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PART I

CORPORATION CONTRIBUTIONS TO WAR SERVICE ORGANIZATIONS, 1917-1918, AND TO THE Y.M.C.A., AND TO FEDERATIONS OF CHARITY AND PHILANTHROPY BEFORE THE WAR.

An important question asked almost simultaneously with the declaration of war by the United States was whether the funds for Red Cross relief work should be provided by the government or raised by the people. The overwhelming reply was that they should be raised by the people through voluntary contributions.

We have become so accustomed by this time to thinking of American philanthropy in terms of millions that it is difficult to visualize the gravity with which the Red Cross War Finance Committee deliberated over how much it would be reasonable to ask the country to give. The committee debated seriously whether they could get so large a sum as \$25,000,000. One hundred million was the sum which the late Henry P. Davison, chairman of the committee, announced was to be raised. This indicates how the participation of the United States in the world war created a new scale of finance for American philanthropy.

It was imperative to raise this \$100,000,000 quickly, economically, and from as large a proportion of the population as possible. The money-raising methods at that time in use by the great majority of American philanthropic organizations were utterly inadequate for such a stupendous task. No system of writing letters, no "passing the hat" could possibly be trusted to bring in \$100,000,000.

One American organization, although its pre-war program did not envisage so large a sum, had developed an effectual technique for getting generous contributions from large numbers of people. That organization was the Young Men's Christian Association. During the period from 1904 to 1916 this technique was widely employed by the Y.M.C.A. in order to get the money with which to erect and equip local buildings. The method consisted of an intensive campaign over a period of ten days, and involved a systematic canvass of all of the potential contributors in the local community. A certain amount was fixed as the "goal" of the campaign. The actual soliciting of contributions was done by a large number

of volunteers, recruited from among the local business men. The organization was military in form and was commanded by leading industrialists, merchants and financiers. The workers met daily at luncheon to report their progress towards the objective of the campaign.

By this method, which will at once be recognized as the one employed today by all community chests, the Y.M.C.A. succeeded in securing large numbers of generous contributions not only from individuals but from corporations as well. This success was due not only to the fact that in many places the Y.M.C.A. carried on activities for employes which corporations recognized as of tangible benefit to their stockholders. It was also due to the fact that by its nature, the Y.M.C.A. appeal engendered a spirit which helped corporation directors and officials to see that their corporation not only had rights in the community but social responsibilities as well.

Into the Red Cross campaign of June, 1917, Y.M.C.A. leaders, national and local, professional and lay, were brought as active organizers and workers. The Y.M.C.A. technique was successfully applied in thousands of communities all over the United States, and approximately \$105,000,000. was raised.

Later war service appeals made by the National Y.M.C.A., the National Y.W.C.A., the United War Work Campaign, and the purely local war chests, employed the Y.M.C.A. money raising system. The community chests, which grew out of the war chests, found this tested method ready to hand when they came to make their first peace-time appeals in 1919. That technique, utilized in conjunction with the new spirit of community responsibility for community welfare which the war helped to bring to maturity, has been a factor of inestimable potency in securing for the community chests which are the primary concern of this study, the large measure of corporation support they now enjoy. In Parts II and III of this report data as to corporation contributions to community chests will be presented in detail. In this part of the study, data will be submitted showing the generous participation by corporations in the various war service funds.¹ While it is not possible to state

¹The most important of these were the following:

- 1917— April-May, Y.M.C.A. amount sought, \$3,500,000, amount raised, \$5,102,483;
June, American Red Cross, amount sought, \$100,000,000, amount raised,
\$105,000,000; November, Y.M.C.A. amount sought, \$35,000,000, amount raised,
\$54,538,859;
- 1918— May, American Red Cross, amount sought, \$100,000,000, amount raised,
\$170,000,000; November, United War Work Campaign, amount sought,
\$170,000,000, amount raised, \$203,000,000.

exactly what proportion of the half billion dollars raised between April, 1917 and November, 1918, was contributed by corporations, it is clear from the available data, that had it not been for the support of corporations in practically all lines of industry the country over, no such total figure as \$560,000,000 could ever have been raised.

Before presenting the data as to war service appeals, it is important to give some idea of the contributions by corporations to the Y.M.C.A. before the war. Unquestionably, the fact that many of the leading corporations of the country were already regular and relatively large contributors to that organization (for its current expenses as well as for its special building funds) made it easier for them and for thousands of other concerns to contribute to the Red Cross and other war service organizations. It is not too much to say that as a result of the dramatic appeals made to them during the nineteen months covered by American participation in the war, corporations acquired the habit of making charitable contributions. That habit carried over into peace times, and community chests are today the beneficiaries.

Railroad Contributions to Y.M.C.A.'s., 1872-1912

Ample evidence of corporation contributions to local Y.M.C.A.'s has been found in the published histories of that organization.²

Although the Y.M.C.A. movement originated in London in 1844 and spread to Montreal and Boston the following year, the movement in the United States was almost entirely a voluntary one until 1868. At that time the national convention authorized the employment of a man to undertake religious work among the laborers on the Union Pacific Railroad, then pushing its way westward from Omaha.

This early interest of the North American Y.M.C.A. in behalf of railway employes was probably the bedrock of corporation support for Y.M.C.A. work. The first organization of railway men into a Y.M.C.A. was begun in Cleveland in 1872. The work grew slowly, requiring supervision on the part of the North American movement and calling for expensive equipment. A published history of the Y.M.C.A. states that "naturally this (financial support)

²Much of the information presented in this section is taken from the following Y.M.C.A. publications: "History of North American Y.M.C.A.'s", by Richard C. Morse (Association Press, New York, London, 1913), Chap. XI, p. 207 et seq; "My Life with Young Men, 50 Years in the Y.M.C.A.", by Richard C. Morse (Association Press, 1918); "Association Men", various issues, 1902-1917.

must come largely from the railroad companies, but these corporations are little influenced by sentiment and have scant sympathy with a movement until it has passed the experimental stage." It was not until 1875 at the Richmond Y.M.C.A. convention that the International Committee was authorized to employ an agent to organize railroad associations.

In the meantime, work had been started in Chicago, Erie, and a few other places. An Association at Altoona was the entering wedge in the Pennsylvania system. In New York the Y.M.C.A. secured the lifelong interest of Cornelius Vanderbilt. In 1877, the International Committee placed a traveling railroad secretary in the field. In 1890 there were Associations at 82 divisional and terminal points, and "in every instance, the value of the organization to the railroad service, as well as to the employe, was recognized by the financial co-operation of the railroad management."

What follows is a quotation from the officially stated policy of the Y.M.C.A.:

"Corporate Support.—The maintenance of a satisfactory equipment, including supervision, demands a considerable financial outlay, and while the association memberships may be depended upon for a certain share of this, the corporations must always be expected to meet more or less of the expense. And they have always shown great willingness to do this; often in times of financial stringency, railroad companies have reduced appropriations in nearly all other departments of the service, but have left intact the Associations."

In the early days of railroad Association work, the railroad corporations furnished approximately 60 per cent of the current operating budgets of railroad Y.M.C.A. buildings and the employes 40 per cent. By 1912, although the employes were supplying 60 per cent of the total cost, the railroad corporations were still supplying 40 per cent.

The June, 1902 number of "Association Men" lists railroads in the United States and Canada that were then contributing to railroad Y.M.C.A. work. The total mileage of four of the main railroad groups of the country at that time was nearly 150,000 miles. The Lackawanna, Missouri Pacific, Pennsylvania, and Santa Fe Railroads are mentioned as being recent large contributors to railroad Y.M.C.A. work.

"Association Men" for November, 1903, under the general subject "Christianity and Corporate Interests," has this to say:

"The Railroad Companies have in the past 30 years appropriated several million dollars for the railroad Y.M.C.A.'s. Secretaries are generally placed on the payroll of the companies. Companies furnish coal, light and supplies, and contribute about one-third of the expenses of the organization. One Hundred and thirteen buildings have been erected at a cost of about \$1,800,000, of which the railroads paid more than one-half. Most railroad systems are cooperating in the establishment of Associations at their principal division points, and consider them 'an indispensable part of railroad equipment for the economical and effective handling of passenger and freight business.'"

In 1889, there were 96 railroad Y.M.C.A.'s with a total budget approximating \$136,000. In 1912, there were 230 railroad associations and their budgets totalled approximately \$1,000,000.

Industrial Corporation Contributions to Y.M.C.A.'s., 1903-1917

The success of the railroad Y.M.C.A. work led to the extension of activities among working men into other industries, and in 1903, an industrial department of the International Committee of the Y.M.C.A. was organized. By 1917, over 100 industrial Y.M.C.A.'s were maintained by the joint support of employers and employes in all types of industrial communities.

Part of the Y.M.C.A. success was due doubtless to the organization's ability to get leading industrialists and large employers of labor to participate actively in the work of the Association as board members. The extent to which the Y.M.C.A. placed its reliance for funds on business is indicated by the following resolution passed at the 13th annual convention held in Detroit in 1868:³

"Resolved, that the manufacturers of the country can make no investment that will bring them greater dividends than that of contributing largely to aid in the formation and sustaining of Y. M. C. A.'s within their various localities."

This resolution is not in itself evidence that in those early days corporate enterprises actually appropriated their stockholders' money toward the financial support of the "Y". However, it is clear evidence of close affiliation between the local Y.M.C.A. and big business enterprises.

The intensive money raising technique developed and first applied by the Y.M.C.A. professional and lay leaders early in 1904 unquestionably was the most important single factor in getting corporation contributions for the local "Y" programs. The twelve

³"The Financing of the Y.M.C.A.", Chicago, 1927.

years from 1904 to 1916 saw a large number of campaigns all over the country for new Y.M.C.A. buildings. The first of these Y.M.C.A. campaigns required a month, but experience showed that the average campaign could be conducted in two weeks. The period of ten days was finally fixed as the time within which the required quota should be reached.

Mr. Charles S. Ward, who helped develop the Y.M.C.A. money-raising technique and who personally directed many of the Y.M.C.A. building fund campaigns during the period above mentioned, has stated to the writers that "the practice varied greatly as to corporation subscriptions in different cities during the early Y.M.C.A. campaigns. In some cities, the banks would get together and subscribe in proportion to their capital stock or their total resources. Manufacturing corporations would subscribe in the interest of their employes. In the more conservative eastern cities such action by corporations was more difficult to secure, and so the practice varied. But there were hardly any campaigns in which some corporations did not contribute. In towns that were practically owned by corporations, such as the mining town of Ishpeming, Michigan, the two largest corporations operating there agreed to give \$20,000 each before any effort was made among the citizens."

