

TELLURIDE NEWS LETTER

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RESERVE POLICY AN ANALYSIS

PAUL C. SZASZ

ITHACA, N. Y.

PROBABLY THE LEAST UNDERSTOOD OF THE ASSOCIATION'S FINANCIAL PROGRAMS IS THAT MISCELLANEOUS SET OF FORMULAE KNOWN GENERALLY AS OUR "RESERVE POLICY." IT IS NOT ALWAYS RECOGNIZED THAT MOST RESERVE APPROPRIATIONS CANNOT BE CUT AND PRUNED LIKE MANY OTHER ITEMS ACCORDING TO CURRENT FINANCIAL EXIGENCIES; THEY ARE, RATHER, AN INTEGRAL PART OF THE BUDGET-MAKING PROCESS ITSELF. THE GOAL OF PROPER BUDGETING, OF PROPER FISCAL MANAGEMENT, MAY BE STATES AS FOLLOWS: TO DETERMINE ANNUALLY THE RATE OF EXPENDITURE CORRESPONDING TO A LEVEL OF ASSOCIATION ACTIVITY THAT CAN BE MAINTAINED INDEFINITELY WITH OUR PRESENT CAPITAL RESOURCES. IMPROPER DETERMINATIONS OVER A NUMBER OF YEARS COULD LEAD TO AN OVER-EXPANSION OF ACTIVITIES AND TO AN EXHAUSTION OF AVAILABLE RESOURCES. THIS WOULD SOON HAVE TO BE COMPENSATED BY A CUTBACK --NOT ONLY TO WHAT HAD FORMERLY BEEN THE CORRECT LEVEL BUT TO A LOWER LEVEL CORRESPONDING TO THE REDUCED BASE AND THE REDUCED INCOME.

TO ANALYZE THE EFFECT THAT RESERVE APPROPRIATIONS HAVE ON THE BUDGET-MAKING PROCESS, WE MAY DISTINGUISH FOUR SEPARATE TYPES OF RESERVES: (1) RESERVES THAT DETERMINE THE PROPER AMOUNT OF SPENDABLE INCOME (STABILIZATION RESERVE; ALSO, IN A SENSE, THE PLOWBACK); (2) RESERVES THAT CORRESPOND TO INVISIBLE EXPENDITURES, I. E., OBLIGATIONS ASSUMED OR DEPRECIATION SUFFERED (PENSION RESERVE, TELLURIDE HOUSE REPLACEMENT RESERVE, SELF-INSURANCE RESERVE (NONE YET ESTABLISHED)); (3) RESERVES FOR SPECIFIC OR GENERAL EXPENDITURES PLANNED BY ONE CONVENTION FOR A SUBSEQUENT FISCAL YEAR (SUMMER PROGRAM RESERVE, SIDGWICK MEMORIAL RESERVE, NEW BRANCH FUND); (4) RESIDUAL RESERVES--THE CUMULATIVE NET BALANCE OF ANNUAL UNDER-AND-OVER APPROPRIATIONS AND UNDER-AND-OVER-EXPENDITURES (UNAPPROPRIATED INCOME, TELLURIDE HOUSE MAINTENANCE RESERVE). THE FIRST THREE TYPES MAY ALSO BE CALLED "THE APPROPRIATED RESERVES."

IN PRINCIPLE, THE PREPARATION OF THE BUDGET THEREFORE PROCEEDS AS FOLLOWS: THE SPENDABLE INCOME FOR THE YEAR IS DETERMINED BY THE CONVENTION FINANCE COMMITTEE ACCORDING TO THE "EXPENDITURE STABILIZATION" FORMULA--THE ACTUAL INCOME FOR THE YEAR IS ADJUSTED TO THE FORMULA AMOUNT BY MAKING THE PROPER APPROPRIATIONS TO PLOWBACK AND EITHER ADDING TO OR DRAWING FROM THE STABILIZATION RESERVE TO MAKE UP THE BALANCE. THE TYPE (2) RESERVE APPROPRIATIONS ARE THEN DETERMINED AND SUBTRACTED FROM SPENDABLE INCOME--SINCE THESE REPRESENT ACTUAL THOUGH INVISIBLE EXPENDITURES, THEY SHOULD RECEIVE A HIGH PRIORITY. THE BALANCE OF SPENDABLE INCOME IS THEN DIVIDED AMONG APPROPRIATIONS FOR CURRENT ACTIVITIES AND TYPE (3) RESERVES--THE LATTER, REPRESENTING ONLY PROJECTED FUTURE EXPENDITURES, HAVE GENERALLY LOWER PRIORITY. IF ALL THESE AMOUNTS CAN BE FITTED INTO THE TOTAL DETERMINED FOR SPENDABLE INCOME, THEN THE ASSOCIATION IS OPERATING ON A LEVEL IT CAN PROBABLY MAINTAIN INDEFINITELY. IF, AS HAS BEEN

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TELLURIDE ASSOCIATION
ITHACA, NEW YORK

TO THE FRIENDS AND MEMBERS
OF TELLURIDE ASSOCIATION:

THIS YEAR'S CONVENTION OF TELLURIDE ASSOCIATION, OUR FORTY-FIFTH, IS ONE I SHOULD PARTICULARLY LIKE TO INVITE YOU TO ATTEND. IT IS, OF COURSE, IN CONVENTION ASSEMBLED THAT THE MEMBERS ARE ABLE MOST DIRECTLY AND EXTENSIVELY TO EXERCISE THEIR RESPONSIBILITIES. IT IS THUS AT CONVENTION THAT THE ASSOCIATION'S FRIENDS, BY THEIR PRESENCE, CAN BEST LEARN OF CURRENT PROBLEMS AND MOST EFFECTIVELY PROVIDE THEIR COUNSEL.

AS REPORTED IN THE RECENT NEWSLETTERS, THERE WILL BE PUT BEFORE THIS YEAR'S CONVENTION REPORTS RESULTING FROM PERHAPS THE MOST EXTENSIVE BETWEEN-CONVENTION COMMITTEE-WORK EVER UNDERTAKEN BY THE ASSOCIATION. FROM THE QUESTIONS OF THE NEW PREFERMENT PROCEDURES, A DEEP SPRINGS SUMMER PROGRAM, SECONDARY BRANCHES, THE TA PAMPHLET AND THE WORK REQUIREMENT TO THE ESTABLISHED REVIEW OF RECRUITMENT, FINANCES, THE CORNELL BRANCH AND SUMMER PROGRAMS AND THE FUNDAMENTAL QUESTIONS OF MEMBERSHIP AND PREFERMENT, THIS PROMISES TO BE AN EXCITING AND IMPORTANT CONVENTION. TO YOU ALL, HOWEVER LONG YOUR ASSOCIATION CONTACT, WHETHER FRIEND OR ALUMNUS OF THE ASSOCIATION, DEEP SPRINGS OR THE SUMMER PROGRAM, I EXTEND THE ASSOCIATION'S WARM INVITATION TO JOIN US AT CONVENTION FOR AS LONG AS YOU CAN.

THIS LETTER IS ADDRESSED AS WELL TO THE MEMBERS. AT LAST CONVENTION PERSONAL ATTENDANCE FIGURES FELL AS LOW AS 26, 28 AND 29. SUCH FIGURES DO NOT MERELY CREATE THE QUORUM DIFFICULTIES EXPERIENCED LAST YEAR, THEY WORK AGAINST THE FULL CONSIDERATION THAT THE PROBLEMS FACING THE ASSOCIATION DESERVE AND THAT THE ASSOCIATION DESERVES TO HAVE THOSE PROBLEMS GIVEN. I HOPE EACH MEMBER WILL CONSIDER CAREFULLY HIS OWN DECISION ABOUT ATTENDING THIS YEAR.

CONVENTION STARTS IN ITHACA ON JUNE 11. IT WOULD HELP IN ARRANGEMENTS IF YOU WOULD LET ARRANGEMENTS CHAIRMAN GEORGE C. SMITH, AT TELLURIDE HOUSE, KNOW YOUR PLANS AHEAD OF TIME. SHOULD YOU PREFER ACCOMMODATIONS OUTSIDE THE HOUSE, HE WILL HELP YOU WITH RESERVATIONS.

I LOOK FORWARD TO SEEING AND MEETING YOU
IN JUNE.

