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## Philanthropy, Patronage, Politics

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into the field by *Daedalus* would have been impossible. We are grateful for the help given.

It is important to know why the philanthropist's agenda of worthy causes is generally so restricted, why, indeed, philanthropy and patronage cannot be understood without reference to politics, to opinion, expressing the conflicting sentiments and beliefs that are contending at any moment in a particular society. Such study has much to teach about orthodoxy, bureaucracy, vanity, and guilt; also, about tradition, invention, religion, and creativity. It could even provide new philanthropic incentives for a "world awash in money," that remains today surprisingly timid in what it chooses to support.

This may seem a much too grandiose conclusion to a quite modest study; if it is at all justified, the sentiment expressed by G.M. Young, written in another dark period, 1936, may be thought appropriate. He, too, worried that too much was being made of a very slight volume. Still, he wrote, "... we live in an age which can afford to forgo no study by which disaster can be averted or eluded." What better rationale for thinking anew about private and public giving, whether defined as philanthropy or patronage, voluntarism or charity? There is a need today to avoid the use of language that obfuscates meaning, conceals design, and pretends to an objectivity that is specious and inhibiting. A more precise understanding of the role of politics, but also of the importance of opinion, in all such matters, can only be conducive to the creation of scholarship that is both less conventional and more illuminating.

S.R.G.

*Barry D. Karl and Stanley N. Katz*

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## Foundations and Ruling Class Elites

SCHOLARS HAVE ONLY RECENTLY BEGUN to distinguish the special philanthropic motive that separates the creation of the first American foundations from the previous charitable activities of those who established these "foundations." It seems obvious that there must be a motivational distinction between Rockefeller's gifts to traditional missionary organizations and the creation of the General Education Board and the Rockefeller Foundation; or between Carnegie's gifts of church organs and libraries and the establishment of the Carnegie Endowment for International Peace and the Carnegie Corporation of New York. How to express the distinction, however, has proved surprisingly difficult.

The earliest accounts of foundation history, written principally by foundation officers, scarcely distinguished between the traditional charitable motives of the late nineteenth-century donors and those of the early foundation philanthropists, other than to note the obvious difference in their financial scope. These writers assumed disinterested benevolence on the part of the donors, and felt little necessity to demonstrate it. The earliest critics, on the other hand, scarcely moved beyond the "robber baron" analysis, arguing that donors acted in a politically self-interested manner, assuaging their guilt and seeking to improve their public image without giving up control of their wealth. Tax avoidance, "tainted money," and redistribution of money to elite institutions—these were the usual critical charges, couched in characteristic Progressive rhetoric.

With the opening of major foundation archives in the last fifteen years, scholars have become attracted to the study of foundations,

and a rather one-sided debate has developed. While defenders of donor benevolence have continued to appear, the critics of donors have been more numerous, and their attacks have taken on a Gramscian sophistication. The most noted example of this scholarly conflict is perhaps the exchange between Martin Bulmer of the London School of Economics and Donald Fisher of the University of British Columbia that appeared in *Sociology*. Fisher, in an earlier article, had spelled out what Bulmer thought to be a conspiratorial theory of foundation development. Fisher's article, with its many revelations, depicted behavior by early foundation officials that supported the presumed ideological interests of their donors and provided what Fisher considered ample evidence of foundation managers' intent to restrain the development of revolutionary ideology in American social science. In his response to Bulmer's defense of foundations' policy of objectivity, Fisher articulated a Gramscian rationale that has since become the standard approach of radical foundation critics.<sup>1</sup>

This critical point of view has emerged simultaneously in the United States during the last decade. Some of the results have been conveniently collected by Robert F. Arnove of Indiana University (one of the many critics to emerge from among students of educational philanthropy) in his 1980 anthology, *Philanthropy and Cultural Imperialism: The Foundations at Home and Abroad*.<sup>2</sup> In his introduction, Arnove argues that the foundations have, from the start, "played the role of unofficial planning agencies for both a national American society and an increasingly interconnected world-system with the United States at its center." Following Fisher, he contends that foundations represent a

sophisticated conservatism. . . . Intellectuals represent an important instrumentality of cultural domination as well as potential agents of revolutionary change. They may place their expertise at the service of dominant groups, working to legitimate the social order; or they can work with underclasses to enhance their understanding of everyday problems. . . . The big foundations have effectively enlisted the support of some of the most promising and talented individuals in the United States and abroad. The foundations have channeled their energies and research activities in directions they deemed important; and they have promoted modes of inquiry that circumscribe the examination of value questions and ideological issues.<sup>3</sup>

As Sheila Slaughter and Edward Silva put it in their contribution to the volume,

the foundations came to identify ideology manufacture as a major purpose underlying resource deployment, and its production was joined to the pragmatic solution of specific problems. . . . Beyond production, foundations—through professors and other professionals who claimed objectivity and value neutrality in their practice and publications—marketed ideology that justified industrial capital. Professionals were sought out to mediate the idea flow from corporate capital to public in their role as experts, representing no constituency other than science. . . .<sup>4</sup>

The critical attack, then, is specifically Gramscian. The principal issue, for Americans as well as for Antonio Gramsci, is the role of the intellectual in the development of culture, and the political role of culture. Gramsci's emphasis on the importance of intellectuals in cultural history has become a significant element in the transformation of contemporary Marxist theory. Marx divided the world of social relationships into structure and superstructure. In his schema, civil society—the realm of private economic relationships of production—constituted the structure of human society. The state—the political and juridical order—was superstructure; it was conceived to be subordinate to civil society. Indeed, in "The German Ideology," Part I, Marx took the position that civil society "inwardly must organize itself" as the state.<sup>5</sup> Civil society, then, as conceived by Marx, defines the nature of the state and the goals that it pursues.

Gramsci's contribution to Marxist theory was his development of a more finely nuanced theory of civil society and its relationship to the state; also, to ongoing class conflict. Gramsci viewed much of civil society as itself superstructural. In essence, he distinguished, within civil society, between the relations of production, which he saw as structural, and social relations, classified as superstructure. The social relations of civil society, according to Gramsci, are the cultural, ideological, and intellectual relations and forces that are embodied in such organizations and institutions as the mass media, the church, and political parties.<sup>6</sup> Indeed, the philanthropic foundation is an excellent example of an organization Gramsci would have conceived of as embodying the social relations of civil society.

The realm of social relations of civil society is crucial to Gramscian theory for it is here that Gramsci views the hegemony of the

dominant class as coming to fruition. The notion of hegemony as a conceptual tool for understanding social relations was Gramsci's key insight. He rejected as inadequate the Marxian notion that the bourgeoisie maintained its dominance mainly through force or the threat of its use—in short, the coercive power of the state. Gramsci recognized that the reality of class rule was much more complex than this. The real success of a particular class's push for societal predominance occurs when it uses its political, moral, and intellectual leadership to articulate a basic world view that subordinate classes come to adopt. This world view becomes, for Gramsci, the "common sense" of the society. It is accepted as universal and natural, as something of a given, together with the unequal class rule that it legitimates. It comes to be reflected in the practices, ideologies, and institutions that comprise the dominant value system of the society. Hence, in contrast to a purely coercive conception of class rule, Gramsci, with his notion of hegemony, divines a consensual component that Marx had never recognized.<sup>7</sup>

For Gramsci, the hegemony of a particular class is never stable. Rather, it is subject to ongoing class struggle, as are the relations of production. The dominant class's constant push to preserve its hegemonic position is referred to by Gramsci as "passive revolution"<sup>8</sup>—the attempt to neutralize the revolutionary potential of the working class through reforms carried out from above to preserve the existing social order.<sup>9</sup> One of the chief ways in which the dominant class acts to maintain its hegemony, according to Gramsci, is by forging an elite of intellectuals drawn from the dominant class, but also from subordinate classes. As Martin Carnoy puts it,

The dominant class attempts in its political parties to weld together the traditional intellectuals of the dominant group, where traditional intellectuals include professional intellectuals both from the dominant and subordinate groups. At the same time, the revolutionary party should try to do the same thing, only in this case it would weld together disaffected bourgeois professional intellectuals, professional (traditional) intellectuals from the proletariat, and organic proletarian intellectuals, the thinker-organizers with a conscious conception of the world that transcends their class interests.<sup>10</sup>

The critics of philanthropy have thus placed the debate where it belongs, analyzing the relationships of the big foundations to the social roles of their managerial elites. To identify a relationship

between foundation managers and social elites is not necessarily, however, to specify the content of their relationship. Nor, more importantly, does it demonstrate the intention of foundation donors to create such relationships. Let us return, then, to the issue of motivation. Were the creators of foundations using their immense resources to create a "hegemonic class" of intellectuals who would support their commitment to industrial capitalism, or were they intending to do something very different?

## I

Scholars have sought to identify several kinds of motives among foundation donors. At the top of the list, perhaps, is the distinction between palliative charity, and scientific research into the root causes of social ills. The first foundation philanthropists and their advisers perceived a vast transformation in the way wealth could be used to solve major social problems, a transformation produced by new scientific understanding, and the application of that understanding to virtually every field of inquiry. Medicine provided them with their first ideal model, for it was the one that could easily become a metaphor for describing all the "ills" of the "body politic."<sup>11</sup>

Germ theory, with its initial emphasis on single-cause relationships between specific diseases and specific microbes that could be searched out and destroyed, had generated an optimism that was not long sustained in medical research, let alone in theoretical science. Nonetheless, the persistence of this optimistic certitude in all discussions of social disorder kept both philanthropic donors and social scientists constantly on the threshold of disappointment, a recurrent malaise.