The volumes of "Association Men," the monthly staff magazine of the National Y.M.C.A., beginning with the year 1901 and running through to 1917, give considerable information confirming the foregoing statements that local Y.M.C.A.'s received fairly general, as well as generous, financial support from local corporations, particularly railroads and other concerns employing large numbers of men.

Each number of the magazine contains a section on Y.M.C.A. buildings planned, under way, or just completed, from which the typical instances below are taken. There are many references to generous contributions from corporations. In many cases of course, the building was practically a factory association building and intended almost exclusively for the use of the employes of a particular corporation. Some of the outstanding instances of corporation support are the following:

1902¹—Cincinnati, Ohio: A large concern then erecting an addition to its factory and wishing to build a recreation house in connection therewith, suggested that the Y.M.C.A. take charge of the work. As a result a department of the Y.M.C.A. was organ-

¹This figure and those following it, in like position, represent the dates of the volumes of "Association Men" from which the statements have been taken.

ized at this plant with a committee of management selected from employes of the company and appointed by the Cincinnati Y.M.C.A.

In Everett, Washington, a large lumber company wanted a Y.M.C.A. and a lot was donated by it for the building.

1903—"The Street Railway Companies in Rochester and Brooklyn helped in establishing Association rooms, at the request of their employes. Brooklyn Company gave the building, worth \$30,000, and placed the secretary on its payroll." Other Street railways helping or planning to do so at this time were Jersey City and Richmond, Va. Industrial Associations especially mentioned are these: Lorain, O., Proctor, Vt., Wilmerding, Pa., Stamps, Ark., Cossett, Ala., Douglas, Alaska, Cananea, Mex., Sidney, N. S., Pearl Haven, Miss., and Windber and other points in Pennsylvania, for miners. Buildings at these points, costing from \$5,000 to \$30,000 were erected by the companies and deeded to a board of trustees representing the employes, who were organized in affiliation with the Y.M.C.A.

1906—Under the caption "Detroit Breaks the Record" reference is made to a building fund campaign put on in that city. The campaign apparently lasted 30 days and \$423,000 was raised. Among the names of leading contributors are found those of three corporations contributing \$10,000, \$7,500, and \$5,000, respectively.

Wilmington, Delaware: A leading corporation gave \$10,000. to the local building fund.

1907—Memphis, Tenn.: The statement is made that the failure of the cotton crop prevented securing contributions from leading business houses, in a campaign for \$125,000.

Camden, N.J.: A large manufacturer of talking machines is reported as having contributed \$5,000 to a fund of \$250,000.

Milwaukee, Wis.: Raised \$250,000; contribution of \$20,000 reported from a local concern.

1910—Sixty-one new buildings were completed during 1909 at a cost of \$6,876,000, and new buildings were under way during 1910 to cost nearly \$7,000,000. In a list of "notable gifts" made in 1909 we find the names of two large cotton manufacturing companies contributing \$25,000 and \$35,000 respectively, a Lake Erie iron ore company \$20,000, a telephone company in Tennessee \$10,000, and an iron company in central Pennsylvania \$10,000.

1911—The review for 1910 reports new buildings under way to cost \$15,000,000. Among "notable gifts" we find the following:

A leading mail order house in Chicago, \$100,000; a public utility in Massachusetts, \$50,000; a leading steel company in Chicago, \$10,000.

1912—The review for 1911 reports that 83 new buildings were opened during that year costing \$6,700,000, and that 87 new buildings were provided for, to cost over \$12,000,000. Among "notable gifts" corporation contributions are listed as follows: An important railroad in the south to the Louisville Y.M.C.A., \$20,000; a public utility company to the Atlanta Y.M.C.A., \$10,000; a manufacturing company in Philadelphia, \$10,000; an iron ore mining company in Michigan, \$10,000; an eastern railroad in New York State, \$10,000; a leading hotel corporation in Atlantic City, \$10,000; a manufacturing company in Muncie, Indiana, \$10,000.

1913—The review for 1912 lists "notable gifts" from corporations for new buildings completed during the year 1912 as follows: An eastern railroad to the New York City Railroad Branch, \$100,000; a coal company in Kentucky \$25,000; a manufacturing concern in South Bend, Indiana, \$35,000; a steel car company in Butler, Pa., \$10,000.

1914—For the year 1913 "notable gifts" from corporations include a leading department store of Rochester, \$35,000; a railroad company serving the anthracite region of Pennsylvania, \$10,000; two railroad equipment companies in Chicago, \$10,000 each.

A joint campaign of the New York Y.M.C.A. and Y.W.C.A. during 1913 is referred to, in which \$4,052,501 was raised. The only large corporation contribution reported is one of \$25,000 from a telephone company.

1915—In the review of new buildings opened during 1914, costing a total of \$7,312,000, a corporation in Mississippi is reported as having given \$40,000, and a townsite development company in Montana as having contributed real estate worth \$30,000.

1916—In the review for 1915 a western railroad is reported as having given land valued at \$50,000, on a 99 year lease. A mining company in Arizona is reported as having contributed \$25,000.

1917—The review for the year 1916 shows a number of contributions from corporations to building funds as follows: An Arizona mining company, \$35,000; a New Jersey chemical company, \$25,000; two manufacturing concerns and one railroad to the Minneapolis Y.M.C.A., \$25,000 each; a Worcester, Mass. manufacturer, \$25,000; a railroad in Pennsylvania, \$15,000; an automobile company in New Brunswick, N. J., \$10,000; a street railway

company, a newspaper and a leading flour milling company in Minneapolis, \$10,000 each; a paper company in Columbus, Ohio, the Clearing House Association and a manufacturing company, \$10,000 each; two banks in Minneapolis, \$8,000 and \$7,500 respectively.

Y. M. C. A. Current Expense Budgets, 1905-1917

In the matter of current operating budgets the local Y.M.C.A.'s appear to have enjoyed a good measure of corporation support during the years preceding our entry into the world war. The following figures are the result of an analysis of Y.M.C.A. lists obtained by the National Bureau in various cities.

Cleveland, Ohio. The total amount collected in donations and contributions by the Cleveland Y.M.C.A. for its current expenses for the years 1905 to 1917, inclusive, was a little under \$450,000. Total contributions listed as coming from corporations during those 13 years amounted to approximately 18 per cent of the total.

Minneapolis, Minn. During the ten years from 1907 to 1916, inclusive, the Minneapolis Y.M.C.A. raised for current expenses approximately \$176,235. The amount contributed by corporations for those ten years is reported as \$30,293, or approximately 17.2 per cent.

St. Paul, Minn. During the seven years 1912 to 1918, inclusive, the St. Paul Y.M.C.A. is reported to have raised in contributions for its current expenses an average of about \$25,000 a year. The average amount received from corporations during those seven years was 23 per cent of the total raised.

With the entrance of the United States into the world war in April, 1917, special Y.M.C.A. campaigns for funds for local building work ceased.

National Y. M. C. A. Appeal, April, 1917

The first appeal by any national welfare organization for contributions for war work was made by the National Y.M.C.A. on April 27, 1917. It was for three million dollars. The money was "to provide for the work of the Y.M.C.A. among the men of the Army and Navy." The amount subscribed by June 1st was \$5,102,483. The money was raised locally in quiet campaigns and no adequate data are available as to how much of the total was contributed by corporations. As has already been emphasized, the national and local Y.M.C.A.'s were accustomed to asking corporations for contributions and doubtless they did so in the case of this first war fund.

The New York Times for June 9, 1917 reports a contribution of \$50,000 from the United States Steel Corporation to the first national Y.M.C.A. appeal. In only a few cities has it been possible to find in the daily newspapers for May, 1917 any records of even the larger contributions to this fund.

In St. Paul, the first appeal of the Y.M.C.A. netted \$32,450. The names of 41 corporations that contributed altogether \$14,350 to this fund have been found. Among these were six banks, an insurance company and a number of manufacturing and retail trade concerns.

American Red Cross War Fund, June, 1917

At this late date, no dependable figures are available from which could be computed the number and amount of contributions from corporations to the first Red Cross war fund. The total amount raised all over the country was approximately 105 million dollars. From the National Red Cross headquarters in Washington quotas were assigned to various localities. When the local campaigns were completed, subscriptions as paid in were transmitted to county and state treasurers and then to the national treasurer, one of the larger trust companies in New York City. Accurate records appear to have been kept of all subscriptions, and the accounts of the local Red Cross committees were duly audited. However, after the war was over and all subscriptions collected, books were closed and the lists of subscribers put away in storage. Efforts to get original lists have been unsuccessful. In the absence of these, however, reference has been made to newspapers in a number of cities. During the progress of the Red Cross campaign the larger contributions, whether from individuals or corporations, were usually published. Lists gathered in a number of cities contain the names of many of the most important corporations in the country.

In New York, the 1917 Red Cross Campaign appears to have encountered considerable reluctance on the part of corporation boards and lawyers to making corporation donations outright. A member of a leading New York law firm who worked in the local Red Cross campaign in close contact with Mr. Henry P. Davison has written the National Bureau that "all the lawyers consulted agreed that a corporation could not with safety make a direct contribution. Accordingly a scheme was devised whereby corporations would declare what were to be called Red Cross dividends, and the various forms were prepared for their use."

This attitude of reluctance on the part of leading corporations to make outright contributions is especially interesting today in the light of the large number of corporations found contributing regularly to community chests all over the country. In any case, the New York Red Cross Committee considered it important to have the matter of contributions by corporations handled in a formal way with appropriate action by the corporations' boards of directors. Copies of the letter sent to local Red Cross chapters by the Red Cross War Finance Committee, the letter sent to corporations and the forms to be followed by corporations in declaring special Red Cross dividends are shown in Appendix B. The plan appears to have contemplated corporate action with a view to getting each stockholder to sign a release so the corporation itself could pay into the local Red Cross treasury the amount of the dividend. The plan apparently did not work out well in practice. Where stockholders asked for their special Red Cross dividends of course they received them. There was no way of compelling stockholders to endorse their Red Cross dividend checks to the local chapter.

