and independence. No one can have felt in an exposed position the force of contemporary pressures without being intensely conscious of the need for some institutions in our midst that are answerable to no narrow constituency and are judged by no immediate tests of profit or "success." By the granting of tax exemption to the foundations public policy recognizes their responsibility to the truth so far as they can discern it, to ultimate values so far as they can express them, and to the whole public so far as they can serve it. The Twentieth Century Fund is conscious of the challenge to meet this responsibility. It surely cannot be met without boldness and largeness of view.

FOR THE TRUSTEES

*August Heckscher*, DIRECTOR

April 1956





# Reports Completed in 1955

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## *Published*

APPROACHES TO ECONOMIC DEVELOPMENT

AMERICA'S NEEDS AND RESOURCES:  
A NEW SURVEY

AMERICAN IMPORTS

CAN WE SOLVE THE FARM PROBLEM?

WORLD COMMERCE AND GOVERNMENTS

## *In Press*

ECONOMIC NEEDS OF OLDER PEOPLE

# Approaches to Economic Development

RESEARCH DIRECTORS:

NORMAN S. BUCHANAN

*Professor of Economics, University of California\**

HOWARD S. ELLIS

*Professor of Economics, University of California*

THE STAKE of the United States in the future of the underdeveloped countries is evident in the economic assistance advanced them under Point IV and other aid programs. But economic development is a complicated, often uncertain process. Why and how does it actually take place? To what extent can economic development be “imported” — in machinery, practical experience or capital?

*Approaches to Economic Development*, by Norman S. Buchanan and Howard S. Ellis, published by the Fund in February 1955, seeks to answer some of these questions. It provides an analysis of economic, cultural, social and political factors making for development. The authors survey important industrialized areas of the world, measuring those elements which were responsible for their advancement against the particular strengths and weaknesses of today's underdeveloped areas. They analyze factors within the underdeveloped countries which must be changed or adjusted if economic development is to proceed. The United States' involvement in the development of these areas is discussed, as well as means it might best use to further this development.

\*Since July 1, 1955, Director for the Social Sciences, the Rockefeller Foundation.

The work aroused interest here and overseas, and the Fund adapted and translated relevant information into six languages for foreign distribution. The Foreign Operations Administration prepared a summary of the Fund's study for its staff here and abroad. The Fund made a cooperative arrangement with the Foreign Policy Association to use some material from the study in one of its Headline Series Booklets.

# America's Needs and Resources: A New Survey

RESEARCH DIRECTOR: J. FREDERIC DEWHURST

*Executive Director, Twentieth Century Fund\**

ASSOCIATE RESEARCH DIRECTOR:

THOMAS C. FICHANDLER

*Research Associate, Twentieth Century Fund*

THE AMERICAN economy year in and year out seems to meet and surpass the most optimistic goals that have been predicted for it. It generates a higher standard of living than the world has ever known before. What are the wellsprings of its phenomenal strength? And what of its future capacities upon which our well-being and stability depend?

Answers to these questions are documented and analyzed in the Fund's major work on the American economy in action, *America's Needs and Resources: A New Survey*, by J. Frederic Dewhurst and associates, which the Fund published in April 1955. This volume is a completely revised and rewritten version of a study which was published by the Fund in 1947 and quickly established itself as something of a classic, widely accepted as a fundamental source of authoritative figures on past performance of the American economy and its future potential.

The new study is greatly expanded, and in entirely new sections gives emphasis to the postwar boom, recent technology and the increasing productivity of the American economy. The study not

\*Since January 1, 1956, Economic Adviser, Twentieth Century Fund.

only covers broad fields of economic activity in chapters on industrial capacity and foreign trade, finance and government expenditures, but also deals with health, recreation, household operation, food and clothing, religion and welfare. Resources are measured against needs, with projections to 1960.

*America's Needs and Resources: A New Survey* received perhaps the widest news coverage of any Fund study. Thousands of newspaper articles, editorials and features have stemmed from it. *Nation's Business*, the magazine of the United States Chamber of Commerce, devoted most of one issue to the findings. Other magazines devoting substantial space to the study include the *Saturday Evening Post*, *Time*, *Life*, *Newsweek*, the *Reader's Digest*, *Business Week*, the *Harvard Business Review*, the *Journal of the National Education Association* and many other specialized publications. The *New York Times Book Review* of May 1 carried a review of the study on its cover page.



# American Imports

RESEARCH DIRECTOR: DON D. HUMPHREY

*Professor of Economics, Duke University*

AMERICAN tariff policies, limiting competitive imports, have ceased to be a matter of domestic policy alone. As a creditor nation, the United States finds itself critically concerned with the so-called “dollar gap” — explained as the inability of other countries to sell enough to the United States, and an unwillingness on our part to buy enough, to maintain a viable exchange. To what extent is the tariff responsible for this gap? What other factors are involved in the balance of trade?

To answer these and related questions, the Twentieth Century Fund and the National Planning Association undertook in 1950 a study of some of our trade problems. This was published in 1955 under the title *American Imports*.

This study is a comprehensive analysis of America’s capacity to import. It weighs objectively the inducements to import more, to meet both United States interests and those of friendly nations abroad, measuring these against adjustments which would be called for in some segments of the economy by a higher rate of imports. The study covers various aspects of the problem, from a general analysis of policy to discussion of specific industries which are most affected by imports. Tourism, shipping and other “invisible imports” are also discussed.

The final chapter presents the report of the Committee on International Policy of the National Planning Association, which served as a special committee for this study. The Committee reviewed the study and made a series of recommendations for import policy. The



report was signed by twenty-five members of the Committee. It was drawn up by a subcommittee whose membership is listed below.

Upon its publication *American Imports* was brought to the attention of both the foreign and the United States press. Its analysis and conclusions have been the subject of wide discussion as well as of some controversy.

SUBCOMMITTEE ON AMERICAN IMPORTS

Isador Lubin, <i>Chairman</i> New York State Industrial Commissioner	John F. Chapman Associate Editor, <i>Harvard Business Review</i>
Frank Altschul, ex-officio Chairman of the Board, General American Investors Company	August Maffry Vice President, Irving Trust Company
Solomon Barkin Director of Research, Textile Workers Union of America	Morris S. Rosenthal New York City
Richard M. Bissell, Jr. Economic Consultant, Washington, D. C.	Wayne Chatfield Taylor Heathsville, Virginia

## Can We Solve the Farm Problem?

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*

FARM POLICY continues to be a highly controversial domestic issue. A downward trend of farm income and mounting surpluses of wheat and other commodities are the obvious manifestations of the problem. These conditions exist despite \$20 billion in government aid to agriculture over the past twenty years.