SINCERELY,



DONALD E. CLAUDY
PRESIDENT

TELLURIDE NEWSLETTER

ALLEN E. GALSON

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THOMAS NAGEL

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EDITOR'S BOX

SOME HEALTHY CRITICISM OF TELLURIDE HOUSE AND DEEP SPRINGS IS CONTAINED IN THIS ISSUE OF THE NEWSLETTER. CONSTRUCTIVE CRITICISM IS THE CATALYST OF A GROWING AND VIGOROUS ORGANIZATION. AND CERTAINLY THE NEWSLETTER SERVES AS AN ADEQUATE MARKET PLACE FOR THE HOLMESIAN CLASS OF IDEAS. IT IS IMPORTANT NOT TO FORGET, IN THE MIDST OF OUR TIMELY PROBLEMS, THAT, IF YOU WILL PARDON THE METAPHOR, SOME OF THE DIAMONDS THAT HAVE BEEN POLISHED BY THE ASSOCIATION ARE NOW SHINING WITH A SPLENDOR THAT IS DIRECTLY AFFECTING OUR SOCIETY. ONE SUCH DIAMOND IS THE GOVERNOR OF CALIFORNIA, GOODWIN KNIGHT.

THIS MAY 4, YOUR EDITOR SPENT A PLEASANT FORTY-FIVE MINUTES WITH GOVERNOR KNIGHT IN HIS SPACIOUS SACRAMENTO OFFICES. A CONSIDERABLE PORTION OF THE TIME WAS DEVOTED TO DISCUSSION OF THE ASSOCIATION AND THOSE "GOOD OLD DAYS;" THE REMAINDER, TO VARIOUS SIGNIFICANT POLITICAL ISSUES OF THE DAY. FROM OUR CONVERSATION I WAS ABLE TO FORM A FEW OPINIONS OF HIS PERSONALITY AND POLITICAL PHILOSOPHY WHICH MAY BE OF GENERAL INTEREST.

UNDOUBTEDLY GOVERNOR KNIGHT'S MOST MANIFEST PERSONAL QUALITY IS HIS COMPLETE HAPPINESS WITH HIS LIFE AS A POLITICIAN. THIS, COUPLED WITH HIS RATHER DISARMING MANNER, MAKES IT DIFFICULT, INDEED, NOT TO LIKE HIM. HE EXUDES AN ENTHUSIASM AND CURIOSITY TOWARD THOSE WHOM HE MEETS THAT IS FAIRLY EXPLOSIVE AND SOMEWHAT UNNERVING TO THE UNSUSPECTING REPORTER.

AS THE CALIFORNIA BLUE BOOK STATES, THE GOVERNOR WAS A HARD ROCK MINER IN HIS YOUTH, AND, HAVING MET HIM, ONE CAN HAVE NO DOUBT ABOUT THAT. HIS PHYSICAL APPEARANCE BELIES HIS AGE. ONE GETS AN IMPRESSION OF AGGRESSIVENESS AND AMBITION JUST BY LOOKING AT HIM. AND I MIGHT ADD THAT HIS AGGRESSIVENESS MAKES HIM AN EXTREMELY DIFFICULT PERSON TO INTERVIEW. AS HE USHERED ME FROM HIS OFFICE HE REMARKED WITH A MIXTURE OF PRIDE, JOVIALITY, AND SATISFACTION, "SO, YOU THOUGHT YOU WERE GOING TO INTERVIEW ME!"

THE GOVERNOR'S POLITICAL CREDO IS BASED ON THAT CURIOUS CALIFORNIAN QUALISM OF BELIEF IN THE INDEPENDENT AND THE REPUBLICAN PARTY. HE CAN BEST BE CHARACTERIZED AS A STRONGLY PARTISAN POLITICIAN WITH A HIGH REGARD FOR THE INTELLIGENCE OF THE INDEPENDENT VOTER. THUS HE WALKS EASILY DOWN THE EISENHOWER-WARREN MIDDLE-OF-THE-ROAD. HE IS A POLITICIAN IN WHOM IT IS EASY TO PUT FAITH. --ED.

LETTERS TO THE EDITOR

DEAR EDITOR:

IN RESPONSE TO YOUR REQUEST TO BE BRIEFED ABOUT THE STATUS OF OUR DEEP SPRINGS PROGRAM FOR THE NEXT ACADEMIC YEAR, I CAN SAY THAT ALL IS NORMAL IN THE SENSE THAT EVERYONE INVOLVED IS GETTING EXPERIENCE.

I HAVE ACCUMULATED A BULKY FILE OF MATERIAL ABOUT EDUCATION IN GENERAL WHICH THROWS SOME LIGHT ON OUR PROBLEMS IN PARTICULAR. I HAVE ALSO ATTENDED THE FALL AND SPRING CONVENTIONS OF THE WESTERN COLLEGE ASSOCIATION, BY WHICH DEEP SPRINGS IS NOW FULLY ACCREDITED. THESE MEETINGS ARE MAINLY A FORUM FOR THE EXCHANGE OF IDEAS AMONG TEACHERS, WITH THE USUAL KEY-NOTE ORATORS. AS USUAL IN EDUCATION, NOTHING VERY TANGIBLE IS CREATED, BUT SOME MUTUAL REASSURANCE AND INSPIRATION NO DOUBT RESULTS, ESPECIALLY ON THE NOW PERENNIAL AND PARAMOUNT SUBJECT OF SALARY INCREASE.

ACCREDITATION IS ENTRUSTED TO THE EXECUTIVE COMMITTEE, WHICH ACTS ON THE FINDINGS OF VERY INQUISITIVE VISITING INVESTIGATORS, PLUS SUPPLEMENTING LETTERS, ETC. A NATIONAL ORGANIZATION HAS BEEN FORMED OVER VARIOUS REGIONAL GROUPS. THE PROFESSED GOAL IS DIVERSITY AND UNITY ALL AT THE SAME TIME. BOTH ARE "PLANNED." THEY DISCLAIM AND DECRY CONFORMITY, AND THEY MAKE STANDARDS AGAINST STANDARDIZATION, WHICH REMINDS ME OF "COMPULSORY FREEDOM." ONE MOTIVE GIVEN FOR THE NATIONAL ORGANIZATION WAS A DESIRE TO CORRECT TOO MUCH "POLICING" BY PROFESSIONAL GROUPS LIKE THE AMERICAN MEDICAL ASSOCIATION AND THE AMERICAN BAR ASSOCIATION. SO, TO CURE THAT ASSERTED EVIL THERE IS NOW A CENTRALIZED COORDINATING ASSOCIATION OF EDUCATORS. IT IS AN INTERESTING DEVELOPMENT, AND IT IS GROWING. THE HUMAN URGE TO INTEGRATE AND SUPERVISE IS APPARENTLY INVINCIBLE. CENTRALIZATION IN THE NAME OF THE CONTRARY IS A MUSCULAR AND POTENT FELLOW. HE IS NOT PARTICULARLY SYMPATHETIC WITH MR. L. L. NUNN'S DESIRE TO MAKE CLASS-ROOM GRADES AND CREDITS SECONDARY MATTER. THE DEVELOPMENT HAS PUT ITS IMPRINT ON BOTH DEEP SPRINGS AND TELLURIDE ASSOCIATION (OF WHICH I AM A CHARTER MEMBER, REMEMBER?)

ANOTHER INTERESTING GROWTH, ASSOCIATED WITH "ACADEMIC FREEDOM," WAS CONSPICUOUS AT THE SPRING MEETING OF THE WESTERN COLLEGE ASSOCIATION UNDER THE THEME TITLE "ROLE OF THE FACULTY." SO FAR AS EDUCATIONAL MATTERS ARE CONCERNED, THE FACULTY IS DESCRIBED AS THE ONLY MORAL AND INTELLECTUAL SOURCE OF AUTHORITY. TRUSTEES AND THEIR ADMINISTRATIVE MINIONS SHOULD BE SEEN AND NOT HEARD. THIS LATTER CLASS DOES HAVE SOME FUNCTION, A DUTY TO PROVIDE PROVENDER AND TO DO SO IN SATISFACTORY

VOLUME. GIFTS WITH "STRINGS" ARE DOLLAR VULGARITY AND DEAD WEIGHT ON ACADEMIC FREEDOM, INCLUDING FREEDOM FOR SALARY IMPROVEMENT. AS FOR THE PUBLIC, INCLUDING PARENTS AND TAXPAYERS, THEY ARE "THE UNINFORMED" BUT MUST BE TREATED DISCREETLY WHEN NECESSARY. I HAVE NOT EXAGGERATED IN THE SLIGHTEST, AND THE CONCEPT HAS BEEN CONSPICUOUS AT DEEP SPRINGS. IT HAS NO RESPECT FOR A LEGAL DOCUMENT LIKE THE DEED OF TRUST OR THE "TRADITIONS AND POLICIES" THEREIN ENTRUSTED TO THE "UNINFORMED" AND RATHER OBNOXIOUS CHARACTER KNOWN AS A TRUSTEE. IT MAY OF COURSE HAPPEN BY SHEER COINCIDENCE THAT THE TRADITIONS AND POLICIES MENTIONED HARMONIZE WITH THE VIEWS OF THE TEACHER, AND THEN ALL IS FINE AND DANDY.

