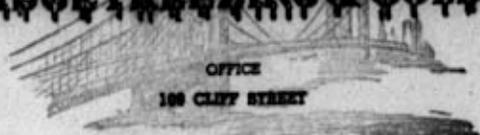


Morgan: A-2

PHONES: BEEKMAN 3-4130-1-2-3-4

*W. J. Morgan*

# BROOKLYN BRIDGE FREEZING & COLD STORAGE CO.



WM. FELLOWES MORGAN, JR.  
Chairman,  
Board of Directors  
WM. HENRY DUSEK  
President  
WALTER KOBBE  
Vice-President  
JOSEPH C. HUMBERT  
Secretary-Treasurer

OFFICE  
100 CLIFF STREET

NEW YORK 7, N. Y.

WAREHOUSES  
ARCHES 3 to 6  
106-11 CLIFF STREET  
16-26 VANDEWATER STREET

May 29th.,  
1947.

Mrs. Eleanor Roosevelt,  
29 Washington Square West,  
New York 11, N.Y.

Dear Mrs. Roosevelt:

The letter attached to this is a long one. Its accompanying memorandum is even longer.

Yet both, I believe, merit your careful reading as one gravely concerned, like myself, about democracy's future who realizes that the chief problem confronting the world is as to how the people themselves can make it work.

The contribution which women can make in solving this problem, along the lines indicated in the enclosed, is, in my opinion, immense and offers them an entirely new and expanding way to exercise their so largely unused powers.

If you have questions you'd like to ask, I'd be glad to sit down with you and answer them.

Faithfully yours,

*W. J. Morgan Jr.*  
Wm. Fellowes Morgan Jr.

wcm-pw

My judgment as to the practicability of the program is based on my experience as Commissioner of Markets of New York City, a member of Mayor La Guardia's Milk Commission and first-hand study of consumer-producer problems in many social and economic activities.

*W. J. M.*

## The Social Unit Institute, Inc.

118 EAST TWENTY-EIGHTH STREET  
NEW YORK 16, N. Y.

Telephone MUrray Hill 3-2198

May 29th, 1947

Mrs. Eleanor Roosevelt  
29 Washington Square West  
New York 11, N. Y.

Dear Mrs. Roosevelt:

This Institute has been set up recently to develop and present to the nation a plan growing out of long research and experimentation, indicating how the great mass of the American people -- and by people we mean women as well as men -- can evolve a more humane and efficient democracy, one capable of abundantly meeting their material needs through methods which also meet the needs of their minds and their spirits.

To achieve these ends, we propose to submit to the people in communities of approximately 10,000 population each (the size of the "sector" in Civilian Defense) and in combinations of such community units (corresponding to the "section" in Civilian Defense): ---

1. A plan of democratic, up-from-the-bottom, block-group organization to be controlled and operated by the people themselves in their complementary social and economic capacities as (a) civilian-consumers and (b) physicians, retailers, social workers, teachers, clergymen, business men, wage-earners, and members of other functional or producing and distributing groups serving the needs of the people within such units.
2. A step-by-step program of community action through which the people in these democratically organized community units can (under the guidance of national advisory councils of sociologists, economists, scientists and technical workers) begin at once to:
  - (a) conduct health and social services with a coverage exceeding that of any private or public body and at a significant reduction of present per capita costs.
  - (b) reduce the cost of foodstuffs, beginning with milk, and later of other essentials in the family budget, through mass community buying by specifications from established agencies of production and distribution.
  - (c) learn through functioning the essentials to a democratic solution of the social, economic and ethical problems confronting the nation and work actively, continuously and unitedly towards such a solution.
  - (d) make their community organizations self-supporting.

Eleanor Roosevelt, May 24, 1947

-2-

The practicability of setting up this new type of democratic organization and its extraordinary efficiency as an instrument for community action have already been convincingly demonstrated. Its far-reaching importance in enabling ordinary men and women to study and formulate and carry our plans to meet their individual and community needs (not merely depend on others to solve their problems for them); to work together as friends and neighbors for common ends, and to give expression to the goodwill latent in all of us in making their communities better places to live in -- thus raising the level of the life of the nation which is merely a union of its community units -- has been attested by all who have seriously studied this program.

The activities through which these community organizations can earn their own running costs are indicated on page 6 of the enclosed memorandum.

Our directors, as you will see by the brief descriptions therein, are men and women of the highest character and standing in their professions and callings. Their sober opinion is that unless we, as a people, can unite in some functional manner, such as this, and work together for the highest good of the whole community, in which that of each of us is included and on which it depends, the divisions and conflicts now rife among us are bound to increase and may precipitate us sooner or later, into disaster.

No study of democratic procedures to meet human needs has ever been made which is comparable to this one in its thoroughness, scope, basic significance and bearing on not only our national but international problems. For we cannot lead the world to a better social order, if that order is to be democratic, unless we can make democracy work at home, in this country. Nor can we make it work humanely and efficiently here unless our goal and our methods produce spiritual as well as material fruits and unless we have a pattern of organization which makes it possible for each of us, without any distinction, to participate actively, continuously and responsibly in our common affairs.