The Fund felt that a valuable contribution could be made by a factual, nonpartisan study of the entire history of government aid to agriculture. *Can We Solve the Farm Problem?*, by Murray R. Benedict, is the resulting study. It constitutes an appraisal of the gains and losses to both the farmer and the taxpayer over a twenty-year period, along with factual information on such subjects as parity, price supports and surpluses.

A special feature of the study is a report of the Fund's Committee on Agricultural Policy, a group of agricultural experts representing widely different viewpoints. Their joint recommendations suggest a coherent program for dealing with many of the issues. As was inevitable with a committee so various in its interests, members voiced dissent on certain points.

The study gained front-page attention in the press following its

publication in December 1955. The book and the Committee's report have been used as documentation at several national farm meetings.

The Fund in 1953 published *Farm Policies of the United States, 1790-1950*, by Mr. Benedict, to provide needed historical background for this survey and in 1956 will publish the concluding volume of the present study, detailing the various individual farm commodity programs.

COMMITTEE ON AGRICULTURAL POLICY

Jesse W. Tapp, <i>Chairman</i> Chairman of the Board of Directors, Bank of America, National Trust and Savings Association	Margaret G. Reid Professor of Economics and Home Economics, University of Chicago
John D. Black Professor of Economics, Harvard Uni- versity	Quentin Reynolds National Finance Chairman, American Institute of Cooperation; formerly General Manager, Eastern States Farmers' Exchange, Inc.
Harry B. Caldwell Master of the North Carolina State Grange	Theodore W. Schultz Chairman, Department of Economics, University of Chicago
Calvin B. Hoover Chairman, Department of Economics, Duke University	Andrew Stewart President, University of Alberta
Donald R. Murphy Associate Editor, <i>Wallaces' Farmer &amp; Iowa Homestead</i>	Louise Leonard Wright Midwest Director, Institute of Inter- national Education
Edwin G. Nourse Past Chairman, Council of Economic Advisers	Obed A. Wyum Farm Program Consultant, North Da- kota Farmers Union

# World Commerce and Governments

RESEARCH DIRECTORS:

W. S. WOYTINSKY AND E. S. WOYTINSKY

*Economists*

THIS BOOK, together with its predecessor, *World Population and Production*, published by the Fund in 1953, gives a panoramic view of the national economies and governments of the world, with a history of the development of their most important elements.

The first volume provided an estimate of the world's needs and resources in men, material and technology. The second examines the volume, composition and patterns of trade throughout the globe; systems of transportation by land, sea and air; and the varieties of national and international bodies by which mankind is governed. Together these works provide a unique compendium of information about the world of today and America's place in it.

The survey as a whole had long been planned by Mr. and Mrs. Woytinsky, who had prepared themselves for the undertaking by the acquirement of several languages and by extensive studies and travels both in this country and abroad. When their project originally took shape the Rockefeller Foundation agreed to aid in financing it through a grant administered by the Johns Hopkins University. The Twentieth Century Fund joined in helping to underwrite the seven years of work which resulted in publication by the Fund of the second of the two companion volumes in December 1955.

The two volumes have occasioned much favorable comment in newspapers and magazines.



# Economic Needs of Older People

RESEARCH DIRECTORS:

JOHN J. CORSON

*Partner, McKinsey & Company*

JOHN W. MCCONNELL

*Dean of Graduate School, Cornell University*

THE ECONOMIC status of citizens 65 and over represents one of the United States' most important social problems. The scope of this problem is increasing, for since 1900 the number of persons 65 and over in the United States has quadrupled while the total population has only doubled.

In 1950 the Fund's Board of Trustees set in motion a study of the situation. *Economic Needs of Older People*, by John J. Corson and John W. McConnell, published early in 1956, charts the nature of the entire problem of older and retired persons, showing the progress in efforts to solve this problem and suggesting ways in which the needs of older people can most effectively be met.

The study makes an intensive survey of the number of people over 65 in the country, their financial status and the sources of their income, where and how they live, their health needs and their work status in terms of the numbers at work, the work opportunities open to them and their own ability to work. 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.

A special committee was formed to make recommendations for action in the public interest based on the findings of the study. Its report, suggesting means by which the individual, the employer and government can cooperate most effectively in providing for old age, is included in the book.

A measure of the interest in the study is the appearance of prepublication articles in *Business Week* and in *Collier's*, which devoted a four-page color-picture article to the findings.

COMMITTEE ON THE ECONOMIC NEEDS  
OF OLDER PEOPLE

Arthur H. Dean, *Chairman*

Lawyer; Senior Partner, Sullivan and  
Cromwell

Harry J. Becker

Formerly Consultant on Social Secur-  
ity, UAW-CIO

James A. Brownlow

President, Metal Trades Department,  
American Federation of Labor

Eveline M. Burns

Professor of Social Work, New York  
School of Social Work, Columbia Uni-  
versity

Joseph S. Davis

Director Emeritus, Food Research In-  
stitute, Stanford University

M. Albert Linton

Chairman of the Board, Provident Mu-  
tual Life Insurance Company of Phila-  
delphia

# Research Projects in Progress

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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

FARM COMMODITY PROGRAMS

FRENCH PRODUCTIVITY

TROPICAL AFRICA

# Antitrust Policies and Enforcement

RESEARCH DIRECTOR: SIMON N. WHITNEY

*Chief, Research Department, Twentieth Century Fund\**

THE American economy derives its vitality in large part from freedom of competition in the market place. Since 1890, when agitation against big business combinations culminated in passage of the Sherman Antitrust Act, the threat of undue concentration of industrial power has been recognized. Today the question is much in the public eye, as both the executive and legislative branches of the government have become increasingly concerned with the current merger movement.

A Twentieth Century Fund study undertaken in 1950 surveys the economic effects of antitrust laws and of trade practices in a series of twenty specific cases. The analysis 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 study is under the direction of Simon N. Whitney, Chief of the Fund's Research Department until the end of the year, when he resigned to become Chief Economist and Director of the Bureau of Economics of the Federal Trade Commission. Publication of the study is planned for 1957.

The report of a Committee on Antitrust Policy, appointed by the Fund to review the research findings, will constitute the last chapter of the published book. Members of the Committee are listed opposite.

\* Since January 1, 1956, Chief Economist and Director of the Bureau of Economics of the Federal Trade Commission.

COMMITTEE ON ANTITRUST POLICY

Paul M. O'Leary, *Chairman*  
 Dean, College of Arts and Sciences,  
 Cornell University

Hugh B. Cox  
 Lawyer, Covington and Burling

Goldthwaite H. Dorr  
 Lawyer, Dorr, Hand, Whittaker &  
 Peet

Edwin B. George  
 Director of Economics, Dun and Brad-  
 street, Inc.