New York City lagged behind many other cities in reaching its quota in the 1917 Red Cross appeal. It seems evident that this was partly due to the practical difficulty experienced with getting stockholders to turn back their special dividends into the Red Cross treasury. In banking circles the doubt as to the propriety of outright contributions to the Red Cross fund seems to have been especially great. According to the New York Times of June 20, 1917, the Comptroller of the Currency had stated that while "national banks might not regularly donate bank funds to any charitable cause, they could declare special dividends out of undivided profits. Checks for such a dividend could be mailed to the stockholders, with a letter suggesting but not requiring that the proceeds be given to the Red Cross."

The Superintendent of Banks of the State of New York is reported in the New York Times of June 23, 1917, as sending a message to 300 State banks and trust companies, suggesting they declare a Red Cross dividend out of undivided profits. Superintendents of Banking in several other states are reported in the daily papers to have followed the same procedure. The New York State Bankers Association at its conference held at Lake Placid on June 22, is reported as having unanimously adopted a resolution favoring the dividend method of aiding the Red Cross War Fund.

On June 28th, the New York Times says that "a special committee which includes Cleveland H. Dodge, J. Pierpont Morgan and Elbert H. Gary, is to begin work at once in the hope of getting enough corporation dividends for the Red Cross War Fund to meet the \$2,185,000 which is still due from the New York allotment of 40 million dollars. Some seventy corporation dividends have already been made so far in favor of the Fund and none of these, it is said, was solicited."

On June 29th, the Times reports that "the New York Committee of the Red Cross sent a letter yesterday to hundreds of corporations that did not contribute to the War Fund urging them to declare special dividends in behalf of war relief.....Two business concerns that have made the best showing in the matter of accounting for special dividends are the Irving National Bank and the Crocker Wheeler Co., Electrical Manufacturers. About 70 per cent of the shareholders of each of these organizations had sent in the extra dividend by last night. Between 600 and 700 corporations will be canvassed in the new campaign by the New York Committee."

The plan of Red Cross dividends attracted a good deal of attention in the New York newspapers. The importance of the plan in the city's campaign is evident when it is recalled that the total quota for metropolitan New York was 40 million dollars.

On January 11, 1918, the New York Times published a statement, dated Washington, January 10, issued by Henry P. Davison, Chairman of the Red Cross War Council, on the finances of the organization for the preceding eight months. According to this statement, 148 corporations had declared Red Cross dividends, aggregating \$17,948,969.31.

In Appendix B. is shown a list (taken from various issues of the New York Times during June, 1917) of some of the leading corporations in this group of 148 declaring Red Cross dividends.

In Pittsburgh, no fears existed in the minds of corporation directors on the score of corporation contributions to the Red Cross War Fund. The Pittsburgh chapter of the American Red Cross, whose chairman was Hon. Andrew W. Mellon, had accepted a quota of \$3,500,000. The following is taken from a history of the Pittsburgh Chapter from its organization to January 1, 1921:⁵

⁵"The Pittsburgh Chapter, American Red Cross. History from organization to January 1, 1921." Pittsburgh, Pa.

CORPORATION CONTRIBUTIONS

“At a preliminary meeting on June 4 of about thirty of the wealthiest business men of the city, one corporation representative pledged \$50,000 from his company. At a second meeting on June 6th, the amounts to be requested from the various corporations or groups were submitted for consideration. It was decided that corporations and wealthy individuals should be assigned a definite quota which they would be asked to give to the Fund, rather than to leave the amount of the contribution to their own judgment. On June 11th, at a dinner addressed by Ex-President Taft and attended by about ninety of Pittsburgh's most prominent business men, a slip was found at each place on which was written the amount which, in the opinion of the Committee, the individual or the corporation he represented should contribute to the Fund. The quotas were not particularly mild, and at first there was absolute silence in the room; but man after man accepted his charge without a murmur. In certain instances, definite acceptances could not be given because it was necessary to refer to Boards of Directors, but a number of the men were able to speak for the companies they represented. The campaign division covering corporations was called ‘The Diversified Industries Division’ and their slogan was ‘One per cent of your estimated net earnings for 1917 for the Red Cross’.”

For reasons indicated above, it has not been feasible to make exact computations of the amounts contributed by corporations to the 1917 Red Cross Fund in any city.

TABLE 1
SUMMARY OF CONTRIBUTIONS BY 1,289 CORPORATIONS TO
AMERICAN RED CROSS WAR FUND, 1917,
IN 38 SELECTED CITIES.

Type of business	Number of corporations contributing	Amount contributed
Bank and trust	159	\$1,148,700
Insurance	23	150,500
Railroad transportation (steam)	9	158,500
Transportation by water	13	100,000
Electric light, power, traction and telephone	38	495,350
Manufacturing	879	7,179,410
Mining	41	789,000
Wholesale and retail trade	73	863,150
Unclassified	49	278,150
Total	1,289	\$11,162,760

However, lists of larger corporation contributions as published in newspapers in various cities⁶ have been consolidated, with the results shown in Table 1.

National Y. M. C. A. War Fund, November, 1917

A second nation-wide appeal for funds to finance its rapidly growing war work in the United States and overseas was made by the National Y.M.C.A. in November 1917, the amount sought being close to 36 million dollars. Quotas were assigned to state Y.M.C.A. committees and these state quotas in turn apportioned among local committees. The fact that in many cities and towns the "Y" was by this time carrying on special programs of welfare work for munitions workers, shipyard employes, etc., doubtless strengthened the appeal it was able to make to corporations. Another factor which played a considerable part in the success of this campaign in getting widespread and generous support from corporations, was the leadership enjoyed by the national and local committees. Executives and directors of the largest business institutions in the United States were active in the campaign which raised approximately 54 million dollars.

The reluctance that existed in certain corporation circles toward contributing to the Red Cross War Fund in June, 1917, appears to have largely disappeared by November 1917. According to the New York Times of November 9, 1917, "Judge Gary announced last night that the subsidiaries of the United States Steel Corporation would subscribe \$500,000 toward the fund which is to be raised by the Y.M.C.A. in an eight day campaign beginning Sunday, November 11th." The Times for November 11th reports that "a letter signed by some of the most prominent business men of the United States was mailed yesterday to the president of every corporation with offices in New York, requesting those corporations

⁶These cities are as follows:

Auburn, N.Y.	Honolulu, Hawaii	Rochester, N.Y.
Baltimore, Md.	Lancaster, Pa.	Saginaw, Mich.
Boston, Mass.	Lewiston & Auburn, Me.	St. Paul, Minn.
Brockton, Mass.	Louisville, Ky.	Salt Lake City, Utah
Buffalo, N.Y.	Milwaukee, Wis.	San Francisco, Cal.
Chicago, Ill.	Minneapolis, Minn.	Schenectady, N.Y.
Cincinnati, Ohio	Newark, N.J.	Scranton, Pa.
Cleveland, Ohio	New Orleans, La.	Toledo, Ohio
Detroit, Mich.	New York, N.Y.	Utica, N.Y.
Flint, Mich.	Norfolk, Va.	Wilkes Barre, Pa.
Grand Rapids, Mich.	Providence, R.I.	Worcester, Mass.
Harrisburg, Pa.	Reading, Pa.	York, Pa.
Holyoke, Mass.	Richmond, Va.	

to subscribe liberally to the Y.M.C.A. War Fund. The letter was signed by Elbert H. Gary, J. Pierpont Morgan, John D. Rockefeller, Jr., Arthur Curtiss James, George F. Baker, and Cleveland H. Dodge."

The Times for November 13th states that the Standard Oil Company has contributed \$250,000. The next day the Times says that "The Board of Directors of the American Sugar Refining Company yesterday voted \$50,000 to the Y.M.C.A. War Fund to be subscribed through the various cities where the refineries of the Company are located."

The New York Times of November 15th says, referring to a meeting of the New York City campaign workers: "At the Bankers Club meeting which was attended by the heads of many of the large corporations, the following resolution was passed: 'Resolved that we recommend to those corporations who have not already subscribed that they contribute liberally to the 35 million dollar Y.M.C.A. War Fund to be applied so far as practicable for the promotion of the welfare of their employes in the service of the corporation and to be apportioned where the plants are located.'"

The Times for November 16th reports that "the United Cigar Stores will give 5 per cent of gross receipts from all stores on Monday, November 19th."

While it is not possible to give even an approximate total of the amount contributed by corporations all over the country to the second Y.M.C.A. War Fund of November 1917, lists and statements published in the daily papers during the campaign show that they participated substantially. The following figures are based for the most part on newspaper accounts: In Chicago, 456 corporations gave \$1,414,000 or approximately 45 per cent of the total of \$3,060,000 subscribed; Baltimore, 173 corporations furnished \$103,000, or 21 per cent of a total of \$493,000; Toledo, 44 corporations gave \$47,000 or 17 per cent of \$273,650; St. Paul, 24 corporations gave \$33,000 or 16 per cent of \$206,000; Louisville, 22 corporations gave \$33,500 or 15 per cent of \$224,500. In Cleveland, the campaign was a joint one of the Y.M.C.A. and the National War Camp Community Service, raising a total of about \$1,280,000, of which \$450,000 or 35 per cent, was contributed by 852 corporations. Cincinnati's campaign, a combined one for the National Y.M.C.A., the National Y.W.C.A. and the Cincinnati Council of Social Agencies, produced \$926,000, of which \$300,000 or 32 per cent, came from 104 corporations. Lists taken from newspapers in a number of cities show that many

of the country's most important corporations contributed large amounts to the second Y.M.C.A. War Fund.

American Red Cross War Fund, May, 1918

In May, 1918, the second Red Cross appeal for 100 million dollars was put on. It had originally been set for February, 1918, but at the request of the Federal Government the date was changed to May. The 100 million dollar total was apportioned over 14 national divisions, as in the case of the first Red Cross fund, and these divisional quotas in turn apportioned among cities and towns. The nation-wide distribution of the money-raising efforts is indicated by the fact that for the second Red Cross campaign there were 3,898 local committees and 8,768 depositories for funds as subscriptions were paid.⁷ The total subscribed to the second Red Cross appeal up to January 31, 1919 was \$181,623,105.

By the time the second Red Cross appeal was made the attitude of corporations toward making outright contributions seems to have entirely changed. Doubtless this change of attitude was facilitated by the passage of State and Federal legislation specifically permitting contributions by corporations. On February 19, 1918 the Legislature of the State of New York passed a bill enabling directors of corporations and the banks and trust companies to make gifts to the Red Cross from their surplus assets.