The trend in social, economic, and political organization is towards higher and higher forms of centralization without adequate provision for a supporting de-centralization through which the authority of those at the top in policy and administration with respect to strategic factors is derived from and harmonized with control from the bottom up.

The plan we bring forward (for voluntary coordination of autonomous community units, democratically representing both the consumers and the groups which produce and distribute the goods and services they require) supplies this vital organizational lack in democratic procedures.

At the same time, it provides a means for enabling the people, as well as the members of the groups serving their needs, to educate themselves through a functional process -- that of "learning by doing" -- which preserves their individual liberties and initiative and develops their capacity to think, judge, decide and act for themselves, with a view to advancing their own and the community's welfare, and thus acquire the requisite experience and knowledge for the efficient yet democratic conduct of their common affairs.

For these reasons we invite your aid in implementing our program.

Thirteen thousand five hundred dollars have thus far been spent in organizing the Institute; working out the specific nature of the program adopted;

Eleanor Roosevelt, May 29th, 1947

-3-

securing tax exemption to donors on gifts to its work and outlining and starting to prepare the materials initially needed. Of the above sum, \$10,000 came from one individual, the rest in small contributions from our directors and others.

We now need \$25,000 to complete the preparation of our materials; illustrate them with charts, graphs, etc.; submit them for advance review to our initial consultants; revise and print them in galley form after receiving their comments; create a broad advisory council, composed of key men and women in the national life, representing all sections of our economy, to whom these galley proofs will then be submitted; create, from among these consultants, a representative, non-partisan national body which can command the nation's respectful attention for our proposals, and in other ways prepare for the next step in our program.

An essential expenditure in the above connection is the employment of a research assistant and the collection of data, in addition to the data we have already assembled, in support of our conclusions and recommendations.

Our hope is that since our research and educational program will require an expanding budget after the expenditure of this first \$25,000, contributions will be renewable for at least three years.

Our accounts are audited and we comply with the other requirements as to the solicitation and handling of funds which are properly expected of any social organization.

Sincerely yours,

THE SOCIAL UNIT INSTITUTE, INC.

by:

*Horace Taylor*

Horace Taylor, Chairman, Chairman, Collegiate Division, Department of Economics, Columbia University.

*W. J. Morgan, Jr.*

Wm. Fellowes Morgan, Jr., Treasurer, Chairman Atlantic Coast Fisheries, former Commissioner of Markets, New York City.

*Arthur E. Albrecht*

Arthur E. Albrecht, Chairman, Department of Business Administration, City College of New York.

*Harry E. Carman*

Harry E. Carman, Dean of the College, Columbia University; Impartial Chairman, N. Y. Fur Industry.

*Mary S. Simkhovitch*

Mary S. Simkhovitch, founder, Greenwich House, Vice Chairman, N. Y. Housing Authority.

*Robert W. King*

Robert W. King, Assistant to the President, Bell Telephone Laboratories.

*Robert W. King*

*Wesley C. Mitchell*

Wesley C. Mitchell, Director, National Bureau of Economic Research, former President, American Assn. for the Advancement of Science.

*Jay E. Nash*

Jay E. Nash, Professor of Education, N.Y. University, President, American Academy of Physical Education.

*H. S. Person*

H. S. Person, Management Engineer, Consultant to the Rural Electrification Com'n; former Secy. of the Taylor Society.

THE SOCIAL UNIT INSTITUTE INC.

A Statement of its Aims and Activities and of the  
Urgent National Need for its Educational Work

Purpose

The Social Unit Institute is a non-partisan, non profit membership organization. Its purpose, as stated in its articles of incorporation is—(1) to investigate the basic causes of disunity, division and conflict among human beings in their social and economic activities and relations; (2) to develop through such research aims, principles and procedures which make for unity in the community and national life, and (3) to educate the public in relation to these.

Working Hypothesis

The Institute's working hypothesis is that social and economic unity must be based on a spiritual law and achieved through people organizing democratically in such fashion as to integrate their complementary and interdependent functions as consumers and producers—doing so under no compulsion whatever except the dictates of their own reason and conscience. Unity of this sort is defined as organic Unity.

As a means to the development of such unity, the Institute has adopted the Social Unit Plan, described on pages 3 to 7 of this memorandum. The educational work of the Institute will be to explain this plan to the American people. Its studies will continue those already made in the evolution of the plan up to this moment.

Background

The creation of the Institute and the evolution of the Social Unit Plan as a national program were the outgrowth of more than three decades of scientific research and experimentation carried on by various committees and organizations under the supervision of Mr. Wilbur C. Phillips, now serving as Executive Director for the Institute. Many eminent scientists, economists, sociologists, public health authorities, educators and other specialists have participated in these studies, the aggregate cost of which has been upwards of \$650,000. A summary of this background is found in Appendix 1, page 9 of this memorandum.

Personnel

The Directors of the Institute are men and women of the highest character and standing in their professions and callings. A brief description of them is found in Appendix 11, page 13. This is followed by expressions of opinion from some of them as to the significance of the conclusions and recommendations embodied in the Social Unit Plan, which the Institute will promulgate through its educational program. See Appendix 111, pages 14 to 15.