Walton H. Hamilton  
 Lawyer, Arnold, Fortas and Porter;  
 Southmayd Professor Emeritus, School  
 of Law, Yale University

Edward H. Levi  
 Dean, University of Chicago Law  
 School

Edward S. Mason  
 Dean, Graduate School of Public Ad-  
 ministration, Harvard University



## Civil-Military Relations

RESEARCH DIRECTOR: HAROLD STEIN

*Formerly Deputy Director, Office of War Mobilization and  
Reconversion*

SIXTY-ONE CENTS out of every dollar the government spends, on an average, goes for military and national security expenditures. Millions of men and women continue in the armed forces and United States troops are stationed in every part of the world. The country has undertaken major military alliances in Europe and Asia. This is a relatively new situation for the United States, with vast implications for the processes of government and the methods of policy-making.

In 1953 the Twentieth Century Fund launched a study of civil-military relations and of the influence of military considerations on government policy. It was believed this would be significant in view of the government's increasing military commitments and would shed light on a field of new importance. The study grew out of the Fund's recent decision to enlarge its field of research to include social and political, as well as economic, questions.

Director of the study is Harold Stein, 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. The Fund's study, now in its third year, will be brought out in two volumes, the first of which is expected to be issued in 1958.

The first volume will be a historical review of the past two decades of civil-military relations in the United States government and



an examination of the agencies and institutions which have grown up to deal with these matters. The second volume will comprise various case histories of decisions in which both civil and military considerations figured, and in a final section will provide an analysis of basic elements of procedure and will seek to reach some general conclusions about problems of civil-military relations.

# Distribution Costs and Methods

RESEARCH DIRECTOR: REAVIS COX

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

ASSISTANT RESEARCH DIRECTOR:

THOMAS C. FICHANDLER

*Research Associate, Twentieth Century Fund*

THE Twentieth Century Fund published *Does Distribution Cost Too Much?* in 1939; its central finding was that out of the average dollar the consumer spends for goods, fifty-nine cents pays for distribution and forty-one cents for production. The study had considerable influence on both producers and distributors. It was the first objective survey of distribution costs covering the system as a whole: retailers, wholesalers, manufacturers and the facilitating agencies — transportation, advertising, credit. Since then, interest in this problem has not diminished; on the contrary, it has grown.

There have been great technological changes in the methods of distribution in the intervening twenty-five years. The food industry with its supermarkets and its frozen foods and the impact that air transportation has made on distribution are examples. There has also been a great increase and improvement in the statistical and other information we have about marketing.

The Fund has had many requests to bring its study up to date and in 1954 authorized a new project. The new study will not be a revision, but more in the nature of a sequel to the earlier study,

involving a look at the field in the light of recent developments. It will explore the nature of distribution and how distribution fits into the economic structure along with production as an integral part of the total process of providing goods and services for the American people.

The new study is being directed by Reavis Cox, Professor of Marketing, Wharton School of Finance and Commerce, University of Pennsylvania, who has had considerable 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 in 1957.

# Economic and Political Systems

RESEARCH DIRECTOR: CALVIN B. HOOVER

*Chairman, Department of Economics, Duke University*

WE TEND to speak of capitalism, socialism and communism as though such labels could adequately characterize the political and economic system of a particular country. In fact, development within various types of politico-economic systems is frequently so extensive as to make these labels largely inaccurate. Thus in an allegedly communistic economic system we may find differentials in individual real income as sharp as those in capitalist countries. We find the organization and functioning of nationalized industries in Britain amazingly similar to what they were before nationalization. We find that the United States, the most successful exponent of dynamic capitalism, has come closest to the socialist goal of providing abundance for all in a classless society. And the politico-economic systems of the countries of the world continue to change, showing various combinations and mixtures of the pure types.

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.

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 economics. Mr. Hoover has served as an administrator, adviser or consultant in government and was a member of the Twentieth Century Fund's Committee on Agricultural Policy. During the summer of 1956 he will be in Russia furthering his researches. It is expected that the manuscript will be completed in 1958.



# Effects of Technological Changes

RESEARCH DIRECTOR: IRVING H. SIEGEL

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

THE American home, farm and factory have been radically transformed in the past century by the mounting pace of technological progress. The country is being afforded an ever higher standard of living as each step forward seems to bring it to the threshold of new and greater advances.

In 1951 the Fund arranged for a study which might foreshadow those technological advances that promise to reach large-scale use in the near future and assess some of the social and economic changes that are likely to come about in the next decade.

The study, to be presented in nontechnical terms, will explore how technology is shaping our lives through its impact on a variety of fields, including agriculture, transportation, textiles and textile fibers, telecommunications, construction, chemical and metal processing, food processing, medicine and conventional forms of energy as well as atomic and solar energy. Chapters will be devoted to automation and electronics.

The study seeks to do more than describe current advances. For with the advances have come human problems as well as opportunities. Where, for instance, will the individual find his place in an increasingly "automatic" world? Will the new-found leisure be put to good use or squandered; and what will automation mean in terms of shorter working hours or shifts in employment? Answers to such questions will be suggested in this work.

The research director is Irving H. Siegel, who has had the assistance of a number of contributors and consultants. The study will be completed in 1956 and is expected to be published in 1957.

# European Coal and Steel Community

RESEARCH DIRECTOR: LOUIS LISTER

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

THE European Coal and Steel Community (often referred to as the "Schuman Plan") has aroused interest throughout the world, mainly because of the example it gives of possible new ways of organizing and sanctioning forms of industrial power transcending the borders of individual countries. The experience of the Community has great pertinence to any consideration of possible economic or political integration or federation in Europe. The possible extension of its type of organization to other industries and wider fields carries important implications.

Belgium, France, Western Germany, Italy, Luxembourg and the Netherlands, which, with the Saar, constitute the Community, have ceded a large portion of their individual sovereignty over coal and steel. Their aim is to encourage the circulation of these commodities freely and competitively within the entire area. The Community is under a central authority and has been in operation since the summer of 1952. It is now in the midst of what is defined as its initial operative period, which closes in February 1958, during which time some of the major goals of the fifty-year treaty under which the Community functions are to be attained.

This has seemed to be an appropriate time to make a study of the Community to assess its progress thus far. American foreign policy for the past ten years has been heavily concerned with foreign

economic considerations; it is hoped that the study may make a contribution to our own thinking in this area. It is hoped, in addition, that the findings may be helpful abroad in evaluating the possible extension of the "Schuman idea" to other fields, such as petroleum, electricity, atomic energy and transportation.

The study is being conducted by Louis Lister, who will do most of the work in Europe and who expects to have the manuscript of the report available early in 1958. Mr. Lister, an economist by training, 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.



## Europe's Needs and Resources

RESEARCH DIRECTOR: J. FREDERIC DEWHURST

*Executive Director, Twentieth Century Fund\**

IN SPITE of the pessimism prevailing only a few years ago, the free countries of Western Europe have enjoyed a genuine economic recovery. What would have seemed Utopian production goals even five years ago have now been attained and surpassed. The European economy nevertheless has not achieved expansive capacities comparable to capitalism in the New World.

