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"While the general subject of economic research was under consideration, the industrial disturbances in Colorado impressed the President of the Foundation with the great need and public importance of finding an effective means of preventing such conflicts and caused him to urge a far-reaching study of industrial relations as the most important immediate inquiry to which the Foundation could direct attention. In view of the passion aroused in Colorado and the many divergent interests involved there, it was felt that the Foundation itself should not interfere in that situation, but that it was of the utmost consequence that the root causes of that and similar disturbances should be ascertained, and, if possible, removed, not only in Colorado, but elsewhere. The Rockefeller Foundation is, moreover, a large owner of corporate securities, and in that capacity is itself directly concerned in maintaining harmonious relations between the companies in which it is interested and their employees. It was therefore felt that if the Foundation could work out, on a basis compatible with sound economics, a substantial improvement in the relations between capital and labor, it would not only discharge its obligations as indirectly a large employer of labor, but would also perform for the general public a greater social service than it could render along usual philanthropic lines."

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