INITIAL CONSULTANTS.

Among those who have consented to serve as initial consultants are:

James N. Lendis --- Former head of the Office of Civilian Defense, and for many years Dean of the Harvard Law School; now Chairman of the Civil Aeronautics Board.

Ralph Flanders --- United States Senator, former Chairman of the Federal Reserve Bank of Boston.

Henry S. Dennison --- President of the Dennison Manufacturing Co., and one of the progressive business men of the country.

George N. Shuster --- President of Hunter College, former editor of the Commonwealth.

Robert A. Ashworth --- General Secretary, Conference of Jews and Christians.

Russell Davenport --- Former Editor of Life and Fortune Magazines and personal representative of Wendell L. Willkie in his 1940 Presidential Campaign.

Ruth Ayers --- Former President of the N. Y. State League of Women Voters, now director of budgetary Research for the U. S. Dep't. of State.

Mrs. Geo. Fielding Eliot --- Chairman of the Radio Section of the Womens' Action Committee for Victory and a Permanent Peace.

Educational Program

The Institute is now devoting itself to the completion of the materials to be used in its educational program. Before publication, these will be submitted for review, criticisms, comments and suggestions—

First, to a limited number of initial consultants, and, after revision,

Second, to a broad advisory council to be created from key men and women, leaders in their occupational groups and geographic areas.

Thus a composite mind, representing an integration of many view-points, skills and experiences will be brought to bear on the aims, principles and procedures brought forward, and on the clarity and persuasiveness of their presentation.

When this thorough consultation has been completed, the Institute will be enlarged and reorganized as a national body, composed of chairmen of functional sub-committees:

1. to educate the public generally in the aims, principles and procedures sponsored by it, and embodied in the Social Unit Plan, as these (based on the research and experimentation already referred to) have been reviewed, revised and strengthened under a wide range of technical and lay opinion, and finally agreed on.
2. to educate people intensively in their blocks, countrysides, neighborhoods, towns and cities as to how they can apply these unifying principles and procedures through democratic organization and work, and thereby:
  - (a) improve their health, social and economic conditions.
  - (b) supplement and aid such corresponding efforts in these directions as may be made by agencies of the government.
3. to continue and expand the research and experimentation already referred to, with a view to acquiring additional information and knowledge to guide the people in these local communities.

Urgent National Need of the Institute's Program.

Except for casting an infrequent political ballot, the average man and woman has at present no effective means of participating actively, continuously and responsibly in shaping the economic and social affairs of the nation which, in the final analysis, determine the income, purchasing power, security and health of his family.

This helplessness on the part of the great mass of the people has led to the organization of "pressure groups". Each of these, however, is primarily out for itself — with little or no regard to the general welfare. The result is discord and disunity in which blame, suspicion, fear, ill-will and even hatred are rampant.

These negative emotions divide and destroy. They must, in the opinion of the Institute, be replaced by the positive emotions of goodwill or love as an active force, expressing itself in service to the entire community, in which that of each is included. This is enlightened self-interest which recognizes that in the long run no one can benefit except as all benefit.

To accomplish this requires organization and work by the people, rooting in the neighborhoods, towns and cities where they reside and in which they earn their money and spend it. These are the basic units of the national life, on which the foundations of democracy must be laid.

At the same time, the people must be given a goal which they deeply desire and towards which they can direct their united efforts. Expressed in economic terms for the nation, this goal is the balancing of consumption and production as a means to full employment, security and a steadily rising standard of living for all.

Plan of Democratic Neighborhood Organization and Work which the Institute will Disseminate Through its Educational Program

Organization

The Institute will present to the neighborhoods of the country a new but tested pattern or design of democratic block-group organization through which they can, both singly and in combination with other community units, improve their health, social and living conditions and — wholly apart from any form of political action — work voluntarily and unitedly towards advancing the welfare of not only these communities but the nation.

The ability of ordinary men and women to unite their efforts in their local communities according to this design of organization was strikingly demonstrated in the Social Unit experiment referred to in Appendix I, page 10. A 380 page description of the genesis, nature and accomplishments of this unique demonstration is contained in the first volume of a three volume book, on which Mr. Phillips, Director of the Institute, has for some time been engaged.

As shown in the chart presented on the following page, this design of democratic community organization embraces:

1. the creation of a Citizens or Consumers Council composed of the responsible heads of block councils elected by the people in units of not more than 100 families each.
2. the creation of an Occupational or Producers Council, composed of the responsible heads of executive committees elected by groups of physicians, social workers, teachers, clergymen, housing and recreational workers, businessmen, wage earners, etc.
3. A union of these two councils (called a General Council) for continuous joint study, planning and action.