Still, one needs a somewhat larger historical frame to understand the central distinction between charity and philanthropy that generated the establishment of the general purpose philanthropic foundation. How large this frame must be is potentially a matter of some debate. Articulate supporters of modern philanthropy such as Brian O'Connell and Robert Payton begin their analyses of the historical origins of the phenomenon with the charitable obligation in the Judeo-Christian tradition. It is a justifiable point of origin in the case of the commitments of certain early modern philanthropists like Rockefeller; it ought not, however, obscure the fundamental historical revolution that the Enlightenment and subsequent conceptions of

the role of progress in human affairs have produced in that ancient tradition.

Poverty, in Judeo-Christian terms, was essentially static and unchangeable, as it was, also, in most non-Western religious traditions. There were magical interventions by gods and magicians—swords to be drawn from stones, visitations by gift-giving spirits, and the like—but, with the exception of the emergence of occasional great charismatics of lowly origin, poverty was presumed to be a permanent condition, where the advantaged were enjoined to accept some sort of supportive responsibility. The conception of Christ and His ministry are classic images of the mystical transformation of the poor. They reflect the role that the Christian church would adopt in tending the poor; they suggest the miraculous character that any real change of status would require.

The famous tale of Dick Whittington, who rose from supposed poverty to become Lord Mayor of fifteenth-century London through the aid of some talkative church bells and a cat, did not appear in any literature until the early seventeenth century when, according to the analyses of English society by historians such as Lawrence Stone, economic transformations of class were already well underway. The new myth combined the mystical elements of the old with a new conception of rational choice.

Thus, the modern idea of philanthropy rests on a recognition of progress and choice; it makes the eradication of poverty possible, not through divine intervention but through human endeavor. The transformation calls for an educational system and an educable public, together with a body of knowledge available to all. It requires attitudes toward class transcendence and transformation that are faithful to the Judeo-Christian tradition, that accept the fact that the root religions were originally religions of the poor, and that there was nothing essentially wrong or unjust about poverty itself. The centuries that separated those origins from the era of the Enlightenment were filled with moments of rebellion against any tendency of these religions to forget their sources in poverty; men and women of wealth who gave up their fortunes to immerse themselves in holy poverty were glorified. Yet, not until progress became a popular reality and a political possibility did the modern conception of social progress become a part of the intellectual tradition of charity.

One must be careful not to exaggerate the speed at which that transformation took place, or even its completeness today. Reform-minded novelists like Charles Dickens still made it clear that impoverished victims such as *Oliver Twist* and *David Copperfield* were evicted from their proper social claims by deliberate misjudgments, by the absence of proper legal protections. The classes to which their benefactors returned them were classes into which they had originally been born. Fagin and the students he drew from the London street people were not to achieve a similar salvation. The nineteenth-century debates about the poor laws contained the same fears about the essential evil of the impoverished that one finds in American welfare debates today, however subtle and disguised the new expression may be.

That America became the place where such restrictions were less confining is clear from Benjamin Franklin's descriptions of his own upbringing. It was that tradition of self-advancement and opportunity that Andrew Carnegie had even more reason to understand than did John D. Rockefeller. When we speak of a "Horatio Alger myth of success," we are considering possibilities that may have been exceedingly rare; still, these represented a reality that was supported by general public approval, very limited legal restrictions, and large resources available for those who could find ways to use them. Critics who have remarked on the racist elements in philanthropic support for negro education in the late nineteenth century need to see this in the perspective of the larger development of philanthropy, as a way of assuring access to those resources that were intended to make opportunity available to all Americans.

Donor interest in creating forms of perpetual trust that would not be bound by specific purposes committed to at the beginning was undoubtedly important. It was taken for granted that the trust would be managed by trustees who would observe the spirit of the donor's philanthropic intent, but the donors themselves had developed a degree of practical sophistication that led them to seek a new model. Given their admiration for the scientific and technological advances they themselves had observed in the course of their business careers, they were prepared to allow for vast future changes that they and their contemporaries could not hope to predict. The general purpose foundation, devoted quite simply to the welfare of mankind, seemed a wholly appropriate way to formulate their wishes. Still, one must

add that they were not all equally committed to the principle of general purpose.

Again, the relationship between the humanitarian commitments formulated in terms of the donors' attitude toward religion, and their perception of the enormity of their wealth, extending well beyond the normal methods of distribution from generation to generation, led them to seek alternative ways to guarantee the continuity of their lifelong commitment to philanthropic activity. The fact that such alternatives might limit the resources available to their own progeny was, in Rockefeller's case, based on his belief that each generation should provide its own conception of philanthropy; in Carnegie's case, this was an article of faith. He did not believe in passing on so large a fortune to his family; he was prepared to limit their resources, and to do so comparatively severely.

One must, of course, add to any such listing of motives those that the donors did not specifically acknowledge. The characteristic mood of the Progressive Era had been to call into question the methods by which such extraordinary fortunes had been accumulated and used. The "robber baron" critique had singled out the oil, steel, and railroad industries—the three principal sources of much of the initial philanthropic wealth. Even bequests to such public beneficiaries as art museums, symphony orchestras, and research universities could be interpreted as the use of private wealth to generate an anti-democratic elitism. Donors were acutely aware of public attack and immensely sensitive to it. Their own middle-class origins only helped to complicate the self-image their wealth had forced them to reconstruct.

This was a time also when other ways of appropriating such wealth, through new inheritance taxes or the much-debated establishment of an income tax, were considered by many to be a preferable means of allowing the public to control the benefits to which such fortunes might be put. The idea that such wealth had actually been taken from the public in some unwarranted fashion received support from those who analyzed the government's involvement in providing public land for the initial railroad development and natural resource exploration. Part of the appeal of Henry George's Single Tax was his thesis that land received its value from the way the public chose to use it, not from value inherent in the land itself. Its

value belonged to the public, not to those who managed to appropriate it.

While the possibility of new taxes, inheritance and income, probably influenced the decision to create perpetual trusts, this cannot be conclusively demonstrated. The establishment of a federal income tax is, as far as we have been able to discover, never mentioned. Changes in the New York State inheritance tax are discussed in 1907 between the Rockefellers, father and son, since they would have forced the elder to give up all influence on the use of his money and also because scientific research institutions were not then considered objects of charity.<sup>12</sup> While today's historians may be inclined to regard the limited nature of such discussion as a deliberate subterfuge, it would be wise to remember that the privacy of business papers in that day was perceived as more than ample protection of the secrecy of any negotiation. If they did not write about something, it seems likely that it was not of primary concern. The imposition of such taxes was part of the intense political debate of the period; the fact that any tax was unlikely even to approach being confiscatory was taken for granted.

Much more important than the confiscatory possibility, a remote and radical threat at best, was the traditional uncertainty about the ways in which money collected by politicians would be used. Such views, deeply ingrained in the middle class, influenced their attitudes on how politics related to social welfare. Taxpayers and property owners of even modest means had been arguing about this for generations. Their sense of the distinction between public and private was very different from our own. Long accustomed to forming local watchdog agencies to superintend the spending of tax money, their attitudes toward such expenditure reflected their belief that local support for such purposes, even if it were sanctioned by taxes voted by legislatures, was far better than federal support, precisely because it could be controlled more effectively by local citizens. It would be a decided exaggeration, then, to think of the creation of foundations in terms of any modern conception of tax benefit.

Since it is so central to the issue of donors' motivations, a look back at the conditions that led to the development of the income tax may help us to speculate about the role this development, now considered so momentous, played in the late nineteenth century. The income tax enacted in 1861 as a Civil War measure expired in 1872. From 1875 to 1893, customs duties were the major source of federal income, and

they more than covered governmental expenditures. Indeed, revenues exceeded expenditures during every one of those years. To avoid retaining this surplus in the federal treasury, the government applied it to debt reduction at such a rate that the net debt fell to \$839 million, with the bonded debt falling from about \$1,800 million to under \$600 million during this period.

The debates generated by the surplus fueled one of the biggest political boondoggles of the era—veterans' benefits; it also led to much discussion of the monetarization of silver. The "surplus" became a political football, generating complaints about corruption that would have made sense if anyone had been prepared to spell out an alternative. With the hindsight of later economic analysis, it is all too easy to criticize an earlier generation's inexperience in coping with the politics of a new national economic system.

These problems were dramatically transformed, beginning in 1894, when the federal government began to run deficits, caused in part by a world-wide depression, of which Americans were only becoming vaguely conscious through an increased awareness of their own dependence on international markets. President Cleveland's efforts to cope with what specialists of the day perceived to be a gold crisis, together with the growing labor movement and its attendant strikes, seemed to bring the issue to a head when the income tax approved by Congress in 1894 was declared unconstitutional by a Supreme Court increasingly thought to be a conservative protector of big business.

Deficits each year from 1895 to 1899 reached a total of \$89 million. That seeming crisis was alleviated, however, in the years 1900 to 1913 by a relative stability, though an uncertain one, that ended with the outbreak of war, which turned the United States into a major supplier of the Allies. The passage of a constitutional amendment in 1913 authorizing an income tax came at a time when those seeking to understand the American economy were incapable of predicting the changes it would produce, beyond their sense that they would be minimal. Despite the evidence, one can adduce from the limited information that exists that Americans were developing a national government with greatly increased obligations that outran all the traditional sources of revenue, as well as the traditional understandings of the nature of federal responsibility for the management of the economy. Even the creation of the Federal Reserve

Board during this period was a reluctant and limited step toward the national banking system that Americans had rejected almost a century earlier.

