EDUCATIONAL SERIES

THE CARNEGIE FOUNDATION

The Carnegie teachers' pension fund, otherwise known as "The Carnegie Foundation," is well described by a writer in the Lincoln (Neb.) Journal as follows:

"The Carnegie Foundation for the Advancement of Teaching dates from April, 1905, when Andrew Carnegie set apart a fund of $10,000,000, administered by a board of twenty-five trustees, the interest to be used in paying retiring allowances to the professors in universities, colleges and technical schools in the United States, Canada and Newfoundland. The original fund was limited to non-sectarian institutions. The trustees were erected into a corporation by act of congress on March 10, 1906, and the first retiring allowances went into effect in the following July.

"On March 31, 1908, Mr. Carnegie added $5,000,000 to the fund for the benefit of the professors of the state universities who, as he said, had shown a desire to be included by unanimously passing a resolution to that effect in their national association. The only condition imposed was that the governing board, the state legislature and the governor must unite in a request before any state university can be placed on the accepted list.

"The fund is available only to teachers in higher institutions of learning, not in high schools or even in preparatory schools connected with a college or university. The term college is defined to be a school with not less than six full professors and a course of four years in liberal arts and science and requiring a four year high school course for admission.

"Retiring allowances are granted to professors, this term including presidents, deans, professors, associate professors and assistant professors. They are based on age or length of service. Any professor sixty-five years of age who has had not less than fifteen years of service is entitled to a pension computed as follows: (a) For an active pay of $1,200 or less, an allowance of $1,000, provided no allowance shall exceed ninety per cent of the active pay. (b) For an active pay greater than $1,200, the allowance is $1,000 plus $50 for each $100 of active pay in excess of $1,200.

"Any active professor who has had a service of twenty-five years may retire on an allowance computed as follows: (a) For an active pay of $1,200 or less, a pension of $800, no allowance to be more than eighty per cent of the active pay. (b) For an active pay of more than $1,200, a retiring allowance of $800, increased by $40 for each $100 of active pay in excess of $1,200. For each year of service above twenty-five the allowance is increased by one per cent of the active pay. No retiring allowance in either class can exceed $4,000. Any person who has been for ten years the wife of an active or retired professor may receive during her widowhood one-half of the allowance to which her husband was entitled.

"In these rules leaves of absence, not more than one in seven, are counted as years of service. It is not necessary that all of the years of service be given to one institution. The average pay for the last five years is the pay upon which the retiring pay is computed. Upon retiring, the professor must give up teaching. The benefits of this fund are not available to professors who retired before April 16, 1905.

"These are the most important rules found in the three volumes already issued by the officers of the Carnegie foundation. Up to May, 1908, sixty colleges and universities, among the best in the country, had been placed on the accredited list, and the annual cost of the retiring allowance roll had reached $185,770."

The following editorial appeared in the Omaha World-Herald of January 22:

BY CARNEGIE, OR THE TAXPAYERS?

There can be little intelligent question but that the protest of Charles Wooster, Merrick county's great commoner, against acceptance of the benefits of the "Carnegie fund" on behalf of the University of Nebraska, voices a sentiment in which very many Nebraskans will share. Although the cases are not identical, while, indeed, in some important essentials they are not even similar, most of those who opposed the acceptance of the Rockefeller gift will oppose the acceptance of Carnegie's money. Oil trust money or steel trust money, they will argue, it is all one. And they will add, what some very well informed persons believe, that Andrew Carnegie's sins of character and commission are as detestable as Rockefeller's, and the one is as little entitled to honor as the other at the hands of people who cherish high ideals.

It is a case of a question of dollars and cents going up against a principle.

The dollars and cents side of the case is that the acceptance of this pension money, on behalf of any university, is in substance and effect, an increase in salaries; that it is such a large increase that it means universities accepting this benefit will be enabled, thereby, to offer financial inducements to instructors perhaps fifty per cent greater than Nebraska can offer unless the people of this state tax themselves to the extent of an additional $100,000 a year to make good the difference.

The principle, as the World-Herald sees it, is the essential wrong involved in allowing public salaries to be paid, in whole or in part, out of private funds. More especially is it a mistake if the funds spring from an objectionable source. The state, if it is to maintain a university, should pay such salaries as are necessary. Included in the necessary salary is such portion as will enable the instructor, by an economy which, while thrifty, is not niggardly, to provide against the incapacity of old age.

The acceptance of the Carnegie fund can be justified only on one of two grounds. It may be said that the professors need and deserve the pension which the fund provides, or that, while they do not actually deserve it, the acceptance of the fund by other universities will naturally and inevitably rob our university of the able and desirable members of the faculty unless we meet their competition.