A central factor that might help Europe fulfill its promise 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. The Twentieth Century Fund has received many suggestions, from both here and abroad, that a study of the European economy might make a useful contribution toward revealing such a base. This would be modeled after the Fund's study of the American economy, *America's Needs and Resources*, first published in 1947 and brought out in a revised and greatly expanded form in 1955.

The Fund, after careful investigation of the possibilities of such a survey, decided to undertake it not only for whatever contribution it might make to Europe, but for the aid it might give us in our own consideration of policy toward Europe and its potential.

The study will measure actual performance of individual countries of Western Europe and of that region as a whole and give a documented picture of the market. It will go on to set forth some very

\*Since January 1, 1956, Economic Adviser, Twentieth Century Fund.



modest minimum standards in housing, food, clothing, and other goods and services, and show the vast potential needs that are still unfilled. It will assess productive capacity, and will bring out the central principle of rising productivity as the key to welfare. The findings of the survey are expected to indicate something of the opportunities for public and private capital investment and expansion that lie ahead. For obvious reasons, the survey will confine itself predominantly to the noncommunist countries outside the Iron Curtain.

J. Frederic Dewhurst, who was research director and principal author of both the original and the revised editions of *America's Needs and Resources*, will direct the European study. He served for many years as the Fund's Economist before becoming Executive Director in 1953, and he resigned from the latter position at the end of 1955 to become research director of the new European survey and Economic Adviser to the Fund. Mr. Dewhurst will spend most of his time in Europe during the next three years, and expects to complete the survey in 1959.

# Farm 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*

AS THE second volume of the Fund's general survey of agricultural policies described on page 24, this new work will supplement the first volume's analysis of American farm programs over the past twenty years by providing detailed descriptions of a number of the major commodity programs.

The study begins with the assumption that there is no single, over-all farm program. Farm legislation has consisted of a complex of provisions necessarily varying for the different commodities, and it was felt that a general survey of the farm problem should be supplemented by detailed examination of specific commodity programs. Individual studies will include tobacco, cotton, wheat, rye and rice, fruits and vegetables, coarse grains and livestock, wool, oilseed crops, butter, cheese, poultry and eggs, milk, potatoes and sugar. The analysis will cover such matters as problems and policies of production and marketing: price supports, supplemental payments, acreage allotments and land conservation measures, tariffs and import quotas, effects of drought, war and depression, and efforts to stimulate

consumption. Each individual study will give the background history of the commodity, the development of government programs and their operating policies, their costs, and their effects on producers, processors and consumers.

Research director for the work is Murray R. Benedict, and Oscar C. Stine is associate research director. Publication is set for 1956.

## French Productivity

RESEARCH DIRECTOR: JEAN FOURASTIÉ

*Director of Studies, Ecole Pratique des Hautes Etudes, The Sorbonne*

THE HIGH and steadily rising rate of American productivity (output per man per hour) is the basic source of United States economic advancement. Conversely, the relatively low rate of productivity in Western European countries such as France has been a deterrent to achieving a dynamic economy or a high standard of living. The Marshall Plan placed considerable emphasis on raising productivity, and observers both here and abroad have long felt that there are many American industrial techniques and attitudes which might be adapted to Western Europe with dramatic results. It is widely recognized that the welfare of the United States is tied closely to that of Western Europe.

The Fund's Board of Trustees voted in 1955 to approve a study to be carried on in Europe, analyzing factors that contribute to America's high rate of productivity which might be adapted to raise French productivity.

The study's scope will be broad, examining the technological advances, techniques and methods which have contributed to our high rate of productivity as well as fundamental approaches and attitudes toward competition, labor-management relations, sales and marketing. The focus will be on those elements which are suitable to French needs.

Professor Jean Fourastié of the economics faculty of the Sorbonne, Paris, is directing this project, and André Laleuf is associated with him. Mr. Fourastié has written extensively on productivity and

traveled in the United States with a Marshall Plan-sponsored group studying American industrial practices and output. The Fund's study, scheduled for completion in 1957, will be published in France in the French language and possibly also in English.



# Tropical Africa

RESEARCH DIRECTOR: GEORGE H. T. KIMBLE

*Formerly Director, American Geographical Society*

THERE ARE compelling economic, political and strategic reasons for the United States to follow closely the profound transformations taking place in tropical Africa. These transformations are exerting an ever greater impact on world affairs. In 1954 the Fund set in motion a major survey of this area which might help American citizens evaluate the significance of the changes to them and to the rest of the world.

Tropical Africa itself is a vast expanse of land lying below the Sahara and extending down to the Union of South Africa. It is nearly three times the size of the United States and contains about the same population. It is a land in ferment. New sovereign powers are coming into being, each wooed by the enemies as well as the friends of freedom. Here most dramatically is seen the "revolution of rising expectations," as millions of Africans seek to share with their more advanced neighbors a higher standard of living. It is a land of strategic importance, containing what is most certainly the world's largest reservoir of untapped raw materials and occupying a pivotal position in the politically divided but economically interdependent world.

The Fund study, organized along topical lines rather than according to regions or nations, will deal with all phases of African economic, social and political life. Contributions from some fifty experts in various fields will be synthesized and analyzed by the project's research director, George H. T. Kimble, author and formerly director of the American Geographical Society. Mr. Kimble has traveled extensively in Africa during the last two years.

The study will be published in two volumes. The first will deal with the changing economy of tropical Africa, providing general information on the economy as a whole as well as detailed information on various industries, agriculture, mineral exploitation, transportation, research and development, population trends and so on. The second volume, on the changing society and polity of tropical Africa, will cover 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 of the first volume is planned for 1957 and the second is scheduled for publication in 1958.



## Sales of Publications

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FUND research reports are brought to the public in book form, published under the Fund's own imprint. These books are priced merely to return their manufacturing and distribution costs and are sold through regular book channels and by the Fund itself. 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. A general catalogue of all Fund publications is available on request.

The table following, showing sales of over half a million copies of Fund publications since 1930, is a measure of the scope of these operations. Foreign sales of Fund books are handled by W. S. Hall & Co. for Europe and Great Britain and by Henry M. Snyder & Co., Inc. for the rest of the world except Canada. Foreign sales amounted to 23 per cent of the total in 1955. Further evidence of world-wide interest in Fund studies is the appearance in 1956 of a Japanese edition of *World Population and Production* brought out by a Tokyo publisher. Negotiations have been started with the same firm for an edition of *World Commerce and Governments*. Arrangements have been completed with a Spanish publisher for an edition of *Approaches to Economic Development*. Text is being written in Egypt for an Arabic version of *America's Needs and Resources: A New Survey*. Further inquiries about possible foreign editions of Fund works have come in from Germany, Spain and Italy.