DESIGN FOR DEMOCRATIC CONSUMERS.  
Geographic Organization  
By Blocks

TO OUR WOMEN CONSULTANTS

The role assigned to women in this plan is unique: There are several reasons:

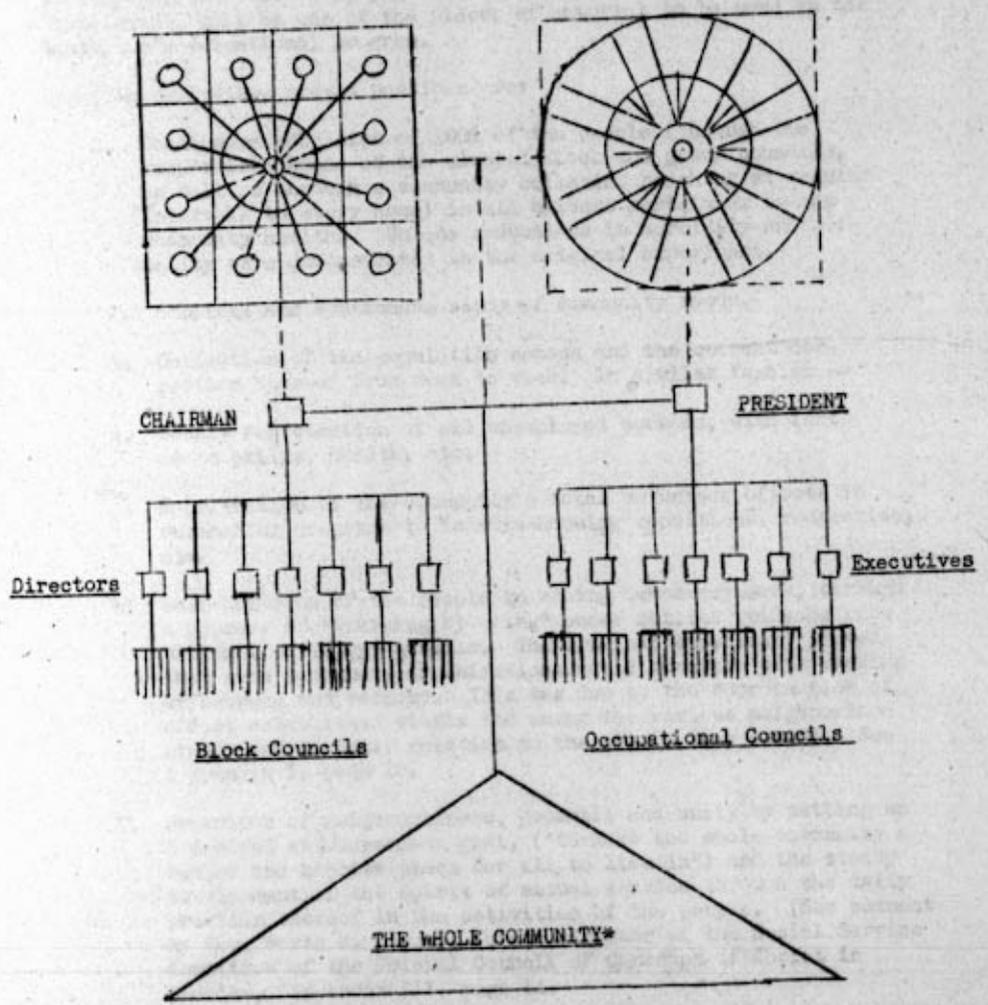
1. Women will be the democratically elected representatives of consumers --- the families of the nation --- organized block by block and neighborhood by neighborhood.
2. Women will study and report the needs of consumers, in the sense of the health, social and economic requirements of the babies, children, boys and girls and adults who live in their blocks. They will also help formulate plans for meeting those needs, and then in putting those plans into effect, through methods proved (as we shall show) to get better results and to get them faster than any other methods as yet devised.
3. Women will continuously voice the demand of consumers that all the money they spend be used by those who receive it in such fashion as steadily to increase the purchasing power of that money. (Family income in dollars means little or nothing if prices rise both faster and higher than wages.)
4. Women will make the demand of consumers effective through informed and concerted use of their buying power. This is the greatest economic power in the nation --- for women, in the aggregate, spend or influence the spending of from 80 to 90 % of the billions of dollars which go annually for the purchase of consumable goods, services and other satisfactions of daily life. (These are the end result of all industrial effort.)
5. Women will thus, for the first time in history; ---
  - (a) enter into the economic life of the nation as full partners with men.
  - (b) have an equal voice with men in determining national and international policies, plans and procedures --- and thus in working for the kind of a world, and the kind of a peace, which men, left to themselves, have never achieved.

consumers, in the form  
 Representatives of  
 organized block  
 use: There are several

DESIGN FOR DEMOCRATIC COMMUNITY ORGANIZATION

CONSUMERS  
 Geographic Organization  
 By Blocks

PRODUCERS  
 Occupational Organization  
 By Groups



NOTE: An average community (or urban neighborhood) is conceived as a unit of approximately 10,000 population. This was the average population of the sector in Civilian Defense. The community in which the Social Unit Experiment was conducted had a population of 12,500.

Activities — Health and Social

The health and social activities which the people in local communities, organized in such fashion, can carry on for themselves have been fully described in the first volume of the three volume work by Mr. Phillips already referred to. A 25-page summary of this volume, graphically illustrated, will be one of the pieces of material to be used in the Institute's educational program.