The politics of tariff management continued to be the focus of debate throughout the period. This, rather than the raising of revenue through income taxation, was *the* political issue and continued to be so well into the New Deal, when the Tax Act of 1935 brought about compromises between the control of wealth and the cost of running a government that have marked income tax legislation ever since.

The question of the founders' intentions in creating private organizations that could engage in philanthropic activities, protected from public scrutiny and public responsibility, involves us in other ambiguities, forcing us again to guard against viewing the historical events as part of some master plan conceived by the donors. It is important to realize that the original plan for a Rockefeller trust, for example, was quite different from the corporation that finally emerged. Rockefeller and his advisers had genuinely intended to give the foundation to the public by creating a government corporation headed by a board, whose members would be subject to approval within sixty days of their selection by a majority vote of a group consisting of the President of the United States, the Chief Justice of the Supreme Court, the president of the Senate, the Speaker of the House of Representatives, and the presidents of Harvard, Yale, Columbia, Johns Hopkins, and the University of Chicago. Any property that would otherwise be taxable by a state was not to be exempt from taxation. Congress was given the power to impose limitations on the objects of the corporation if it determined that the public interest required such limitations. The income from the corporation was not to be accumulated or added to the principal; and, after fifty years, if the corporation so decided, the principal could begin to be paid out. Finally, Congress could direct all of the fund to be distributed after one hundred years.

In rejecting the plan, Congress not only angered Rockefeller and his associates but persuaded them that it had relinquished all rights to influence the administration of the foundation. These early conceptions of the foundation differed radically from those that developed in the years that followed. The sense of the proper relation between public policy and private philanthropy is substantially different from the one that later defenders and critics of foundations

would choose to debate. The willingness to give the federal government decisive control over foundation policy would have made unnecessary successive congressional investigations into foundation practices, or at least turned them into battles in which government exercised far greater authority than that given by its grant of tax exemption.<sup>13</sup>

The concern with a public presence for the Rockefeller Foundation was apparent even earlier in a communication between Jerome D. Greene, soon to be secretary of the Foundation, and Wickliffe Rose. Greene asked, "How shall the Trustees of the Rockefeller Foundation keep responsive to the will and intelligence of the people through future generations?" He proposed the creation of a Public Council, consisting of members appointed—one from each state—on the nomination of the state university or the leading endowed university in states which have no state university. The qualification to receive this nomination should be expressly stated to the nominating authority each year, as being that of representing, better than any one else, the wisdom and good will of the community in matters affecting the general well-being.<sup>14</sup>

That sense of the need for some kind of public presence moved immediately into the discussion of who should serve on the boards of trustees of the various Rockefeller philanthropies. Charles W. Eliot advised Jerome Greene in 1915 that "it is very important to add to the number of Trustees of the Rockefeller Foundation persons of independent position, and known to the country, or at least to the State of New York, as publicists, philanthropists, or educators. The fundamental criticisms of the Socialists and Labor-leaders can be met in no other way."<sup>15</sup>

John D. Rockefeller, Jr., continued with that approach to selection. When the election of Lillian Wald to the Laura Spelman Rockefeller Memorial Fund was questioned because the fund contributed to her work, Mr. Junior replied that such a policy would exclude too many good and responsible people. "I feel that Miss Wald is very highly regarded by vast numbers of the poorer people in New York and that her election to the Board would be well received, in addition to the fact that she is a National character in so far as her interest in all kinds of work for the promotion of the well-being of the masses is concerned."<sup>16</sup>

If one is to understand the genuinely accidental character of the growth of the claim to privacy among foundations, one must begin with the initial unsuccessful attempt to create a public agency, the subsequent efforts to recruit public figures whose presence on the board as managers would assure the responsibility of the institution, and the concern with public criticism as appropriate criticism that would have to be met. A significant part of the character of the modern foundation was created in a continuing battle that no one had anticipated.

What the Rockefellers perceived as public hostility to their efforts to give money to public causes never ceased to puzzle them. John D., Jr., one of the architects of the idea of the Foundation and its first manager, was deeply hurt. In April 1917, shortly after the United States entered the war, he wrote his father, saying: "I feel more and more that to increase the funds of the Foundation is not going to meet with general popular approval or be the wisest method of using our resources." Suggesting a number of alternatives, including making contributions out of principal "to allay the fear which many people have of this great fund increasing and constantly assuming larger proportions, thus increasing not only its power for good, but also its power for evil if unwisely handled,"<sup>17</sup> he went on to recommend the creation of a number of self-liquidating funds for particular purposes, as well as a concentration on medicine, "a field in which there can be no controversy, so that I think the possibility of criticism as regards the use of the fund or its potential dangers would be almost nothing."<sup>18</sup>

His father's reply suggests, perhaps, the thickness of skin that years of experience with public criticism had given him. "I think we should act with great deliberation," he wrote, "and not be influenced by the little flurry at the moment. These flurries come periodically. At the same time," he continued, "we must seek to be thoroughly well-informed of the possible tendencies of the time and shape the affairs of the Foundation and other organizations accordingly." But even he had his moments of frustration. "It is dawning on me," he sighed, "that with the disposition shown toward our well-meant endeavors in some quarters, I must very carefully consider not to give away everything to the public and fail to give to my own family and friends, where it can be wisely done."<sup>19</sup>



In an industrial world, where the optimism generated by advances in science and technology was being constantly measured by a concerned observation of the consequences of these advances on the lives of workers and certain others bypassed by such advances, philanthropy by individuals who seemed the very agents of the evils they were trying to overcome was bound to be suspect. The chief criticism was that such philanthropy was a way of acknowledging guilt without being obliged to reform the system that had made these crimes possible. Donors could respond to this growing range of ideological attack on the economic and political system that had supported the accumulation of vast wealth by devoting an appropriate portion of their fortunes to developing novel ideological justifications for the existing order, combining such arguments with sophisticated palliatives disguised as objective social science. From such a perspective, medical research, education, improved housing, even public libraries, and pensions for teachers were ways of assuring a healthy and contented work force—one devoted nonetheless to serving capitalism. Had he written about the United States, Antonio Gramsci would have found in the era of the creation of the big philanthropic foundations much to confirm his theory of hegemony.

One of the problems with all such accounts of motivation is that none necessarily requires the creation of the foundations for its satisfaction. Nor does any of them really endow the foundation with the specific characteristics of the institution it has come to be. Still, there is much archival evidence to support such theories, which is not to say that the several motives are always compatible with one another. It is possible to establish a hierarchy of motives, to claim that the initial philanthropists were moved by arguments they did not always state, of which they may not have been wholly conscious, and still not touch on the essential issue of why the American foundation came to be. It may be useful to take the donors' own perception of their motives as part of the relevant evidence; they do help illuminate what Rockefeller, Sage, and Carnegie intended.

John D. Rockefeller, a devoutly religious man all his life, espoused a Baptist creed that emphasized direct and continuous communication with God, the evangelical responsibility of every individual, and the need for a self-governing community of believers. Rockefeller began his practice of tithing as soon as he earned his first pay; he continued throughout his life to support the work of those churches

he attended, of missionary activity abroad, and of all manner of religious charities. Such gifts to scholarship as his contributions to Middle Eastern studies were intended to support research into the historical origins of Western religious belief. The adviser who was probably most responsible for suggesting a broader range of philanthropic giving, based on more scientific principles, was Frederick T. Gates, a former Baptist minister. The gift in 1890 that led to the creation of the University of Chicago was initially placed in the charge of a Baptist board for its administration. Because the creation of a major research university could well qualify as satisfying those needs we normally associate with the modern foundation—chief among them, perhaps, those of perpetuity and, to a certain degree, general purpose—it is well to recall the importance of religion as a motive for philanthropy. Still, religion itself gave no sanction for the creation of a foundation.

Educational institutions had, from the time of the Middle Ages, been the vehicle for assuring the perpetuity of religious beliefs. The establishment of major research institutions throughout the latter half of the nineteenth century, however, had educational intentions beyond religious commitment, to foster scientific knowledge and technological advance. Rockefeller's funding of the University of Chicago was, in this sense, one of the last such actions by a noted philanthropist, not the first. Clark, Cornell, Johns Hopkins, and Stanford, to name only the more obvious, guaranteed the immortality of their donors far more effectively than an institution called the University of Chicago could, yet without necessarily perpetuating their purposes.

Margaret Olivia Sage had been concerned with the problems of the education of the young and with aid for women in need in her home town of Troy, New York, long before her marriage to Russell Sage, a man not known for his commitment to community welfare. Her husband's death and the bequest of his estate enabled Mrs. Sage to take the advice of her philanthropically minded friends to encourage more scientific and professional investigation into the issues that interested her. She was, by her own arguments, uninterested in contributing to university research, but far more concerned with the development of the social service professions. Her foundation came closer to being an old-fashioned trust devoted to a specific purpose

than did the other two; the use of the legal form was a convenience rather than a necessity.

Yet, Mrs. Sage's conception of philanthropy served as one of the essential points of transition in the modernization of the role of women in charitable endeavors. Her advisers, and the first research managers of her foundation, included some of the women who were to become leaders in social work over the next half century: Mary Van Kleeck, Mary Richmond, Katherine Lenroot, and the Abbott sisters. Their interests, and particularly those of Van Kleeck and Richmond, were principally in developments in the field of labor relations; the need to protect women and children had first allowed federal influence on labor relations to increase. Some of them certainly understood that their charitable concern with the welfare of women and children was the first stage in a much more general concern with the conditions of labor for all workers. The idea of a "living wage" was one of their initially metaphoric creations that took on a significant reality by World War I.