## Sales of Publications, 1930-1950

TITLE	PUBLISHED	1955 SALES	TOTAL SALES TO END OF 1955
Financing the Consumer	Nov. 1930	*	3,068
Boycotts and Peace	July 1932	0	674
How to Budget Health	Jan. 1933	*	828
The Internal Debts of the United States	May 1933	*	1,879
Stock Market Control	Feb. 1934	0	1,267
Labor and the Government	May 1935	*	1,369
The Security Markets	July 1935	*	1,812
The Townsend Crusade	July 1936	1	1,075
Big Business: Its Growth and Its Place	Feb. 1937	*	2,543
Facing the Tax Problem	Apr. 1937	*	4,538
How Profitable Is Big Business?	June 1937	7	1,640
The National Debt and Government Credit	July 1937	1	1,675
More Security for Old Age	July 1937	*	1,135
Studies in Current Tax Problems	Nov. 1937	*	1,242
Debts and Recovery	Nov. 1938	0	1,557
A Memorandum on the Problem of Big Business	Feb. 1939	0	2,010
Does Distribution Cost Too Much?	Aug. 1939	*	8,591
Housing for Defense	Nov. 1940	0	2,412
Labor and National Defense	Mar. 1941	*	3,071
Postwar Planning in the United States, No. 1	Apr. 1942	*	7,091
The Road We Are Traveling*	Apr. 1942	5	38,919
How Collective Bargaining Works	Aug. 1942	*	4,632
Goals for America*	Nov. 1942	1*	33,764
Wartime Facts and Postwar Problems	May 1943	0	16,048
Postwar Planning in the United States, No. 2	May 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	1955 SALES	TOTAL SALES TO END OF 1955
Postwar Plans of the United Nations	Nov. 1943	*	6,163
Where's the Money Coming From? <sup>a</sup>	Nov. 1943	2*	38,105
The Power Industry and the Public Interest	Feb. 1944	12	2,614
American Housing	Apr. 1944	98	10,588
Postwar Planning in the United States, No. 3	Apr. 1944	0	4,390
Democracy Under Pressure <sup>a</sup>	Jan. 1945	84	42,368
Financing American Prosperity	Oct. 1945	28	6,974
Tomorrow's Trade <sup>a</sup>	Nov. 1945	37	20,949
Trends in Collective Bargaining	Nov. 1945	24	14,309
For This We Fought <sup>a</sup>	Oct. 1946	16	19,560
Cartels in Action	Dec. 1946	78	5,985
America's Needs and Resources (first edition)	May 1947	32	22,128
Rebuilding the World Economy	Oct. 1947	26	8,712
Electric Power and Government Policy	Feb. 1948	18	1,609
Cartels or Competition?	May 1948	85	4,145
Report on the Greeks	Sept. 1948	23	4,770
Partners in Production	Jan. 1949	109	9,676
Turkey: An Economic Appraisal	June 1949	59	2,846
U.S.A.: Measure of a Nation	July 1949	856 <sup>b</sup>	54,710
Brazil: An Expanding Economy	Oct. 1949	96	3,165
America's Capital Requirements	Sept. 1950	*	1,278
Monopoly and Free Enterprise	Jan. 1951	375	7,765
Defense without Inflation	Apr. 1951	38	7,186
Financing Defense	Aug. 1951	39	4,306
British Planning and Nationalization	May 1952	83	4,652

\* Out of print.

a. Titles of six reports in the Stuart Chase series on *When the War Ends*.

b. Of this figure, 848 copies were reported sold by Macmillan in 1955 for which royalty payments have been received.

TITLE	PUBLISHED	1955 SALES	TOTAL SALES TO END OF 1955
Costa Rica: A Study in Economic Development	Sept. 1952	81	2,026
The Federal Debt	Jan. 1953	66	2,337
Farm Policies of the United States 1790-1950	June 1953	235	2,753
Employment and Wages in the United States	July 1953	266	4,116
Defense and the Dollar	Aug. 1953	70	3,640
Economic Controls and Defense	Aug. 1953	81	3,569
Renewing Our Cities	Oct. 1953	260	5,093
World Population and Production	Nov. 1953	555	6,136
Foreign Exchange in the Postwar World	May 1954	815	2,520
Approaches to Economic Development	Feb. 1955	3,665	3,665
America's Needs and Resources: A New Survey	Apr. 1955	7,609	7,609
American Imports	Nov. 1955	1,290	1,290
Can We Solve the Farm Problem?	Dec. 1955	914	914
World Commerce and Governments	Dec. 1955	878	878
	Total	<u>19,018</u>	<u>504,331</u>

## Educational Activities

THE economic and social questions studied by the Fund bear so directly on national policy, in both the domestic and international fields, that they are of interest to a wide public, one greater than usually has access to the full studies themselves. A major aim of the Fund is to disseminate the main findings of its studies to this broader public. To do this 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

MOTION pictures have provided an effective means of bringing findings from Fund studies to public attention, and in recent years the Fund has produced nine films based on various of its works. Experience has shown that these films not only convey essential information but also act as a stimulant to discussion. They have been widely shown in schools and colleges and to business organizations, study and discussion groups and citizen organizations of all kinds. In several instances Fund films have been used on television. Most of the films have been jointly produced with Encyclopaedia Britannica Films.

### LOOK TO THE LAND

The most recent Fund film is derived from a chapter of *America's Needs and Resources: A New Survey*, by J. Frederic Dewhurst and associates. This film, "Look to the Land," 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. The film 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. The material from which the film was adapted was prepared by Robert W. Hartley, author of the chapter on which it was based, and the film itself was written and produced by John Barnes.

### OTHER FILMS

One of the most popular Fund films is "The Living City," based on the study *Renewing Our Cities* by Miles L. Colean. Graphically

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 clear the road for the growth of vigorous, useful and beautiful cities by marshaling 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.

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.

## Television and Radio

### FUND FILM FOR TELEVISION

A brief television film based on *America's Needs and Resources: A New Survey* was released in July 1955. It ran three minutes in length and dealt with the high standard of living which Americans have achieved, and the technological advances and rising rate of productivity which have made this achievement possible. The film, available without charge to television stations, has been shown by upwards of thirty television outlets across the country.

### FILENE MEMORIAL TELEVISION STATION

The Twentieth Century Fund's trustees in 1953 voted an appropriation of \$250,000 to aid the construction of an educational television station in Boston which was planned as a memorial to the founder of the Fund, the late Edward A. Filene, and his brother Lincoln Filene. This station — WGBH-TV, the first educational television outlet in New England — started operations last spring. Two members of the Board of Trustees of the Fund serve on two boards which are responsible for the ownership and operation of the station.