On February 18th, a number of bills were introduced in the Senate by Senator Owen at the instance of the Comptroller of the Currency. One of these bills permitted contributions to the American Red Cross by national banks out of money available for dividends. This bill was finally enacted as a law by Congress on May 22, 1918.

A strong effort was made by the New York Red Cross Committee on Corporations, of which William Boyce Thompson was chairman, to clear away any vestige of doubt remaining in the minds of corporation directors as to the propriety of contributions to the Red Cross. At the request of the Committee, Ex-Supreme Court Justice Charles Evans Hughes wrote an opinion endorsing the constitutionality of the law permitting direct contributions from corporations to the Red Cross. The New York Times of May 15, 1918 quotes as follows from the opinion rendered by Mr. Hughes:

⁷"The Work of the American Red Cross during the War", Washington, D.C., 1921.

“The question is not one of permitting the use of corporation moneys for the use of what are or may be called worthy objects outside the corporate enterprise, but for the maintenance of the very foundation of the corporate enterprise itself. It is the established policy of the Government that some important activities, such as those of the Red Cross, should be supported independently of Governmental appropriation. This policy is designed to enlist and encourage the actual co-operation of the public and does not in any way alter the fact that these agencies are essential to the successful prosecution of the war. It would be, in my judgment, a very narrow and wholly unwarrantable view of the present situation to say that the support of the activities of the Red Cross is not a matter of direct and vital importance to corporate undertakings, and that an act of the Legislature recognizing the plain relation of our military efficiency to the success of business enterprise, and authorizing support by corporations of the agencies having the character described, is beyond the legislative power.”

On April 18th, the New York Times had stated that a special appeal would be made to corporations for contributions, but that the method followed in the last drive would not be repeated. Mr. Seward Prosser, who was chairman of the Executive Committee of the New York campaign for the first Red Cross fund in May, 1917, was quoted in the Times as saying that a very large part of the money appropriated by corporations in the form of dividends never reached the Red Cross. The results of the dividend plan, he said, were disappointing.

On April 17, according to the New York Times, Governor Whitman of New York signed the Meyer Bill authorizing corporations to contribute annually to the war charities in an amount not exceeding one per cent on the capital stock outstanding. “Further contributions cannot be made except upon ten days’ notice to the stockholders, and if objections should be made by holders of 25% of the stock the contribution will have to be authorized at a stockholders’ meeting”.

The importance of corporation contributions in the second Red Cross campaign is indicated by the fact that the Committee on Corporations had taken offices in the Metropolitan Tower and laid out plans for an organized appeal. “All corporations in this city will be asked to subscribe directly to the Red Cross Fund under the new state law which makes it possible to substitute this plan for the method which proved disappointing in the last campaign of having corporations declare Red Cross dividends”. (New York Times, May 13th.)

The Committee published this statement on the subject of corporation contributions:

"In the first place, the President has said in his proclamation, referring to the Red Cross, 'It is recognized by law and international convention as a public instrumentality for war relief.'

"In the second place, the legislatures of New York and New Jersey have each passed a law recognizing the right of a corporation to make subscriptions for instrumentalities for carrying on of the war, which means the Red Cross, as such, and have written into the law the inherent duty of the corporation to subscribe for its own protection.

"In the third place, eminent lawyers have been consulted so to leave directors absolutely free in their minds as to their right to make these contributions without encountering the slightest danger from an action by any dissatisfied stockholders. These opinions will be laid before the directors before the drive begins."

In the foregoing section discussing the first Red Cross campaign of June, 1917, reference was made to the letter sent by the Red Cross War Finance Committee to local chapters on the subject of corporation Red Cross dividends, and the letter, signed by Mr. Henry P. Davison, is shown in Appendix B. The letter sent by William Boyce Thompson to corporations in Greater New York emphasizes the legality of corporation contributions. Because of its interest as showing the progress that had taken place in the attitude of corporation directors, Colonel Thompson's letter is given in full as follows:

"To all Corporations in Greater New York:

"The President of the United States has appointed a War Council of the American Red Cross to solicit funds for relief in the war and has designated the week beginning May 20 as the period in which the funds needed shall be raised.

"The Committee on Corporations Campaign is therefore asking you to consider the question of making a suitable contribution to the war funds, and is sending you a pamphlet dealing with the legal right and moral duty of all American corporations to make liberal subscriptions.

"The matter is discussed by eminent American lawyers—the Hon. Charles E. Hughes and the Hon. Morgan J. O'Brien. They have taken the broad ground that the winning of the war is essential to the life of every corporation in the United States; that the Red Cross is an important agency in winning the war, and that since it is the duty of every corporation to protect its very existence it is its duty to support the Red Cross.

CORPORATION CONTRIBUTIONS

"The States of New York and New Jersey have passed laws by which this right and this duty to support the Red Cross is written into statutes. But above and beyond the question of statutory permission arises the obligation imposed by the national welfare. This, broadly stated, is the position taken by the men whose opinions are given in the enclosed pamphlet.

"So clearly set forth is this view that the Committee feels comment is superfluous, and urges generous support of the appeal which is now being made. It is made to all corporations in Greater New York in confidence that the response will be universal and immediate.

"I beg to quote as follows: President Wilson says: 'The American Red Cross is recognized by law and international convention as a public instrumentality for war relief.'

"The Hon. Charles E. Hughes says: 'The question is not one of permitting the use of corporate moneys for what are or may be called worthy objects outside the corporate enterprises, but for the maintenance of the foundation of the corporate enterprise itself'.

"The Hon. Morgan J. O'Brien says: 'No earthquake or plague, in its disastrous effect, can be compared with our defeat in this war. The enormous expense which a single day's unnecessary duration of the war involves must be distributed among all the various property enterprises of our country in one way or another. No interest can avoid contributing its share'.

"Richard V. Lindabury of New Jersey, in writing to a client, says in part: 'The corporation is the creature of the State and could not survive its destruction. If the property of the company were attacked, it would have a clear right to expend its funds in its defense. Its right to do so at the instance of the State and in connection with the Government is not lessened by the fact that the attack begun on a foreign shore has not yet reached this city'.

Yours very truly,
 WILLIAM BOYCE THOMPSON,
 Chairman, Committee on Corporations."

On May 23rd, the New York Times quotes Chairman Henry P. Davison as stating, in response to requests from corporations for advice, "With my knowledge of the situation and all that is involved, if I were the head of a corporation, I would feel that my responsibility for the protection of my stockholders would not be discharged until I had recommended to my Board of Directors that a contribution be made by the corporation to the American Red Cross."

On May 25th, Colonel Thompson, chairman of the Corporations Division, made public a telegram informing him that the Delaware, Lackawanna and Western Railroad had voted a contribution of

\$100,000. "This is regarded as very important as a first contribution from a large railroad. It is believed that the precedent will be followed by other railroads which have been in doubt because of the fact that they are under Government control, and because of the peculiar position of the railroads in other respects, whether they should make any contributions." (N.Y. Times, May 25, 1918.)

As a matter of fact, however, very few contributions from railroad companies have been found in the search which has been made in the daily newspapers in a number of cities in connection with the various war fund appeals.

The following statements in the New York Times on May 25th, 26th and 29th, indicate the satisfactory response made by New York corporations to the second Red Cross appeal:

"While the Corporations Committee has met with few corporations raising doubts as to the legal correctness of making contributions, certain classes of corporations, especially companies without capital stock, have hesitated over the matter. The Corporations Committee wishes to emphasize the clear-cut opinions of Charles E. Hughes, Morgan J. O'Brien and other lawyers who have stated that there is no question at all as to the legality of such contributions.

"Continued good reports are being received from the Corporations Division. More particularly are the campaigners pleased because of the growth of that Division outside the city. This growth will not materially increase the New York reports, but will swell the grand total of the fund.

"New York banks have subscribed a total of \$1,684,700. George F. Baker, Jr., Chairman of the Banks Committee, made a complete report yesterday.

"The Chinese and Japanese have been among the most enthusiastic of foreigners in supporting the drive, in proportion to their numbers and wealth. 28 of their banking and business institutions gave a total of \$26,000."

"New York's contribution will probably reach \$35,000,000. Col. William Boyce Thompson, Chairman of the Corporations Division, which raised a total of more than \$20,000,000 said yesterday:

"The corporations and business houses in New York deserve credit for the common sense they have shown in their fine support of the Red Cross. As was pointed out in the opinions of Charles E. Hughes, Morgan J. O'Brien and other eminent lawyers, the corporations are vitally interested in protecting and preserving their property, and they have responded splendidly to the call to insure the work of an unquestionably necessary agency in winning the war, as is the Red Cross.

“The Corporations Committee is entirely satisfied with the response made by the corporations. We actually raised here in New York more than \$20,000,000, although, because of deductions of subscriptions to be paid in other divisions, our net total appears as something more than \$12,000,000. This is really better than we aimed to do. Before the campaign started we felt that apart from what we might get from the Carnegie and Rockefeller Foundations, we ought to aim to get \$15,000,000 here in New York. Well, the Rockefeller gave \$3,000,000 and the Carnegie \$1,000,000. Deducting these, we succeeded in getting subscriptions of more than \$16,000,000 thus bettering our goal.

“The response to the call of the Red Cross has been so general all over the country, and its work and purpose are now so much better understood by the great mass of Americans, that we feel certain that in those cases where the corporations have declared special Red Cross dividends instead of making direct contributions to the war fund, the greater part of these amounts will find their way into the treasury of the Red Cross’.”

“George F. Baker, Jr., Chairman of the Banks Committee reported:

“I have to report that in Greater New York there are 49 National Banks, 36 State Banks and 30 trust companies. Of these, all but five have contributed to the American Red Cross in this campaign.

“24 National Banks, 12 State Banks and 3 Trust companies contributed one per cent of their capital, the remaining banks contributing various sums. The total, \$1,802,800’.”

In the report of the New York City campaign made public on June 9th, the Corporations Committee reported as follows: “It was known that the corporations generally recognized their responsibilities and were willing to give generous support to the Red Cross, but were prevented from doing so by laws which in times of peace were regarded as properly conservative. It became necessary to obtain modifications of these laws, and legislation was asked from Albany and Washington. Very strong opposition was aroused and for a time the outlook seemed to be almost hopeless, but ultimately favorable action was obtained, with the result that the corporations, including the National Banks of New York City, contributed to the second Red Cross war fund a total of more than \$20,000,000, of which only \$13,000,000 was officially credited to the city campaign.”