Old-age security was a closely related field at a time when social workers were the connecting link between pensions for widows and mothers and the more general problem of aging and the work population. Social work also entered questions of criminology, criminal justice, demography, ethnicity, and race, and the Russell Sage Foundation provided an important continuity between the new social scientists and the traditional elite urban social reformers that went back to the statisticians of the nineteenth century.

Among the first generation of foundation philanthropists, Andrew Carnegie's organizations reveal the broadest range of institution building. When one adds to the Carnegie Institute of Pittsburgh, the Carnegie Institution in Washington, and the Carnegie Endowment for International Peace the continuous benefactions to churches for organs, to various communities for public libraries, the prizes for heroes, and the pensions for teachers, one finds it difficult to explain the novelty he sought in his last major creation, the Carnegie Corporation of New York. Primarily the brain-child of his lawyer, Elihu Root, it was clearly intended to preserve his remaining money for general purposes, but whether those purposes meant simply the selective sustaining of previous philanthropic enterprises or some new and independent endeavors remained a subject of heated debate

among the trustees for decades after his death. Indeed, the philanthropic purposes of the Carnegie Corporation of New York were determined, only after his death, by a new generation of foundation managers after a major transformation in the make-up of the board of trustees.

Religious belief played a curiously quixotic role in Carnegie's philanthropy. Although Joseph Wall, his biographer, suggests that he rejected his father's Swedenborgian faith and adopted no alternative, some of his philanthropic activities imply a religious resonance that is interesting. His commitment to science as the root of all fundamental understanding, his late interest in mysticism, his gifts of organs to churches (he believed that music was a better expression of religious belief than words), and his refusal to give pension plans to sectarian schools all suggest elements of a Swedenborgian rebellion.

Critics have suggested that at least part of the reason for creating foundations came from the donors' fear of socialist revolution. From the late 1870s on, increasing labor unrest, together with a growing awareness of urban poverty and its consequences, certainly led many who were critical of social conditions in factories and cities to predict some sort of socialist transformation. A significant segment of Progressive reform tended in this same direction. The decline of a viable socialist movement in the wake of the Russian Revolution, World War I, and the subsequent Red Scare, organized by the Justice Department, has led some historians to cite foundation funding as at least one of the sources of anti-socialist attitudes in the social science movement of the 1920s.<sup>20</sup>

The story itself is more interesting and more complex. Andrew Carnegie and John D. Rockefeller, in an unusual joint endeavor, both supported the formation in 1910 of the National Civic Federation, an organization designed to help create better communication between labor and management. During the war, however, and particularly after the Bolshevik revolution of 1917, the NCF, managed by Ralph Easley, a committed Red-baiter, set about adopting some of the frenzied public relations tactics originally formulated for war propaganda by the government's Committee on Public Information. After the war, as active hostility to the Soviet Union gradually subsided, the Red Scare took on the appearance of a badly bungled adventure. The NCF still stuck to its wartime guns, attempting to establish itself as the nation's watchman. Rockefeller's advisers counseled him to

distance himself from the NCF and its director, while avoiding the risk of an open break that might only lead Easley to turn his energies on the Foundation itself. They could discover no threat of socialist revolution in the United States; the NCF's fight was pointless and wasteful. Their recommendation was for a token gift.<sup>21</sup>

The Carnegie Corporation faced a similar onslaught of requests from Easley. Fearful that they too would hold off, Easley sent his request to Mrs. Carnegie as well. Her polite and genteel request to the trustees for a small gift, to honor her late husband's interest in the NCF, was acceded to. In both the Carnegie and the Rockefeller papers, there are repeated requests from Easley and a continued token support that grows ever smaller as funding for other groups increases with a final plea for what, in effect, is a charitable donation to take care of Easley in a career that is clearly in steep decline.<sup>22</sup>

This tale is not intended to understate the concern with the dangers of radical theory, nor can it conceal the fact that socialism was considered a dangerous ideology by men who had felt threatened even by Populist rhetoric. The Russian Revolution did not please them, to say the least. As Rockefeller wrote his lawyer, Starr Murphy, in 1919,

I could wish that the education which some professors furnish was more conducive to the most sane and practical and possible views of life rather than drifting, as it does, in cases, toward socialism and some forms of Bolshevism. . . . It seems to me that some influences ought to be brought to bear upon the universities and colleges with reference to the textbooks which, from my standpoint at least, are calculated to lead astray and do harm rather than good.

Murphy replied:

It seems to me quite clear that . . . the placing of limitations upon . . . academic freedom must be left to the trustees and faculties of the institutions, and that it would be extremely unwise for any donor to attempt to place limitations upon the character of the teaching which shall be given in an institution to which he contributes. It is hardly less objectionable for him to make the determination as to whether or not he will give to any particular institution dependent upon that matter. . . . I have sufficient faith in the truth to believe that in an atmosphere of freedom it will ultimately vindicate itself. . . .<sup>23</sup>

Arguments for the support of what was initially intended as an institute for research in economics and economic policy, as well as in government and public administration, raised similar questions about their intellectual purpose, although the archival materials again lead to mixed conclusions. As early as 1915 the Rockefeller Foundation began to entertain the idea for such an institute. The war postponed it until the 1920s when similar organizations began to appear, funded by both the older foundations and the newer ones that emerged after the war. The National Bureau of Economic Research, the Institute for Government Research (later the Brookings Institution), the Institute for Public Administration, and the Social Science Research Council are the leading names among the creations of this period; there were others as well.<sup>24</sup>

American academics, who considered themselves to be to the left of the nation's banking and industrial community, had been voicing their economic criticisms as Progressives for over a decade. Committed to a reformed capitalism, they believed enlightened government could produce major change. Support for such studies of economic policy came also from conservative trustees who accepted, though only after some debate, the role of professional economists whose economic principles they did not always agree with. Foundation trustees like Morgan's Russell Leffingwell, a member of the Carnegie board after Andrew Carnegie's death, found some of the NBER's economic research decidedly distasteful; he did nothing, however, to block such research once he had voiced his complaints in the gentlemanly privacy of a board meeting, or in brief notes dictated to the president of the Foundation.<sup>25</sup>

A desire to defend and support capitalism did not require foundation trustees to seek to suppress socialism, even less to attempt to interfere in the research and teaching processes they were committed to funding. Increasingly, a professionalized community of academics controlled the research institutions the foundation had funded. The disputes within individual disciplines that led to the establishment of particular directions for research were based more on the power of significant leaders within the disciplines than on any intellectual direction provided by foundation managers. The latter, together with the younger trustees who began to take over foundation direction in the 1920s, were part of a generation that had clearly committed itself to the principle of academic freedom. Trustees, confronted with a

president whose reputation among his own cohort of intellectual colleagues gave his views an independent authority, accepted judgments they might otherwise have found questionable.

The creation of the foundation manager was in some respects an accidental consequence of the unanticipated growth in foundation activity during and after the First World War. As proved to be the case in such philanthropic enterprises as the Red Cross, community chests, and the development of new community foundations, war-time fundraising suggested the possibility of vastly expanding the role of philanthropic activities, aiming them at a much larger public. Within the first foundations themselves, the death or withdrawal from activity of the original donor produced a need for continuous management; this development is paralleled in all the voluntary associations of the period, as well as in the growing number of professional associations. Academic associations and professional associations such as the City Managers' Association discovered the need for full-time secretariats that would serve the part-time and voluntary leaders who acted as temporary presidents. The professionalization of voluntarism was well underway.

In the case of the foundations, the choice of former college presidents seemed a logical step, given the role played by such men as advisers, trustees, and applicants for and managers of philanthropic funds. When Herbert Hoover named former Stanford president, Ray Lyman Wilbur, as his Secretary of the Interior, his deliberate design was to connect the fields of medical research and college management with his own plans to move the department into the field of social welfare. The managerial network of college presidents, foundation heads, and federal government administrators was given its beginning; the managerial elite that preceded the growth of modern philanthropic bureaucracy was put in place.

## 11

The general purpose foundation was a new form of philanthropy. Representing a range of experience in corporate management that had been fundamental in the critical economic battles of the Progressive Era, it suggested a wholly new set of philanthropic purposes. An extraordinary transformation in business organization occurred in the nineteenth century, particularly in the years immediately following the Civil War when capital resources for industrial growth far

exceeded what had previously been available for both national and international expansion. Middle-class entrepreneurs, eager to exploit such expansion for themselves, learned to mistrust bankers and other financial managers, preferring to associate with those who combined ambition with a willingness to work hard for what they earned. In the early stages of their careers, these individuals, conscious of their dependence on bankers who were ready to trust them, leaving them alone to do what they wished to do, saw such individuals as neighbors and community members like themselves.

Rockefeller's memoirs include almost Alger-like descriptions of such people—kindly men who recognized and supported the bright and moral youths of the community. Andrew Mellon's father, Thomas, appears to have been such a man; among the merchant bankers of the era, there are a number of similar modest managers of resources who looked for solid but adventurous entrepreneurs whom they could help.<sup>26</sup> Frank Cowperwood's father, in Theodore Dreiser's famous trilogy, plays such a role, but for Dreiser, who wrote at the end of the era, the imaginative and dangerous energy of the son leaves the cautious father feeling both puzzled and helpless.