IF SOME SPECTATOR ASKS "WHAT IS A TEACHER?" HE HAS ASKED AN INTERESTING QUESTION. ANYONE WHO IS EMPLOYED TO TEACH IS WITHIN THE DEFINITION, AND HALF OR MORE OF OUR MILLION TEACHERS HAVE ONLY A.B.'S TO QUALIFY THEM. HIGHER DEGREES ARE GROWING IN NUMBER, BUT PH.D., THE SUPER CREDENTIAL, REQUIRES TIME AND IS HELD BY A RELATIVELY SMALL MINORITY.

WE ARE TRYING TO SOLVE OUR PROBLEMS BY FINDING SUPERIOR TEACHERS AND SUPERIOR "PROMISING YOUNG MEN." THIS SEARCH FOR QUALITY IS NOT AN EASY UNDERTAKING TO CLOSE SUCCESSFULLY. SUPERIOR TEACHERS ARE NOT UNEMPLOYED. THE SALARIES ARE NOT SMALL AS COMPLAINTS WOULD INDICATE, AND THEY ENJOY IMPORTANT FRINGE BENEFITS SUCH AS TENURE, PENSIONS AND SABBATICALS. MOST DEEP SPRINGS TEACHERS HAVE BEEN GREEN BEGINNERS OR RETIRED PROFESSORS, THE EXTREMES OF THE INTELLECTUAL SPECTRUM. IN SUCH CLASSES THERE IS UNAVIDABLY A LARGE AND RATHER FREQUENT TURN-OVER. THE YOUNG ARE AMBITIOUS FOR ADVANCEMENT AND THE OLD HAVE ONLY A FEW YEARS ANYWAY.

THE NEXT SEGMENT OF OUR SITUATION (OR PRECIPITATION) IS THE SELECTION OF "PROMISING YOUNG MEN," AS THE TRUST DEED PRESCRIBES, FOR THE DEEP SPRINGS STUDENT BODY. THE PUBLIC SCHOOL IS OUR MAIN SOURCE OF SUPPLY, AND THERE IS A GOOD DEAL OF HOMOGENEITY AMONG THESE STUDENTS IN SPITE OF A VAST CONTRAST IN POTENTIALS AND ETHICAL QUALITIES. THEY HAVE ALL LEARNED TO REGARD EDUCATION AS "FREE," AND DEEP SPRINGS DOES NOT SEEM TO CHANGE THEIR MINDS ON THE POINT. FREE SCHOLARSHIPS HAVE GROWN IN NUMBER AND DOLLAR SIZE, AND THERE IS AN ABUNDANCE OF SOCIAL PHILOSOPHY TO THE EFFECT THAT EVERYONE IS ENTITLED TO A FREE EDUCATION (AS THE UNITED NATIONS CHARTER ALLEGES) EVEN THOUGH OTHER PEOPLE KNOWN AS TAXPAYERS GET THE BILLS. ONE OF THE PHENOMENA OF THE TIMES IS THE DEVELOPMENT OF COMPETITION AMONG DONORS FOR BENEFICIARIES. TELLURIDE ASSOCIATION HAS TAKEN CONSIDERABLE NOTE OF THIS. WHEN THE DEEP SPRINGS CONSTITUTION (DEED OF TRUST) ADDS "DEMOCRATIC SELF-GOVERNMENT," AND CALLS THE STUDENTS THE "SOLE BENEFICIARIES" TO BE "CONSIDERED AS BENEFICIAL OWNERS," THE SKY BECOMES THE LIMIT. THAT CEILING IS NOT LOWERED BY THE FURTHER EXPLANATION THAT TITLE AND AUTHORITY IS VESTED IN THE TRUSTEES ONLY BECAUSE OF THE PROBABILITY THAT THE STUDENTS WILL BE MINORS. OF COURSE, IF THE BOYS READ ELSEWHERE IN THE DOCUMENT, THEY WILL SEE THAT THE GRANTOR TOOK DUE NOTE OF THE FACT THAT ANY PARTICULAR STUDENT OR STUDENT BODY IS A TRANSIENT INVITEE OF THE TRUSTEES, AND THAT THOSE LIFE-TIME TRUSTEES ARE PRESENT TO "MAINTAIN AND PERPETUATE THE WORK OF THE TRUST FREE FROM THE CHANGES THAT WOULD INEVITABLY RESULT FROM THE EVER-CHANGING MEMBERSHIP OF THE STUDENT BODY." A LITTLE

THOUGHT WOULD ALSO LEAD A STUDENT TO THE UNA-VOIDABLE CONCLUSION THAT THE SOLE BENEFICIARIES OF ANY EDUCATIONAL INSTITUTION ARE NECESSARILY THOSE ENROLLED FOR EDUCATION, SO DEEP SPRINGS IS NOT UNIQUE IN THAT RESPECT. THE VERY VITAL FACT IS THAT THE TRUST DEED DRAWS SOME IMPORTANT LINES, LIMITS AND QUALIFICATIONS AROUND THE SELF-GOVERNMENT OF THE STUDENT BODY IN ORDER TO SAFEGUARD THE INSTITUTION "FROM BECOMING ANOTHER INSTITUTION," AND TO MAINTAIN AND PERPETUATE THE "TRADITIONS AND POLICIES" ESTABLISHED BY THE GRANTOR LONG BEFORE THE ARRIVAL OF THE STUDENTS. HE CHARGED HIS TRUSTEES WITH THE UNPOPULAR TASK OF PRESERVING THEM. I CALL IT UNPOPULAR FOR THE BEST OF REASONS. IT WAS JUST THAT WHEN THE FOUNDER HIMSELF WAS ACTIVE IN THE SAME EFFORT. FOR HIS SUCCESSORS TO POPULARIZE WHAT THE FOUNDER COULD NOT, WOULD PARTAKE OF MAGIC. AND BESIDES THAT, WE LIVE IN DAYS WHEN TRADITIONS, INCLUDING SUPREME COURT PRECEDENTS, ARE BELITTLED AND ASSAULTED FROM ALL SIDES. A FEW PEOPLE ARE HARDY ENOUGH TO POINT OUT THAT EVEN THE SELF-STYLED FORWARD LOOKING PEOPLE WOULD NOT BE HERE EXCEPT FOR AN ANCESTRY TRAILING THEM BY MILLIONS OF YEARS, AND THE HERITAGE OF THE PAST IS ONLY THE BUILDING MATERIAL FOR THE FUTURE, WHICH BECOMES THE PAST AS SOON AS IT ARRIVES.

BY NOW YOU SHOULD BE ABLE TO SEE THE MONUMENTAL TASK UPON THE SHOULDERS OF THE LONG-SUFFERING DEEP SPRINGS TRUSTEES. WE MUST KEEP A TURBULANT STREAM WITHIN THE PRESCRIBED RIVER BANKS. FOLLOWING EACH OVERFLOWING FLOOD WE MUST REPAIR THE BREAKS, ALMOST A PERENNIAL FATE. SUCH IS EDUCATION AT DEEP SPRINGS.

WE HAVE IN SIGHT SOME GOOD TEACHERS FOR THE COMING ACADEMIC YEAR, ALTHOUGH WE PROBABLY CANNOT SATISFY THE DEMANDS OF OUR DEPARTING YOUNG CITIZENS WHO DO NOT HESITATE TO DRAW BLUEPRINTS FOR THEIR SUCCESSORS TO TEAR UP. THERE IS ONE OBJECTIVE IN WHICH WE ALL AGREE-- BETTER STUDENTS. EACH MEMBER OF OUR STUDENT BODY EMPHASIZES THIS, PRESUMABLY REFERRING TO OTHERS THAN HIMSELF. IT'S ALL A MATTER OF JUDGEMENT, AND WE NECESSARILY RELY UPON THE DEED OF TRUST WHICH REPEATEDLY ADMONISHES THE TRUSTEES TO USE THEIR OWN CONSCIENTIOUS JUDGEMENT.

