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# REPORT

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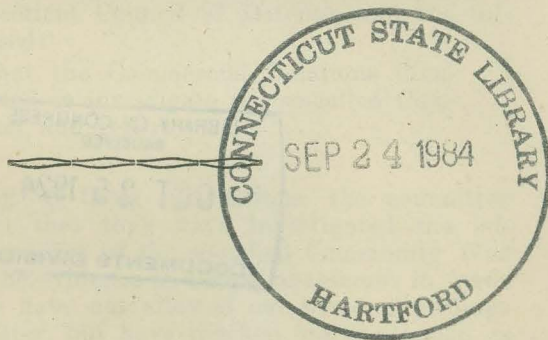
The Commercial Relations Committee

TO

The Connecticut State Council of Defense

REGARDING

Community War Chests



Presented by

EDWARD P. JONES, Chairman

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May 27, 1918

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### Statement.

At the last annual meeting of the Chamber of Commerce of the United States, which was attended by three thousand men representing organizations from all over the country, the following resolution was passed:

"WHEREAS, The time has arrived when it is evident that in the interest of unity and for the prevention of fraud and duplication of effort, efficient and business-like methods should be adopted for the work in various communities throughout the country for raising funds in behalf of agencies engaged in legitimate war relief; therefore, be it

"RESOLVED, That the Chamber of Commerce of the United States recommends to its constituent members that they use every effort to co-ordinate such work and to adopt and put into effect at once in their various communities such plans of co-operation as seems most desirable."

Following the idea outlined in this resolution, the chairman of the Commercial Relations Committee presented the matter to The Connecticut Council of Defense, and the following vote was passed:

VOTED: That the Commercial Relations Committee be instructed to investigate the so-called Community War Chest and report.

### Finding.

Acting according to these instructions, the committee begs leave to report that they have investigated the advantages and disadvantages of the so-called Community War Chest and find that the evidence is almost unanimous in favor of its adoption. We have not allowed our personal feelings to enter into the matter, but have reached our conclusion as the result of testimony given by those who represent the industrial, civic, commercial and philanthropic life of the country.

We find that many communities have come to the point where it is impossible for them to put on special drives for all war charities which appeal for funds. Meriden has had 18 during the past year; Columbus 25; Syracuse is giving to



53 organizations. We understand there are over 300 organizations appealing for funds for war charities at the present time. It is obvious that our people cannot even consider these different causes, to say nothing about giving a respectable sum to each one or determining the relative importance of many which are worthy.

### **Sources of Information.**

In taking up this work we endeavored to obtain information first hand from those who had experience with the practical working of the War Chest:

1st: We wrote to the Councils of Defense in states where the War Chest had been tried.

2nd: We wrote to some twenty Chambers of Commerce located in cities which had adopted the plan.

3rd: The Chairman of the committee went to Washington to investigate the matter and met the president of the Columbus War Chest and the officers of the National Red Cross.

4th: We wrote to the Red Cross Chapters in fifteen cities, asking them for information.

5th: We wrote to twenty cities in Ohio which have adopted the War Chest and are inaugurating it at the present time.

6th: We called a meeting of the directors of the Connecticut Chamber of Commerce, together with representatives of the Red Cross, Y. M. C. A., Knights of Columbus and other representative men of the state.

We find that the need for organized, systematic giving has led many communities to adopt some plan of pooling their war charities. The result has been the so-called War Chest or Patriots' Fund. There has been as yet no standardized War Chest. Different communities have adopted plans which appealed to them, and they have produced remarkable results. Mistakes have been made, especially in those started among the first. Many of the objections heard do not apply to the War Chest of today.

### **Object of the War Chest.**

It is a great patriotic movement which calls for organized effort of the highest type and consecrated service for the development of those higher impulses we call patriotism. It is not for the purpose of raising funds easily. Neither is its object the raising of more funds, although it does both. Its real object is to create a desire on the part of a much larger proportion of our people to do everything possible to win the

war, and especially to provide for suffering humanity. It is larger than the Red Cross, the Y. M. C. A., the Knights of Columbus—it is greater than all of them put together. Where it has been intelligently and conscientiously inaugurated it has increased the number of contributors from two to five times, and developed in the community a spirit which has made all war work easier and more effective.