By the second half of the nineteenth century, banking institutions had been transformed into powerful national entities, run by men who managed money, who looked for profits in a kind of organized control and speculative financial planning that Rockefeller's generation found difficult to accept. Rockefeller and his peers considered themselves managers of men, not managers of money. They distinguished themselves from bankers by insisting that they knew far better than bankers what money was for; and they separated themselves from reckless industrial gamblers such as Jay Gould and Jim Fisk by insisting that competition required that men trust one another's honesty. Their autobiographical statements and personal correspondence repeatedly assert in terms reminiscent of Veblen that money was not intended for accumulation, but only for what they considered to be creative industrial development. They rejected speculative investment practices, preferring to invest the largest part of their capital in fixed financial instruments that were calculated to provide capital for production.<sup>27</sup> Looking suspiciously on the growth of the stock market and on the novel practices in stock buying that made it possible for individuals to borrow in order to buy, or, far worse, to sell what they did not own, they saw themselves as

members of a community of men united in their common acceptance of a code of honor. Unable to understand hostile labor organizations, unwilling to accept theories of the inevitability of class conflict, their image of their own development emphasized the need for cooperation, for a clearly articulated business morality that rewarded good judgment and punished bad.<sup>28</sup>

John D. Rockefeller and Andrew Carnegie saw their own business origins in Cratchitt-like terms. Hardworking bookkeepers in an industrial enterprise that came finally to recognize their commitment to precision, honesty, and trustworthiness, they were rewarded with the opportunity to prove their prowess. The trustworthiness of their judgment was their basic skill; they used it, in their minds, in the service of others, whose skills they knew they needed but did not themselves possess. Neither ever understood how they could finally be publicly perceived as Scrooges; they never ceased to think of themselves as friends of labor, who knew how much they depended on honest work, on the ambition of others like themselves who might one day rise from the accounting desk to take over the heavy responsibilities of management. Their paternalism—wishing to help employees in need and to reward virtue—made opposition from organized labor seem almost conspiratorial, an affront to their generosity, of which they were inordinately proud.

In seeking to find alternatives to trade union organization of labor, believing that labor and management were not two classes in conflict, but two interdependent and necessary elements in the process of production, they justified the employment of armed guards to protect their property as a regrettable but necessary response to the threat of violence they thought to be inherent in the strike weapon. However much they deplored the actions their guards took in the protection of their property—and there is ample evidence to suggest that they did deplore the violence—they felt themselves trapped by events they had not initiated and could not control.

Both Rockefeller and Carnegie faced the problems of managerial control that had forced other entrepreneurs of their generation to accept the diversification of management, subjecting their personal judgments to a new set of critical choices. They retired relatively early from direct management of their industries, choosing to spend their later years in operating their massive financial empires from small offices in modest office buildings or from rooms set aside in their own

living quarters. Although they delegated day-to-day management to others, they expected to be consulted on some decisions; this left them in a somewhat confused world where the boundaries between their philanthropic and business activities were never wholly distinguished. The same locations and often the same individuals were used for both. Gates, for example, was Rockefeller's chief philanthropic adviser, but Rockefeller saw nothing amiss in asking him also to manage certain of his business interests while he himself traveled around the country on various philanthropic missions. Rockefeller would dictate brief instructions to a small group of subordinates who managed his communications for him. If the chain of command among the men who were secretaries or lawyers—and, in Rockefeller's case, a public relations executive—was tortuous, the development of habits of control required each to report to him at length on activities undertaken in his behalf. He would respond with comments and directions, politely, formally, and personally, from wherever he happened to be at that moment—his home in Cleveland, or in Pocantico Hills, or on Mount Desert in the summer.

Andrew Carnegie scribbled personal notes to subordinates from his home on Fifth Avenue or cabled messages from his castle in Scotland. Since some occasionally traveled with him, and even had desks in his home office space, communication with him and with one another was close and casual. A small staff of business associates helped to communicate his needs, whether they involved business management or certain of his philanthropic interests. Henry S. Pritchett, a former president of the Massachusetts Institute of Technology, gradually took over those aspects of his philanthropy that had to do with education, elbowing aside business associates that Carnegie had used in his early philanthropy. "Mr. Carnegie's clerks" was the derisive term that a new generation of foundation managers used in describing these men. This "household" method of operation was, by the turn of the century, rapidly becoming a managerial anachronism, held together only by the habits of a lifetime, and the unwillingness of a generation of powerful men to change their habits.

Rockefeller and Carnegie both watched bureaucracy grow and gradually take over the operation of their business enterprises. By the end of their careers, the development of business as a national system was one of their essential contributions to American economic life. While they might regret this, knowing that it forced them to move

their families to New York so that they might be closer to the center of their operations in the city that had become the nation's banking capital, they saw it as a way of managing the financial resources they needed to control if they were to protect themselves from a banking network they did not wholly trust. The growth of national business had also raised the specter, and indeed the growing reality, of significant government intervention. That, in turn, increased their dependence on lawyers who now played more complex roles to ensure their own influence on government, as well as to protect them from the government.

The fact that Carnegie's lawyer, Elihu Root, was a distinguished government administrator and former senator was consistent with Carnegie's sense of the appropriate relationship between business and government. Carnegie was genuinely surprised when Congress turned down his offer to provide pensions for retiring presidents of the United States. More striking, perhaps, are the letters sent in 1910 by Henry S. Pritchett to a congressman arguing against a bill to grant funds to elementary and secondary schools in agricultural communities; many saw this as simply an extension of the provisions to support higher education that Congress had already voted for state institutions. Pritchett's objection—that such aid would violate the principles of local control of children's education—was a restatement of a classic Jacksonian principle, modernized now to equate local with voluntary, and federal with governmental control.

Congress lacked a consistent approach to the new philanthropy and to the new expertise. Academics began to find their way into government bureaus; agencies like the Interstate Commerce Commission came to recognize the imperative need for trained economists. Bureaus concerned with standards and statistics had something of a tradition in engaging outside "experts" as did the managers of the great geological surveys. Still, many congressmen were made uneasy when they discovered that "experts" were being hired with government money. Specific congressional legislative attempts to forbid such employment were conveniently ignored by presidents such as William Howard Taft, who needed these specialists for his committee charged with studying the executive branch of the government.

In many instances, specialists were expected to give their services voluntarily. As the experience with experts in the First World War made clear, philanthropists accustomed to hiring experts as their own

advisers were quite willing to fund them if they were called to advise the government. Congress continued to be unhappy with such *ad hoc* arrangements, not because they were *ad hoc* but because they existed at all. Not until the New Deal were presidents given the authority to hire expert advice with government money, and, even then, many congressmen remained suspicious and reluctant.

The necessity to delegate responsibilities to surrogates and to specialists, in response to the need for expert knowledge in a changing technological environment, told the early philanthropists that their traditional methods of management and control were no longer sufficient. Both Rockefeller and Carnegie learned early in their careers to share top management with associates whose attitudes and values they shared. However ruthless they might be in their dealings with competitors, they willingly shared authority with those who could help them, at least at the top, and in the beginning. They were always generous with those whose services they needed.

Their first philanthropic structures, created a decade before the establishment of their foundations, followed this same process of selection and delegation. Rockefeller's doctors, like his choice of a president for his university in Chicago, Carnegie's technologists, like the presidents of his institutes, reflected a calculated judgment of the skills of managerial experts among men trained in the specialities they sought to advance. Their friends who collected art or funded opera companies looked for similar specialist advice; expert management was needed to continue the artistic enterprise. Much of the interest in higher education among other millionaires of this generation was based on this same sense of need. Their search was not for educated men, in the classical sense of the term, but for new managerial specialists who could be relied on to continue their endeavors. While they would have avoided such terminology—had they noted it in the European literature of the period—they were creating a system to educate a managerial elite that resembled the ambitious middle-class entrepreneurs of modest means they themselves had been at the outset of their own careers.

The philanthropists constituted a ruling class, though they considered themselves only part of that class, an embattled part. The other part, governed by politics and politicians, they considered strange, intransigent, and often accidental, an opposition whose hostility they were never able to understand or predict. Philanthropists tended to

play as small a role in politics as they could; only in later years, with the expansion of the regulatory process, did they see the necessity of acting politically. Increasingly, they hired lawyers and others to manage such political relationships for them. Relatively uneducated themselves, they came to see the value of formal education in a technological world. The managers of the institutions they had created were a new breed as different from themselves as they had been from the irresponsible gamblers whom they had been compelled to contend with, or with the politicians whom they considered to be poor businessmen at best, charlatans at worst.

Such an argument risks begging an essential question: whether or not they saw themselves as a new American ruling class. An important distinction must be made between the foundation philanthropists and contemporaries such as J.P. Morgan, Andrew Mellon, or William Vanderbilt. The latter tended to conceive of their wealth as personal property; they lacked a religious conception of stewardship. Entrepreneurial monarchs such as Morgan, Mellon, and Vanderbilt were collectors of traditional symbols of wealth, which ultimately became part of great public collections. The contrast between such gifts and the creation of institutions designed to have a continuing influence on public policy through education, scientific research, and welfare policy may be obvious, but is still puzzling.