SINCERELY,

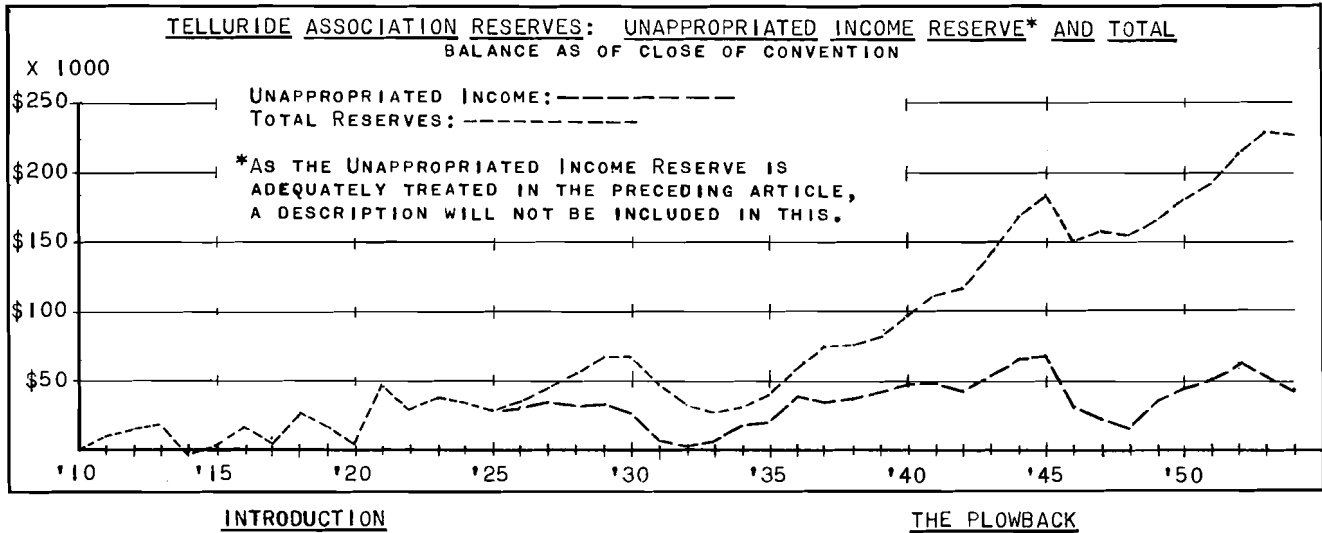
C. N. WHITMAN

NOTE ON THE SUMMER PROGRAM

THE RECRUITMENT PROGRAM FOR THE 1956 TELLURIDE ASSOCIATION SUMMER PROGRAM IS NOW COMPLETE, AND THE NAMES OF THE SIXTEEN HIGH SCHOOL JUNIORS WHO WILL ATTEND THE PROGRAM WERE ANNOUNCED IN EARLY MAY. IT WAS ONLY THROUGH THE GENEROUS EFFORTS OF A LARGE NUMBER OF TELLURIDE ASSOCIATES, ALUMNI, AND MEMBERS THAT A GROUP OF THIS YEAR'S QUALITY AND PROMISE HAS BEEN SELECTED.

DIRECTOR BRICKLEY AND FACULTY MEMBERS MALLEY AND LOOMIS ARE ACTIVELY PLOTTING THE COURSE OF STUDY FOR THE PROGRAM. IT WILL INCLUDE SOURCE READINGS IN PHILOSOPHICAL AND ECONOMIC WRITINGS RELATED TO THE DEVELOPMENT OF COMMUNISM AND DEMOCRACY, IN ADDITION TO THE CONSIDERATION OF NOVELS, SHORT STORIES, AND OTHER LITERARY WORKS WHICH ARE CONCERNED WITH VARIOUS PROBLEMS FACED IN DEMOCRATIC AND COMMUNIST SOCIETIES. --LINDENBAUM

A SURVEY OF THE ASSOCIATION



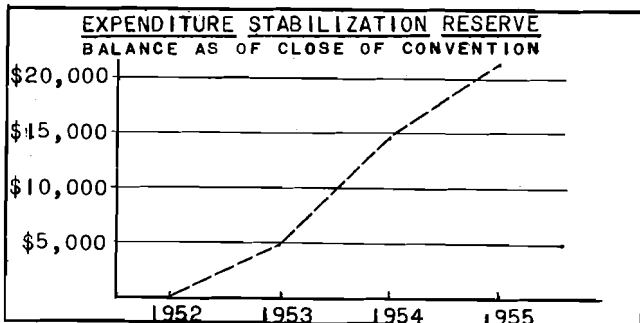
IT IS THE PURPOSE OF THIS ARTICLE TO PROVIDE A BRIEF PICTURE OF THE VARIOUS RESERVE PROGRAMS OF THE ASSOCIATION BOTH FOR HISTORICAL INTEREST AND AS A BASIS FOR FUTURE CONSIDERATION AND REVISION OF THOSE PROGRAMS. I WOULD LIKE TO ACKNOWLEDGE AS MY SOURCE FOR MOST PRE-1952 INFORMATION, AN EXCELLENT SET OF REPORTS ON THE RESERVES BY PAUL C. SZASZ AND CHARLES J. CHRISTENSON PREPARED FOR THE 1952 CONVENTION.

THE PLOWBACK IS NOT ACTUALLY A RESERVE IN THE USUAL SENSE OF THE WORD, BUT IT DOES INFLUENCE RESERVE POLICY IN THE ASSOCIATION AND SERVES AS AN INDICATOR OF OUR ACTUAL FINANCIAL PROGRESS AND PROBLEMS. THE ORIGINAL PROVISION, ARTICLE VI, SECTION I, OF THE CONSTITUTION OF THE ASSOCIATION, PROVIDED THAT 10% OF THE INCOME OF THE ASSOCIATION BE "ADDED TO THE PRINCIPAL ANNUALLY AND BE INVESTED AS SUCH."

EXPENDITURE STABILIZATION RESERVE

THIS ACCOUNT WAS SET UP BY THE 1952 CONVENTION WITH THE STATED PURPOSE OF "SMOOTHING OUT, OVER THE BUSINESS CYCLE, OF REAL EXPENDITURE BY THE ASSOCIATION," BY PROVIDING A SOURCE FOR FUNDS IN YEARS OF LOW RETURN ON INVESTMENT AT THE EXPENSE OF PERIODS OF UNUSUALLY HIGH RETURN. THE PLAN WAS ACTUALLY PUT INTO EFFECT BY THE 1953 CONVENTION WITH \$4,952 APPROPRIATED RETROACTIVELY FOR 1952-1953. IN '53-'54 THIS WAS INCREASED BY \$9,727 AND IN '54-'55 BY \$6,729.

THE AMOUNT OF THE APPROPRIATION IS DECIDED BY THE FOLLOWING FORMULA: 85% OF THE INVESTMENT INCOME (THE REST BEING PLOWED BACK INTO THE PRINCIPAL) IS DEPOSITED IN THE ACCOUNT AT THE END OF THE FISCAL YEAR AND AN AMOUNT EQUAL TO "THE PRODUCT OF \$58,000 AND THE AVERAGE VALUE OF CONSUMERS' PRICE INDEX (BASE YEARS 1947-49; CPI = 100) FOR THE PRECEDING CALENDAR YEAR DIVIDED BY 100" IS REMOVED FROM THE ACCOUNT AND PLACED IN THE GENERAL RESERVE FOR DISPOSITION BY CONVENTION. THE \$58,000 REPRESENTS AN AVERAGE OF THE REAL ANNUAL INCOME OF THE ASSOCIATION OVER THE YEARS 1946-1951.



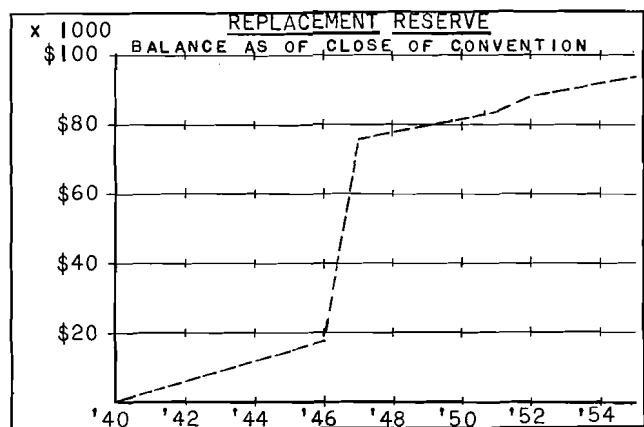
IN THE 1941 CONVENTION, IT WAS FINALLY REALIZED THAT RATHER THAN APPRECIATING CONSIDERABLY FROM THIS PLOWBACK, THE PRINCIPAL WAS AT BEST SAVED FROM SERIOUS DIMINUTION; THAT YEAR AN ADDITIONAL 5% WAS APPROPRIATED, AND THE 1943 THROUGH 1945 CONVENTIONS APPROPRIATED AN ADDITIONAL 10%. THESE PROGRAMS AGAIN WERE INTENDED TO MAKE SOME CONSIDERABLE IMPROVEMENT IN THE SIZE OF THE TRUST OVER THE LONGER PERIOD. IN 1951 A RAISE TO 15% WAS FORMALIZED BY BY-LAW PROVISION (ARTICLE IV, SECTION 13).