## Newsletter and Clipsheet

THE Fund keeps in touch with those interested in its work through a Newsletter, issued three times a year. The Newsletter carries articles on current Fund activities, provides news of future plans and includes excerpts from recent publications. A Newsletter innovation this year was the commissioning of an artist to work with the staff on one-page pictorial presentations of highlights from Fund studies. This feature met with general interest, and there are plans to use similar graphic presentations in the future. The Newsletter is distributed free to approximately 10,000 institutions and individuals, including leaders in industry, education, government and welfare.

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. Several thousand of these items are used each year. The Newsletter and Clipsheet are sent without cost to any individual or organization wishing to receive them.

## Special Educational Activities

The growing interest of many business firms in "literature rack" booklets for their employees led the Fund to offer material for such a booklet based on *America's Needs and Resources: A New Survey*. Providing in fifteen pages an outline of some of the most dramatic and significant findings of the study and making liberal use of graphic material, the booklet has already been distributed to over 400,000 employees in some thirty different companies. It was written by Harland Manchester, an experienced magazine writer, and published by



the Mercer Publishing Company of New York, which also distributes it. A similar "literature rack" booklet based on the Fund's study *Economic Needs of Older People* is currently being prepared by the same publisher.

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An eight-page special illustrated section containing highlights of *America's Needs and Resources: A New Survey* was included in an issue of *Senior Scholastic*, a publication for classroom use, principally in senior high schools, with a circulation of 250,000. The section was also included in *Scholastic Teacher*, a companion magazine to *Senior Scholastic*, and excerpts from it were used by the publishers in *World Week*, a magazine for students specially interested in social studies and international affairs.

# Administration

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HEADQUARTERS STAFF

FINANCIAL STATEMENTS

DETAILED STATEMENT OF ASSETS



# Headquarters Staff, 1955

- <sup>1</sup> J. FREDERIC DEWHURST, *Executive Director*  
THOMAS R. CARSKADON, *Chief, Education Department*
- <sup>2</sup> SIMON N. WHITNEY, *Chief, Research Department*  
ELIZABETH BLACKERT, *Editorial Planning and Assistant to the Director*  
THOMAS C. FICHANDLER, *Research Associate*  
LOUISE FIELD, *Research Associate*  
JOHN E. BOOTH, *Associate, Education Department*
- \* CHARLES P. ROCKWOOD, *Staff Associate*  
GEORGE SOULE, *Editorial Consultant*
- \* F. EMERSON ANDREWS, *Consultant on Publications*  
CAROL KIER, *Book Manufacturing and Sales*  
BETTY R. HIRSCH, *Bursar*  
HELEN M. DOYLE, *Office Manager*  
FRANCES KLAFTER, *Research Assistant*  
RUTH ROCKER, *Copy Editor*
- \* ESTHER I. PERSSON, *Copy Editor*  
BERNADETTE E. HIGGINS, *Copy Editor*  
DOROTHY GILES, *Secretary to the Director*  
ALICE MENTEL, *Secretary, Education Department*

## SECRETARIAL AND CLERICAL

- \* DOLORES ARCHER, IDA CARLOMAGNE, ROSE COHEN, HUGO FOSCO,  
RITA GOTTMANN, \*ELAINE LERNER, \*ANNE V. MULLARKEY,  
BETTY R. MERKIN, BLANCH B. OLDAKER, DOROTHY A. PEPER,  
EILEEN REGELMANN, SANDRA SELTZER, ETHEL A. STEIDLER

<sup>1</sup> Resigned December 31, 1955 to become Economic Adviser to the Fund and Research Director of the Survey of Europe's Needs and Resources.

<sup>2</sup> Resigned December 31, 1955 to become Chief Economist and Director of the Bureau of Economics, Federal Trade Commission.

\* Resigned during year.

# Finances

## FINANCIAL STATEMENTS

DECEMBER 31, 1955

WITH COMPARATIVE FIGURES AT DECEMBER 31, 1954

### *Statement of Assets and Principal*

	DECEMBER 31	
	1955	1954
CASH	\$ 313,797.07	\$ 253,286.76
INVESTMENTS, AT INDICATED MARKET VALUE:		
United States Government bonds	\$ 248,790.00	\$ 292,719.38
Authority and revenue bonds	30,600.00	—
Preferred stocks	2,438,008.75	2,733,426.25
Common stocks	10,882,101.00	8,854,729.75
Total Investments (see note)	<u>\$13,599,499.75</u>	<u>\$11,880,875.38</u>
PRINCIPAL OF FUND	<u>\$13,913,296.82</u>	<u>\$12,134,162.14</u>

### *Statement of Changes in Principal*

	YEAR ENDED DECEMBER 31	
	1955	1954
OPERATING RECEIPTS AND DISBURSEMENTS:		
Operating receipts:		
Interest and dividends on investments	\$ 563,242.42	\$ 538,201.53
Sales of publications	88,263.66	56,420.89
Sales and rentals of films	3,134.28	4,484.50
Total Operating Receipts	<u>\$ 654,640.36</u>	<u>\$ 599,106.92</u>
Operating disbursements	<u>528,611.68</u>	<u>523,590.59</u>
Excess of Operating Receipts over Disbursements	\$ 126,028.68	\$ 75,516.33
Fileue Memorial Fund Grant	—	200,000.00
Excess (deficit) of Receipts over Disbursements	<u>\$ 126,028.68</u>	<u>\$ (124,483.67)</u>
CHANGES IN INVESTMENT HOLDINGS:		
Increase in indicated market value of investments held throughout the year	\$ 1,476,982.01	\$ 1,963,840.76
Increase in indicated market value over purchase cost of investments purchased during the year	94,739.76	305,212.48
Gain on sales of investments based on indicated market value at beginning of year or purchase price during year	<u>81,384.23</u>	<u>334,033.59</u>
Increase in Principal Resulting from Changes in Investment Holdings	<u>\$ 1,653,106.00</u>	<u>\$ 2,603,086.83</u>
Net Increase in Principal	<u>\$ 1,779,134.68</u>	<u>\$ 2,478,603.16</u>
BALANCE OF PRINCIPAL AT BEGINNING OF YEAR	<u>12,134,162.14</u>	<u>9,655,558.98</u>
BALANCE OF PRINCIPAL AT END OF YEAR	<u>\$13,913,296.82</u>	<u>\$12,134,162.14</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, 1955. 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, 1955 and the changes in its principal for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

(signed) PEAT, MARWICK, MITCHELL & CO.