### Objections.

Some of the objections to the War Chest are as follows:

(1) It is said to be the lazy man's way. The very statement proves that it is easier, but the people who advocate it say that this is the least of the reasons for it.

(2) "It will not provide adequate funds." The facts prove that the amount of money received in every instance is greater than the old way—sometimes three and four times as much money being raised.

(3) "If great calls for money come and the money on hand is used up, there will be no funds available, and our soldiers will suffer because people are promised they will not be asked again within a year or for the duration of the war." This is not so with the latest War Chest plan. The War Chest Committee can ask for a second or third subscription just the same as the Red Cross or any other organization.

(4) "It's a poor time to try experiments: Don't swap horses crossing a stream." The War Chest principle is not new. It has been used in our churches for years. The Congregational Church makes one appeal each year for all missionary causes, and asks for pledges to be paid monthly. It has proven satisfactory in every way, and they would not discontinue it for any reason. The Methodist Church has raised all its money for benevolences in this way for the past ten or fifteen years.

(5) It has been said that the War Chest cannot tell how much will be needed in the course of a year: Neither can the Red Cross or any other organization. If they find that more is needed the only way to do is to ask for it.

(6) "That many persons are especially interested in some particular cause and do not want to give their money to some other cause on the list." Any person can give to any cause he wishes by so stating on the pledge card, and his money will go direct to that cause.

(7) "Separate drives for different objects produce more patriotism." There is no doubt but they are of great benefit and do produce patriotism. Our investigation, however, leads us to believe that the advantages of the War Chest greatly



outweigh the disadvantages, and the patriotism produced is even greater than that produced from the separate drives. The fact that from three to five times as many people become interested enough to give for war charities must have considerable weight.

Time will not permit us to go into a detailed statement of all the reasons for our belief, but we think the mass of evidence which we will produce will be convincing.

We have among our correspondence ninety-nine letters as Exhibit E from forty-one men and over fifty organizations in regard to the effect of the War Chest upon individuals and communities. In no instance is there a statement against the War Chest from any man or organization who has had personal experience with it. So far as the committee knows, all objections come from people who are apprehensive, but who have had no actual experience. The results obtained from the creation of the War Chest, so far as our evidence goes, is greater in every way.

#### **Claims of War Chest.**

The claims of the War Chest are:

- (1) A great amount of time, money and effort is saved.
- (2) A greater amount of money is raised.
- (3) It produces more patriotism.

We believe that the evidence produced proves all three claims to be true.

#### **State Councils of Defense.**

As previously stated, we wrote to the Councils of Defense in those states where the War Chest had been inaugurated, asking for any information which they might give us and also whether they had taken any action in the matter. Their replies were not entirely satisfactory; they showed that many of the Councils were not apparently well organized. The replies contained impressions instead of facts. Some of the most concise replies are as follows:

Illinois Council of Defense: "The State Council of Defense early recognized that a comprehensive and practical plan for the various financial campaigns was desirable, and instructed each county in the state to organize a 'County Finance Committee' which would be a permanent body, and which would undertake the financial campaigns as they come along."

Following this statement, they go to discuss the matter in a way which shows that they are not acquainted with the War Chest as it is being inaugurated today. The Illinois Board is given power by law to regulate and control all

solicitation of funds. They say they have not refused to approve a license for collecting funds for a War Chest, but "the plan we must favor is a permanent committee in each county with proper subdivisions by townships or school districts which will undertake each one of the financial campaigns to keep a card index record of what each person in the county has contributed."

The statements in favor may be summed up in the statement from New York, which is as follows:

"The plan is a good one and could be carried out by cities in your state just as successfully as has been done in New York state. The advantages are not confined to a large increase in revenue for war-aiding work, but include the enlistment of thousands of people with small cash contributions for the duration of the war, building up a sentiment of unity and service in the community, which is of greatest value."

Also from the Iowa Council of Defense, which is as follows:

"It would be a good idea for your State Council to take up in an official way and recommend its adoption by all of your County Councils."

The Indiana Chamber of Commerce has made a study of the subject, and reports as follows:

"We started by making a study of all the War Chest campaigns conducted. After digesting all the information we could obtain, we evolved a simple plan which seems to meet all needs, and yet does not entail too much bookkeeping. Our next step was to take this matter up with the State Council of Defense. This body, however, did not see fit to take an active interest in the state-wide campaign, giving as their reason their opinion that the War Chest is a matter for each community to decide for itself. Acting on this idea, we sent out a letter offering the plans, which we had formulated, to any community without charge."