IN A REPORT MADE IN THE FALL OF 1951 BY SZASZ AND CHRISTENSON THE SUCCESS OF THE PLOWBACK WAS ANALYZED ALONG WITH ITS RELATION TO YIELD, THE STOCK-BOND RATIO, AND THE VARIATION IN DOLLAR VALUE. ON THE BASIS OF THIS ANALYSIS IT BECAME CLEAR THAT MAINTENANCE OF OUR PRESENT BUYING POWER WOULD REQUIRE A MINIMUM OF 15-20% PLOWBACK, AND MIGHT WELL WARRANT AN ALTERATION OF THE STOCK-BOND RATIO TO FAVOR MORE STOCKS. SUCCEEDING CONVENTIONS HAVE FAVORED MAINTAINING A 50-50 RATIO IN THE TIMING PLAN TRUST FUND ACCOUNT WHILE PROPOSING INCREASED INVESTMENT IN STOCKS OUTSIDE OF THIS ACCOUNT TO BRING THE RATIO OF ALL OUR HOLDINGS, EXCLUSIVE OF THE TELLURIDE POWER COMPANY, TO 57-43. THIS HAS NOT BEEN ACHIEVED.

IT MIGHT BE HELPFUL TO NOTE THE EFFECT OF A DECREASE IN THE REAL VALUE OF THE TRUST OVER THE HISTORY OF THE ASSOCIATION. IN THIS SAME 1951 REPORT, TWO PARTICULARLY REVEALING CALCULATIONS WERE MADE: THE FIRST SHOWED THE CHANGE IN THE USE OF INCOME BY PERCENTAGE ALLOCATED TO VARIOUS ASPECTS OF THE ASSOCIATION'S WORK--OVERHEAD, CORNELL BRANCH, OTHER BRANCHES (INCLUDING DEEP SPRINGS), AND CASH PREFERMENT. AS MIGHT BE EXPECTED, SOME OF THESE GROUPS, PARTICULARLY THE FIRST TWO, SHOWED INCREASING PERCENTAGES, SO OTHERS HAD TO SUFFER. THE MOST SERIOUSLY AFFECTED WAS CASH PREFERMENT, WHICH

HAS SHOWN A STEADY DECREASE FROM OVER 40% TO AROUND 5% OF THE TOTAL. ALTHOUGH SUPPORT OF DEEP SPRINGS FROM ITS BEGINNING AND THE ESTABLISHMENT OF PASADENA BRANCH REPRESENT TWO WAYS IN WHICH THE ASSOCIATION HAS EXPANDED ITS PROGRAMS IN KEEPING WITH THE PURPOSE, THESE WERE DONE AT THE EXPENSE OF OTHER ASPECTS OF THE EDUCATIONAL PROGRAM--CASH PREFERMENT AND OTHER SPECIAL GRANTS--RATHER THAN FROM INCREASED INCOME OR REDUCED OVERHEAD. THE SECOND POINT, WHICH SERVES ALSO TO EMPHASIZE THE FIRST, IS THAT WHILE THE COST OF OPERATION OF CORNELL BRANCH HAS GROWN BOTH DOLLARWISE AND IN PERCENTAGE OF ASSOCIATION EXPENDITURES, THE BUYING POWER REPRESENTED BY THIS COST HAS DECREASED--THE STANDARD OF LIVING DROPPED 22% FROM THE FIRST YEARS OF THE BRANCH OPERATION TO 1952.

TELLURIDE HOUSE REPLACEMENT RESERVE AND
TELLURIDE HOUSE MAINTENANCE RESERVE



I SHALL GROUP THESE TWO RESERVES IN THIS ONE SECTION SINCE THEIR FUNCTIONS ARE NOW CONSIDERED COMPLEMENTARY. THE REPLACEMENT RESERVE WAS SET UP IN 1941, ON THE BASIS OF INSURANCE APPRAISAL AT \$117,500, WITH AN ANNUAL APPROPRIATION OF \$3,000 WITH THE INTENTION OF ACCUMULATING THE FULL AMOUNT IN 40 YEARS. AT THE 1947 CONVENTION THE \$18,000 THEN PRESENT IN THE FUND WAS INCREASED TO \$74,000, AND AN ANNUAL APPROPRIATION OF \$2,000 WAS RECOMMENDED, APPARENTLY ON THE BASIS OF A 50 YEAR LIFE EXPECTANCY FOR THE HOUSE FROM TIME OF CONSTRUCTION, STILL ON THE BASIS OF THE 1941 APPRAISAL.

ONE YEAR EARLIER THE CONVENTION HAD SET UP THE MAINTENANCE RESERVE WITH A LUMP-SUM APPROPRIATION OF \$2,000. IN 1947 THIS WAS RAISED TO \$10,000, AND AN ANNUAL APPROPRIATION OF \$1,500 FOR MAINTENANCE WAS RECOMMENDED AS AN AMOUNT SUFFICIENT TO COVER SMALL ROUTINE ITEMS AND UNFORSEEN PROJECTS, WHILE MOST MAJOR REPAIRS WOULD BE COVERED BY SPECIFIC APPROPRIATIONS. WHAT REMAINED OF THE \$1,500 WAS TO BE PLACED IN THE MAINTENANCE RESERVE, AND THIS FUND WAS TO BE USED TO SUPPLEMENT OVER-EXPENDITURE IN LATER YEARS.

IN 1950, HOWEVER, TWO MORE APPRAISALS OF THE HOUSE WERE MADE, PUTTING ITS REPLACEMENT VALUE AT \$255,000 AND \$337,000. THE FIRST FIGURE, WHICH CORRESPONDED CLOSELY TO THE ORIGINAL COST OF \$110,000 ADJUSTED BY THE CHANGE IN THE COST OF LIVING INDEX, WAS USED BY THE CUSTODIANS TO DETERMINE THE PROPER AMOUNT OF FIRE INSURANCE. ON THE BASIS OF THESE VALUES WORK WAS BEGUN ON THE ESTABLISHMENT OF A MORE REALISTIC PROGRAM OF MAINTENANCE AND REPLACEMENT.

THE CUSTODIANS PRESENTED TO THE 1953 CONVENTION THE PROGRAM WHICH IS NOW IN USE BY THE ASSOCIATION. THE SHELL OF THE HOUSE, A LITTLE LESS THAN HALF THE REPLACEMENT VALUE, IS GIVEN A LIFE OF OVER ONE HUNDRED YEARS IF WELL MAINTAINED, WHILE THE PLUMBING AND FIXTURES, ACCOUNTING FOR ABOUT THE SAME AMOUNT, AND THE FURNITURE FOR APPROXIMATELY \$25,000, ARE EXPECTED TO LAST FORTY AND TWENTY-FIVE YEARS RESPECTIVELY. SINCE THE CHIEF REASON FOR INCREASED COST IS THE DEPRECIATION IN THE VALUE OF THE DOLLAR, THE CUSTODIANS DECIDED THAT IT IS SOUND-ER FINANCIAL POLICY FOR THE ASSOCIATION TO SPEND AS MUCH AS IS REASONABLE FOR CURRENT MAINTENANCE. WE CAN GET MORE FOR OUR MONEY IF WE SPEND IT CURRENTLY BECAUSE, IF PLACED IN A RESERVE, IT WILL LOSE VALUE WITH TIME.

PENSION RESERVE

THE PENSION RESERVE WAS BEGUN WITH AN APPROPRIATION FOR \$1,000 BY THE 1947 CONVENTION, WHICH RECOMMENDED FURTHER CONSIDERATION BY A COMMITTEE DURING THE NEXT YEAR. AS A RESULT OF WORK BY THIS COMMITTEE A RETIREMENT PROGRAM FOR ALL EMPLOYEES THROUGH TEACHERS INSURANCE ANNUITY ASSOCIATION WAS ESTABLISHED AFTER THE 1948 CONVENTION AND ARRANGEMENTS WERE MADE FOR THEIR INCLUSION UNDER THE FEDERAL SOCIAL SECURITY PROGRAM IN 1951. THIS DID NOT, IT WAS FELT, PROVIDE FOR AN ADEQUATE PENSION FOR CHANCELLOR JOHNSON AND SO APPROXIMATELY \$400 A YEAR WAS SET ASIDE IN THE PENSION RESERVE TO PROVIDE MONEY FOR THE PURCHASE OF AN ADDITIONAL ANNUITY FOR HIM UPON HIS RETIREMENT. 1952 CONVENTION DECIDED TO PROVIDE SUFFICIENT RESERVES SO THAT THE CHANCELLOR COULD RECEIVE 45% OF HIS REGULAR SALARY AFTER RETIREMENT, AND IN LIGHT OF THIS AND THE REPORT ON RESERVES BY SZASZ AND CHRISTENSON, THE 1952 CONVENTION RECOMMENDED AN ANNUAL APPROPRIATION OF \$900, BASED ON THE CHANCELLOR'S AGE, HIS FUTURE SOCIAL SECURITY AND TIAA BENEFITS, AND THE AMOUNT ALREADY IN THE RESERVE (\$7,920). SINCE THAT TIME THE CHANCELLOR'S SALARY HAS INCREASED AND APPROPRIATIONS TO THE RESERVE ACCOUNT HAVE CHANGED ACCORDINGLY.