From the National Red Cross headquarters in Washington, the National Bureau has obtained a list, compiled in 1920, giving the names of individuals and corporations that contributed \$1,000 or more to the second fund. Unfortunately, this list does not show the exact amount of each contribution. It was made up in the various divisional offices from local lists collected by the divisional

TABLE 2

SUMMARY OF ALL CONTRIBUTIONS AND OF CORPORATION CONTRIBUTIONS TO SECOND RED CROSS WAR FUND, MAY, 1918, IN 26 SELECTED CITIES.

City	Total amount contributed	Amount of corporation contributions	Per cent of total amount from corporations	Number of corporation contributions	Remarks
Baltimore	\$ 1,391,102	\$ 428,830	30.8	368	{ Contributions of \$500 and over { Contributions of \$1,000 and over { Contributions of \$1,000 and over Contributions of \$1,000 and over Contributions of \$1,000 and over
Buffalo	?	357,523	?	450	
Chicago	6,250,000	2,450,086	39.2	435	
Cincinnati	2,541,782	572,535	22.5	219	
Denver	750,000	159,740	21.3	88	
Flint	343,000	150,000	43.7	2	
Grand Rapids	287,000	22,300	7.8	23	
Houston	450,000	126,450	28.1	145	
Louisville	540,000	85,220	15.8	221	
Lowell	244,201	55,944	22.9	61	
Milwaukee	1,109,023	261,500	23.6	118	
Newark	1,188,348	335,700	28.2	285	
New Orleans	1,119,000	199,341	17.8	406	
Norfolk	261,000	48,695	18.7	133	
Omaha	300,000	87,375	29.1	56	
Providence	722,562	213,250	29.5	74	
Reading	292,000	41,075	14.1	37	
Richmond	465,545	106,395	22.9	152	
Saginaw	370,000	29,785	8.1	34	
Scranton	520,000	57,700	11.1	19	
Wilkes Barre	350,000	30,600	8.7	15	
St. Paul	850,915	16,500	1.9	5	
San Francisco	?	230,490	?	483	
New York City	?	10,043,600	?	487	
Boston	?	815,490	?	174	
Lancaster	200,000	29,760	14.9	31	

offices. From it, the names of corporation contributors have been taken off. In all there were 1,204 corporations on this list. There were 210 communities in 27 States in which these corporations contributed to the 1918 Red Cross War Fund.

Table 2 has been prepared from lists of contributions to the 1918 Red Cross war fund gathered in a number of cities. It should be kept in mind that thorough-going editing of these lists would doubtless result in the elimination of many of the smaller contributions, made perhaps by companies not actually incorporated.

In order to enable the reader more accurately to visualize the participation of the country's largest corporations in the second Red Cross War Fund, 1918, a partial list of corporations contributing in a number of cities is shown in Appendix B. Only contributions of more than \$10,000, (except for banks and trust companies, where the minimum contribution listed is \$5,000) are shown.

United War Work Campaign, November, 1918

During the summer of 1918 preparations were under way on the part of the Y.M.C.A., Y.W.C.A., Knights of Columbus, War Camp Community Service, and other organizations for nation-wide appeals for funds. On September 3, 1918, President Wilson issued an executive order directing a joint appeal for funds on behalf of the following seven organizations officially charged by the Government with responsibility for welfare work among American soldiers at home and overseas, the apportionment of the funds among the participating organizations being as follows:—

Organization	Amount	Per cent
Young Men's Christian Association	\$100,000,000	58.65
Young Women's Christian Association	15,000,000	8.80
War Camp Community Service	15,000,000	8.80
Knights of Columbus	30,000,000	17.60
Jewish Welfare Board	3,500,000	2.05
American Library Association	3,500,000	2.05
Salvation Army	3,500,000	2.05
Total	\$170,500,000	100.00

An unsuccessful effort was made to get Congress to pass legislation permitting national banks to contribute to the United War Work Campaign. In September, 1918, Senate Joint Resolution 179 was introduced proposing to "amend the banking and currency laws in such a way as to permit national banks to contri-

bute to the seven organizations which are now raising a fund of 170 million dollars for United War Work Service." This resolution was promptly passed by the Senate. It was introduced in the House on October 18th and referred to the House Committee on Banking and Currency. The campaign was scheduled for the week beginning November 11th.⁸ On November 14th, the United War Work Campaign being in progress, the acting chairman of the House Committee endeavored to get unanimous consent for the joint resolution. He was unsuccessful. The debate does not reveal any hostility to the principle of the bill, but apparently there was an agreement that no other legislation should be taken up until the Revenue Bill was out of the way. The joint resolution therefore remained in committee, until the United War Work Campaign was ended, and nothing more was heard of it.

The signing of the Armistice on November 11th compelled a complete reorganization of the United War Work Campaign budget from a war to a peace time basis. Notwithstanding the termination of hostilities, the United War Work Campaign was put on in thousands of communities all over the country during the week from Nov. 11 to 18 and netted over 205 million dollars in subscriptions.

The National Y.M.C.A. played the predominating role in the organization and conduct of this campaign. The Y.M.C.A. money-raising technique was employed and a country-wide organization was in fact built up largely under Y.M.C.A. leadership, headquarters being established at 347 Madison Avenue, the national office of the Y.M.C.A. The printed instructions to local committees emphasized the importance of a special appeal to corporations.⁹ The following excerpts are significant of the reliance placed upon corporations for a large proportion of the \$170,500,000 sought:

"The Industries Division recommends that in connection with this campaign each industry be treated as a unit, so that the corporation and its employees may be united in a fund that will represent the backing of that particular industry in the support of these agencies." (The campaign plan of the United War Work Campaign comprised a special local Committee for local industries, to take care of solicitation of contributions in all plants employing 25 or more persons.)

⁸This coincidence of date with the Armistice was accidental. The date fixed for the opening of the United War Work Campaign was exactly one year after the date on which the second National Y.M.C.A. campaign was launched.

⁹"The Campaign in Industries", Bulletin VII, United War Work Campaign, November 11-18, 1918. Issued by the Director General, 347 Madison Avenue, New York City.

"In the first announcement of the campaign, it should be clearly indicated that all corporations and their employees will be asked to make their subscriptions through their Plant Committee.

"A selected group of large corporations having plants in various parts of the country will be solicited during October by the national Industries Committee. These corporations will be asked to assign a portion of their subscription to each of their plants, and notice of this assignment will be sent to the local Industries Committee in order that there may be no duplication of solicitation.

"With the exception of corporations indicated under section III, all other corporations having headquarters in its field are to be solicited by the local Industries Committee. In case, however, such corporations have plants outside the local field, they should be asked to assign to such plants a portion of their subscription, in order that it may be used as an incentive to their employees to make subscriptions, and as a recognition of the local interest and obligations in each community where a plant is located.

"In connection with this campaign each employing corporation and organization should be asked:

1. To make as generous a subscription as possible.
2. To distribute a portion of this subscription to each plant.
3. To notify the management of each plant concerning the allotment thus made, and to urge their efforts to cooperate with the local industries committee in their efforts to secure subscriptions from the employees at the plant through Plant Committees.

"The men who are to solicit corporation contributions and cooperation should be carefully selected men of influence who are willing to ask for large contributions. A letter should be prepared embodying the request for cooperation as above outlined, and this should be presented to the president or managing official of the company, in person. (To promote uniformity, a suggested form of letter is attached hereto).

"Notice of allotment of corporation subscriptions to plants outside the committee's field should be passed at once to state headquarters in order that this information may be quickly transmitted to the field where such allotment applies.

"Corporation subscriptions thus secured in advance should not be published until the week of the campaign, but they may be used to good advantage in arranging the campaign for employes' contributions and in soliciting other corporation contributions."

Along with the instructions for local campaign, a suggested letter to corporation presidents was enclosed. This letter had at-

tached to it a copy of President Wilson's letter on the subject of the consolidated, seven-fold United War Work Campaign, and a memorandum of agreement between the seven cooperating agencies. The cooperation of the company was requested in the following language:

"We urgently solicit the cooperation of your company as herein outlined, in securing this fund:

1. A generous subscription from the corporation in line with the precedent of other corporations that are making similar subscriptions. Our committee is hopeful that you may be willing to recommend, and your Board to authorize, a contribution of not less than \$..... The business interests of the country must help generously if this essential part of the war work is to be continued, and we hope that your company may be entirely willing to do its share, whether more or less than the above amount.

2. It will greatly stimulate local interest if your company will assign a portion of its gift—possibly 50%—to be credited to its various plants, and will advise us of the apportionment."

Company cooperation in securing generous contributions from employes was also requested.

The attitude of corporations in the steel industry is reflected in the following statement published in the New York Times for November 7, 1918. "At a meeting of the Board of Directors of the American Iron and Steel Institute held yesterday in the office of Judge Elbert H. Gary, Chairman of the Board and President of the Institute, resolutions were adopted commending the drive and a resolution was passed recommending that the affiliated concerns in the iron and steel industry contribute liberally. The resolution declared the object of the forthcoming campaign to be of the utmost importance." On November 8th, the United States Steel Corporation is reported as having contributed 5 million dollars to the United War Work Campaign. Judge Gary wrote to Mr. E. A. S. Clark, President of the Lackawanna Steel Corporation, on November 7th, expressing his belief that the steel concerns of the United States should contribute at least 10 million dollars to the fund. "Since receiving the opinion of our counsel that such contributions are legal and proper, we do not hesitate to make them and charge the same to the expense account."

On November 9th, the New York Times announces that one million dollars has been subscribed to the fund by the Standard Oil Company of New Jersey, and on November 12th, Judge Gary

reports that corporations and industries have contributed thus far a total of \$7,210,000.

On November 16th, the Times reports the Comptroller of the Currency as saying that banks may make conditional pledges to the United War Work fund pending the passage of the bill now before Congress. Apparently, the Comptroller of the Currency was of the opinion that subscriptions by national banks to the United War Work fund should become effective only when the bill before Congress became a law. As stated above, the joint resolution failed of passage.