Specific activities proved possible are:

1. Continuous education of 100% of the people (through the responsible heads of the elected block and group councils, as well as through a community bulletin, reaching at regular intervals to every home) in all matters pertaining to the community health. Unique reductions in morbidity and mortality were demonstrated in the original experiment.
2. Complete and continuous study of community needs.
3. Collection of the population census and the current correction thereof from week to week. In similar fashion --
4. Weekly registration of all unemployed workers, with facts as to skills, health, etc.
5. Mobilization of the community's total volunteer efforts in furthering programs to improve housing conditions, recreation, etc.
6. Self-training of the people in making democracy work, through a process of "learning by doing" under skilled guidance from national advisory councils. The original experiment proved that such community organizations could function with amazing efficiency and economy. This was due to the coordination of effort established within and among the various neighborhood groups and in their relation to the people they served. See Appendix I, page 10.
7. Promotion of neighborliness, goodwill and unity by setting up a desired and agreed-on goal, ("to make the whole community a better and happier place for all to live in") and the steady development of the spirit of mutual service through the daily practice thereof in the activities of the people. (See comment by Rev. Worth M. Tippey, former director of the Social Service Committee of the Federal Council of Churches of Christ in America, Appendix III, page 14.

Activities -- Economic

The economic activities which the people in such organized community units and combinations thereof can carry on for themselves are explained in the remaining two volumes of the book by Mr. Phillips, already referred to, and in other unpublished reports.

Specific activities proved possible are:

1. The zoning and centralizing of milk distribution, through voluntary, informed and concerted community buying. Resulting savings will accrue to consumers, with just regard to the needs of workers and farmers. Since the amount of consumer spendings will remain the same as before neither this nor any subsequent operation described below will result in inflation. It will, however, increase the purchasing power of consumers.
2. Extension of this principle of community savings, through a gradual, step-by-step process of community action, to other essential goods and services -- beginning with foods.
3. Cooperation with retailers, wholesalers, manufacturers and producers towards the achievement of maximum savings in distribution. See comments by Wesley C. Mitchell, director of the National Bureau of Economic Research & William Fellows Morgan, former Commissioner of Markets, New York City, Appendix III, page 14.
4. Establishing direct relations between organized consumers in community units and units of farm-producers supplying their needs for milk, cream, butter, eggs, poultry, fruits, vegetables and many other essential farm-grown products.
5. Gradual zoning of the facilities for producing and processing these farm-grown foods, and capacity use of these facilities in serving consumers, brought about by the united demand of consumers made effective through voluntary and concerted use of their purchasing power.
6. Gradual extension of these principles and procedures to the zoning of production and manufacture of other things besides foods.
7. Continuous, house-to-house studies of consumer needs and requirements, beginning with milk and foods, then gradually extended from these to clothing, shelter, medical care, recreation, education, etc.

8. Continuous studies of existing resources available for producing and distributing these consumer requirements.
9. Continuous education of consumers in the use of their money, including savings, to the end that all their money may be expended to make possible full employment; maximum use of plant, equipment, etc; maximum reduction of industrial wastes, and hence maximum purchasing power on the part of the people.
10. Continuous cooperation with and aid to government bureaus in the maintenance of public controls, as these may be needed (prices, standards, etc.); idem for public departments and agencies such as (inter alia) the U. S. Department of Agriculture; Bureau of Labor Statistics; Census Bureau; Public Health Service; Department of Commerce, etc.

The Institute is a Philanthropic Agency  
in the Highest Sense of that Term.

It will be seen from the foregoing that the activities of the Social Unit Institute will consist in educating the American people, in the blocks, countrysides, neighborhoods, towns and cities where they live, as to how they can help themselves through their own efforts by organizing and working together unitedly in their dual and supplementary capacities as spenders and earners and thus, through practical functioning, learn how to utilize democratic procedures efficiently in advancing their economic and social welfare.

This is philanthropy of the highest type. It centers on the prevention of social ills rather than on remedial efforts after they have drawn people into their vortex.

The soundness of this principle has been thoroughly demonstrated in the field of public health where it has proved immensely more effective and far less costly in effort, money and human values. By stimulating and helping people to change the conditions which keep them poor, with disastrous effects on their minds, bodies and spirits, it also develops their character, strengthens their morals and fosters individual initiative and independence, which lie at the very root of our way of life.

So long as ignorance and poverty continue, the victims of these ills must be given aid. But if agencies which palliate the needs of the poor, after misfortune has overtaken them, are worthy objects of gifts running to millions, surely an organization such as the Institute, which operates to prevent such human distress through furthering intelligent effort by the people themselves, is at least equally entitled to such support from the public.

This is all the more true of the Institute because its central motivation is that of goodwill — the only force that can ever draw people together and overcome the negative forces of blame, suspicion and fear which now drive them apart. In these lie the basic causes of disunity, discord and conflict.