NEW BRANCH RESERVE

THIS ACCOUNT WAS SET UP TO ENABLE THE ASSOCIATION TO ACCUMULATE SUFFICIENT CAPITAL FOR THE EXPANSION OF ITS OPERATIONS IN THE DIRECTION OF NEW PRIMARY BRANCHES. FROM THE OTHER SECTIONS OF THIS REPORT IT CAN BE SEEN THAT THIS IS THE ONLY PROVISION FOR INCREASE IN OPERATIONS MADE IN THE RESERVES, THE REST BEING RECOGNITIONS EITHER OF FUTURE EXPENSES PRESENTLY BEING INCURRED OR OF CHANGE IN REAL VALUE OF THE TRUST DUE TO ECONOMIC CHANGES IN THE COUNTRY.

THE FUND WAS SET UP IN 1926 WITH \$5,000 WHICH WAS INCREASED TO \$40,000 BEFORE THE DEPRESSION BROUGHT IT DOWN TO \$12,000. AGAIN THE ACCOUNT WAS BUILT UP, THIS TIME TO A MAXIMUM OF \$100,000 IN 1945 AND 1946. BECAUSE OF HIGHER THAN NORMAL SPENDING IN 1946, THE MONEY IN ALL THE RESERVE ACCOUNTS WAS REDISTRIBUTED BY THE 1947 CONVENTION, AND THE NEW BRANCH RESERVE WAS ALLOTTED \$50,000. ANOTHER REDUCTION, THIS TIME OF \$10,000, WAS MADE IN 1950 TO COVER A TEMPORARY DEFICIT IN THE GENERAL RESERVE ACCOUNT.

(CONTINUED ON PAGE 6)

SZASZ ON RESERVES (CONTINUED)

TRUE IN THE LAST TWO YEARS, THESE APPROPRIATIONS EXCEED SPENDABLE INCOME, THEN THE CURRENT LEVEL OF ACTIVITIES CANNOT BE MAINTAINED WITH OUR PRESENT RESOURCES--THIS MAY BE CALLED OVER-APPROPRIATION OR DEFICIT-BUDGETING.

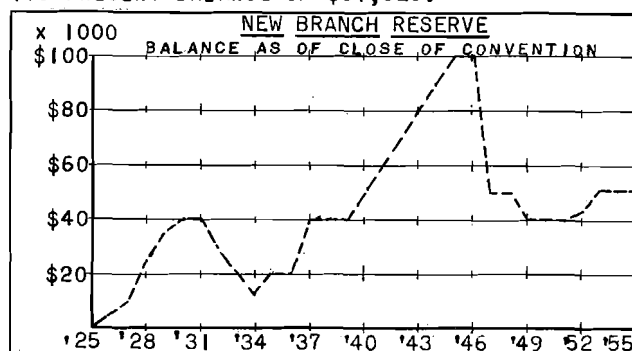
IN ADDITION TO THE NORMAL CURRENT APPROPRIATIONS, IT IS FREQUENTLY NECESSARY TO INCLUDE IN THE BUDGET SOME EXTRAORDINARY, LUMP-SUM APPROPRIATIONS. THESE ARE DISTINGUISHED FROM THE OTHERS BY THEIR NON-RECURRING OR INFREQUENTLY-RECURRING NATURE; THEY NEED NOT BE FITTED INTO THE LIMITATIONS OF "SPENDABLE INCOME" AND MAY PROPERLY BE CHARGED AGAINST THE UNAPPROPRIATED INCOME ACCOUNT OR AGAINST AN APPROPRIATE SPECIAL RESERVE FUND. THEY MAY INCLUDE: (A) PAST DEFERRED EXPENDITURES (E.G., LONG-DELAYED RENOVATION OF THE HOUSE) OR LIABILITIES SUDDENLY RECOGNIZED (E.G., PENSION OBLIGATION TO ASSOCIATION EMPLOYEES)--IN THESE CASES A LUMP-SUM MAY BE APPROPRIATED TO A RESERVE FUND PENDING THE NEED FOR AN ACTUAL CASH EXPENDITURE; OR THEY MAY JUSTIFIABLY BE CHARGED AGAINST UNAPPROPRIATED INCOME SINCE IF THE NECESSARY PROVISIONS HAD BEEN MADE IN THE PAST, THAT ACCOUNT WOULD HAVE BEEN REDUCED; (B) EXTRAORDINARY ACTIVITIES CONDUCTED ON A ONE-SHOT OR EXPERIMENTAL BASIS--ON THE CONDITION THAT THERE ARE FUNDS AVAILABLE IN UNAPPROPRIATED INCOME AND THAT PROVISION FOR SUCH ACTIVITIES DOES NOT BECOME A REGULAR PRACTICE.

SINCE THE UNAPPROPRIATED INCOME ACCOUNT MAY LEGITIMATELY BE DRAWN ON FROM TIME TO TIME FOR THE EXTRAORDINARY EXPENDITURES MENTIONED, AND SINCE THE ACCOUNT IS ALSO REDUCED BY OVER-EXTENSIONS OF "REGULAR" ACTIVITIES WHICH OCCUR FROM TIME TO TIME, IT IS NECESSARY TO MAKE SOME PROVISION FOR REPLENISHING IT. ORDINARILY NORMAL UNDER-APPROPRIATIONS AND UNDER-EXPENDITURES SERVE THAT FUNCTION. HOWEVER, IN THE PAST FEW YEARS OF "TIGHT" BUDGETING, WITH CURRENT APPROPRIATIONS UP TO OR EXCEEDING SPENDABLE INCOME, WITH EXPENDITURES UP TO OR EXCEEDING APPROPRIATIONS, AND WITH NUMEROUS EXTRAORDINARY ITEMS, THE ACCOUNT HAS BEEN REDUCED FROM APPROXIMATELY \$63,000 IN 1953 TO AN ESTIMATED \$15,000 IN 1956. THIS LEAVES LITTLE LEEWAY FOR FURTHER DEFICIT BUDGETING AND FOR FURTHER EXTRAORDINARY ITEMS. THOSE OF TYPE (B) MAY HAVE TO BE ELIMINATED; THOSE OF TYPE (A) MUST BE AVOIDED BY CURRENTLY RECOGNIZING AND BUDGETING FOR ALL ACCRUING EXPENDITURES AND OBLIGATIONS (WITHIN REASONABLE LIMITS; THUS ANNUAL APPROPRIATIONS TO A RESERVE FOR THE QUINTENNIALLY HEAVIER D. S. CONVENTION EXPENDITURES WERE FOUND TOO TRIFLING AND CUMBERSOME BY LAST CONVENTION) SO THAT NO FURTHER UNEXPECTED EXTRAORDINARY EXPENDITURES WILL HAVE TO BE MADE FOR SOME TIME.

THE FORMULAE BY WHICH OUR CURRENT ANNUAL RESERVE OBLIGATIONS ARE DETERMINED, THE LUMP-SUM APPROPRIATIONS BY WHICH SEVERAL OF THE FUNDS WERE ESTABLISHED IN RECOGNITION OF PAST ACCRUED LIABILITIES, AND THE GENERAL HISTORY OF OUR RESERVE FUNDS ARE DESCRIBED IN A SEPARATE ARTICLE BY BRANDT KEHOE. IT SHOULD BE RECOGNIZED THAT A RE-EXAMINATION OF THESE FORMULAE FROM TIME TO TIME IS PROPER AND NECESSARY TO SEE IF THEY STILL REFLECT THE PURPOSES OF THE PROGRAM, BOTH CONCEPTUALLY AND ECONOMICALLY. THE STUDIES ON WHICH THE PRESENT PLANS ARE BASED WERE MADE OVER A PERIOD OF TWO YEARS, STARTING WITH THE 1950 CONVENTION; MODIFICATIONS SHOULD, IF POSSIBLE, COME AS A RESULT OF

KEHOE ON RESERVES (CONTINUED)

IT IS INTERESTING TO NOTE THAT ALTHOUGH THE ACCOUNT WAS REDUCED TWICE DURING THE OPERATION OF PASADENA BRANCH, NEITHER TIME WAS THIS DONE FOR THE OPERATION OF THAT ORGANIZATION. FOR THIS REASON A SUGGESTION WAS MADE FOR THE ESTABLISHMENT OF A PRIMARY BRANCH "TRUST FUND" WHOSE FUNCTION WOULD BE TO PROVIDE AN INCOME FROM WHICH A BRANCH COULD BE OPERATED, IN CONTRAST WITH THE FUNCTION OF A RESERVE ACCOUNT, IN WHICH THE PRINCIPAL IS USED FOR THE ORIGINAL COST OR FOR EXTRAORDINARY EXPENSES OF OPERATION. NOTHING WAS DONE ON THIS PROPOSAL AT THE 1952 CONVENTION OR SINCE, AND THE TOTAL AMOUNT IN THE RESERVE HAS INCREASED SLOWLY SINCE THEN TO ITS PRESENT BALANCE OF \$51,525.