✓ Thorstein Veblen grasped the problem more precisely, and perhaps more subtly, than any other American critic of wealth. In *The Higher Learning in America* he derided the "captains of intellect," the new generation of university presidents who were prepared to provide the education that the new national system required. In his later writings—such as *The Engineers and the Price System*—he appealed even more pointedly to those who had been trained to manage the system to direct it to serve the interests of what he perceived to be the larger public, rather than only those who controlled the industrial wealth.<sup>29</sup>

Veblen appeared to believe that he could deflect the ambition of a large generation of upwardly mobile Americans who were training in the new universities, who imagined that the careers being opened up to them would provide them with access to riches that went well beyond what they possessed. To some extent he succeeded; Veblen's impact on economics is most noteworthy, perhaps, for the loyalty and affection his impassioned pleas for moral responsibility raised, even among those students who ultimately came to question his skills

as an economist. Wesley Clair Mitchell, for example, remained a disciple without ever becoming a follower. Rexford Tugwell considered Veblen one of the most important intellectual influences on his career. Indeed, the whole generation of New Deal lawyers could have confessed relationships with Veblen that made their seduction by Franklin Roosevelt possible. Like others in this generation of university professors, Veblen was a prophet of sorts, who kept alive the spirit of prophecy in an academic world deeply puzzled over the relations between science and reform.

Veblen and the generation of academics who provided the first philanthropists with the national intellectual system in which they could invest their resources saw themselves as supporters of American government, never as its adversaries. This is really the key to the Gramscian question: were early twentieth-century intellectuals successfully integrated by the ruling class through the work of foundations? Like the historiographic disputes over the meaning of Progressivism, the problem raises the issue of whether or not these academics were closet conservatives, dupes, or charlatans. More important, and perhaps more interesting, it raises certain fundamental questions about the application of such European theory to an American social and economic setting that seems so clearly to reflect an industrial development common to all of modern Western society.

### III

American universities have played important roles in every era of reform since their founding in the nineteenth century. From the Progressive Era, through the New Deal and the Great Society, academics and their institutions have served national policymaking by providing intellectual arguments either in support of or in opposition to current public policy. Today, one could argue, both defense and criticism are institutionalized in foundations that increasingly take on the image of ideological confrontation.

At the same time, higher education in the United States, now understood to be the route to success in every profession, has often seemed to successive generations of educational critics to have little sense of the social responsibility of professionalism. The development of American higher education seemed to contain a built-in paradox. Most institutions, emerging out of collections of academies originally tended by religious groups who used the schools to effect the moral

indoctrination of the young as well as to train them in academic fundamentals, were transformed into gateways for professional success, more often involved in grafting new ambitions onto old purposes than in fomenting a revolution against such purposes. Men like Veblen, forced to accept the responsibility of training the young for the professions of business, law, and medicine, insisted on adding to the certification for which course-work prepared the young, their own brand of ministry, preaching responsibilities that often fitted rather uncomfortably with the aims of professional education.

The creators of foundations faced a similar contradiction between the traditional purposes of educational philanthropy and the new scientific approaches, separating the functions of trustees from those of academic advisers. The first were to be practical men of affairs who knew the world of business as the donors knew it, who could be expected to make judgments from their perspective, forcing their academic advisers to explain their abstractions in terms that experienced and practical businessmen could understand. The advisers, in order to gain the power they increasingly felt they deserved, had to educate their donors and their trustees, influencing and cajoling, beguiling when necessary. The development of professional foundation staffs to mediate between trustees and donees exemplifies the unintended logic of the new philanthropy.

In one sense, the argument that American foundations were intended to support the American economic system and the political culture that surrounds it is obvious, but only if one leaves the argument there. After all, Charles Beard made much the same claim for the Constitution of 1787. Like the Constitution, the foundation has to be understood, not simply according to what might have been intended at its creation, but also in terms of what it has evolved into. It is the stages of foundation development that require further investigation: from the original management of philanthropy by donors and their appointed surrogates to the management of foundations by trustees initially selected by the donors and then by one another, delegating part of management to staff; to the later development of professional foundation management as the primary agency of control, with relations established between foundations and communities outside which the foundations themselves fund; finally, to the relation between foundations and the burgeoning

governmental agencies that provide public services and are affected by what foundations do.

By creating the foundation as a legal entity, the donor delegated some of his authority to a larger group of people. As in any such delegation, the act itself complicates our perception of the role played by the donor. John D. Rockefeller never attended the meetings of his new foundation board, having named his son, John D., Jr., its first president. Yet, father and son communicated closely about their various philanthropic enterprises. The son, shy and uneasy in public, gave testimony at the time of the hearings of the United States Industrial Relations Commission that was both painful and embarrassing. The event turned an investigation of the so-called Ludlow Massacre at the Rockefeller mining holdings in Colorado into a scandal implicating the new Foundation when a newspaper reporter discovered that telegrams from the Rockefeller interests to Colorado had, despite young Rockefeller's disclaimers of involvement, been sent from the address shared by the Foundation.

The fact that the involvement was ultimately shown to have been real made John D., Jr.'s efforts to work out a new "constitution" for workers—incorporating a new concept of corporate cooperation between workers and managers—seem part of a more general conspiracy; it did little to persuade the public that John D., Jr., was indeed a philanthropist, as he imagined, and not a businessman. His father designed his son's career precisely on that distinction, believing that it accorded well with the younger man's sensitivities.

The philanthropic institutions that evolved under Andrew Carnegie's direction show an even more direct connection with Carnegie's industrial interests than do Rockefeller's. The Carnegie Institution in Washington, created primarily to further the sciences that most affected the development of natural resources and navigation, was committed also to more purely theoretical scientific endeavors. The Carnegie Institute, at Pittsburgh, was initially devoted to technological training. Carnegie invited a former president of the Massachusetts Institute of Technology to be the first president of his Foundation for the Advancement of Teaching. Yet, Carnegie's interest was perhaps less industrial than autobiographical, reflecting the limitations of his own career and his desire to aid future young technological entrepreneurs in their own search for success.



Carnegie's physical and mental decline in the years immediately following the creation of his last philanthropic corporation, the Carnegie Corporation of New York, left in its wake a three-way battle for control within the Board of Trustees, which consisted of the presidents of the other philanthropic corporations—academic managers selected by Carnegie—former business associates who had helped manage some of Carnegie's more traditional philanthropies, and men whom Carnegie had picked to help him in the overall control of his new and last corporation. As Carnegie himself had not clearly outlined the role of the institution, its precise definition was in abeyance until after the First World War, when Henry Pritchett and Frederick Keppel made decisions that led, ultimately, to the separation of both the other groups from the management of the Carnegie Corporation of New York, putting it on the road to becoming the independent foundation they wanted it to be.

The relationship between trustees and staff evolved differently in each of the first foundations: Russell Sage, Rockefeller, and Carnegie. Yet broad similarities existed, at least in the communities from which trustees and staff were selected. Leading figures from law, banking, and academia continued to provide the trustees for foundations, while proteges selected from the graduating classes of Eastern private colleges joined the growing staffs. The latter, usually recommended by college presidents, were part of the network from which foundation presidents were chosen; they made a practice of culling promising individuals from each graduating class. One does not have to search for an elite in all such practices; it was clearly there.

Less clear, however, is the relationship between that elite and the talent and programs it chose to fund. Part of the problem in defining that relationship stems from the fact that the organizations of academic and professional societies to promote a national intellectual elite preceded the development of these new national funding sources. Unlike the royal societies in Great Britain and the system of royal patronage that marked the development of science in Europe, the growth of professional scientific societies in the United States had, since the days of Benjamin Franklin, been a middle-class, practical phenomenon. The chief concern for Americans had been the limited intellectual resources the new society could draw on, the need, at times almost desperate, to create such resources, and the willingness, therefore, to accept all comers. Even if foundations had desired to

remain socially restrictive, they would have been limited in that ambition by standards already established in both academic and professional associations. American philanthropists, unlike monarchs and popes, knew they were an intellectually dependent class. The establishment of academic freedom in American universities was a tacit acknowledgment of the fact that an expanding nation needed every technological skill it could buy; it was not intellectual virtue that made donors so accepting of new ideas. This is not to suggest, however, that the tension between donors and donees might not be acute at times or that it has not continued to be so; rather, it is to say that American intellectuals attained a relative independence by the turn of the century that probably originated as much in the absence of a national system of scholarly development unaccustomed to any close control of intellectual life, as it did on the insistence of American academics on their freedom. Individual college presidents or institutional trustees might oppress individual scholars, but the system, as a whole, was remarkably free of such oppression precisely because there was so little consciousness of it being a whole system, or of its relation to the development of the state.

#### IV

The fact that both the Rockefeller and the Carnegie Foundations appear to fulfill certain aspects of the Gramscian program must be recognized as significant. Foundations were created, in part, to give industrial society an educated class that would continue to produce generations of researchers, teachers, and managers in every field of culture and technology. The creators of foundations and their successors—trustees, staffs, advisers, and the like—have all been committed in one way or another to the American system of government. The ambiguous phrase "in one way or another" masks considerable disagreement among them—disagreement that has led congressional committees to criticize foundations generally, and internal disputes to erupt within individual foundations. These disputes, now rapidly becoming more common among the foundations themselves, not least because certain of the new ones have emerged with strong ideological commitments markedly different from those common to the earlier donations, merit attention.

Beneath all such issues, however, is the fundamental problem that ultimately limits the degree to which any of the elite theories of

European political analysis can be profitably applied to the United States. While such theories may reveal significant aspects of the relationship between foundations and the American polity, they cannot ignore the fact that European theorists regarded political parties as the essential link between politics and intellectuals. European experience made political parties the essential instrument for a ruling class. Theorists from Mosca to Pareto, and ultimately to Gramsci, in acknowledging the process of European party development, attempted to turn it to what they perceived as effective purposes. Whether the objective was to gain power or to maintain the *status quo* made less difference to them than the correct understanding of the realities of political party organization, and its inevitable relation to social class.

