

Editorial

VITAL ROLE OF FOUNDATIONS

In his final report as president of the Ford Foundation, Dr. Henry T. Heald contrasts the position of private philanthropy today with its status a century ago, when James Smithson made a \$500,000 bequest for the founding of the Smithsonian Institution.

The question of accepting Smithson's contribution was bitterly debated in Congress for a long time. Many legislators feared that the endowment would be an opening wedge to a government-supported university. Today, billions of federal dollars are spent in aiding not only governmental but also private educational institutions.

In the early days of the Carnegie and Rockefeller foundations, private philanthropy dominated the fields of public health and scientific research. By 1930, however, the distribution of public funds had greatly expanded as government took over responsibilities for libraries, rural health, and medical research that had initially been assumed by the private foundations. From 1930 to 1960, public expenditures in these fields increased tenfold.

PIONEER PROJECTS SUPPORTED

The private philanthropies may take satisfaction in the growing federal support for preschool education, antipoverty programs, and the arts, Dr. Heald observes. But he emphasizes that the foundations have provided the cutting edge for social advances by calling attention to new problems and by supporting experimental projects later adopted on a national scale.

"Private institutions can do much to assure that the American version of the welfare state remains free of the bleak connotations of that term—a supine citizenry, an overweening bureaucracy, and an erosion of individual initiative," Dr. Heald declares. "*The foundations' great advantages are flexibility (which includes the ability to persist in an objective as well as to shift priorities), experience, independence, and the freedom to innovate, experiment, and concentrate on highly selective efforts.*"

In contrast, government programs, dependent on public favor, are under close official surveillance. Even as this is written, congressional investigating committees are scrutinizing the grant programs of the National Institutes of Health and other agencies.

Government projects are under pressure for quick results. Because of the continuous publicity given to each venture and the widespread condemnation of every failure, the government usually devotes itself to amplifying existing approaches and avoiding experimental innovations. The laboratory atmosphere is missing.

The foundations, on the other hand, may support bolder and more creative efforts. Therefore, Dr. Heald stresses, *the private philanthropies should not necessarily abandon any field simply because the government invades it.*

Especially important is the suggestion that "*foundations can serve a major function in assisting evaluation, research, and monitoring of government efforts.*" As I have often said, I have yet to see an annual report of any governmental agency that frankly admitted its efforts had proved inadequate. Yet inadequacies and even failures do exist.

Another disadvantage of government in this respect is that it must function on a national scale and cannot differentiate geographically. Perhaps the concept of matching funds is helping to overcome this disability, since those regions that have the most advanced medical education and research are at the same time the areas most likely to make matching funds available for still further expansion and development. [Italics supplied.]

Mr. PATMAN. We have copies available which Dr. Saxon sent to us in advance for the press, so we will carry out his intention by delivering the testimony to the press. It is very unusual for him not to be here, since he was so insistent that he didn't want to be subpoenaed, and would be here in person to testify.

The committee will stand in recess until 10 o'clock tomorrow.

(Whereupon, at 11:30 a.m., November 13, 1967, the subcommittee was recessed, to reconvene Tuesday, November 14, at 10 a.m.)