

1953

I beguile this fifteen-year-old prospectus to anyone brave enough
to undertake it in the spirit that it is prepared. If the money were
to be done in a cozy way, I would rather it not be done at all. For
here, at least, is the skeleton of a recognizable species, Homo Rogantis.
at Stanford U. Prospectus of an Article on "Operational Research
by Social Foundations"

a. Clarifying a Goal:

- Case A. The Fleet Found. : knows no diff. betw. soc. & Natl science
- Case B. The deceptively simple goal-e.g. mental health; peace
- Case C. The confusion of "good works" and reform w/objectivity
- Case D. The confusion of theoretical and practical.

b. Inventory of Means and Resources

- Case A. The small foundation that believes no one else is supporting a program (e.g., heart disease)
- Case B. The Foundation that duplicates huge govt' research programs in an insignificant way.
- Case C. The F that believes itself to be too small to be of any account in its field of interest. (e.g. the deserving small college needs very little money; an important problem may need only a little money; free money in small amts is important.

c. Classifying Institutions

- Case A. By Ideology: e.g. The F that supports an incompetent fellow believer.
- Case B. by Excellence of Faculty: Names and offices; the men who do not do the job, speak wrongly of those who will do it.
- Case C. By special e.g.: College A is good in math $\therefore$ it must be good in psychology, or college x is good in undergrad; $\therefore$ give for research.
- Case D. The incomplete survey: colleges that come in or that Bd members know.

d. Discovering Indivs.

- Case A. The acceptance of honors as index; but honors are political in large part.
- Case B. Professional Jealousy

Case C. Breaking thru the hierarchy

Case D. Insisting upon an institutional affiliation

Case E. Gp. research vs. Individ.

e. Dissecting a "field": What is a "field"?

Interdisciplinary arrangements: Case A.

Trends in a field: Case B; F that thinks a field is what it was when the Bd was in college. Need for objective proof of scope and trend.

f. Soliciting inquiries:

Advertising vs. friendly network or sitting back.

Inability of any scholars to know more than 3 or 4 F's at most.

g. Creating an instrumentality: what is meant

Case A. Over-rigid insistence on using existing channels

Case B. Too-free reliance upon created agents.

h. A balanced set of instruments for a program:

scholarships, fellowships, professorships, small and large grants, specific project aid and seed money; conferences, prizes, publishing support, orgn. and indiv. gifts, etc.

i. Projecting self-support

Why self-support

Determining possibilities = Promise not sufficient; many loopholes.

j. Examining a project

The friendly letter

The dossier

The references

The design

Previous performance

k. Controlling a project:

Case A wants LM for citizen-training program: it then trains people of 1 persuasion pro or con; or it makes superficial citizens; or it wants money for revision of a curriculum and uses it merely as general fiscal aid.

l. Assessing results

Prediction: Case A: has performed and will perform
Expert judgments
What part did funds play? Reports requested (no good w/o intensive exam. of reports)

m. Fostering Use and Applications

Failure to publish bec. of lack of funds
"myth of the good works will find a way"

Venality of publishers when they see subsidies guaranteed.

Case of the hapless historian; the unbacked writer who needs funds to publish, not to write.

A Application: e.g. when a study is available it should be brot to attention of all concerned. This is a healthy social pressure on industry, educ., and govt. They can't ignore it.

Unused materials: stopping aid bec. orig. job of path-breaking was done.

Some thousands of ^f foundations, organized not for profit, have been formed in recent years. A few F's are several decades old; most are aged a decade or so. They range in size from the multi- billion dollar Ford F. to many of a hundred thousand dollars or less. Almost all have a typical corporate structure, consisting of a board of directors and an executive office; their clients are institutions and individuals who are in some degree situated so as to carry out the purposes of the F if they are provided with financial

Operational Research by Foundations

1. Great size of Investments and Endowments. Cf. w/no of corps in US in business for profit. $\therefore$ F's make the = important decisions w/ x priv. corps.