No Legislation Required for the Institute's Program

Finally, the Institute's task of educating the people so that they may "help themselves through their own efforts" requires no legislation. Under our Constitution and Bill of Rights, the people already possess the freedom (or liberty) to organize themselves in any way they choose, to meet any legitimate need of themselves and others, so long as they follow peaceful methods in doing so.

Peaceful methods are those which make for Unity — Oneness. These are the greatest needs in the world today. People cannot be forced to unite their efforts, to make unity effective through organization. People must be persuaded, must desire to unite under the attraction of a conception of what makes for the highest good of each and all. This is purely a matter of educating the people in the practice of the law of love in their social and economic activities and relations, as the antidote to the practice of blame, suspicion and fear, of antagonism, ill-will, hatred and war, which have brought mankind close to the brink of ruin.

For these reasons the Institute does not contemplate attempting to secure the passage of laws in connection with its projected educational program, so long as those on the statute books continue to make this program possible.

The Institute's Needs

The Institute needs immediately \$25,000 to complete the preparation of its materials; illustrate them with graphs, charts, etc; submit them for advance review to its initial consultants; revise and print them in galley-proofs; create the broad advisory council already referred to; submit them to the key men and women comprising this council, and prepare financially and in other ways for the next steps in its program of presenting its proposals to the neighborhoods and homes of the country.

Contributions to the Institute are deductible from the taxable income of donors in accordance with the provisions of the Income Tax Code.

APPENDIX I

A Brief Summary of the Scientific Research and  
Experimentation which Led to the Creation of

THE SOCIAL UNIT INSTITUTE

The creation of the Social Unit Institute is the outgrowth of more than three decades of scientific research and experimentation carried on through a number of committees and organizations, under the supervision of Wilbur C. Phillips, now Executive Director of the Social Unit Institute.

Some of the most eminent minds in the nation have participated in these studies, either as active workers or as consultants.

The record is presented in chronological order to make clear the step-by-step scientific process employed - and its cumulative results. It begins with a study of the medical and social causes of infant mortality. Mr. Phillips was at that time Secretary of the

The New York Milk Committee. This Committee organized

1. A chain of experimental infants' milk stations and developed therein methods which have since been largely instrumental in cutting the nation's infant death rate in two.
2. The New York Dairy Demonstration Company, which developed methods, now used nationally, for producing Grade A Milk ("safe for babies and children").
3. The National Commission on Milk Standards which established the methods for the sanitary control of city milk supplies (grading, labeling, etc.), since adopted, with but slight modifications, in upwards of 2,200 American cities and towns.

In connection with the above work, Mr. Phillips caught the idea of developing solutions of national health, social and economic problems on a basis of small, population units or neighborhoods, but felt the need of experience in a smaller, more typical city than New York. On his marriage to Elsie La Grange Cole, who has since been his co-worker, he therefore went to Milwaukee where he organized and became secretary of

The Milwaukee Municipal Milk Commission. This was the first functional body of its kind in the country, in the sense that it gave representation to farmers, milk dealers, etc. He likewise organized and became secretary of

The Milwaukee Municipal Child Welfare Commission, which, through intensive work in a community unit, established the first educational health center in the United States - since widely copied. (New York City today is zoning its public health work on a health center basis.)

A growing understanding of community needs and of techniques for attacking them through combined geographic and occupational organization, developed in connection with his work in Milwaukee, gave Mr. Phillips the germ of an idea for a more democratic application of these techniques in the planning, administration and distribution of community health and social services and for increasing the purchasing power of moneys expended for these, as against the costs of work conducted by private and public agencies. This led to several years of

Independent Research in the Theory and Practice of Democratic Procedures. At the end of this period, and as an outgrowth of the studies made, he organized and became the General Executive of

The National Social Unit Organization. Under his direction, this organization stimulated through an educational process the establishment of The Social Unit Experiment carried out by the people in a working class community of 12,500 population in Cincinnati.

The program of health and social activities in this community unit was based on the promise that the needs of babies and children are the needs of their fathers and mothers and of the entire community of which these are members. The type of democratic community organization set up in this Unit, representing the people by blocks and occupational groups, has already been described in the preceding pages. National advisory councils of eminent physicians, social workers, statisticians, etc. furnished voluntary guidance for the people in conducting their local work. A feature of the program of local activity was the publishing of a community bulletin which went regularly to every home in the neighborhood.

The Social Unit Experiment attracted national and international attention because of its design of organization and because of its demonstrated efficiency. (The purchasing power of each dollar spent for community services in the Unit was doubled and trebled over that achieved by equal sums where expended by private and public agencies.) The experiment, however, was financed by private gifts. Its astounding success and a proposal to duplicate it over the city brought a political attack which finally killed it by a withdrawal of funds. This led Mr. Phillips to enter on a long period of

Independent Research to Discover Economic Functions (and hence Means of Self-support) for Organized Community Units, representing consumers on a geographic block basis and producers, or workers, on an occupational basis. Advisory Committee consisted of Wesley C. Mitchell, director of the National Bureau of Economic Research, Frederick M. Foiker, late secretary of the American Society of Engineers and other equally eminent scientists and technicians.