New York, N. Y., February 3, 1956

# Cash Transactions, 1955

## SUMMARY

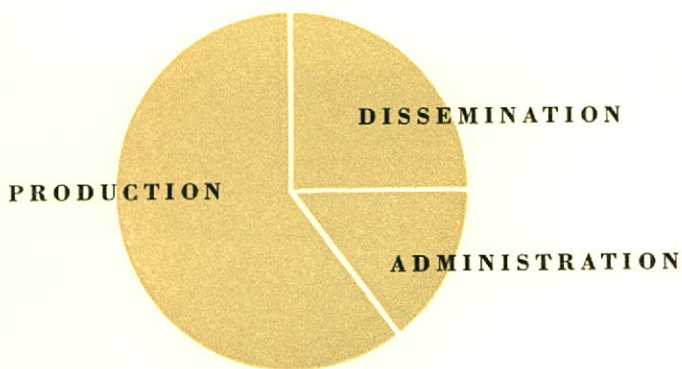
Cash Balance January 1	\$ 253,286.76
Total Receipts	2,605,050.97
Total Receipts and Cash Balance	<u>\$2,858,337.73</u>
Total Disbursements	2,544,540.66
Cash Balance December 31	<u>\$ 313,797.07</u>

## RECEIPTS

Interest and Dividends from Investments	\$ 563,242.42
Sales of Publications	88,263.66
Sales and Rentals of Films	3,134.28
Total Operating Receipts	<u>\$ 654,640.36</u>
Proceeds from Sale of Investments	1,950,410.61
Total Receipts	<u>\$2,605,050.97</u>

## DISBURSEMENTS

Headquarters Activities	\$ 273,944.42
Research Projects	123,971.59
Research Committee Fees	\$ 550.00
America's Needs and Resources: A New Survey	105.92
U.S.A.: Measure of a Nation — new edition	54.70
World Commerce and Governments	254.63
Antitrust Policies and Enforcement	8,619.85
Technological Changes	4,986.68
Technology — popular volume	3,208.36
Economic Needs of Older People	41.00
American Imports	688.50
Agricultural Policies of the United States	1,821.07
Farm Policies, 1790-1950 — author's settlement	2,500.00
Approaches to Economic Development	738.78
Civil-Military Relations	34,514.23
Tropical Africa	36,234.87
European Integration — exploratory	3,606.75
European Coal-Steel Community	463.17
Distribution Costs and Methods	15,928.02
Community Conflict	1,500.00
French Productivity	2,167.64
Metropolitan Regions	250.00
Economic and Political Systems	5,647.42
Motion Pictures	1,125.70
Radio and Television	4,750.58
Publishing Survey Reports	122,788.46
Pamphlets	2,030.93
Total Operating Expenses	<u>\$ 528,611.68</u>
Purchase of Investments	2,015,928.98
Total Disbursements	<u>\$2,544,540.66</u>

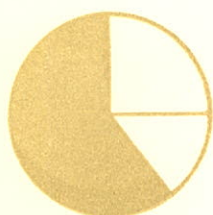



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**TOTAL OPERATING EXPENDITURES FOR  
THE YEAR 1955: \$528,600**

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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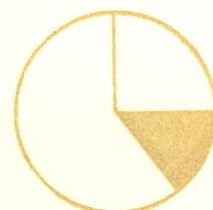
**PRODUCTION OF RESEARCH  
FINDINGS: 60%**

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, 1955 AND DECEMBER 31, 1954

	AS OF DECEMBER 31, 1955		AS OF DECEMBER 31, 1954	
	<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	\$ 30,000.00	\$ 30,600.00		
	0.2%	\$ 30,600.00		
United States Government Bonds:				
Savings Defense Bonds:				
Series G 2½% July 1, 1960	\$ 20,000.00	\$ 19,220.00	\$ 20,000.00	\$ 19,100.00
Series G 2½% November 1, 1960	80,000.00	76,880.00	80,000.00	76,400.00
Series G 2½% May 1, 1961	55,000.00	52,690.00	55,000.00	52,360.00
Treasury 2¾% April 1, 1980-75	100,000.00	100,000.00	100,000.00	100,000.00
Treasury 2½% November 15, 1960-55			45,000.00	44,859.38
Total Government Bonds	1.9%	\$ 248,790.00	2.4%	\$ 292,719.38
<b>PREFERRED STOCKS</b>				
	<i>shares</i>		<i>shares</i>	
Air Reduction Company 4½% cv.			1,000	\$ 122,500.00
American Airlines 3½% cv.			1,000	106,500.00
American Bank Note Company 6%	1,000	\$ 70,125.00	1,000	63,125.00
American Brake Shoe Company 4% cv.	1,000	105,750.00		
Atchison, Topeka & Santa Fe Railway Company 5%	1,000	61,250.00	1,000	60,250.00
Celanese Corporation of America 4½% cv. "A"	1,000	73,875.00	1,000	79,500.00
Central Maine Power Company 3½%	1,000	79,000.00	1,000	78,000.00
El Paso Natural Gas Company 5.65%	1,000	108,000.00	1,000	108,000.00
Empire District Electric Company 5%	500	52,750.00	500	51,000.00
General Cigar Company, Inc. 7%	1,000	134,000.00	1,000	129,750.00
General Railway Signal Company 5%	390	40,950.00	400	42,400.00
Gulf States Utilities Company \$4.44	650	67,925.00	650	68,737.50
Helme (George W.) Company 7%	1,000	38,500.00	1,000	36,625.00
Interchemical Corporation 4½%	550	55,687.50	550	55,000.00
Jersey Central Power & Light Company 4%	760	69,540.00	760	71,440.00
Kaiser Aluminum & Chemical Corporation 5% cv.			200	16,900.00
Monongahela Power Company 4.40%	1,000	102,000.00	1,000	100,000.00



PREFERRED STOCKS— <i>continued</i>	AS OF DECEMBER 31, 1955		AS OF DECEMBER 31, 1954	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Monongahela Power Company 4.50% "C"			25	\$ 2,581.25
Olin Mathieson Chemical Corporation 4.25% cv.			500	61,000.00
Pacific Gas & Electric Company 5% 1st	1,500	\$ 44,062.50	1,500	46,875.00
Radio Corporation of America \$3.50 1st	1,500	127,500.00	1,500	124,500.00
Rayonier, Inc. \$2			1,500	57,937.50
Royal McBee Corporation 4½% "A"	500	46,000.00	500	42,500.00
Safeway Stores, Inc. \$4.30	1,000	123,500.00		
South Carolina Electric & Gas Company 5%	1,400	72,625.00	1,400	72,800.00
Sylvania Electric Products \$4.40 cv.			900	12,600.00
Tennessee Gas Transmission Company 5¼%	1,000	103,250.00	1,000	103,750.00
Toledo Edison Company 4½%	925	93,656.25	925	91,575.00
Tri-Continental Corporation \$2.70	4,000	229,000.00	4,000	230,000.00
United States & Foreign Securities Corporation \$4.50 1st			530	56,180.00
United States Rubber Company 8% 1st	1,000	167,250.00	1,000	161,000.00
United States Steel Corporation 7%	1,000	166,500.00	1,000	161,500.00
United States Tobacco Company 7%	1,500	54,375.00	1,500	54,750.00
Virginian Railway Company 6%	1,500	48,937.50	1,500	45,750.00
Ward Baking Company 5½%	1,000	102,000.00	1,000	105,000.00
Total Preferred Stocks	17.9%	\$ 2,438,008.75	23.0%	\$ 2,733,426.25

