

MINUTES

EXECUTIVE COMMITTEE MEETING

December 31, 1954

TO: Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins

The Executive Committee met at 1:15 p.m. in the private dining room of the Brookings Institution with all members (Messrs. Sproul, Burgess, Calkins, Woodward) and the Research Director, Miss Mildred Adams, present.

Action was taken as follows:

Housekeeping details

1. The Committee expressed its gratitude to the Federal Reserve Bank of New York for moving the staff from the 8th floor to larger and more efficient quarters on the 11th floor.
2. The date and place (January 29th at the Princeton Inn) of the next Committee meeting with the three consultants (Messrs. Bopp, Chandler and Wood) were confirmed.

Project Matters

1. The attention of the Executive Committee having been called to the problems and costs of handling the number of collections of private papers bearing on System matters, it was decided
 - a. that the research director shall draft a plan and a budget which will give the Executive Committee some estimate of how many collections are being uncovered and how much it might cost to catalogue them.
 - b. that the research director adopt as a policy the recommending that collections be placed either in (1) the Library of Congress, (2) the library of an educational institution

owner of the
chosen by the ~~family~~ of the deceased (~~or by the retired himself~~), or (3) the library of a qualified institution which, through such recommendations, might become a recognized center for study in this field. It was further suggested that a conference be held with the new head of the Graduate School of Business at Columbia University (Mr. Courtney Brown) in an attempt to find out whether that institution, located as it is in the financial center of the country, might be interested in being designated as the one preferred in the third category.

- c. that, in view of the recent loss by premature destruction of certain promising collections, the research director frame a letter, addressed to all who now seem potential sources of collections important for this study, informing them that the Committee is interested in their papers and would like that interest considered in any arrangements *being* made for their disposition.

2. Considering the number of collections which may need to be inventoried, it was decided that the matter of an index for the Kincaid inventory of the Carter Glass papers be held in abeyance until the question of including this inventory as part of the Committee's publication program is settled; that \$112 be appropriated to pay the costs of 20 more copies to be run from the same stencils; the whole to be stored until the entire publication schedule becomes clearer.

3. It was decided that the completion of the Kincaid-Glass inventory be made the occasion for a letter describing the Committee's aims and some of its accomplishments, and requesting information concerning other collections. Such a letter would go to a selected list of interested economists and to the learned journals; it should stir fruitful interest.

4. After discussing the purpose and value of individual interview techniques and results, it was decided to appropriate not more than \$500 to pay the costs of an experimental group of interviews to be held under the leadership of Dr. Walter Stewart and on a topic which he prescribes, preferably one having to do with an important incident in the early days of the Federal Reserve System. The research director is to check on techniques found useful by Dr. Rensis Likert of the University of Michigan.

For recommendations to be

5. ~~Dr. Stewart~~ The designation of a possible lecturer was discussed at length, ~~on the basis~~ Recommendations will be made to the meeting of the full Committee on January 29th.

in Europe until September 1955, was postponed. It will appear on the next agenda.

It was suggested by Dr. Calkins that after January 1st the Committee secretary and perhaps the research director might find it well to call upon the new Executive Secretary of the Rockefeller Foundation in order to inform him as to the progress of Committee work.

Donald Woodward
Secretary.

discussed &
rec will be made.

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~~5. In preparation for recommendations to be made to the full Committee as to possible historians, the Executive Committee had before it two lists, one compiled by the research director and one by associates of Mr. Sproul. It was decided that Executive Committee members would each choose ten preferred names from the two lists and send them to the research director; from these four lists of ten names, agreement would be hoped on five which would then be presented to the full Committee on January 29th. Out of this discussion emerged a preference on the part of the Executive Committee that Lester Chandler be the one to undertake the history as well as the life of Benjamin Strong on which he is now working.~~

The third agenda item, concerned with the absence of Shepard Clough in Europe until September 1955, was postponed. It will appear on the next agenda.

It was suggested by Dr. Calkins that after January 1st the Committee secretary and perhaps the research director might find it well to call upon the new Executive Secretary of the Rockefeller Foundation in order to inform him as to the progress of Committee work.