We understand twenty cities in Indiana have adopted the outline and have or are planning to organize War Chests. (The correspondence with the State Councils of Defense number twenty-five letters and telegrams, and are referred to as Exhibit A.)

#### **Chambers of Commerce.**

In order to add to our information from reliable sources, letters were written and replies received from Chambers of Commerce located in fifteen cities which have inaugurated War Chests, and from one State Chamber of Commerce, as follows:



Syracuse, Tonawanda, Watertown, Utica, Glens Falls, Ithaca, Auburn, Rome, N. Y.; Roanoke, Va.; Columbus and Elyria, Ohio; Rockford and Peoria, Ill.; Kalamazoo, Mich.; Kenosha, Wis., and the Indiana State Chamber of Commerce.

The following questions were asked:

(1) How long a period did you devote to preparation for campaign before starting?

(2) How many days devoted to campaign?

(3) What was the total sum asked for?

(4) What was the total amount secured?

(5) What was the plan of apportionment or allotment?

(6) How did you reach the foreign element?

(7) Did the Y. M. C. A. and Red Cross combine?

(8) Did the War Bureau and State Council of Defense lend support?

(9) How is War Chest money distributed?

(10) What, if any, were hindrances or objections?

The replies from the Chambers of Commerce show:

(1) That the amount asked for was given.

(2) That these chests which put on an educational campaign and devoted considerable time to a thorough and systematic canvass raised much more money and in some instances over twice the amount set.

(3) That there was no trouble about the apportionment or allotment of funds to different objects. The disbursing committee in all cases was composed of men who had the confidence of the community. Usually the campaign was started and set up by Chambers of Commerce, but in many cases the Mayor or other officers elected by the people were placed behind the movement to give it an official standing.

(4) That the Red Cross and Y. M. C. A. co-operated fully in the movement. The only city in which they put up any resistance was in Watertown, N. Y. The report for this Chamber of Commerce reads as follows:

"The American Red Cross did not look with favor on this plan and was rather insistent that we run a separate campaign for Red Cross funds. We told them that if they wanted any money from Watertown and Jefferson County they could take it our way or not at all. They finally acceded to our views, and in making up our budget we included Jefferson County's portion of the National Red Cross funds. We also included the amounts apportioned to this city and county by the various organizations which carried on national campaigns.



"Our budget totalled \$175,000. It was oversubscribed 50%, and the various causes for which money was raised received 50% more money than they asked of us."

(5) No assistance was received from any State Council of Defense, and so far as I know, no Council of Defense has taken definite action in regard to the matter.

(6) Every Chamber reported that there were no hindrances or objections to the plan, Utica saying:

"Our fund was in operation on February 15th, and to date we have found no objection or hindrance to the plan, and we still believe it is the logical way to handle war relief work."

Kenosha reports:

"We do not know of any objection to this plan. Our people heartily approve of it and would not think of going back to the old way of collecting funds."

(7) "All classes of people were reached: The proportion of the whole population being three to five times as great as in the separate drives."

Auburn, N. Y., with a population of 32,000, received 16,200 pledges or more than one-half. The total amount pledged per capita was about \$13, or \$390,000.

Rome, N. Y., with a population of 25,000, raised \$346,000, or \$16 per capita.

Glens Falls, N. Y., heads the list with \$17.40 per person.

Columbus, Ohio, raised over \$3,000,000, an amount equal to over \$37 for each contribution per capita for every man, woman and child in the county.

Toledo, Ohio, is just putting on a campaign to raise as much or even a larger fund.

Syracuse and Utica each have over 30,000 subscribers, the majority of which are contributing of their earnings each month. In one of these replies they say: "The effect of such a great proportion of the population having deliberately enlisted to sacrifice and to freely give for such purposes as war work for such an indefinite period as the duration of the war and to recall this determination each month when they are paid, cannot be overestimated. It gives a cohesion of purpose and resolve that is highly gratifying and essential in war work."

They further say. "We believe in this way we will in time have every citizen feeling that he is actually taking part in the war, and therefore, the spirit of resolution for winning this war in spite of time and any difficulties will be so engraved on everybody's heart that all else we have to do will be very easily done."