Acknowledging the existence of an elite was not a problem for Europeans. The term provided a language for explaining the limits to the growth of democracy in European culture—limits that had worried Tocqueville when he reflected on the role of the *ancien régime* in France. Yet, those who framed the American Constitution in 1787 identified parties with corruption; they looked for a non-partisan system of government based on republican virtue. The emergence of parties as a permanent instrument of government came with the Jacksonian rebellion against the non-partisan elite that had governed the new nation for its first three decades.<sup>10</sup> From that moment, the reforming elites who sought to wrest control of the government from those they considered to be partisan, patronage-ridden, and corrupt party “regulars,” viewed political parties as a danger to rational, intelligent, political management. From Henry Adams to Nelson Rockefeller, individuals who belonged to the elites were either excluded from politics, or allowed to participate only to the extent that their wealth and public appeal made them attractive to party regulars, who viewed them as candidates with resources and personalities who might be expected to win.

The connection between political parties and political elites in American life is very complex. The public's tendency to find professional politicians unattractive, to put their faith in non-political, apparently non-partisan leaders has a firm historical base. While Americans do not consider professional politicians members of an established elite, those whom they are willing to consider elite members are suspect as well, though on very different grounds.

American conceptions of political democracy stand on an uneasy platform, shifting between a view of politics as essentially corrupt, and of elitism as also threatening to democracy.

Political parties in the United States do not serve as vehicles of intellectual and ideological control. The role that European theorists are able to assign parties in their political life simply does not apply to American political parties. Nor are American parties responsible for the managerial role American elites play in influencing the political process. The adversarial relationship between political leaders and the powerful managers of the news media compels politicians to establish various sorts of truces, keeping the two in a continuous battle for a temporary upper hand. The same is true of the relationship between political leaders and academics who seek to influence policy. Parties have seldom been able to organize groups of supporting intellectuals in this century; rarely do academics back the party itself. Generally, individual political leaders who have been able to draw a cadre of intellectuals to their service have done so for only very brief periods.

For foundations aspiring to be intellectual support institutions, the problem of establishing relations with the political structure is no less complex. As has been noted, the efforts by Rockefeller and Carnegie to create an open connection with the federal government were unceremoniously rejected. From the beginning, foundations and the federal government have had the same uneasy relationship as reform elites have traditionally had with politicians. When foundations have been used by politicians to provide them with policy analysis and programs, the use has been either tentative or manipulative—tentative, when political leaders lacked ideas for programs and asked for “task forces” to advise them; manipulative, when political leaders sought intellectual justifications for doing what they intended to do in any case. What brings the tentative and the manipulative together from time to time is the use of outside sources of advice and foundation funding to make the public believe that something is being done to cope with national problems.

The attractiveness of Gramscian analysis is obvious, as is its use for explaining the role that foundations play in American life. Yet, its limits are even more revealing, though much less satisfying to those who are committed to its application. While the creators of foundations and their early managers may have intended to establish a

national elite that would bring about a significant degree of social and political reform without changing the nation's basic economic structure, that purpose was complicated by the other missions to which they were deeply committed, and others that they could not possibly have anticipated.

The initial philanthropists were far less certain of the reasons for transforming their charitable enterprises into modern foundations than were the advisers on whom they depended late in their careers. Lawyers, clergymen, college presidents, doctors, and academics were all part of the late nineteenth-century development of a community of experts whose capacity for guidance and manipulation of wealthy donors was in some respects extraordinary. They all shared the same religious commitments, the same sense of community order, and the same conception of economic justice. The famous scene in which William Rainey Harper asked John D. Rockefeller to join him on his knees in prayer on the floor of Harper's office is recited today in certain circles with humor and surprise. Yet, Harper had similar communication with Albion Small when Harper knew that he was dying and wished to consult with the eminent sociologist on the reality of life after death, and on the make-up of the heaven he hoped to reach. American Christianity was a common faith, creating an absolute reality that even wealth did not disturb. This same set of values united the lawyers, doctors, and academics whom they consulted. All also shared common beliefs about the character of American politics, and how politics related to their reform interests and religious values.

None of them believed that political parties and politicians were equipped to solve problems efficiently or economically. Given that belief, Rockefeller's effort to obtain a federal charter for his foundation seems almost strange. The rejection of that idea—and the ensuing attack by the Industrial Relations inquiry—set him on a course that scrupulously avoided any interaction with the federal government. Similarly, Carnegie and Pritchett, who did not initially see a firm line dividing foundation activities from government actions, came in the end to believe that their philanthropies were separate from public works, and that the two should not be confused.

Also, they saw no future in industrial benevolence or welfare capitalism, maintaining instead a commitment to the investment of capital in industrial expansion, which, they believed, would produce

profits that could be distributed to the workers in the form of wage increases. Herbert Hoover later made the same argument, believing that investment in research was a way to enhance industrial strength, expand employment opportunities, and improve the lives of workers by encouraging them to consume, thereby maintaining the momentum of the industrial system.

The position of philanthropy, independent from both government and business, ensured that neither politics nor profits would shape the direction of intellectual growth. Such independence, however, did not mean that political or business leaders were excluded from making decisions about the philanthropic process. On the contrary, their involvement was essential, not so much as political leaders or as businessmen, but as statesmen recruited from both sectors, chosen by the self-selecting boards of trustees for their statesmanship and the experience their respective professions had given them. Again, moral judgment was the essential criterion, as it had been in the selection of business colleagues. Philanthropists trusted their own judgments and wished them to be perpetuated in their trusts.

Efforts to apply Gramsci to the American foundation create the same problems any European theory must confront when applied in an American context. The barrier that separates intellectual and economic elites from the political system is strangely two-sided. It permits a degree of communication and influence, but leaves politics in control. Both groups accept this arrangement, seeing it as the most reasonable system of protecting the interests of each. While tax exemption remains the only accepted formal link between the foundations and politics, it has been, and will certainly remain, the battlefield on which every war over foundation influence is fought.

Mutual mistrust is profound, extending back in some sense to the founding of the Republic. The old conception of republican virtue that inspired the intellectual elites who framed the Constitution of 1787 was defeated by the Jacksonian revolution that brought modern political parties into being. That the original sentiment has refused to die, that it has continued to serve as the foundation of a good deal of reform in American political life, is not changed by the fact that its periodic victories are temporary. Politics, as Tocqueville implied over a century ago, are close to being an American vice—a disturbing suggestion then, as now. This conflict inevitably complicates the application of Gramscian theory in explaining the role of

foundations in American life and demands alternative theories, which ask some of the same questions, work with some of the same elements, but offer different conclusions.

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If the question of donor motives remains unanswered it may be because it is the wrong question, or a good question posed in terms that no longer apply, if indeed they ever did. One may argue that the motives of Rockefeller and Carnegie were much too simple to bear the weight of so complex an analysis, particularly if one looks at personal intentions, giving serious consideration to what these men and their associates said and wrote. On the other hand, if one looks at what foundations have become in the aftermath of these original decisions, how they have developed, a far more complex and interesting problem emerges. It is possible that a Gramscian analysis is applicable to the behavior of mature foundations, though it may be ill-suited to explain the origins of these foundations. It may not explain the intentions of the donors, though it may explain a great deal that has happened since.

The first foundations were established in the absence of national alternatives for coping with major welfare issues that emerged nationwide in the wake of industrialization, the technological revolution, and the establishment of a national economy operating in an increasingly international market. Even a confiscatory income tax, assuming that such a tax was ever possible, would not have been able to cope with the opposition to federal welfare programs in Congresses still trying to manage the effective modernization of the post-Civil War South. Americans remained profoundly committed to the belief that welfare, like the charity they still confused it with, began at home. They saw state and local governments as the principal agencies of such welfare, believing they could control them. Presidents as recently as Franklin Roosevelt were forced to acknowledge that the problems of the South were real, that they stood in the way of national welfare advances. In 1940, Roosevelt was perhaps the first national leader willing to point to the South as the symbol of intractable poverty. The federal government neither would nor could take steps to produce the national society that was developing independently of its wishes or policies.

Foundations and private philanthropy, interestingly enough, were the first to begin to cope with these problems on a national scale, giving substantial amounts of attention and money to the South, suggesting some of the directions that future reform might take, if it was intelligently organized, liberated of the burdens of American politics. Justification for such attention is argued both in the writings and in the policies of Rockefeller and Carnegie. While their efforts remained outside the structure of American politics, and even reflected an active hostility to politics and political institutions, making the application of European theories such as Gramsci's problematic, such theory is not irrelevant.

By the 1950s, the situation had begun to change. Demobilization, following World War II, rapid social change, and the Cold War, forced the government to intervene in a number of areas that had once been more or less the exclusive concern of either private philanthropy or of the individual states. Legal justification for corporate philanthropy, growing federal intervention in education and research, and the growth of government corporations to deal with health, scientific research, the humanities, and the arts all demanded new definitions of national responsibility, creating for the first time a national culture, very broadly conceived. The contemporary issues of civil rights and equal opportunity followed in the wake of these developments.

By the 1960s, poverty was acknowledged to be a national phenomenon, and not the special problem of the Southern states. Urbanization, mobility, family disruptions, and inner-city ghettos became part of a national rhetoric that made federal action more acceptable, though the language of the debate still focused primarily on racial issues and continued to do so for at least two decades. Poverty and race were thought to be indissolubly linked.