Donald Woodward
Secretary.

*discussed +
rec will be made.*

December 20, 1954

Dear Mr. Woodward:

Miss Adams has asked me to write you that she has received word from Mr. Sproul about the Executive Committee meeting on Tuesday, December 28th. He would like to change the hour of that meeting from 12:30 to 1:00 p.m. Unless you let this office know to the contrary, we shall assume that 1:00 p.m. at the Brookings Institution on Tuesday, December 28th, is convenient for you.

Sincerely,

Secretary

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, N. Y.

December 17, 1954

Dear Don:

I am sending this only to your office on the assumption that you are probably back there by the time this is delivered. Certainly I hope that all your woes are over and that you are really feeling better.

Talking this morning with Bob Calkins, I find that Brookings is giving its employees the entire day before Christmas (December 24th) and no extra time before New Year's. In this office we think that is a good idea, and therefore, unless you have some reason for preferring that we not do it, we will follow that plan.

I hope that Vick is also giving its people the whole day off and that you can somehow really get a restful Christmas.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, N. Y.

8
This memo was not used but
should be filed.
W A

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

Memorandum on 1955

December 13, 1954

To: Donald Woodward

From: Mildred Adams

In case you need a memo for reference at the Executive Committee meeting on December 14th, this note puts on paper the substance of our telephone conversation on Saturday, November 25th.

When I started work on January 15th, 1954 on the pilot project, it was with the general understanding that if that project was sufficiently successful to attract a longer grant I would expect to stay in an executive capacity for about a year, and then would move into a writing phase.

We did get the longer grant, and the year has almost gone. Contrary to plan, however, I am not yet ready to move from executive work into writing. There are these chief reasons -

- (1) Writers for the various aspects of the project have not yet been chosen.
- (2) The research on which we are engaged is not yet ready to turn over to another director.
- (3) I have not yet been able to see the aspect on which my own writing would be most useful.
- (4) The job is fascinating in its present phase and I'd hate to leave it now.

Subject, therefore, to the wishes of the Committee, I would like to propose that I plan to stay for at least another year, adopting the title Executive Director which the Committee conferred on me some time ago. During that year I would hope -

- (1) To push ahead with the collection of papers, and memoirs - a task which is by no means finished.
- (2) To make much more progress than has thus far been possible with the bibliography - a project which, as it goes along, will be useful as a research tool, and when it is finished will lead to the annotated bibliography which we hope to include in an eventual publications program. (Miss McKinstry might be a possibility for this, or Dr. Henrietta Larson of Harvard.)

- (3) To complete visits to the 12 regional banks, with the research into their archival materials which goes along with these visits.
- (4) To make the adjustments required in the office as the various writers get under way.
- (5) To arrive at a suggestion as to what angle of the project I can most usefully tackle as the sphere for my own writing, assuming that this is what the Committee still wants me to do.

If this plan is acceptable, I would like to include in it a proviso that I am hoping to go to Europe for two months this summer, and that I would like while abroad to pursue Committee investigations into research sources both in London and Paris.

All this is, of course, predicated on the assumption that the Executive Committee has found my work satisfactory enough so that they would like me to continue. This may be a brash assumption - you will tell me if the Committee thinks so.

WQ

DONALD B. WOODWARD

122 EAST 42ND STREET

NEW YORK 17, N. Y.

RECEIVED

DEC 8 1954

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

December 7, 1954

Miss Mildred Adams
Committee on the History of the Federal Reserve System
33 Liberty Street
New York, New York

Dear Mildred:

I've forgotten whether we discussed the matter of Clough on the telephone. In any event, I think this should come before the meeting of the Executive Committee for decision. Will you please be sure I have a note on it for that meeting?

Thine

Don

ks

P. S. I entirely agree with your comments of November thirtieth about a future meeting. The Executive Committee should consider that question also.

P.P.S. Roy B. might be a possibility - lets keep him on the list. I had not heard about John D. etc a big surprise.

DONALD B. WOODWARD
122 EAST 42ND STREET
NEW YORK 17, N. Y.