SUMMER PROGRAM RESERVE AND
SIDGWICK MEMORIAL RESERVE

THE SUMMER PROGRAM RESERVE, SET UP IN 1953, RECEIVES APPROPRIATIONS AT ONE CONVENTION FOR THE TASP TO BE OPERATED DURING THE SUMMER FOLLOWING THE NEXT CONVENTION. IT IS APPROPRIATED EARLY BECAUSE OF THE NECESSITY OF PLANNING THE PROGRAM IN ADVANCE AND EXPENDING SOME MONEY ON RECRUITMENT OF STUDENTS AND FACULTY. THE APPROPRIATIONS HAVE RUN ABOUT \$6,000.

THE SIDGWICK MEMORIAL RESERVE INCLUDES APPROPRIATIONS FROM INCOME ON THE BEQUEST TO THE ASSOCIATION BY NEVIL SIDGWICK OF \$11,300. THIS RESERVE IS AT PRESENT USED TO FINANCE PART OF THE CASH AWARD TO THE LINCOLN SCHOLAR AT THE BRANCH BUT A NUMBER OF USES HAVE BEEN SUGGESTED WHICH WOULD INVOLVE THE ESTABLISHMENT OF A PERMANENT OR SEMI-PERMANENT FUND FROM THIS INCOME. HENCE, THE SETTING UP OF A RESERVE WAS DEEMED THE APPROPRIATE METHOD, EVEN THOUGH IT DOES NOT AT PRESENT ACCUMULATE AND IS NOT INTENDED FOR EXPENDITURE OUTSIDE THE YEAR APPROPRIATED.

EQUALLY CAREFUL STUDIES AND NOT DURING THE HEAT OF A CONVENTION BUDGET DEBATE.

THE PROBLEM OF REVISION ARISES IN A STILL MORE DRASTIC FORM WHEN IT IS PROPOSED TO INVOLVE EXISTING APPROPRIATED RESERVE FUNDS. AS TO THOSE OF TYPE (3) THERE IS AT MOST A MORAL OBLIGATION TO UTILIZE THE FUNDS AS HAD BEEN PLANNED BY THE CONVENTION THAT SET THEM ASIDE. AS TO THOSE OF TYPES (1) AND (2), ANY REDUCTION IS A DETERMINATION THAT NOT ONLY CURRENT BUT ALSO PAST APPROPRIATIONS TO THESE FUNDS HAD BEEN TOO HIGH--FOR IN PRINCIPLE IF EACH ANNUAL APPROPRIATION IS "CORRECT" THEN THE ACCUMULATED TOTAL SHOULD CORRECTLY REFLECT THE CURRENT EXTENT OF THE CONTINGENCY AGAINST WHICH THE RESERVE FUND WAS ESTABLISHED. SUCH A DECISION SHOULD BE MADE ONLY AS A CONSEQUENCE OF A MOST THOROUGH INVESTIGATION AND AFTER CAREFUL CONSIDERATION.

THE TELLURIDE LECTURESHIP

JIM NAISMITH

ITHACA, N. Y.

THIS YEAR'S TELLURIDE LECTURER, DR. ERNEST C. POLLARD, YALE BIOPHYSICIST, DELIVERED A SERIES OF TWO LECTURES AND PARTICIPATED IN A PANEL DISCUSSION ON THE CORNELL CAMPUS MARCH 6, 7, AND 8. THE TOPIC OF THE LECTURESHIP WAS "SCIENCE AND CIVILIZATION: THE NEXT 50 YEARS."

DR. POLLARD, CHAIRMAN OF THE DEPARTMENT OF BIOPHYSICS AT YALE, IS REGARDED AS ONE OF THE NATION'S OUTSTANDING MEN IN THIS RELATIVELY NEW FIELD. HE DEVOTED HIS UNDERGRADUATE AND GRADUATE STUDIES TO PHYSICS, RECEIVING HIS B.A. DEGREE FROM CAIUS COLLEGE, CAMBRIDGE, IN 1928, AND HIS PH.D. IN 1932 FROM CAVENDISH LABORATORY. AFTER A SHORT TERM AS ASSISTANT LECTURER AT LEEDS UNIVERSITY, DR. POLLARD CAME TO YALE AS A STERLING FELLOW. HE AIDED IN THE DESIGN OF YALE'S FIRST CYCLOTRON IN 1939 AND WORKED ON RADAR PROBLEMS AT M.I.T. DURING WORLD WAR II. AFTER THE WAR, DR. POLLARD WAS NAMED CHAIRMAN OF YALE'S BIOPHYSICS COMMITTEE AND HAS SINCE DEVOTED HIS EFFORTS TO THIS FIELD, WHICH HE DESCRIBES AS "THE REAL FRONTIER OF SCIENCE TODAY." HE IS AT PRESENT A MEMBER OF THE FEDERATION OF AMERICAN SCIENTISTS AND IS CHAIRMAN OF THEIR COMMITTEE ON LOYALTY AND SECURITY.

THE FIRST OF DR. POLLARD'S LECTURES, WHICH WAS DELIVERED TO A CAPACITY AUDIENCE IN THE MAIN LECTURE ROOM OF OLIN HALL, WAS TITLED, "THE IMPACT OF SCIENCE ON CIVILIZATION." HE STRESSED THE POINT THAT HE WOULD DELIVER ONLY ONE PERSON'S OPINION ON THE SUBJECT. THE LECTURE CENTERED AROUND THE IDEA THAT SCIENCE HAD A DEFINITE TASK TO PERFORM, WHICH HE ESTIMATED WAS AT PRESENT ABOUT 15% COMPLETED. HE STATED THAT THE DESCRIPTIVE PHASE OF SCIENCE WAS ABOUT OVER IN ALL BUT THE BIOLOGICAL SCIENCES (QUITE CLEARLY INDICATING THAT THE SOCIAL SCIENCES WERE NOT TO BE CONSIDERED AS SUCH DURING HIS LECTURES.) HE SAW THE GREATEST ADVANCE OF SCIENCE DURING THE NEXT 50 YEARS TO BE IN THE FIELD OF THE LIVING SCIENCES, AND HELD THE STRONG BELIEF THAT IT WAS NOT AT ALL ABOVE THE "ABILITY OF MAN TO MAKE SOMETHING MORE OF HIMSELF," BOTH AS A PHYSICAL AND AS A SOCIAL ANIMAL.

A PANEL DISCUSSION HAD BEEN ARRANGED AS THE NEXT PORTION OF THE LECTURESHIP. THE PANEL CONSISTED OF PROF. MAX BLACK OF THE PHILOSOPHY DEPARTMENT, PROF. ROBIN WILLIAMS OF SOCIOLOGY, PROF. PHILIP MORRISON OF PHYSICS, AND DR. POLLARD. AFTER QUESTIONING DR. POLLARD'S STATEMENT THAT SCIENCE HAD A WELL-DEFINED GOAL, THE PANEL MOVED INTO THE AREA OF THE MORAL RESPONSIBILITY OF THE SCIENTIST. THIS TOPIC SAW THE GREATEST DISCUSSION BOTH DURING THE REMAINDER OF THE FORMAL PRESENTATION OF THE PANEL AND DURING THE QUESTION-AND-ANSWER PERIOD WHICH FOLLOWED.

DR. POLLARD DELIVERED THE LAST LECTURE OF HIS SERIES ON THE TOPIC, "THE IMPACT OF CIVILIZATION ON SCIENCE." HE FELT THAT THE SCIENTIST WOULD BE REQUIRED BY SOCIETY TO ASSUME A POSITION OF INCREASING RESPONSIBILITY AND EMPHASIZED THE EXTREME IMPORTANCE OF PROPERLY EDUCATING THE FUTURE SCIENTIST IF HE IS TO MEET THIS CHALLENGE. HE DID NOT DISCARD THE IDEA THAT CIVILIZATION MIGHT ABANDON SCIENCE ALTOGETHER RATHER THAN FACE THE NEW RESPONSIBILITIES WHICH IT HAS BEEN CREATING, BUT HE HELD

J. GILBERT MILLER DIED ON MAY 6 AT MENLO PARK, CALIF., AFTER AN ILLNESS OF SEVERAL WEEKS.

MILLER WAS BORN IN OREGON, SON OF A PIONEER FAMILY, AND WAS A CONSTITUTIONAL MEMBER OF THE ASSOCIATION. HE STUDIED AND WORKED AT OLMSTED 1908-10; HE WAS AT CORNELL BRANCH 1910-1914 AND RECEIVED HIS ME DEGREE; HE RETURNED TO THE BRANCH FOR FURTHER STUDY IN 1916-17 AND THEN WENT TO DEEP SPRINGS IN 1917 TO ASSIST WITH THE CONSTRUCTION OF THE NEW INSTITUTION. AT CORNELL HE WAS ON THE SIBLEY CREW AND WAS A MEMBER OF ETA KAPPA NU, HONORARY ELECTRICAL ENGINEERING SOCIETY. HE WAS THE HOLDER OF SEVERAL PATENTS IN THE U. S. AND CANADA. DURING WWI, MILLER WAS A CIVILIAN INSTRUCTOR AT A SIGNAL CORPS TRAINING SCHOOL AND AT AN AIR CORPS GROUND SCHOOL.