In various communities an effort appears to have been made to find some income basis on which corporations might contribute. The instruction pamphlet for the United War Work Campaign in Baltimore suggests the following basis for financial institutions, corporations or firms:

“All financial institutions, manufacturers, wholesalers, retailers, and all other business enterprises should make a contribution from their net estimated earnings for 1918, after deduction of all operating expenses, bond interest, other fixed charges and all taxes, as follows:

“Financial institutions and war industrial companies largely engaged on war contracts with such net earnings in excess of \$500,000.....	2½%
“All other enterprises with such net earnings of more than \$500,000.....	2 %
“All other enterprises with such net earnings form \$100,000 to \$500,000.....	1½%
“All other enterprises with such net earnings of less than \$100,000.....	1 %

“Winning this war is absolutely necessary to protect stockholders and this War Work Campaign is very necessary to help win the war. By contributing you are protecting your stockholders. No case is on record where stockholders have not gladly ratified contributions for such War Work.”

In his final report, entitled “The Largest Voluntary Offering in History,” Dr. John R. Mott, Director General of the United War Work Campaign, stated: “Never before have foundations, corporations, companies, banks, industries, and the rural population of America participated so generally and so generously in a great popular subscription.”

It has not been possible to get access to the original lists of contributors to the United War Work Campaign, the local com-

mittees having long since been disbanded and the records having been put away in storage. In a number of cities the daily papers were examined, but in contrast to the earlier war fund campaigns, relatively little space was given the names of individual or corporation contributors. The news about the termination of hostilities on the Western Front filled the papers to the exclusion of news regarding contributions to war welfare funds, to which, as a matter of fact, the country had by this time become thoroughly accustomed.

War Chests

The appeals that have been described in the preceding section were national appeals. While the money was raised locally, the campaigns were under the auspices of the respective national organizations. The amount each community was expected to raise was assigned to it by the national committee. This amount was known as the "quota." The method of raising the money was largely standardized along lines laid down by the national committee. As subscriptions were paid, funds were transmitted by local committees to the national treasury. Each national appeal, excepting the United War Work Campaign, which included seven national organizations, was for financing the special type of work carried on by the particular national organization making it. No local work was included, except that in the case of the National Red Cross campaigns, each chapter was allowed to retain a certain proportion of the funds collected, to take care of local Red Cross war work.

However, by the time the second Red Cross appeal was under way, a movement of great significance and far-reaching consequences to American philanthropic work was in progress in many American communities. It had its roots in a spirit of intense local self-consciousness which the war helped to develop. In the field of philanthropy this spirit found expression in a recognition by the community of its patriotic duty to provide its fair share of all funds needed for national war welfare work. It should be kept in mind that in preceding sections only the important national war service appeals have been discussed. However, the number of special appeals for philanthropic work in Allied countries had multiplied greatly by the spring of 1918. To many community leaders, the almost continuous appeals by various war charities in addition to the great national appeals authorized by the government, not only wasted time and energy, but enabled many citizens to avoid what

the community regarded as a duty, namely, to contribute to the financing of philanthropic activities considered of value in winning the war. The local organizations created to meet this situation were known generally as "War Chests". By the time the armistice was signed, they existed in several hundred communities, large and small, throughout the United States. Some of them appear to have been organized on a county basis in affiliation with County Councils of National Defense.

The war chests had a special problem to solve. They had to raise in advance enough money to take care not only of their quotas of any national appeals that might be made during the ensuing twelve months, but to provide for any other legitimate demands that might be made on that community for war work. The war chests anticipated among others the appeals by the various national organizations that were later obliged by President Wilson's order to combine in the United War Work Campaign. This involved a careful, but liberal, estimate of the amount the war chest should raise. In return for the generous subscriptions needed to fill the war chest, the contributor was usually promised immunity from further solicitation during the coming twelve months.

From the standpoint of this study of corporation contributions to organized community chests, the fact of outstanding importance about the war chests was that a few of them included as sharers in the money contributed for war work, the regular local charitable and welfare organizations. In all but two or three instances, the local organizations so included were already affiliated in an organization called the Federation of Charity and Philanthropy.

Before presenting the data the National Bureau has gathered as to corporation contributions to the war chests, it is necessary to say something about the federations in relation to corporation contributions. When the war chests had disappeared, it was the federations that remained in a dozen cities as the permanent nucleus around which the new community spirit gathered.

Federations of Charity and Philanthropy

The federations constitute one of the mile-stones in the history of American philanthropic financing. As a matter of fact, under the name of the "Charity Organization Society" and also "United Charities" what was in some respects a federation had existed in Denver, Colorado since 1888. While in essence and in aim the

Denver Charity Organization Society was similar to Charity Organization Societies in the eastern states, in one respect it differed from its eastern prototype. It endeavored by means of one annual consolidated appeal to find the money for the 15 or 16 charitable societies composing its membership. While other Charity Organization Societies aimed, like the Denver one, at a better coordination of the charitable relief work for the community, they left it to each cooperating society to raise its own budget.

Printed reports of the Denver Charity Organization Society for the years 1901 to 1913 give lists of contributors. Among them have been found the names of many local business concerns. Because of the age of the data, it has not been possible to edit these lists in order to segregate contributions from business houses that were actually incorporated from those that may have been partnerships. However, as far back as 1890, the names of important mining and railroad companies in business today appear as contributors to the Denver Charity Organization Society. Table 3 shows the amount and number of business contributions for the years 1901-1913, inclusive.

TABLE 3

SUMMARY OF ALL CONTRIBUTIONS AND OF CONTRIBUTIONS FROM BUSINESS CONCERNS TO THE CHARITY ORGANIZATION SOCIETY OF DENVER, 1901-1913.

Year ending Oct. 31st.	Number of member organi- zations	Total contributed	Total contributions from business concerns ^a	Number of contributions from business concern
1901	16	\$17,298	\$ 8,574	162
1902	16	18,363	9,140	167
1903	15	13,568	8,003	129
1904	15	13,290	8,750	158
1905	15	18,276	11,267	280
1906	17	18,533	11,707	275
1907	19	18,802	11,594	235
1908	19	17,382	10,576	200
1909	19	18,493	11,066	214
1910	21	27,519	14,914	257
1911	17	25,726	15,478	251
1912	17	25,396	15,652	249
1913	17	?	no list	...

^aIt has not been practicable to edit the lists from which the totals were made up, in order to make sure that only incorporated business enterprises were included. Many of the concerns counted probably were partnerships or individual businesses operating under the name "company".

The first of the federations of charity and philanthropy came into existence in Cleveland in 1913. It was the outcome of several years of study and of educational work by the Chamber of Commerce. In 1917, its name was changed to "Cleveland Welfare Federation," the name it still bears.¹⁰ During the first few years of its existence the Cleveland Federation merely supplemented, by means of an informal appeal, the money-raising efforts of its 56 member organizations. It endeavored to get contributions from those not already giving to these member organizations. Persons who were connected with the Cleveland Federation before 1917 have informed the National Bureau that no special effort was made to secure contributions from corporations, the prevailing view being that the support of charity was a purely personal duty. No data have been submitted to the National Bureau showing corporation contributions to the Cleveland Federation during the years 1914-1917, inclusive.

South Bend, Ind.—Personal inquiry brings out that the federation in this city raised the funds for its member organizations by means of informal appeal made by committees. There is no evidence that either of the two most important manufacturing concerns, one engaged in automobile manufacturing, the other in the manufacture of agricultural implements, contributed as corporations to the South Bend Federation.

Denver, Col.—On January 1, 1914, the Denver Federation of Charity and Philanthropy succeeded the Charity Organization Society as far as cooperative money raising is concerned. Twenty-three local charitable and welfare organizations joined the Federation. They carried on work not only in the field of charitable relief, but in those of public health, child care, etc.

The amount and number of corporation contributions to the Denver Federation, according to lists contained in published reports for the years 1914-1918, inclusive, are shown in Table 4.

New Orleans, La.—A list of company contributions taken from the records of the Federation which operated in this city during the years 1914, 1915 and 1916 indicates that approximately 11 per cent of the \$66,000 raised came from business concerns. Many of these probably were not incorporated businesses.

Cincinnati, O.—The first appeal of the Cincinnati Council of Social Agencies was made in May, 1915, in behalf of the twelve

¹⁰Cleveland Community Fund is the name of the coordinate organization which conducts the annual campaign for funds for Cleveland charitable and welfare work and collects the subscriptions.

TABLE 4

SUMMARY OF ALL CONTRIBUTIONS AND OF CORPORATION CONTRIBUTIONS TO DENVER FEDERATION FOR CHARITY AND PHILANTHROPY, 1914-1918.

Year ending	Total amount of contributions	Amount of corporation contributions	Number of corporation contributions	Per cent of total amount from corporations
September 30, 1914	\$32,756	\$12,190	94	37.2
September 30, 1915	29,336	12,255	93	41.8
September 30, 1916	41,986	14,621	114	34.8
December 31, 1917*	56,252	17,710	140	31.5
December 31, 1918	85,715	No list	...	....

*Fifteen months.

local welfare organizations participating in the joint appeal. The sum of \$45,000 was raised. Only fifty-one companies are shown on the books of the Council as contributing. The total they gave was \$4,600.

The second appeal of the Cincinnati Council of Social Agencies was in November, 1915. The sum of \$124,000 was subscribed for division among 18 organizations. The books of the Council contain the names of 221 companies that contributed, altogether, \$23,370. This was 18 per cent of the total subscribed. The significant progress was not only in the number of companies contributing, but in the scale of the contributions. Among the company contributions to the first appeal, there was only one of more than \$500. The second appeal counted eighteen of \$500 or over, and these together made up one-third of the total company contributions.

The last independent appeal of the Cincinnati Council of Social Agencies prior to its inclusion in national war fund appeals (Nov. 1917, Y.M.C.A.-Y.W.C.A., May, 1918, Red Cross-War Chest, and November, 1918, War Chest) was made in January, 1917. The sum of \$204,000 was raised. Forty-one thousand dollars, or 20 per cent came from 333 companies. The increase in the number of such contributions is noteworthy. The participation of larger Cincinnati concerns, including banks and insurance companies, was one of the significant features of this appeal. Fifteen concerns each contributed \$500 or more, and together these 15 contributions amounted to \$14,000 or 34 per cent of all contributed by corporations.