November 29, 1954

Miss Mildred Adams
Committee On The History Of The Federal Reserve System
33 Liberty Street
New York 45, New York

Dear Mildred:

Enclosed is my expense account for the Princeton meeting. Of course the meals at the Inn and my room charge have already been taken care of. I found all arrangements so excellent that I want to go to more meetings that you arrange!

Cordially yours,



Donald B. Woodward

ks
enclosure

RECEIVED

DEC 1 1954

**COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM**

Committee on Federal Reserve History

Meeting at Princeton Nov. 21, 1954

Railroad fare	1.88
Taxis	1.75
Auto hire	22.39

RECEIVED

DEC 1 1954

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM



RENTAL AGREEMENT

05148

Carey Driv-ur-self, Inc., being licensed to use the Hertz Driv-ur-self System, hereby certifies that the Renter named in this Rental Agreement is entitled to fully participate in the benefits of Hertz Driv-ur-self System.

CAREY DRIV-UR-SELF, INC.

Licensee in Greater New York

Headquarters
340 EAST 48th STREET
New York City
Murray Hill 8-7744

Car Lic. No. 6111
Make Ford
Rate 900 plus 10 per mile

Driver's License No. 1776396 State Mass Expiration Date 1955

In consideration of the undertaking by the undersigned, hereinafter referred to as "Renter", to comply with and perform all of the terms, covenants and conditions set forth on both sides hereof, Carey Driv-ur-self, Inc., herein described as "Owner", hereby leases to Renter the motor vehicle described above, hereinafter referred to as "Vehicle".

- (1) Renter acknowledges that said Vehicle is the property of Owner and that he received it in good condition except as specifically noted hereon.
- (2) Renter agrees to pay to Owner on demand:
 - (a) A mileage charge computed at the rate above specified for the mileage covered by said Vehicle during the period of this rental.
 - (b) A time charge computed at the rate specified above for the period of this rental.
 - (c) A sum equal to the cost of all damages to said Vehicle during this rental period provided, however, that Renter's liability shall be limited to \$100.00 unless Vehicle was operated in violation of any of the provisions of this Rental Agreement.
 - (d) A sum equal to the value of all tires, tools and accessories lost or stolen from said Vehicle.

(3) RENTER AGREES THAT HE WILL RETURN SAID VEHICLE to Owner in the same condition as he received it, ordinary wear and tear excepted, ON THE RETURN DATE STATED HEREON or sooner upon demand of Owner. Renter further agrees that if the said Vehicle is not returned to the Owner on demand therefor or in any event within twenty-four hours after the time marked above for its return, or if the Vehicle is taken outside New York State without the written consent of the Owner endorsed hereon, or is operated in violation of paragraph (4) hereof, that the Owner is authorized to notify the Police or other Law Enforcement Authorities in any jurisdiction that said Vehicle is fraudulently withheld from its Owner and request Police action toward recovery of the Vehicle and the Renter hereby releases and discharges the Owner, its agents, servants and employees, from any and all claims or demands of whatsoever nature resulting therefrom.

VEHICLE TO BE RETURNED
Date 11/20/54 Time 11:50

- (4) Renter agrees that the Vehicle described hereon shall not be operated:
 - (a) In violation of any of the terms of this Rental Agreement.
 - (b) By any person under the age of 25 years, unless permission to the contrary is written hereon, or by a driver or Renter who has given a fictitious name or false age or address, has displayed a forged or altered operator's license, or whose operator's license has been suspended or revoked.
 - (c) For any illegal purpose or use, in any race, speed test or contest, to propel or tow any vehicle or trailer, or by any person while under the influence of intoxicants or narcotics.
 - (d) By any person other than the Renter who signed this Rental Agreement or, provided they are qualified licensed drivers, by a member of the Renter's immediate family, the Renter's employer, or a person driving the car pursuant to and in the course of said person's regular, usual and customary employment by the Renter.