MILLER FOR MANY YEARS SERVED AS AN ADMINISTRATOR OF THE WESTVACO CHEMICAL DIVISION OF THE FOOD MACHINERY & CHEMICAL CORP., IN CHARGE OF ALL ENGINEERING DESIGN, CONSTRUCTION, MAINTENANCE, STEAM AND POWER PLANT OPERATIONS, AND SOME OF THE CHEMICAL MANUFACTURING PROCESSES. ONE OF HIS MORE RECENT JOBS WAS THE SUPERVISION OF THE CONSTRUCTION AND EARLY OPERATION OF THE VAST PLANT AT POCATELLO TO EXTRACT PHOSPHORUS FROM THE IDAHO PHOSPHATE DEPOSITS, A MULTI-MILLION-DOLLAR PROJECT. AT THE TIME OF HIS DEATH, MILLER WAS HEAD OF WESTVACO'S AGRICULTURAL CHEMICALS DEVELOPMENT PROGRAM, CONCERNED WITH THE APPLICATION OF LIQUID CHEMICALS TO GROWING CROPS, A NEW AND IMPORTANT AGRICULTURAL DEVELOPMENT.

MILLER IS SURVIVED BY HIS WIDOW (THE FORMER MARY H. SPICER), FOUR SONS -- JOHN GILBERT, JAMES HENRY, ROBERT WILLIAM, AND RICHARD -- AND BY ONE DAUGHTER MARY ANN.

HARLOW E. "BROWNIE" SMOOT, 64, CONSTITUTIONAL MEMBER OF THE ASSOCIATION AND THE ALUMNI ASSOCIATION, DIED AT PROVO HOSPITAL ON APRIL 24 AFTER MAJOR SURGERY. EDUCATED AT PROVO AND WASHINGTON, D. C., SMOOT WORKED MOST OF HIS ADULT LIFE AS AN ENGINEER FOR THE UTAH POWER & LIGHT CO. HE WAS INTERESTED IN NUMEROUS STATE-WIDE ACTIVITIES: MINING, SPORTS (HE ONCE SPONSORED JACK DEMPSEY), REPUBLICAN POLITICS, AND WAS AN ELDER IN THE PRIESTHOOD OF THE PROVO FIRST WARD. HE WAS A CAPTAIN IN WW I.

HE WAS THE SON OF THE LATE U. S. SENATOR REED SMOOT AND WAS A MEMBER OF THE SOCIETY OF MAYFLOWER DESCENDANTS. HE MARRIED ANITA PARKINSON IN 1912 IN THE SALT LAKE TEMPLE. HE IS SURVIVED BY THREE SONS, ONE DAUGHTER, TWO BROTHERS, AND TWO SISTERS.

WHAT HE CONSIDERED A MORE OPTIMISTIC VIEW OF HUMAN NATURE.

ALL OF DR. POLLARD'S PRESENTATIONS WERE ON AN INFORMAL, PERSONAL LEVEL AND WERE IMPRESSIVE FOR THEIR SINCERITY. AS A WHOLE, THIS YEAR'S LECTURESHIP WAS VERY WELL RECEIVED ON THE CAMPUS. THE LECTURESHIP REMAINS A DESIRABLE ADDITION TO THE CAMPUS LECTURE PROGRAM AND A VALUABLE PROGRAM FOR CORNELL BRANCH.

PERSONAL NOTES

DR. HARVEY C. MANSFIELD, HEAD OF THE DEPT. OF POLITICAL SCIENCE AT OHIO STATE UNIV., HAS JUST BECOME MANAGING EDITOR OF THE AMERICAN POLITICAL SCIENCE REVIEW, THE PROFESSIONAL JOURNAL OF THE APSA. MANSFIELD THIS SUMMER WILL BE VISITING PROFESSOR AT COLUMBIA UNIV., GIVING TWO GRADUATE COURSES, ONE ON AMERICAN FEDERALISM, AND THE OTHER ON THE NATIONAL GOVERNMENT AND THE NATIONAL ECONOMY.

DR. ROBERT L. SPROULL OF THE DEPT. OF PHYSICS OF CORNELL HAS BEEN PROMOTED FROM ASSOC. PROF. TO A FULL PROFESSORSHIP. HIS "MODERN PHYSICS: A TEXTBOOK FOR ENGINEERS" HAS JUST BEEN PUBLISHED BY JOHN WILEY & SONS. THE BOOK IS DESCRIBED AS "A SOLID CORE OF 20TH-CENTURY PHYSICS VITAL TO THE UNDERSTANDING OF MODERN ENGINEERING PROCESSES AND DEVICES."

THOS. E. FAIRCHILD, MILWAUKEE LAWYER AND WELL-KNOWN DEMOCRAT, WAS ELECTED TO THE WISCONSIN SUPREME COURT ON APRIL 3 BY A 3-TO-1 VOTE. FAIRCHILD, 43, WILL BE THE YOUNGEST OF THE JUDGES; HE WILL SUCCEED HIS FATHER, CHIEF JUSTICE EDWARD T. FAIRCHILD, 83, WHEN HE RETIRES IN JAN. AFTER COMPLETION OF HIS STUDY AT DEEP SPRINGS, FAIRCHILD STUDIED ONE YEAR AT PRINCETON, ONE YEAR AT CORNELL, WHERE HE RECEIVED HIS A. B., AND THEN WAS GRADUATED FROM THE WISCONSIN LAW SCHOOL. HE HAS HELD SEVERAL RESPONSIBLE FEDERAL AND STATE JOBS, NOTABLY AS O.P.A. ADMINISTRATOR AND AS ATTORNEY-GENERAL OF WISCONSIN. HE WAS DEFEATED BY WILEY IN 1950 AND BY MCCARTHY IN 1952 IN THE ELECTIONS FOR THE U. S. SENATE. THE FAIRCHILDS HAVE FOUR CHILDREN.

WILLIAM HAYES ALLEN, IN HIS FINAL YEAR AT STANFORD LAW SCHOOL, WHERE HE IS NO. 1 MAN IN THE CLASS AND EDITOR OF THE 'LAW REVIEW,' HAS BEEN APPOINTED CLERK TO CHIEF JUSTICE EARL WARREN. AFTER LEAVING DEEP SPRINGS, ALLEN SERVED IN THE SOUTH PACIFIC, WAS GRADUATED WITH GREAT DISTINCTION BY STANFORD UNIVERSITY IN 1948, AND WORKED FOR THE ASSOCIATED PRESS IN CHARGE OF THE SACRAMENTO DESK UNTIL HIS ENTRY INTO LAW SCHOOL. MARRIED, ALLEN HAS TWO SONS: EDWIN, 5, AND NEAL, 1.

CONSTITUTIONAL-MEMBER STANLEY STOKES, VICE-PRES. OF UNION ELECTRIC CO. OF MISSOURI SINCE 1950, HAS RETIRED AFTER ALMOST 44 YEARS WITH THE COMPANY. AT THE TIME OF HIS RETIREMENT, HE WAS IN CHARGE OF UNION ELECTRIC PARTICIPATION IN THE NUCLEAR POWER GROUP IN CONNECTION WITH THE DEVELOPMENT OF POWER FROM NUCLEAR FISSION. STOKES PARTICIPATED IN THE CONSTRUCTION WORK OF THE BEAVER RIVER POWER AND THE TELLURIDE POWER COMPANIES.

MRS. NAYNE MORRIS AND WILLIAM B. KUDER, SAN FRANCISCO LAWYER, WILL BE MARRIED IN PARIS ON JUNE 4. THE FUTURE BRIDE -- "SHE REALLY IS A DARLING..." -- HAS STUDIED LANGUAGES AND LITERATURE IN EUROPE DURING THE PAST THREE YEARS. AFTER GRADUATION FROM HARVARD LAW SCHOOL, KUDER SERVED 6½ YEARS IN THE ARMY. AFTER THE CAMPAIGN OF NORTH AFRICA AND ITALY, KUDER WAS IN WASHINGTON AS CHAIRMAN OF THE BOARD OF REVIEW IN THE OFFICE OF THE JUDGE ADVOCATE GENERAL, AND IN 1946-47 HE WAS LEGAL ADVISER TO THE U.S. MEMBER OF THE INTERNATIONAL MILITARY TRIBUNAL FOR THE FAR EAST DURING THE WAR TRIALS IN TOKYO.

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