A Key to the Self-Support of Community Units was found after several years in voluntary, concerted consumer demand for milk, on a community basis, without change of ownership of present plant and equipment, under guidance of national scientific and technical standards as buying specifications. (A saving of only 6-1/2 mils per quart was found sufficient to finance the yearly maintenance of a democratically elected block organization, including a bulletin, reaching to every home in any city or town.) There was likewise discovered a basic principle for centralizing and zoning milk distribution; establishing direct relations between urban consumption and rural-production units, and increasing the entire community's purchasing power. This led to

Further Economic Research into Food Distribution and into methods for applying the principles of organization and work which had already been discovered in relation to milk, to foods in general, as the largest item in the family, community and national budgets and the most important factor to the health of the people. As a result of this there was developed:

A Plan for Guiding Consumers in their Food Expenditures, under national scientific and technical counsel. Dr. Harvey Wiley, founder of the Federal Pure Foods Law, accepted the honorary chairmanship of a national advisory council of food scientists and Mr. Feiker (see above) the presidency of a national organization to bring these scientists together and disseminate their findings. The first meeting of the board was held ten days before the "crash" of 1929. This caused the withdrawal of underwritings and led Mr. Phillips to:

Interim Work with the Metropolitan Life Insurance Company, analyzing data on health, social and unemployment insurance in Europe. He left this to become:

Co-Worker with Dr. Mitchell (see above) in Conducting a Survey of Criteria for Judging how the National Income Should be Spent. In this study, made for the Social Science Research Council, an opportunity was presented to work out the application of the principles already developed in relation to milk and foodstuffs, to the entire range of consumer spending. The survey, however, indicated the need of still further study of the spending of savings. This led to another piece of

Economic Research into the Effect of the Spending or Non-Spending of Savings and Surplus on the Unemployment and Destitution which Characterize the Life of Communities in the lower Brackets of Income. In this study, special attention was given to the type of action which consumers, if organized on a community basis, can play in abolishing these economic and social ills through the voluntary use of their purchasing power. At the close of these studies, Mr. Phillips and his associates

Arrived at Conclusions based on this long sustained and Cumulative Research as to how the average man and woman can organize and act in his capacity as a citizen (or consumer) and at the same time as a producer (or worker), to attack the basic health, social and economic problems on which his welfare depends.

They were convinced that the evolutionary development of a more genuine and efficient democracy was the prime need not only in this country but throughout the world -- and that here was a new, voluntary and strictly American approach to this problem.

They were also convinced that the nation was moving, and would continue to move with increasing acceleration, towards centralized planning and control by the federal government -- and that there should be developed at the same time a practicable means of de-centralization; first, because many matters can best be handled in smaller areas and, second, in order to strengthen and maintain our democratic procedures.

On the basis of the experience outlined above, they believed that the people could achieve this de-centralization by voluntarily organizing in their local communities; linking these over wider areas, and through the activities conducted therein train themselves for efficient handling of local matters and for effective participation in national plans and programs.

To present the conclusions and recommendations reached through these studies, and the factual evidence on which they were based, Mr. Phillips began the writing of a three volume work. Before this was completed, the entry of the nation into the war indicated the need of a final piece of

Research into the basic causes of disunity, division and conflict, internally and between the various nations. The object of this research was to discover incentives which would induce men and women at every level of income -- the rich no less than the poor and the great middle class -- voluntarily to unite and spend their money and savings for the purpose of achieving the ends referred to above, through peaceful, orderly and constructive procedures, at once evolutionary and democratic in nature.

This led to the Creation of the Social Unit Institute to submit these scientific findings to key men and women and to disseminate them to the general public after they had been checked, re-checked and revised under such consultation.

- |   |   |
|---|---|
| Joseph P. Kamp, Director of the Federal Bureau of Investigation, U.S. Department of Justice | Walter Dill Scott, former President of the University of Chicago, Chairman of the Committee for a Rational Foreign Policy |
| William L. Garrison, former President of the American Library Association                   | Miss Elizabeth Waddell, President of the Parents' Teachers' Committee of Chappaqua, N.Y.                                  |
| John D. Rockefeller, former President of the American Library Association                   | Edith Folsom, writer and former Assistant to the President of the American Library Association                            |
| John D. Rockefeller, former President of the American Library Association                   |   |

A Brief Description of the Directors  
of the Social Unit Institute

Chairman, Horace Taylor, Professor of Economics, Chairman, Collegiate Faculty of Economics, Columbia University.

Executive Director, Wilbur C. Phillips, Social Engineer and Scientist.

Secretary, Elsie La. G. C. Phillips, former Co-Executive, Social Unit Experiment.

Treasurer, William Fellowes Morgan, Jr., Chairman, Atlantic Coast Fisheries, former Commissioner of Markets, New York City.

Wesley C. Mitchell, Director, National Bureau of Economic Research; past Pres. American Assn. for the Advancement of Science, who headed the ground-breaking Studies of Recent Economic Changes and of Social Trends in America.

Harlow S. Person, Management Engineer; Consultant to the Rural Electrification Commission and former Secretary of the Taylor Society.

Arthur E. Albrecht, Chairman of the Department of Marketing, City College, N.Y.