Time Returned	
Time Out <u>8:28 AM '54</u>	
Mileage In	<u>10653</u>
Mileage Out	<u>10524</u>
Miles Driven	<u>129</u>
Miles @	<u>1290</u>
Hours @	
Days @	<u>1</u>
Weeks @	
TOTAL	<u>2190</u>
Damage	
N. Y. C. Sales Tax	<u>49</u>
3% of 75% Rental	
TOTAL AMOUNT	<u>2239</u>
Deposit Collected	<u>2500</u>
Balance Collected	
Amount Charged	

DONALD B. WOODWARD
VICK CHEMICAL
122 E. 42ND
NYC, NY

Credit Lab fare 358

DO NOT FAIL TO KEEP CAR COMPLETELY LOCKED WHEN IT IS UNOCCUPIED
I will comply with the terms and conditions on both sides of this Agreement.

Signed (Renter) Ellen C. Singer
Print Name Ellen Singer
Address 19 Grace St. City Bldg State VT
App. No. RECEIVED 120963 Phone No. 452-0963
Local Address _____

CAREY DRIV-UR-SELF, INC., Owner
Signed by D. B. Woodward

CONDITION OF CAR OUT DEC 1 1954
Checked Out By [Signature]
COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

CONDITION OF CAR IN _____
Checked in By _____

DRIVE CAREFULLY

Cars returning after midnight will check in at our 41 Vanderbilt Avenue office opposite the Biltmore Hotel.

TERMS AND CONDITIONS CONTINUED

(5) Renter agrees not to use said Vehicle for the transportation of persons or property for hire, express or implied; not to use it in violation of any Federal, State or Municipal law, ordinance, rule or regulation governing the use or return thereof; nor to remove it from this State without the written consent thereto of Owner endorsed hereon.

(6) It is expressly agreed that Renter is not the agent, servant or employee of Owner for any purpose or in any manner whatsoever.

(7) In the event of loss or damage to the Vehicle, for which others may be liable, the Renter, for himself and his driver, undertakes and agrees to cooperate with Carey Driv-ur-self, Inc. in the matter of recovery for such damages, including furnishing full particulars of the nature of the event to Carey or its representative or attorney, and to testify in connection therewith in any court proceeding. Carey is hereby authorized, without being obligated so to do, to undertake recovery for such damages from third persons who might be liable therefor, including the appointment of an attorney for such purpose, and in the event of recovery the Renter shall participate pro rata therein after deduction of legal expenses.

(8) The Renter participates, subject to his compliance with the terms and conditions thereof, in the benefits of an automobile bodily injury and property damage liability insurance policy, in form usual for such insurance in the State of New York, applying with respect to operation of the Vehicle. A copy of said policy, all the terms and conditions of which are incorporated herein by reference, is available for inspection by the Renter at the Station where the Vehicle was leased and Renter agrees to comply therewith and be bound thereby. Said policy does not cover the Renter or his authorized driver with respect to: injuries to a spouse, liability imposed upon or assumed by the insured under any Workmen's Compensation Act, plan or law, or assumed under any contract, oral or written, of whatever nature, damage or destruction of property owned by, transported by or in charge of the Renter or driver. Said policy does not apply to the protection of the Renter or driver, among other things, while the Vehicle is used as a public or livery conveyance, while carrying passengers for hire, while being used for towing, or while being operated by any other person, for any reason, is not permitted by the law of the State to drive or operate any motor vehicle. Every accident must be promptly reported in writing to the Station from which the Vehicle is rented, and Renter or driver must promptly deliver to such Station or to the insurance carrier every summons, process, pleading or paper of any kind, relating to any and all claims or lawsuits arising out of the use or operation of the Vehicle, received by Renter or driver. The Renter and driver shall not, in any manner, cooperate with, aid or abet any claimant, shall not voluntarily admit any liability for any accident, but shall cooperate fully with the insurance company, including appearance at court for testimony, in all matters connected with the investigation and defense of any claim or suit. The insurance company shall have the exclusive right to defend or settle any suits or claims including the right to appoint counsel to defend any action brought against Renter or authorized driver for injuries or damages growing out of any accident.

(9) If the Vehicle shall become disabled for any reason, Renter will notify Owner by telephone, and immediately confirm the same by telegram (collect) giving location of Vehicle and cause of disablement.