The letters are all full of enthusiasm for the plan. We would be glad to include whole pages, but space and time will not allow. They number twenty-eight and are presented as Exhibit B.

### **Opposition.**

Since this report was formulated it has been learned that The Merchants and Manufacturers' Association of Baltimore, together with Chambers of Commerce or Boards of Trade in Des Moines, Kansas City, Charleston, Berkely, Lexington, Jamestown and Poughkeepsie have considered the matter. Part of these organizations have not decided as yet to adopt the plan, and the others have expressed disapproval. There has been no opportunity to ascertain the facts in regard to their action, so we can draw no conclusions. There has been no attempt made to give a list of all cities that have inaugurated War Chests.

Our investigations have shown that certain people connected with the Red Cross and Y. M. C. A. object to the plan. The Christian Science Monitor has used its news columns continuously to discredit the movement, and the executive committee of the Massachusetts Committee on Public Safety disapproves the plan.

Many of the articles in the Christian Science Monitor are headed "Chicago," and apparently sent to them by a Mr. Dresser, as he is quoted continually in them. He appeared before the United States Chamber of Commerce and protested vigorously, but in spite of his protestations the National Chamber passed the resolution above referred to.

### **Massachusetts Committee on Public Safety.**

In order to ascertain the reasons for the Massachusetts Committee on Public Safety taking the stand against the War Chest, we wrote asking them for any information or facts which they could give. Under date of May 22, 1918, we received a letter signed by James J. Phelan, Assistant Food Administrator on Board of Food Administration letter-head in which he says a statement issued by Mr. Henry B. Endicott, Executive Manager of the Massachusetts Committee on Public Safety is enclosed, and also a copy of the resolution which was passed by the Executive Committee of the Massachusetts Committee on Public Safety. This resolution states:

"RESOLVED, That in the opinion of the Executive Committee of the Massachusetts Committee on Public Safety the so-called 'War Chest' plan is not in the best interest of war subscription funds, and its adoption by cities and towns should be discouraged. The War Chest plan tends to eliminate the valuable educational element which is an essential feature



of every subscription campaign hardly second in importance to raising the money. It affords an opportunity for the less enthusiastic nominally to take part in patriotic activities and thereby evade a greater responsibility which might otherwise be brought home to them. It tends to engender a feeling among the organizations not in keeping with the present spirit of generous and helpful co-operation. It is doubtful if it will produce, in the aggregate, as large a net result from its purely financial standpoint as independent campaigns; in the opinion of the Committee it will produce substantially less."

No facts, figures or statements are given to prove any of the claims made. In an interview by Mr. Endicott, which is made part of the resolution, he says: "I do not for a moment doubt the good intention of the authors of this method of obtaining and distributing contributions, but I have very great doubts as to the practical working of the scheme. . . . It creates, so to speak, a 'middle man' to handle the funds of the individual. Now, Tom Jones may well wish to invest every dollar he can afford for the benefit of the Young Men's Christian Association, while Charles Smith is equally anxious that every bit of his savings go to forward the work of the Red Cross, Knights of Columbus, the Young Men's Hebrew Association, or kindred organizations. It is human nature for a man or woman to wish to have something to say about where his money goes and just what it is to be used for when he contributes it. . . . Therefore, if my supposition is correct, people would contribute very much less through the 'war chest' than they would directly, and it is certain that in every community there are some selfish people who only contribute because it will be well advertised if they do not. . . . I am willing to say to those people who have made inquiry that I see nothing to gain but considerable to lose from this entire 'war chest' project."

Apparently Mr. Endicott has been laboring under a misapprehension. As stated before in this report, any person who contributes to the War Chest can state where his money is to go, so the main reason for Mr. Endicott's objection is unfounded. In the resolution it states that it is doubtful if the War Chest will "produce as much money as independent campaigns, and in the opinion of the committee it will produce substantially less." Here, again, Mr. Endicott is apparently unaware of the facts in the case. At least the reports from all the War Chests quoted above are exactly the opposite. In no War Chest of which we have heard has the money received been less: In most cases it has been increased very much.

So far as we have learned, the opposition to the War Chest has come in every instance from men or organizations who have had no actual experience with it—from those who are apprehensive, and fear it will not work out either to their advantage or who base their opinion upon reasons which are not borne out by facts.