Burdette G. Lewis, former President, Foremost Dairies, now economist with Commission to Middle East.

Harry Carman, Dean, Columbia College, Impartial Chairman, N.Y. Fur Industry.

Jay E. Nash, Professor of Education, N.Y. University, and President, American Academy of Physical Education.

Frieda Wunderlich, Professor of Political and Social Science, New School of Social Research; former dean, University in Exile.

C.H.A. Winslow, School of Medicine, Yale, University, Leading nat'l authority on public health and housing.

Elsa H. Maumburg, educator

Helen Rosen, Chairman of the Parents & Teachers Committee of the Dalton School, N. Y. City.

Edward C. Lindeman, Prof. of Social Philosophy, N.Y. School of Social Work, leading nat'l authority on adult education.

Joseph Ellner, Advertising and Sales Executive, former Public Relations Counsel to Polish Government.

Estelle Sternberger, Radio Commentator

Maurice William, author of the Social Interpretation of History.

Anna Pierce, Founder, Herald-Tribune Home Institute; former Assistant to Dr. Harvey W. Wiley, when he administered the Pure Food Laws; writer, lecturer and consultant to leading food corporations.

J. Max Weis, Director, Liberty Forum of the Air.

Mary Simkhovitch, Founder, Greenwich House, Vice-Chairman, N.Y. Housing Authority.

Robert W. King, Assistant to the President, Bell Telephone Laboratories.

Wm. J. Schieffelin, former President of the Citizen's Union of N.Y.C., Chairman of Committee for a Democratic Foreign Policy.

Elmer Brown, Vice President, International Typographical Union.

Mrs. Hensleigh Wedgwood, President of the Parents & Teachers Committee of Chappaqua, N.Y.

Edythe Folster, writer and former Assistant to the President of the American Library Association.

APPENDIX III

COMMENTS ON THE PLAN

"The Social Unit Plan is an invention not only in a new democratic procedure which enables the average man and woman to participate actively and continuously in the community life, but also for unravelling the greatest unsolved problem of American business -- that of reducing wastes in selling and distributing goods and services, and thus of increasing the real income of the American people.

"With respect to the former, the plan has a significance, especially at this particular moment, of profound importance to every citizen.

"With respect to the latter, the importance of the invention may be likened to the discovery of the cotton gin in the early agricultural stages of the nation's development."

Wesley C. Mitchell, Director of the National Bureau of Economic Research, past-president of the American Association for the Advancement of Science, and the man who headed the great groundbreaking studies of Recent Economic Changes and of Social Trends in America.

"The Social Unit Plan is based on the premise that the aim of industry and the goal of democracy should be abundantly to meet the needs of consumers. The contribution women can make towards solving this problem, through the democratic procedures laid down by the plan, is not only practicable but breath-taking in its possibilities."

William Fellowes Morvan, former Commissioner of Markets, New York City.

"The Social Unit Plan is an embodiment of the practice of religion in the consideration and solution of the community's problems. Its formulation represents a trail blazed through the wilderness of the social and economic confusion we see about us on every side. I should like to see it get to every priest, rabbi and clergyman in the country, as a unifying principle in the national life and as a method for drawing men and women together as neighbors, to end the conflicts and divisions which are the present greatest threat to democracy's future."

Rev. Worth M. Tippy, former secretary of the Social Service Committee of the Federal Council of Churches of Christ in America.

COMMENTS ON THE PLAN (Continued)

"Since the depression, more than three-score plans for improving social and economic conditions in the United States have, in connection with my work at Columbia, come into my hands.

"All of them, without exception, aimed to show what either industry or the government could do for the people, rather than what the people themselves could do to study, plan and meet their needs through their own efforts, and in the process aid directly in solving the basic and troubling problems confronting the nation.

"More recently, I have had the responsibility of supervising the reading of upwards of 36,000 plans for post-war employment, submitted by candidates for the Pabst Awards. (Dr. Wesley C. Mitchell, of our committee, who wrote the introduction to Mr. Phillips' first volume, was one of the four judges of these Awards.) In these, too, I found the same fundamental defect.

"As against these, the only plan of which I know which is based on continuous, daily activity by the people themselves is the Social Unit Plan. It is the only plan of which I know which shows people how they themselves can make democracy work, not just by casting an infrequent political ballot but in the homely functions of everyday life. Finally, it is the only plan of which I know which makes it possible to implement and channel goodwill and neighborliness, an an antidote to the fears, blames and suspicions which divide and destroy.

"Because of the profound influence this plan can exert upon the character of the American people, by developing their individual independence and initiative, and at the same time establishing in them the habit of working together for their own and their communities' benefit, I have long felt that, when we had completed our studies, the implementation of the proposal might well appeal to some public spirited person or group of persons, who, deeply concerned about democracy's future, desired to aid its development along sound and constructive lines.

"To such a person or persons I can say without hesitation that I doubt whether there will arise again in their lifetime an equal opportunity to serve their fellows in so vital a way and on so broad a scale."

Horace Taylor, Professor of Economics,  
Columbia University