(10) Renter undertakes and agrees to indemnify Carey Driv-ur-self, Inc. and/or the insurance company and save them harmless from any and all loss, cost or expense of whatsoever nature which may result because of the Renter's or driver's breach of any of the terms and conditions of this Rental Agreement.

TOTAL AMOUNT	
Deposit Collected	
Balance Collected	
Account Charged	

VEHICLE TO BE RENTED	

DONALD B. WOODWARD
VON CHEMICAL
INC.
NEW YORK

CAREY DRIV-UR-SELF, INC. STATIONS

- MANHATTAN**
- 340 East 48th Street (Headquarters) _____ MUrray Hill 8-7744
 - 41 Vanderbilt Avenue* _____ MUrray Hill 8-7744
 - Plaza Hotel—59th St. Entrance _____ PLaza 5-9481
 - 407 East 61st Street _____ TEmpleton 8-6300
 - 115 East 75th Street _____ REgent 7-2525
 - 219 West 77th Street _____ SUsequehanna 7-4100

- BRONX**
- 1941 Jerome Avenue _____ CYpress 9-2345
- BROOKLYN**
- 920 Union Street _____ NEvins 8-9326
 - 10 Clinton St. (near Boro Hall) _____ TRiangle 5-3590
- QUEENS**
- 69-15 Austin St. Forest Hills, L. _____ LIggett 4-2042
 - LaGuardia Airport - Main Terminal _____ TWining 8-1153
 - N. Y. International Airport - Main Terminal _____ OLYmpia 6-5934

*Reservations only

RECEIVED
DEC 1 1964

FEDERAL RESERVE SYSTEM
OF THE
COMMITTEE ON THE HISTORY

RECEIVED

DONALD B. WOODWARD
122 EAST 42ND STREET
NEW YORK 17, N. Y.

DEC 7 1954

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE

December 1, 1954

Miss Mildred Adams
Committee on the History of the Federal Reserve System
33 Liberty Street
New York, New York

Dear Mildred:

Enclosed are the draft of the Minutes and
the letter from Dr. James which you wanted returned.
You have my comments on the Minutes by telephone.

Cordially yours,



Donald B. Woodward

ks
enclosure

MINUTES OF COMMITTEE MEETING ON SUNDAY, NOVEMBER 21, 1954

CONFERENCE WITH THREE EXPERTS

*Ready for
your corrections*

The Committee met at 10:00 a.m. in the Conference Room of the Princeton Inn at Princeton, New Jersey. Members present were Chairman Sproul, Messrs. Burgess, James, Reifler (for Mr. Martin), Stewart and Woodward. Dr. Calkins was ill; Dr. Joseph Willits, newly elected, appeared for lunch and part of the afternoon session. Messrs. Karl Bopp, Lester Chandler and Elmer Wood, were there as experts; Miss Adams also attended.

The meeting was called to consider the conclusions reached in the course of a day-long conference held by Messrs. Bopp, Chandler and Wood on Saturday, November 20th, at the Committee's request, in their "group move to give clearer definition to the job of preparing the history (of the Federal Reserve System) and outlining its scope and dimensions."

Mr. Sproul presented the agenda, calling attention to Progress Report No. 7 and the report on the completion of the Kincaid project which were laid before the members, but without asking discussion. He then introduced Dr. Karl Bopp, as head of the group of advisers, and asked him to present the substance of the previous day's discussion.

Dr. Bopp, speaking for the Committee's three advisers, presented for committee discussion a tentative design of the entire project which would include (A) a comprehensive history in three or four volumes, (B) the publication of source material, including an annotated bibliography and at least one volume of selected unpublished documents, (C) a history for the general reader, and (D) a series of monographs which would constitute research-in-depth into certain aspects of the ^{System's} history which could not be sufficiently developed in the comprehensive history.

On the basis of that recommendation, Dr. Bopp then discussed alternative approaches to the comprehensive history (if topical, how to integrate? if chronological, which time periods?); the desired extent of coverage; and the

question of organization (- given the mass of material which has been uncovered, could the comprehensive history be written by one person working with assistants, or was the documentation so extensive (and in the main undigested) that several writers would be needed.)