2. Typical made of orgn. and types of control

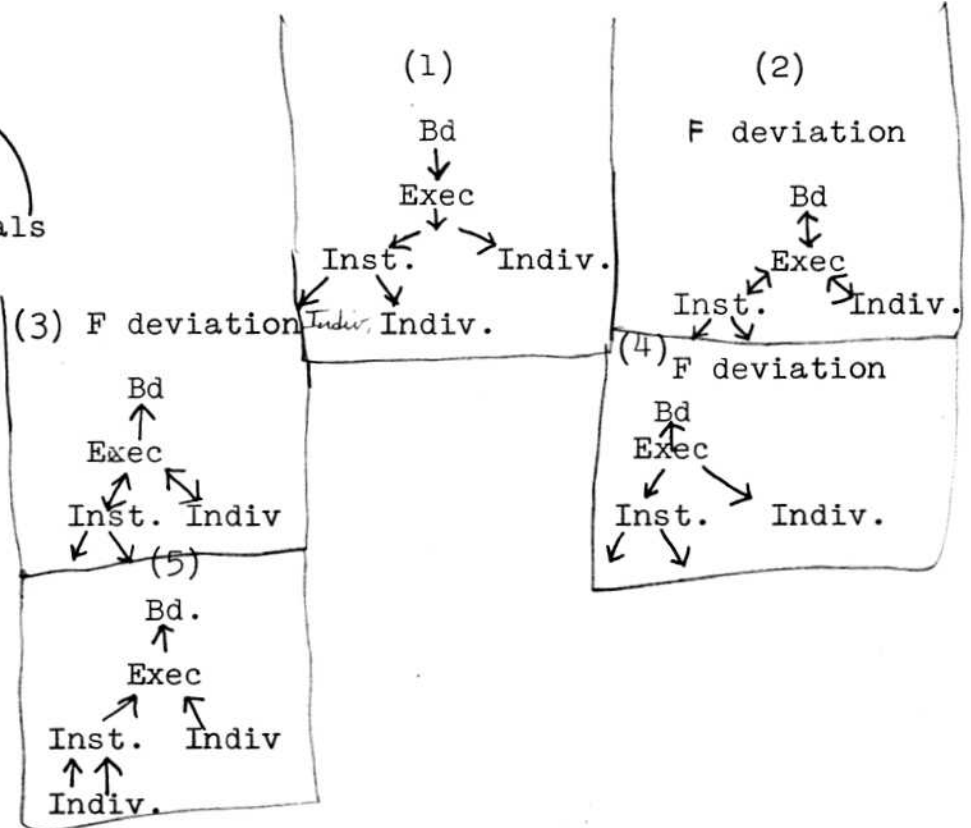
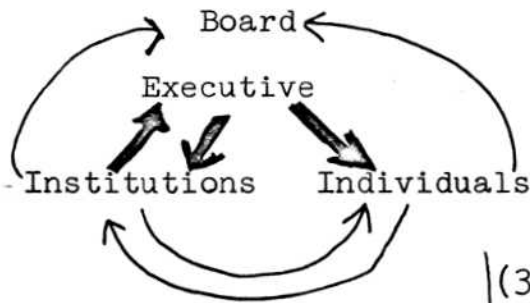
3. Purposes of F's.

Theoretical	general	natural	objective	value-free
↓	↓	↓	↓	↓
practical	specific	human	applied (action)	reform

4. Decision-making by F's

How done

Formal Corporate Structure



aid. The total "investment" in American ^f Foundations approaches _____ billions of dollars; their annual income probably billions of dollars. Taken all together, they have greater income than all the 2----- corporations organized for profit that had less than \$5000 000 assets in 1950; Hence the decisions made annually by Foundations are backed by the same monetary impact as the decisions of x% of all the business corporations in the country.

Yet if one were to compare the attention given to F decision-making with the vast literature devoted to business decisions he would perceive immediately that Foundations work in a work of darkness. There has been no conception of a universe of problems centering on the intelligent expenditure of funds not for profit,* Once in a while one will hear a harassed foundation head declare that it is harder to give than to earn, but most people inside and outside the Foundations laugh at this kind of remark, for until a few years ago no man could dream that philanthropy would ever amount to more than the question, multiplied many times, of which beggar's cup to drop a dime into. A huge institutional growth, therefore has once again found men unready for it; giving thousands of dollars away is

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The reader may reassure himself on this point by perusing the extensive bibliography of works on foundations that conclude Part II of the Hearings before the Special Comm. The literature falls into two classes: one treating of the problems of giving and the services of funds, a second with the end results, i.e., the effects (mostly presumed) of foundation spending.