Time has not permitted the National Bureau to subject the Cincinnati lists of companies contributing to the 1915 and 1917 Council of Social Agencies to the same careful checking to which the community chest lists have been subjected. For this reason, it cannot be said that all of the companies shown as contributing to the Cincinnati Council were incorporated. As pointed out in the introduction, many unincorporated business concerns were included on the community chest lists and had to be eliminated in the tabulations. Doubtless, the totals mentioned in the foregoing discussion would be reduced if only incorporated businesses were counted.

By the end of 1917 federations of charity and philanthropy were in operation in approximately 17 cities. The limited scale of their financial operations is shown in Table 5.¹¹ The relatively small number of organizations participating in the federations, and the fact that among the absentees were some of the most powerful welfare institutions in the community, undoubtedly had a bearing on the amount of corporation support the pre-war federations were able to get. The local hospitals, the Y.M.C.A., Y.W.C.A., the Jewish and the Catholic charities, and social settlements, rarely participated in the federations. It is interesting to speculate on why the federations did not appropriate the money-raising technique of the Y.M.C.A. as the war service organizations did. Perhaps the answer is that in most cities, the federation was not able to command the interest and service of leading business men. To the war service appeals, community leaders gave, along with their money, their time and thought and energy. This was perhaps the most valuable heritage the community chests received from their predecessors.

From May, 1917 to November, 1918, the center of the philanthropic stage was held by the great national and local war service organizations. Only one federation, the Baltimore Alliance of Charitable and Social Agencies, appears to have made any headway in money raising after the declaration of war. Under the name "Baltimore Fund", the Alliance on April 7, 1917, organized a community-wide appeal for \$1,500,000.

The fear appears to have existed in Baltimore that the result of our entry into the World War would be to create distress and suffering, which would throw a special burden on the local relief

¹¹Community chests exist in every one of these cities. It is interesting to compare the amounts raised by the federations with the amounts raised by the community chests which succeeded them. See Table 11, part II..

TABLE 5
 SUMMARY OF CONTRIBUTIONS TO FEDERATIONS OF CHARITY AND PHILANTHROPY^a
 AND NUMBER OF WELFARE ORGANIZATIONS PARTICIPATING,
 IN 13 CITIES, 1914-1917.

City	Name of organization	Number of member agencies	Total amount raised			
			1914	1915	1916	1917
Denver, Col.	Federation of Charity and Philanthropy	21	\$32,756	\$ 29,336	\$ 41,986	\$ 56,252
New Orleans, La.	Federation of Charity and Philanthropy	19	37,128	28,424	?	?
Baltimore, Md.	Alliance of Charities and Social Agencies ^b	11	?	?	329,334	571,300
Cincinnati, O.	Council of Social Agencies	12-22	.....	45,000	124,000	204,000
Cleveland, O.	Federation of Charity and Philanthropy	63	.....	293,000	393,000	400,000
South Bend, Ind.	Federation of Social Service	12	22,400	21,660	22,437	21,963
Dayton, O.	Federation of Charity and Philanthropy	10	30,780	35,000	25,360	53,000
Dallas, Tex.	Federated Charities	8	.....	.....	.....	140,000
Erie, Pa.	Social Service Federation	11	.....	.....	60,000	70,480
Buffalo, N.Y.	Federation of Charity and Social Service	?	.....	.....	.....	Nov.
Milwaukee, Wis.	Central Budget of Philanthropy	?	.....	.....	.....	Nov.
Grand Rapids, Mich.	Federation of Social Agencies	22	.....	.....	.....	?
Elmira, N.Y.	Allied Charities Fund	?	25,000	?	?	?

^a Federations also functioned in Oshkosh, Richmond, Ind., Salt Lake City, and St. Joseph, Mo.

^b Received from special collection made during May-June 1917, by "Baltimore Fund"

and welfare organizations. As a matter of fact, a financial statement of the Baltimore Fund covering the period from April 27, 1917 to August 30, 1920 shows that of \$642,000 received in subscriptions, the amount of \$571,300 was paid to the local charitable and welfare organizations composing the already existing Alliance of Charitable and Social Agencies (see Table 5).

From the list of larger contributions published in the Baltimore Sun during April and May, 1917, names of 51 Baltimore corporations have been taken, whose contributions together amounted to \$57,315. Among them are found the names of 8 Baltimore banks whose contributions totalled \$25,000. The local gas and electric company is reported as contributing \$15,000 and a local insurance company \$4,500.

Corporation Contributions to War Chests

While the war chests appear to have had equal success with the national war service organizations in getting corporation contributions, there apparently was some difference of opinion in various cities as to the advisability of asking corporations to contribute. For a movement as significant in American philanthropic history as was the war chest, it has surprisingly little in the way of published history. One of the few publications found in a search made by the National Bureau is entitled "Report on War Chest Practice." It was presented to the Connecticut Council of Defence, presumably in the spring of 1918, by Henry M. Wriston. The report has the following to say on the subject of War Chest solicitation of corporation contributions:—

"No standard has developed with regard to the solicitation of corporations. Some cities put a good deal of emphasis on this feature of their campaigns. In one prominent instance, it is said that about 45% of the war chest was contributed by corporations. On the other hand, a number of cities do not countenance this sort of solicitation, usually upon grounds, which when analyzed come back to one main reason, namely, that the solicitation of corporations in some instances amounts to a double solicitation and in others gives individuals opportunity to hide behind a group and dodge their personal obligations. Some communities on this ground have made a distinction between partnerships and corporations, and have solicited corporations but not partnerships, calling on the impersonal bodies to give, but not asking people who can readily be reached as individuals to subscribe as business firms. Detroit refused to solicit corporations on the ground that it

might permit some persons to escape their obligations. Unsolicited contributions from corporations amounted to \$300,000, a very small percentage of the total. As a substitution, Detroit requested corporations to underwrite or guarantee the pledges of their workmen."

"In one or two cities a distinction was made between corporations which were owned within the area of the war chest and those which were called foreign corporations. There was no solicitation of those whose owners lived within the district and could be reached individually, but solicitation was made of the foreign owned corporations, which it was felt owed something as entities to the community.

"By far the larger proportion of the war chests did ask corporations to make subscriptions. It was estimated in Springfield, Ohio, that the corporations ought to produce 30% of the total gift. Other cities have varied this somewhat, calling for either more or less. It has been very common to rate the corporations. In Springfield, Ohio, it was argued that 5% of the earnings of the corporations was not an unfair amount. In Kenosha, Wis., business houses and corporations were asked to give as a firm gift an amount equivalent to that of the employes, excepting the office and executive forces. This plan was followed by Attleboro, Batavia and Michigan City. In other places, corporations were asked to give one-half of 1% of their annual sales. Still others were asked for a percentage based on the number of employes, etc."

"On the whole, there seems to be no good reason why corporations should not in most cases be asked to make contributions."

In discussing "Rating" he says:

"Difference of opinion on this topic is sharp, whether with reference to the rating of individuals or corporations. Springfield, Mass., discovering that team competition was growing difficult, divided the prospect cards into classes from A to F, Class A being made up of large corporations which were expected to give \$3000, or more; Class B of Banks; Class C of individuals who might give \$3000 or more; Class D, individuals such as managers of businesses, superintendents, foremen, merchants, lawyers, also small firms, partnerships, and corporations which might give less than \$3000; Class E, employes in groups under name of firm; Class F, individuals at home."

"Springfield, Mass., also developed a sliding scale in the group ratings, based on ratio of employes to amount of payroll.

"Springfield, Ohio, decided that the fund should be raised in the following proportions: 40% from wage earners, 30% from the larger individual givers, and 30% from corporations. A sliding scale was built which would produce the proper percentage; i.e., 30% of the quota."

CORPORATION CONTRIBUTIONS

Concerning "Suggested Amounts" he says:

"Detroit took great pains in producing a schedule on which the committee depended, without ratings. They made estimates on information secured from banks, factory pay-rolls, Dun & Bradstreet, tax lists, etc. They estimated the income of Detroit at \$350,000,000. Of this \$150,000,000 went to those who earned over \$3000 a year, and \$200,000,000 to the wage group. They allotted, of the \$7,000,000 sought for the war chest, \$2,000,000 or 28% to the wage earners. This left \$5,000,000 as the share of the capital group. They made a graduated table, making no provision for corporation gifts, which the Springfield, Ohio, people estimated would produce 30% of the total."

"Youngstown, Ohio, allotted 33 $\frac{1}{3}$ % to the wage group and 66 $\frac{2}{3}$ % to the capital group. This amounted roughly to 1% of the payroll and 2% of the dividends, but there was no effort to graduate the scale accurately among the various classes of the capital group."

"Checking the estimates with what was actually produced; In Springfield, Ohio, 48% came from employes, as against an expectation of 40%, whereas corporations appear to have produced not over 20% as against an expectation of 30%. In Columbus, the wage group produced about 36 per cent, in Rome, N.Y., 22 per cent, in Rochester, N.Y., 27 per cent, in Utica, 36 per cent, in Dayton, O., 54 per cent, against an expectation of 35 per cent, and in Anaconda, Mont., 62 per cent."

The first war chest appears to have been organized in Syracuse, New York, in the summer of 1917. This fact is learned by reference to local newspapers. No data could be found as to corporation contributions to the Syracuse war chest. The appeal seems to have been chiefly to individuals. They were urged to contribute a certain per cent of their earnings. Rome, N.Y. also had what was called the Rome War Chest Association. It was incorporated November, 1917. That it counted upon contributions from corporations is evidenced by the following extract from the by-laws:

"ARTICLE I. Objects of corporation. To receive contributions from individuals, corporations, associations, firms and others and to utilize such contributions with the dues of its members for the following purposes....."

ARTICLE II, relating to membership in the Rome War Chest Association states that dues will be one dollar per month for the duration of the war. There was no limitation on the number of memberships that might be taken out by any applicant. Apparently corporations were expected to take out a number of memberships. The campaign organization included four committees as follows: Factory employment committee; Merchants com-

mittee; Special committee (for large gifts); and Corporation committee. An attempt was made to fix a scale of individual giving based on incomes. It was suggested that large manufacturing companies give 3% of their corporate income. The total subscriptions to the Rome War Chest Association for the year 1917-1918 totalled \$345,000. The pamphlet from which the foregoing information is taken states, as to corporation support, "The corporations as usual have responded handsomely and generously—\$144,260 or 42% of the whole amount stands to their credit in this campaign. That is as it should be. All honor to them, nevertheless."