The presentation was interspersed and followed by extensive discussion, during which the Committee developed trends in its own thinking. No formal resolutions were presented nor discussions taken, but a consensus of opinion among Committee members seemed to develop on the following points:

- (1) that the Committee preferred as a goal a work which would not fall in the category of an official history;
- (2) that, so far as organization of the writing was concerned, the Committee would prefer to designate one man full-time who would be working with research assistants on the comprehensive history, and another group of men, each ^{man} working for a year or two as needed on the various monographs, this group to be ^{generally} associated with the writer of the comprehensive history in the general project;
- (3) that the outline of the whole design as presented by Dr. Bopp's group be re-shaped into two groups, one concerned with various aspects of the broad stream of the comprehensive history (economic, constitutional, international, a study of personalities, a general study which should include the changing climate and pressures under which the System functions), and the other to consist of what might be called peripheral monographs having to do with such things as relations of System and Treasury, System and commercial banks, and so on;

- (4) that, of the two ways to "squeeze what is relevant" out of historical data, the Committee proposes to use both - a chronological approach geared carefully to time, and a problem approach which demands exploration of topic and problems through time;
- (5) that if the choice had to be made between an economist unfamiliar with historical methods or an historian unlearned in economic and monetary affairs, the die would probably be cast for the first;
- (6) that the aim be to complete the comprehensive history in the 5 year period for which funds are provided, but with a fair assurance that further help and a longer space of time can be had if needed.

The entire discussion was taken down by a stenotype operator and will serve to guide the three experts in the next stage of their task.

The problem of naming men to writing posts in the project was mostly postponed until the Executive Committee had an opportunity to review suggestions, but several names were mentioned, including Thomas Cochran, Shepard Clough, Norman Gras, McGeorge Bundy, Brooke Willis, Frank W. Fetter, Lewis Galantiere and Woodlief Thomas as a team, and Dr. Earl Hamilton as an historian working in the field of finance. It was requested that Committee members survey current periodical writings and on that basis, send in names to be considered - these names to be circularized for comment before the next meeting of the Executive Committee.

After deciding that a second conference with the three experts should be scheduled at Princeton for Saturday, January 8th (the experts to meet Thursday, January 6th and Sunday, January 9th), the meeting adjourned at 3:40 p.m.

December 1, 1954

Dear Don:

A handwritten letter has just come in from Shepard Clough addressed to you at this office. I am enclosing a copy to save your eyes.

Do you want us to send him Progress Reports and so on in Italy, or shall we hold all that in abeyance until he gets home in September, 1955? Do you think that he might, if we wrote him air-mail, turn up a certain good suggestion for our historian that no one has thought of? I assume there is no reason for not welcoming him into the Committee, but the matter is sufficiently unusual so that I am not venturing to write a letter of welcome for your signature.

If you will let me know what you think we ought to do on this, I will go ahead with it.

Hurriedly,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, N. Y.

Enc.

Villa Le Terrazze
Via G. B. Morgagni 3/5
Rome, Italy
November 27, 1954

Dear Don:

Believe it or not but your letter of Oct. 29 has just reached me. Inasmuch as it comes without envelope I do not know whom to blame, but some one of my forwarders has slipped, I guess the one at Columbia.

As you can see, I am in Italy and shall not be back until September, 1955. At present I am looking into problems of Italian economic growth. The first of January I begin to teach at the University of Turin, with lectures all over the map in March.

I would gladly - enthusiastically - accept your invitation to join the Committee on the History of the Federal Reserve System, but obviously I cannot be of any use to you - unless by mail until next fall. Therefore I do not tie your hands by accepting and leave you entirely free to find a replacement.

Yes, I had heard of the project via Bob Calkins. I am delighted that the RF decided to support it.

I am having another wonderful year. So far we have stayed about a month each - Paris, Florence, Perugia, and Rome. Fortunately I have been able to get a lot of writing done in spite of all the travel.