### **National Red Cross.**

The chairman of your committee attended a conference at Washington between Mr. Scott, Assistant General Manager of the American Red Cross; Mr. Green, Director of Department of Development (the man who is responsible for raising all the funds); Mr. H. P. Bush, President of the Columbus War Chest and a member of the Ohio Council of Defense. We found that they viewed with apprehension anything which would make a change in their organization necessary. Under the present plan they practically command the different Chapters, telling them how much money is needed. If the local Chapter raises more than its quota, the Red Cross receives this much in addition. Under the War Chest plan each community would give only the amount asked for, which is the exact quota figured out by the National Red Cross.

They also have a little fear that the War Chest distribution committees might not accede to their requests. This seems impossible. People who voluntarily raise hundreds of thousands of dollars are as interested in the Red Cross as they would be if there was no War Chest. If any committee refused to give to the Red Cross what was needed, their term of office would be brief.

At the close of the conference Mr. Green said: "We are willing to do our part down here to co-operate and harmonize."

### **Red Cross Chapters.**

In order to find out whether the War Chest had hindered the work of the Red Cross, letters were written and the following questions asked the president or chairman of Red Cross Committees in thirteen cities having War Chests, and their replies have been received: These are the same cities which we received reports from the Chamber of Commerce and corroborate their statements. The questions were as follows:

- (1) Has the War Chest increased or diminished the amount of money you have had for local work in.....?
- (2) Has it increased or diminished the amount of money which the National Red Cross has received from.....?



- (3) Has it made it easier or more difficult to carry on your work in.....?
- (4) Has it increased or diminished the patriotism of the great majority of your people?

These reports are practically unanimous in stating:

- (1) The amount of money raised for local work has been materially increased.
- (2) That in a few cases the amount received by the National Red Cross will be the quota assigned, but in most cases it will be materially increased.
- (3) That it has made their work very much easier and more efficient.
- (4) That it has raised the interest and patriotism of their people.

(Read letters instead of report.)

All the letters are very interesting and we cannot refrain from quoting a few.

George P. Rising, Vice President of the Fairfield National Bank and Treasurer of the Lancaster (Ohio) Red Cross, says that their local funds were almost exhausted and that the War Chest appropriated \$3,000 at once for immediate use. The success of the War Chest depends upon the organization; you will make no mistake putting on a War Chest. Syracuse reports that the number of contributions for War Chests have been increased from less than \$2,500 to \$34,000, and that the patriotism of their people has been increased correspondingly.

Tonawanda reports that the number of subscribers to War Chests have been increased from 3,000 to 10,000, and the amount subscribed raised from \$100,000 to \$200,000; that it has increased the patriotism of a great majority of their people.

Columbus reports: "There are thousands of our citizens now who, by contributing even a small amount, feel that they are active participants in this relief work, who were not before seemingly greatly interested in war work, so that I should say on the whole it has had a very decided effect in increasing the patriotism of our citizens generally."

It is interesting to note that Roanoke, Va., say: "We cannot see that it has had any effect of increasing or decreasing patriotism of our people: The only thing that has happened since this campaign that would have any bearing on this question is the Third Liberty Loan. Our apportionment was \$1,381,000, and we sold \$2,200,000 to something over 10,200 people. In the Second Liberty Loan we only sold to 2,000 people." (Over five times as many bought bonds after the War Chest had been inaugurated.)

Mr. I. M. Foster of a law firm of Athens, Ohio, and Secretary of the Red Cross Campaign committee, says:

"I believe we are unanimous in our feelings that the War Chest is not only commendable but the only proper solution of the problems confronted in these war times."

(The letters in connection with the Red Cross investigation number 29, and are known as Exhibit C.)

### **War Chest Committees.**

The committees learned that twenty counties and towns in Ohio had adopted the War Chest plan and that a simultaneous campaign was to be put on May 20th to May 27th. Letters were written and replies received from fourteen War Chest Associations. The questions asked were as follows:

- (1) Would action by a State Council of Defense be advisable?
- (2) Would it be desirable to have all the drives held during the same week?
- (3) Have you encountered opposition from Red Cross or Y. M. C. A., or are they working with you?
- (4) Were the initial steps taken by individuals or organizations?