#### COMMON STOCKS

American Chicle Company	500	\$ 32,937.50	500	\$ 31,500.00
American Cyanamid Company	1,000	67,500.00		
American Gas & Electric Company	3,000	148,500.00	3,000	128,250.00
American Natural Gas Company	1,000	56,875.00	1,000	48,250.00
American Smelting & Refining Company	1,000	50,125.00		
American Telephone & Telegraph Company	2,000	360,750.00	1,500	262,500.00
American Tobacco Company	1,000	81,250.00	500	32,750.00
Atchison, Topeka & Santa Fe Railway Company	1,500	220,312.50	1,000	130,500.00
Bank of New York & Fifth Avenue Bank	300	72,900.00	150	65,100.00
Bendix Aviation Corporation	1,000	57,375.00		
Boston Edison Company	1,500	85,312.50	1,500	82,500.00
Brooklyn Union Gas Company	1,500	50,812.50	800	26,400.00
Canadian Pacific Railway Company	3,000	101,250.00	1,000	32,500.00



COMMON STOCKS— <i>continued</i>	AS OF DECEMBER 31, 1955		AS OF DECEMBER 31, 1954	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Central Illinois Light Company	2,000	\$ 104,500.00	2,000	\$ 95,000.00
Chase Manhattan Bank	1,250	64,062.50	1,000	60,250.00
Christiana Securities Company	20	316,000.00	15	168,750.00
Columbus & Southern Ohio Electric Company	3,000	96,375.00	2,000	60,500.00
Consolidated Edison Company of New York, Inc.	2,500	118,437.50	2,500	115,625.00
Consolidated Natural Gas Company	2,100	74,287.50	1,000	35,500.00
Consumers Power Company	3,465	169,785.00	3,300	155,512.50
Corn Products Refining Company	1,500	45,562.50	500	42,375.00
Dayton Power & Light Company	2,000	90,750.00	2,000	87,000.00
duPont (E. I.) de Nemours & Company	1,000	231,000.00	1,000	167,500.00
Federated Department Stores, Inc.	50,000	3,500,000.00	60,000	3,360,000.00
First National Bank of Boston	1,077	67,312.50	1,077	66,504.75
First National Bank of New York			100	43,300.00
General Electric Company	3,000	173,250.00	3,000	140,250.00
General Motors Corporation	6,300	291,375.00	2,000	195,750.00
Gillette Company	2,000	80,750.00	2,000	144,000.00
Guaranty Trust Company of New York	1,000	79,500.00	750	56,062.50
Gulf States Utilities Company	1,500	55,312.50		
Kansas City Power & Light Company	3,000	117,750.00	3,000	120,750.00
Libby-Owens-Ford Glass Company	2,000	172,000.00	2,000	143,500.00
Life Savers Corporation	2,000	50,750.00		
McGraw-Hill Publishing Company, Inc.	1,000	75,500.00	1,000	59,125.00
Mississippi River Fuel Corporation	4,000	128,000.00	2,000	105,000.00
National Biscuit Company	1,000	38,750.00	1,000	43,750.00
National Dairy Products Corporation	1,000	39,500.00	1,000	38,375.00
National Steel Corporation	1,000	71,750.00		
New York Trust Company	1,000	70,250.00	500	69,000.00
Niagara Mohawk Power Corporation	3,500	113,750.00	3,500	107,625.00
Northwest Bancorporation	1,000	66,500.00	1,000	56,250.00
Ohio Edison Company	3,300	169,125.00	3,300	146,437.50
Otis Elevator Company	2,000	153,500.00	2,000	134,000.00
Pacific Gas & Electric Company	3,000	148,500.00	3,000	138,000.00
Pacific Lighting Corporation	3,000	118,500.00	3,000	112,875.00
Pacific Telephone & Telegraph Company	500	66,626.00		
Phillips Petroleum Company	1,000	82,125.00	1,000	75,000.00
Potomac Electric Power Company	5,500	121,000.00	5,000	100,000.00

COMMON STOCKS— <i>continued</i>	AS OF DECEMBER 31, 1955		AS OF DECEMBER 31, 1954	
	<i>shares</i>	<i>market value</i>	<i>shares</i>	<i>market value</i>
Public Service Company of Indiana, Inc.	2,000	\$ 77,250.00	2,000	\$ 81,750.00
Public Service Electric & Gas Company	3,000	101,250.00	3,000	85,875.00
Reynolds (R. J.) Tobacco Company	2,000	107,750.00	1,000	42,625.00
Rochester Gas & Electric Corporation	2,500	111,875.00	2,500	111,875.00
Socony Mobil Oil Company, Inc.	2,000	129,000.00	2,000	108,750.00
Southern Pacific Company	2,000	112,000.00	1,500	81,375.00
Southern Railway Company	1,000	110,000.00	1,000	79,375.00
Standard Oil Company of California	1,575	143,325.00	1,050	80,850.00
Standard Oil Company (Indiana)	3,000	153,000.00	3,000	144,375.00
Standard Oil Company (New Jersey)	1,520	231,990.00	1,500	165,937.50
Standard Oil Company (Ohio)	1,500	70,875.00	1,000	45,000.00
Texas Company	1,500	182,250.00	1,500	129,000.00
Texas Gulf Sulphur Company	3,000	112,125.00	1,000	125,250.00
Union Carbide & Carbon Corporation	1,000	110,125.00	1,000	86,250.00
Union Electric Company of Missouri	3,000	87,000.00		
Union Oil Company of California	1,000	53,500.00		
Union Pacific Railroad Company	500	89,750.00	500	76,750.00
Westinghouse Electric Corporation	1,000	60,000.00	1,000	80,500.00
Wrigley (Wm.) Jr., Company	1,000	91,000.00	500	45,375.00
Total Common Stocks	<u>80.0%</u>	<u>\$10,882,101.00</u>	<u>74.6%</u>	<u>\$ 8,854,729.75</u>
TOTAL OF ALL INVESTMENTS	100.0%	\$13,599,499.75	100.0%	\$11,880,875.38
CASH		313,797.07		253,286.76
GRAND TOTAL OF ASSETS		<u>\$13,913,296.82</u>		<u>\$12,134,162.14</u>