The World-Herald believes, as it has said repeatedly, that the professors in our state university, like the teachers in our public schools, are underpaid, and that to underpay them is the most costly "economy" the state could practice. Our university salaries average several hundred dollars beneath what are paid in other state universities of equal rank. If it be admitted that the aid is deserved, the people of Nebraska ought to furnish it by taxation. Only two excuses could be given for not doing so—first, that they are not able, and second, that they are able, but not willing. That Nebraska is able to maintain a great state university, and pay adequate salaries, we believe no one will seriously question. That the people are unwilling to pay the necessary taxes; that they would prefer to summon in the steel trust or the oil trust, Mr. Carnegie or Mr. Rockefeller, to pay their educational bills for them, this newspaper does not for one instant believe.

When the question comes before the legislature, the World-Herald hopes that each member will seriously ask himself this question: Would it not be better to legislate so as to assert the state's independence, and insure the university's independence, and would not the taxpayers prefer to provide the necessary salary or pension fund themselves rather than have the matter turned over to Mr. Carnegie?

MR. BRYAN'S ARGUMENT

Referring to the above editorial Mr. Bryan wrote to the World-Herald the following letter:

Lincoln, Neb., January 23.—To the Editor of the World-Herald: I write to commend the position you take on the Carnegie pension fund in the World-Herald of this morning. I believe you are right, both in advocating an increase in the salaries of the university professors and in objecting to any legislative act authorizing the university to become a pensioner of Mr. Carnegie or the steel trust. The greatest world problem is the proper distribution of the annual proceeds of the world's toil. As a result of the labor of those who are engaged in productive employment a certain sum is realized each year and we shall not reach the ideal condition until each member of society is able to draw from this total fund a share proportionate to that individual's contribution to the country's welfare.

Generally speaking there are three ways which are prominently employed in determining the individual's share.

First, by competition. Where competition is free each one receives a reward which measures society's estimate of his work.

Second, by monopoly. Those who secure a monopoly are able to suspend the law of competition and fix arbitrarily the amount which they can demand in return for their services, and it naturally follows that a certain part of the community suffers by monopoly in proportion as another part profits by monopoly.

Third, by governmental action. The government determines directly, through legislative act, or indirectly through authority conferred upon others, the salary to be paid those in government employ.

The Underpaid Teacher

The largest single item in local appropriations is the school, and Nebraska stands in the forefront in literacy and in the efficiency which characterizes our educational system. We have the kindergarten, the graded school, the high school and the university with its various departments, schools and colleges. The compensation of those who teach is fixed directly or indirectly by the taxpayers, and without attempting to discuss the relative amounts to be paid to the teachers in the several grades of the service, I have no hesitation in saying that I believe that, as a rule, all of our teachers are underpaid.

The teacher requires a preparation that is not necessary in most occupations—a preparation that occupies time and costs money, not to speak of the continuing expense that is incurred in keeping up with the times and with the demands of the position. In the second place the teacher deals with those who are most precious to us—our children. The child comes under the care of the teacher at a susceptible age and the teacher co-operates with the parent in the development of character as well as in the training of the mind. No other work except the work of the church compares with the work of the school room in its effect upon the child's future and upon the parents' welfare. Surely one whose work is so valuable and whose influence upon the child is so potent ought to have an adequate compensation. This is not only demanded by gratitude, but by selfish considerations as well, for a teacher does better work when satisfied with the compensation than when convinced that the salary paid is insufficient remuneration for the work done.

University Instructor

In the case of the university professor there is an additional argument. Teaching is his life work, and he foregoes whatever advantages may be desired from those employments from which larger incomes can be secured. It is sometimes argued that the salary of the teachers in the Nebraska university ought to be raised because higher salaries are paid elsewhere. Insofar as this argument is used to show that salaries here are insufficient, it is a legitimate argument, but such an argument is unnecessary if it can be shown, as I think it can be, that no matter what other states may be doing, our state is not giving to the college professor his just share of Nebraska's yearly income.

Starting, then, with the proposition that our university professors ought to be better paid, we are prepared to consider the second proposition. Should the state by legislative act declare its willingness to have professors of our university placed upon the eligible list for Carnegie pensions? No one, of course, can advocate the acceptance of the Carnegie pension without admitting that our professors are underpaid. If they, in fact, receive incomes proportioned to the work they do, the state can hardly be asked to authorize an increase of their salaries through outside aid.

To advocate the Carnegie pension fund, therefore, one must virtually declare that the state of Nebraska is either unable to pay its professors what they ought to be paid, or, though able, is unwilling to do so.

Who is prepared to bring either indictment against the people of our state? It is possible to explain the present situation on the ground that the taxpayers have not sufficiently considered the subject, or that the legislators have not accurately reflected the wishes of the taxpayers, but to accept the Carnegie fund would be equivalent to a declaration that the state recognizes the inadequacy of the salaries, and that it is either unable or unwilling to make the necessary provision. Is it likely that our state will thus humiliate itself or that those who represent the taxpayers will, without express authority from them, confess the poverty of the people who enjoy the benefits of the university, or even worse, confess that although enjoying these benefits and able to pay for them they are unwilling to do so?

But in the case of the Carnegie fund there