The replies to the first question are all in favor of state action. The reply of the Dayton War Chest Association fairly represents all, and is as follows:

"Such action by a State Council of Defense would be advisable for the reason that the State Council could outline a general plan for a drive and provide for all the publicities. If the posters and advertising matter were purchased by a central agency for the entire state a very large saving could be effected."

It is interesting to note that they print the following on their stationery: "War first—Business second: If there is any time for business."

2nd: All replies are in favor of holding the separate campaigns in the same week.

The president of the Canton War Chest says: "Yes! Accumulating effect of a state-wide campaign co-ordinating all efforts for the same purpose would undoubtedly produce much better results."

3rd. In all cities except one the Red Cross and Y. M. C. A. are co-operating.

Springfield reports: "I am pleased to advise that the representatives of the Red Cross and Y. M. C. A. are heartily in sympathy with the plan and are working just as hard as any other member of the organization."



Mr. J. D. Barnes, Judge of the Court of Common Pleas of the State of Ohio, and President of the Sidney War Chest of the Association, says: "Our organization was called into being through a suggestion of some of our patriotic citizens and particularly of the chairmen of the local Y. M. C. A., K. of C. and Red Cross organizations. I certainly think it would be well if your State Council of Defense would back the movement and have all drives made during the same week."

(These letters, thirty-eight in number, are submitted as Exhibit D.)

### **Connecticut Chamber of Commerce.**

A meeting of the Connecticut Chamber of Commerce was called to discuss the subject. This meeting was attended by about forty directors of the State Chamber, representatives of the Red Cross, Y. M. C. A., K. of C., and Manufacturers' Association. Two votes were passed: The first requested the Council of Defense to consider the War Chest proposition. The second was to the effect that the Council of Defense was requested to approve the War Chest and recommend it to the different cities and towns for their action. (A stenographic report of this meeting is presented as Exhibit E.)

### **Conclusions.**

Taken collectively, all of these reports are practically unanimous. They are the cumulative evidence received from forty-six separate organizations located in nine states. No organized War Chest has been a failure, so far as we have been able to learn. Its success is the same whether the community is a town of a few thousand inhabitants or a city the size of Columbus, where over 93,000 people made separate subscriptions.

Probably no Council of Defense is better situated for putting on a state-wide campaign and getting splendid results than Connecticut. Our people are intensely patriotic. Several of our towns have already formed committees and are impatient to go ahead with the War Chest. We cannot impress the Council too strongly with the importance of the movement as a state-wide proposition. In cities and counties where it has been tried the people have giving from \$7.00 to \$17.40 per capita. If Connecticut should only give \$7.00 per capita it would mean a total of \$10,000,000. If we should make the per capita \$15.00 it would mean over \$20,000,000. If this were done no one could estimate the stimulus it would give to all of our war activities. It would mean that several hundred thousand people in Connecticut would be actively engaged in war relief who had never given before.

## Recommendations.

We would respectfully submit the following:

- (1) That the Committee approve the principle of the War Chest Plan.
- (2) If the Council adopts a War Chest Plan for Connecticut, then we recommend that the matter be left to Mr. Alsop and the Chairman of the Commercial Relations Committee, with power to act, that they be directed to appoint or employ one or more men to make a thorough study of the War Chest plan and report not later than July 1st an outline which would contain the best features and eliminate the provisions which are found to be useless or detrimental, drawn with special reference to Connecticut and elastic enough so it may be made to conform to the local requirements of our different communities which could be adopted as a standardized plan.
- (3) That this outline be then reviewed by the Council, and if approved, be adopted by them as a standardized plan, and recommended to the War Bureaus of the state for their consideration, with the understanding that such plan may be changed to suit the needs or desires of the different communities.
- (4) That the Council adopt a state-wide program and set a time for a state-wide campaign and assist those towns and cities which inaugurate the War Chest: The program to include speaking, newspaper propaganda, posters and stationery to be used in the drive.
- (5) That a committee or sub-committee be appointed to take charge of the War Chest Campaign, and that money be appropriated to carry it on as efficiently as possible.

EDWARD P. JONES, Chairman,  
FRANK H. JOHNSTON,  
CHARLES A. PEASE,  
ALTON T. MINER,  
GEORGE E. CRAWFORD,  
R. LA MOTTE RUSSELL,  
AUBREY L. MADDOCK,

Committee on Commercial Relations.