Acknowledging their public responsibilities, foundations, like the federal government, opened their boards to individuals representing wholly new groups, regularly broadcast news of their activities, and opened their archives for systematic research. In this way, foundations were doing exactly what certain of their creators had always planned. The number of foundations using administrative staffs to make their philanthropic decisions grew; so, also, did the tendency to develop philanthropy as a profession, something the first generation of philanthropists had studiously tried to avoid. With the augmented

staff, both in foundations and in the federal government, an increasing number of people became responsible for managing cultural investment, determining what was and what was not a useful cultural enterprise.

While these transformations all result from the creation of a new kind of national culture at the turn of the century, few were intended by the creators of the first foundations, and some were diametrically opposed to their declared intentions. The establishment of a variety of institutions to manage culture, together with the emergence of a range of professions to do so, helped create a very complex ideological configuration, which is expressed by the great variety of philanthropic institutions that now vie for influence on the national scene.

Certain of these foundations may, very crudely, be called "right wing." Others support the policy research interests of powerful political leaders. Within the federal government itself, there is increased concern for the popular or democratic needs of a culture-hungry public and also for the more elite interests that characteristically supported the arts. Within the sciences, the traditional research community, with its emphasis on pure research, has to be separated off from those within that community who find government research policy properly oriented toward issues of defense and national interest. Today, we can even contemplate the rather curious spectacle of an "Endowment for Democracy."

What seems clear—in an area where little is transparent—is that between foundations and government, between foundations themselves with very different policy interests, and among groups concerned with the direction and purpose of government-funded policy programs, an intense ideological debate is going on; it is increasingly difficult to describe the elites who manage this debate. That such elites exist is incontestable, but their relations to one another, the institutions they serve, and the general public's influence with them is not equally clear.

The Gramscian analysis supports the idea that modern technological society has produced elites dependent on certain resources for the creation of culture, and that those resources are distributed in accordance with beliefs formed in the institutions that control them. One of the major responsibilities of these elites is to satisfy their constituencies as they perceive their needs and demands, whether they be those of a donor, a board of trustees, the President and

Congress, the news media, or a public that persists in believing that it governs itself.

The relationship among these groups, their disagreements with one another, and their willingness to use political power to affect what these elites can accomplish is what distinguishes the American cultural scene from what was traditionally true in Europe. The situation was always—it may still be—different, but it is impossible to conceive of these questions in the old-fashioned way.

## ENDNOTES

The authors wish to acknowledge the research assistance of Andrew Nimmelman and Steven Wheatley.

<sup>1</sup>Donald Fisher, "The Role of Philanthropic Foundations in the Reproduction and Production of Hegemony," *Sociology* 17 (1983), pp. 206–233. Martin Bulmer and Donald Fisher, "Debate," *Sociology* 18 (1984), pp. 573–587. See also Joan Roelofs, "Foundations and the Supreme Court," *Telos* 62 (Winter 1984–5), pp. 59–87.

<sup>2</sup>Robert F. Arnove, *Philanthropy and Cultural Imperialism: The Foundations at Home and Abroad* (Boston, MA: G.K. Hall and Co., 1980).

<sup>3</sup>*Ibid.*, pp. 17–18.

<sup>4</sup>*Ibid.*, p. 78.

<sup>5</sup>Karl Marx, "The German Ideology," Part I, in *The Marx-Engels Reader*, 2nd ed., ed. Robert C. Tucker (Princeton, NJ: Princeton University Press, 1978), p. 163.

<sup>6</sup>See Robert Simon, *Gramsci's Political Thought: An Introduction* (London, England: Lawrence and Wishart Ltd., 1982), p. 26.

<sup>7</sup>For a good discussion of hegemony, see Martin Carnoy, *The State and Political Theory* (Princeton, NJ: Princeton University Press, 1984) pp. 68–77.

<sup>8</sup>Simon, *Gramsci's Political Thought*, pp. 24–25.

<sup>9</sup>Carnoy, *The State and Political Theory*, pp. 76–77.

<sup>10</sup>*Ibid.*, p. 86.

<sup>11</sup>Frederick T. Gates, one of John D. Rockefeller's earliest advisers, is probably the most articulate of the promoters of this kind of argument. See the Rockefeller Foundation archive documents and Frederick Taylor Gates, *Chapters in My Life* (New York: Free Press, 1977).

<sup>12</sup>John D., Jr., to John D., Sr., January 12, 1911 and March 27, 1911. Rockefeller Foundation Archives. John D. Rockefeller, Jr., Box 26.

<sup>13</sup>RFDR No. 21–Jan. 21, 1914. Report of the Secretary of the Rockefeller Foundation to the Trustees. Series 900, Box 18, Folder 129. Rockefeller Archives Center (RAC), Pocantico Hills, NY.

<sup>14</sup>Jerome D. Greene to Wikliffe Rose, July 7, 1913. RF 3.900.21.159.PF 118-A, RAC.

<sup>15</sup>Charles W. Eliot to Jerome D. Greene, 20 September, 1915. RG 3 Series 903, Box 1, Folder 1, RAC.

<sup>16</sup>John D. Rockefeller, Jr., to Dr. George E. Vincent, May 5, 1919. RG 3 Series 903, Box 1, Folder 1, RAC.

<sup>17</sup>John D. Rockefeller, Jr., to John D., Sr., April 17, 1917. Box 26, RAC.

<sup>18</sup>Ibid.

<sup>19</sup>John D., Sr., to John D., Jr., April 12, 1917, Rockefeller Family papers, RAC.

<sup>20</sup>James Weinstein, *The Decline of Socialism 1912-1925* (New York: Monthly Review Press, 1967).

<sup>21</sup>There is correspondence between Starr Murphy and John D. Rockefeller, Jr. in the Rockefeller Family papers, RAC, and extensive exchanges in the Carnegie Corporation papers between Russell Leffingwell and Frederick Keppel.

<sup>22</sup>E.H. Goodwin, U.S. Chamber of Commerce, to Frederick D. Keppel, Carnegie Corporation, June 10, 1926. Papers of the Carnegie Corporation of New York. Keppel to John C. Merriam, June 6, 1926. Elihu Root continued to support Easley and the NCF, but despite his influence he clearly lost.

<sup>23</sup>John D. Rockefeller, Sr., to Starr J. Murphy, November 21, 1919. Murphy to John D. Rockefeller, Sr., November 25, 1919. RG 2 Rockefeller Boards, Box 57. Laura Spelman Rockefeller Memorial, RAC.

<sup>24</sup>The founding of an Institute of Economic Research was first discussed by the Rockefeller Foundation in April of 1914 at a conference that assembled a group of major economists. They agreed that such an institute not be established for the purpose of spreading propaganda but for engaging in scientific research in the field. "Quite apart from the existing disagreement of scholars even as to many fundamentals in economics, which without careful preliminary studies would make dogmatic teaching of doubtful utility, it is essential for the permanent standing of an Institute of Economic Research that it should early establish its reputation as scientific, impartial, and unprejudiced in its finding and presenting of the facts as to economic and social conditions." Report of Committee to the Rockefeller Foundation, August 4, 1914. Signed by Edwin F. Gay, Chairman, J. Laurence Laughlin, Thomas W. Page, Harry A. Wheeler, with a minority report by Victor Morawetz who wanted a more publicity-oriented program of public education.

<sup>25</sup>Correspondence between Russell Leffingwell and Frederick Keppel in the Carnegie Corporation Archives.

<sup>26</sup>John D. Rockefeller, *Random Reminiscences of Men and Events* (Tarrytown, NY: Sleepy Hollow Press and Rockefeller Archive Center, 1984). Originally published in a series of articles in *World's Work* (1908-09), pp. 48-49.

<sup>27</sup>The gifts of both Rockefeller and Carnegie to their foundations took the form of bonds, not stocks, and the ability of foundations to manage their investments by purchasing stock was an important topic of later debate.

<sup>28</sup>John D. Rockefeller, *Random Reminiscences*, pp. 64-66.

<sup>29</sup>Thorstein Veblen, *The Higher Learning in America* (New York: B.W. Huebsch, 1918); *The Engineers and The Price System* (New York: B.W. Huebsch, 1921).

<sup>30</sup>The best account of this history is given by Ralph Ketcham, *Presidents Above Party* (Chapel Hill, NC: University of North Carolina Press, 1984).

Francis X. Sutton

## The Ford Foundation: The Early Years

INSTITUTIONS RESEMBLE great public figures. Their origins and youth attract curiosity that can be gratified in coherent and smooth-textured narration. Later they become like great trees with proliferating branches and foliage that blinds the sight. So it has been with the Ford Foundation. Its beginnings have been told several times, and some of the branches followed, but the canopy remains largely undescribed.

The origins of the great fortune that made the Foundation possible and the peculiar qualities of its extraordinary founder, Henry Ford, Sr., have been described many times, in praise and prejudice. The history of the Ford Motor Company is indeed like a vast entangled root system from which the trunk of the Ford Foundation emerges in clarity for a time. Norman Rockwell made a kind of American icon of the brick shop where Henry labored over the first Ford with Clara anxiously watching over him. What emerged from that shop has been described by Alan Nevins and Frank Ernest Hill in three stout volumes.<sup>1</sup> Writing in the 1950s and 1960s when the American automotive industry was still unchallenged in its greatness, they told of the major innovations—the first assembly lines, the five-dollar-a-day wage, the Model T selling for less than \$400 in 1923—of the decline and near disintegration in the Depression and the early 1940s, and of the rebirth under Henry Ford II, the managers he hired from competitors, and the whiz kids fresh from the U.S. Air Force.

The external pressures and the self-protective responses that moved Henry Ford from scorn of philanthropic endowments to the founding of the largest one in the world had begun in the second