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indeed more complicated than giving away a few. Furthermore, a number of foundations have been cut from whole cloth; they have been born from the wedlock of an estate with an income tax schedule rather than from the marriage of a fortune with a beneficent idea. Men untrained in giving must overnight acquire intelligently the perspectives of noblesse oblige.

How to give~~/~~ intelligently is another way of saying how to base decisions upon intelligence. It is not slighting to other occupations of life to say that this is that foundation operations must be more intelligent, i.e. rational in terms of ends, than many public and private businesses. Whereas private business may be to a large extent rational according to the goal of profits, the operations of the uncontrolled work as a rudder for the enterprise, pointing it often in given directions without waiting for calculated orientation or enabling calculations merely to supplement its power and all precision. Similarly, the tests of a government activity, are frequently believed to be some calculus of approval or plural satisfaction that rewards men by continuance in office or renewed appropriations. Foundations have neither a profit motive nor a calculus of popular appeal to orient them. They must begin and carry on their work with a minimum of outside direction; they must justify their activities primarily and within the limits of a broad and tolerant internal revenue law only to themselves. Hence results the great reliance of foundations upon intelligence almost in the strict military sense of the word: gathering of knowledge about largely uncontrolled activities in order to predict their future lines

and place the foundation in a position to diminish or increase some of the capabilities of the "other side." Insofar as this operational intelligence is gathered self-consciously and methodically, it can be called * operational research.

Few foundations engage in operational research; those that do tend to be among the largest and follow the old fashioned method of military intelligence rather than new technical method; that is, the army used to rely chiefly upon spies who were people that saturated themselves in the conditions on the other side and sometimes got back to report, whereas now the army depends on the methodical accumulation and analysis of data from many different sources. The foundations follow the spy method on those occasions when they require operational intelligence; they send out agents to tour universities or visit productive centers and they hire experienced people from "the other side" as staff officers.

Scarcely any foundation, of course conducts its business without any presumption of intelligence. At the least, its board is composed of men with college educations who "remember" what universities do and of an attorney or more who can tell them what foundations cannot do. Some foundations adopt an essentially passive position, waiting for the onslaught of the petitioners; they may accept every request or suggestion as equal, believing the all of a class of people or institutions are equally deserving because they have some degrees, some status, or simply exist and express interest in the F's work.

Indeed, this strain of "passivity" runs through foundations of sophistication, great size, and long experience as well as those of

youth, naïveté and modest size. However, in the former case, this impulse is countered by a strong selective drive so that somewhat contradictory behavior results. Dr. Charles Dollard, former President of the Carnegie Corporation provides an example of this in a statement before the Reece Special Committee to Investigate Tax-Exempt Foundation: "The Carnegie Corporation ... must expend its money pursuant to the high purposes of its character (the advancement and diffusion of knowledge), but it must do so without seeking to control the individual scholar or teacher. It must proceed with a scrupulous regard for the American tradition of free inquiry."

However, this statement of belief and others like it are surrounded by statements demonstrating the pointed way in which the F seeks to implement a set of policies:

"The corporation admits readily that it must choose between applicants for its funds. It also admits that those who do not receive them must feel that those who do are favorites. The corporation certainly favors those who come to it with the best and most imaginative ideas. It favors those who have demonstrated a capacity for productive scholarship. It favors those who are recognized by their peers as being first rate. It favors institutions honestly dedicated to the best in education and research." Other qualifications occur in the statement as well. We conclude that few organizations of any size or experience can admit to passivity. They cannot seriously claim to be the pliant objects of random solicitation.

However the alert posture of the energized past of the corporate structure is not necessarily that of the whole. The boards of some foundations are actually innocent of orientation; their executives

are the active factors. No doubt one of the effects of two congressional investigations of F's has been a stepping up of communication and transmission of intelligence between boards and executives.

Perhaps one of the first kinds of operational research that a foundation can engage in is to determine the differential perception of the tasks of the F that are held by the members of the organization. A prospectus of the operations of the F is a primary step in this direction; it is not unusual for a member of the Board of Trustees to discover after empty service that he has no conception of the intricate process of human relations by which requests are solicited and dealt with in his own Foundation. Frank and confidential studies of the range of outside contacts of the responsible officers of the F and of their range and kind of contacts among themselves should go far in explaining the behavior of the F and in suggesting means for revising operating procedures.