In the preceding section, reference has been made to the joint campaign put on in Cincinnati in November, 1917, for the national Y.M.C.A. and Y.W.C.A. in which the local welfare organizations affiliated in the Council of Social Agencies shared to the extent of approximately \$250,000. It is the first war service campaign of which we have any record in which the needs of local charitable organizations for the ensuing year were foreseen and included.

The second Red Cross appeal made in Cincinnati in May, 1918, while in the name of that national organization, appears to have been in fact a local war chest. The Red Cross quota for Hamilton County was \$1,250,000. The total amount subscribed in Cincinnati and Hamilton County was \$2,541,000. Of this amount, \$1,508,000 was turned over to the National Red Cross. The remainder, \$1,033,425, went into what was called the Cincinnati War Chest. It was not until November, 1918 that an organized campaign was put on in Cincinnati in the name of the Cincinnati War Chest. As has already been pointed out, Cincinnati corporations subscribed generously to this second Red Cross appeal, in which local charities shared.

Columbus, Ohio, had a well organized community war chest which put on a sensationally successful campaign for funds in February, 1918. The following information about the Columbus war chest and contributions to it by the Columbus corporations is taken from a pamphlet published by the Columbus Chamber of Commerce in April, 1918, entitled "The Columbus War Chest Plan." The campaign resulted in subscriptions of \$3,071,088 from nearly 90,000 people. The purpose of the Columbus Community War Chest was to "develop some businesslike method by which Columbus quickly and surely and with a minimum of wasted effort could meet the steadily increasing demands that must be made on every American City to support the great and small movements designed

to protect our Armies and give aid to war stricken peoples." The pamphlet emphasizes that while local people were responding nobly, great confusion and uncertainty had developed in meeting the money need of the war. "At least a half dozen large campaigns for money and many other smaller efforts had been conducted without any intelligent effort correctly to evaluate the different needs Not more than 12,500 people in this city with a population of a quarter million had given money in these campaigns simply because no one drive could be fully enough organized to extend to all an opportunity to get in." The objects of the Columbus War Chest, as stated in its by-laws, follow: "To receive contributions from individuals, corporations, associations, firms and others, and disburse these contributions among the war needs that come to its attention and which receive its approval." A suggested scale of giving was worked out which appears to have followed somewhat the practice in Rome, N.Y., and for corporations 5 per cent of the 1917 income was proposed as the basis of the corporate contribution. The campaign technique appears to have closely followed the method developed earlier by the Y.M.C.A. and a special organization was provided to get subscriptions from corporations. It is interesting to note that while the leaders of the Columbus War Chest thought it wise "when expedient" to include the local charitable agencies in the War Chest campaign, this was not done in Columbus because of sentiment opposed to their inclusion.

A detailed list of corporation contributions to the Columbus War Chest of \$100 and over, supplied by the Columbus Community Fund, shows that 516 corporations contributed approximately \$738,000 or 22 per cent of the total subscribed.

In Syracuse, a second War Chest campaign was held in May, 1918. Close to \$2,500,00 was raised. An obviously incomplete list taken from local newspapers shows contributions from three of the most important local corporations, one of which was a bank, totalling \$95,000.

Rochester, N.Y. had a War Chest campaign during the week from May 20 to 27, 1918. The amount asked for was \$3,150,335 and \$4,747,181 was subscribed. The campaign technique employed was that of the Y.M.C.A., and the executive secretary of the Rochester War Chest was a Y.M.C.A. campaign secretary. A detailed list supplied by the present Rochester Community Chest shows that 160 corporations contributed \$412,328, or 8.7 per cent of the total raised. Mr. H. P. Wareheim, the War Chest secretary

referred to above, is authority for the statement that business leaders in Rochester opposed any direct solicitation of corporations for contributions. Besides questioning the right of corporation directors to spend their stockholders' money in this way, they believed individuals would "hide behind" the contributions of corporations in which they were large shareholders to the detriment of the appeal. In return for generous contributions to the Rochester Patriotic and Community Fund, Inc., the contributor was promised immunity from any solicitation for the appeals included in the fund for the 12 months from June 1, 1918 to May 31, 1919.

In Philadelphia, the "War Welfare Council" put on a War Chest campaign in May, 1918. From a list made up by reference to names published in the Philadelphia papers during the progress of the campaign it appears that 157 Philadelphia concerns contributed a total of approximately \$3,800,000. The total amount subscribed to the Philadelphia War Chest is not known.

In Kenosha, Wisconsin, a War Chest existed under the name of the "Patriots' Fund Committee". Its slogan was "Half an hour a week for war relief." In this community a special plan was worked out by which employers matched dollar for dollar the amount contributed by employes. From a pamphlet issued in June, 1918 describing the fund, the following is taken:

"To business enterprises, the burden at first glance seems unjust. However, let them estimate the demands for war relief for one year. Every enterprise will consider what its share would be. In the above plan a wage earner working 50 hours a week and contributing half an hour weekly, is subscribing 1% of his wages to the fund. Hence the employer, assuming that all his workmen contribute on this basis, is giving the same percentage of his payroll as a corporate share of the burden. The Kenosha business enterprises have felt that this represented no more than their fair share of the burden. Is the trouble of arranging collections any worse than a stream of subscription papers, throwing the establishment into a turmoil every few weeks? Besides, if the men work out their half hours as overtime running, it brings in some extra production to manufacturing firms at least."

The Kenosha War Chest in its report for the year ending May 31, 1918 reports the total number of pledges as 19,250 and the total amount subscribed as \$322,664.

In Detroit the organization was called the "Detroit Patriotic Fund". It held its first campaign for funds in May, 1918, and \$10,500,000 was raised. In an address to the 1918 National Con-

ference of Social Work, on the "War Chest and Federation movement", William J. Norton, Secretary of the organization, made the following statement, which is significant as bearing on the part corporations played in raising the fund:—

"...an attempt has been made to budget all the citizens in order to produce in an equitable and fair manner. The Fund worked out the income of its so-called capital class as \$125,000,000 a year, and of its wage earning group as \$200,000,000 a year. After careful studies, it was decided to ask the capital group to produce 5 of the 7 millions needed, and the wage earners the other two millions. A careful classification of incomes was made and a schedule of percentages developed, graded from two per cent in the lowest classes to 15 per cent of the gross income in the highest. This schedule, if it is adhered to with the expected efficiency in each class, will produce the Fund."

Apparently in Detroit the emphasis was put on individual rather than corporation contributions. A detailed schedule of corporation contributions to the Detroit Patriotic Fund, supplied by the present Community Fund, shows 99 corporations contributing \$642,551 or 6 per cent of the total. This list is probably incomplete, but doubtless includes all of the important contributions. The attitude of local business leaders seems to have resulted in a less imperious demand on corporations for contributions than was made in other cities.

The Detroit showing is especially interesting when comparison is made with Cleveland. In that city, the total subscribed to the May 1918 "Victory Fund" was \$10,538,640 or almost the same as in Detroit. Subscriptions from 1,784 corporations as shown by a detailed list supplied by the Cleveland Welfare Federation and Community Fund, amounted to \$3,188,401 or 30.3 per cent of the total.

The Members' Bulletin of the Minneapolis Civic and Commerce Association for November 1918 announced the forthcoming War Chest drive. The Minneapolis War Chest included not only the seven national organizations but also the Red Cross and 43 local social service agencies. The total amount collected was approximately \$2,500,000. Many corporations are listed as contributing to the Minneapolis and Hennepin County War Fund.

The campaign put on in November, 1918, in the name of the "Cincinnati War Chest" was apparently the community's answer to President Wilson's proposal to combine the seven United War

Work appeals in one. The total amount subscribed to the War Chest in Cincinnati and Hamilton County was \$5,707,000. The list of contributors to this fund supplied by the Cincinnati Council of Social Agencies from names published in Cincinnati newspapers during the progress of the campaign shows 315 concerns that contributed a total of \$1,530,000. This was approximately 27 per cent of the total raised.

When the last of the national war service appeals was made (United War Work Campaign, November 11-18, 1918) the federations of charity and philanthropy were participants in war chests in a dozen cities. From these war chests the local charities that were members of federations received more money than they had ever succeeded in raising by their own independent efforts. Figures as to amounts appropriated to local charitable and welfare organizations out of war chests are given in Table 6. In the opinion of the writers of this report, it was this inclusion of the regular, local, peace-time welfare agencies in war chests that resulted in corporation contributions to the latter being retained in such large measure by the community chests. While the 1918 war chests raised their

TABLE 6

SUMMARY OF TOTAL AMOUNTS RAISED BY WAR CHESTS IN 8 SELECTED CITIES, 1918, AND OF AMOUNTS RECEIVED FROM WAR CHESTS BY LOCAL FEDERATIONS OF CHARITY AND PHILANTHROPY.

City	Amount raised by war chest	Amount allocated to local charities in federation	Number of local charities in federation
Cincinnati, O.	\$ 5,707,000	\$813,000	57
Rochester, N. Y. ^a	4,747,181	488,335	31
Detroit, Mich. ^b	10,500,000	998,283	51
Minneapolis, Minn.	2,500,000	806,796	43
South Bend, Ind.	457,818	?	12
Erie, Pa. ^c	?	111,376	11
Grand Rapids, Mich.	607,377	194,142	22
Cleveland, O. ^d	10,538,640	296,000	63

^aNo Federation existed in this city; local charitable organizations received funds direct from War Chest.

^b17 months ending September 30, 1919.

^cFiscal year ending September 30, 1919; \$81,329 received by Federation from May, 1918, War Chest for year ending September 30, 1918.

^dFiscal year ending September 30, 1919; \$75,000. received by Federation from 1917 War Chest during fiscal year ending September 30, 1917.—In addition to \$400,000 raised by Federation in 1917 (see Table 5).

funds on the basis of war psychology and through an appeal to patriotic duty, a considerable part of the money subscribed by individuals and corporations was actually expended during 1919 on peace-time community welfare activities. By the time it again became necessary to raise money, the federation of charity and philanthropy had largely succeeded to the position in community pride which had formerly been held by the war chest. The organizations which were created during 1919 to provide the funds for local peace-time welfare work took the name community chest. By their success in applying the war-tested technique of community-wide solicitation and by recreating to a considerable degree the spirit of community responsibility for community welfare which the war helped to bring to maturity, the community chests were able to retain to a considerable extent the contributions made to their predecessors by corporations. Data as to the number and amount of corporation contributions to 129 community chests will next be submitted.