Still, although such studies may provide understanding of realistic informal structure of the Foundation and of how the F confronts the external world, the intent to change procedures or personnel must be based on some aim or goal; every application and all applied research requires some goal as a basis for the change. Hence operational research for foundations properly begins with an analysis of the F's objectives.

The range of F objectives is vast, of course; they can be so broad as the achievement of world peace or so narrow as the granting of scholarships to the sons of members of a labor union at a particular college. The research or intelligence problem connected with goals

is not to find out how to broaden or restrict them. Rather it reduces to several problems on which operational research may be conducted:

One questions that often needs answering is:

What are the operating goals of the F? The late Senator Taft once attached to one of his unpopular judgments of events that he did not pay attention to what people said but relied for guidance upon their actions. A foundation is likely to say little or much, and to a high degree in both cases convey only a fraction of the goals that underlie its operations. More bluntly, a Foundation often proceeds by intuition; it "plays by ear"; and one of the best services that can be provided it is to transcribe its operations so that the underlying goals can be seen by the operators themselves. Professor Dimock once recommended that a large government organization might procede in just this way and end up more (as more) effective than if a self-conscious and stilted organization were plumped down upon an ideal in the very beginning and a number of F's are in this position today; wittingly or not, they have practiced their business for a time and now need an objective statement of what they are seeking. Once cognizant of the goals intrinsic to its bequests, the decisions of a foundation are in a real sense liberated.

An expensive and exasperating method of accomplishing self-knowledge of this kind came to my attention not so long ago. A newly activated foundation wrote to a number of universities inviting them to submit requests for grants in aid of scientific research and scholarship. The announced views of the foundation seemed broad, as a group of social scientists and university administrators prepared an extensive program of research development and scholarship aid in

the field of psychology and human behavior generally. The program was carried in by a competent spokesman for the University. The response of the foundation was a simple note stating that it was only interested in the natural sciences, especially physics: the officers apparently had been quite guiltless of any knowledge concerning science or the business of inviting attention to its objectives.

Perhaps equally naive is the foundation that advertises an ill-defined goal, such as "peace" or "well-being" or "mental health" as its principal interest. Countless valuable hours -- both of the foundation and of its clientele in the academic or practical world -- are wasted while the Foundation struggles for its own definitions of peace and well-being and mental health. These words, and many others in common use by Foundations in their dealing with their clientele and public, strike scholars as meaningless and lend a Wonderland air to the foundation's activities.

Another common failing of Fs that can be attributed to their neglect of professional counsel is the confusion of "good works" with ^objective "value-free" study. A popular fallacy (one shared by some members of congressional investigating committees, I should add) is that the natural sciences are value-free whereas the social sciences are concerned with good works. The fact is that either or neither may be the case. A foundation may concern itself with good works such as technical aid to Indian agriculture (applied natural science) or the eradication of alcoholism (applied social science). On the other hand, it may believe that objective science will involve less trouble and controversy and bring greater and more general results in the long run; hence it will support studies of the economics

of Hindu farming or the nature of alcoholism. The second type of study is likely to bring greater respect from the scientific community, if only because the pressure of obtaining results or sharing a viewpoint is not imposed upon the grantee. It is questionable whether Newton would have perceived the law of gravity in the fall ^{an} of/apple (if that is true) if he were under contract to a State Apple-Growers' Association; yet industrialized apple-farming is benefited by many applications of one or more of his laws. It is important that foundation officers be fully advised -- before they call their aims by one or more of the conventional words such as applied action, theoretical, basic, or practical they they know what they mean and what they mean will bring them what they want.

Inventory of Means and Resources

Philanthropists frequently choose a goal that accords with their immediate perception of the world. They do not consider whether the goal is shared by too many other foundations to invite support, or whether the job is being done better by others. Moreover, contrariwise, a ^f foundation will sometimes consider itself so small a bark on the huge ocean of good works that it will abstain from intervening where intervention might be highly productive. An example comes to mind of a new foundation that without knowing the field at all, plunges into the subvention of research on heart disease; the government and many other agencies are already occupying the field; medical experts in it may have all the money they need for research; yet the idea of curing "heart disease" is so compelling that the foundation leaders cannot help themselves.

NOTE STOPS AT THIS POINT.