Yours sincerely,

Shep

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

33 LIBERTY STREET, NEW YORK 45, NEW YORK

TELEPHONE: RECTOR 2-5700, EXTENSION 286

ALLAN SPROUL, *Chairman*
W. RANDOLPH BURGESS
ROBERT D. CALKINS
F. CYRIL JAMES
WILLIAM MCC. MARTIN, JR.
WALTER W. STEWART
DONALD B. WOODWARD, *Secretary*
MILDRED ADAMS, *Research Director*

With cooperation of
THE BROOKINGS INSTITUTION
722 JACKSON PLACE, N. W.
WASHINGTON 6, D. C.

November 29, 1954

Dear Don:

I have been thinking about your suggestion that the January meetings be transferred to New York, and I find myself wondering whether, in view of the diplomatic factors involved, it is a good idea. Granted that it would be more convenient for Sproul, it would be less convenient for Stewart and Chandler. Also, I think Reifler might be happier going to Princeton than coming to New York.

In the second place, I wonder if it is wise to upset a plan on which there was general agreement. It was agreed in open meeting that we would go to Princeton. I am not sure it is politic to upset that agreement unless there were some extremely good reason which would be instantly acknowledged as good by everyone concerned.

Third, if you are going to change the meeting, I think, in fairness to the Princeton Inn, that we ought to get a decision sooner than December 14th. At the present time, they are holding space for us, and if we are not going to want it, we ought to give them a month's chance in which to rent space to someone else.

All this concerns, of course, the Saturday meeting. What Dr. Bopp's group wants to do is easier changed.

Hurriedly

Mildred

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, N. Y.

THIS LETTER WAS NOT SENT AS THE MATTERS WERE DISCUSSED BETWEEN MISS ADAMS AND MR. WOODWARD OVER THE TELEPHONE.

HOLD AS A MEMORANDUM.

November 26, 1954

Dear Don:

A note addressed to you came in today from the secretary to Mr. Clough. It is of such nature that I think you would prefer to have the original kept here. Mr. Clough's secretary signs herself A. Herrick, secretary in the Department of History at Columbia. She says:

"After being sent to two other people by the name of Clough, your letter of October 29th finally reached the office of Shepard Clough.

I realize after reading it that you wanted an answer before November 21st. This note is to advise you that Professor Clough is now in Europe and will not return until September 1955."

If you want your letter forwarded to Clough in Europe, I should think that Miss Herrick should be able to do it.

Secondly, I have received a note from Joseph Willits. He says:

"I am very happy to join the Committee, but I am quite certain I will be the feeblest member thereof. I join it because of what I will learn, not because of what I will give. I am not a "fachman" in this field, as you know."

I also have from Dr. Calkins a copy of the material he sent you about Karl Bode. It sounds interesting, and he said he was going to try to turn up some samples of Bode's writing.

Best as always

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, N. Y.

November 30, 1954

Dear Don:

I talked this morning with Karl Bopp, and I think I have a little more light on the Chandler suggestion that perhaps the experts had done all they could do, and another meeting with the Committee might not be useful.

Bopp was completely surprised at the idea. It is true that the Chandlers were guests of Dr. and Mrs. Bopp at Thanksgiving dinner, but apparently no business was talked. Karl suggests two possible bases for the suggestion - first, a feeling on the part of the three experts that they had not been of much use on Sunday and had failed to make their points with the Committee (this was very sharply expressed when they met that Monday morning), second, a desire not to hamstring the historian by appearing to make a hard and fast outline which he might think he was expected to follow.

I recalled to Dr. Bopp the original agreed order of procedure; namely, the three-day meeting, then the distribution of the stenotype record and the draft document which was produced on Monday, then a period of weeks during which the experts could presumably confer and consider the draft document in the light of suggestions contained in the stenotype record, and fourthly, the January meeting at which they would present the fruit of their consideration for further argument on the part of the Committee.

He agreed that whereas Dr. Chandler is a person of quick decisions, Dr. Wood comes to them slowly, and that it would be very wasteful to stop now before the stenotype itself has been distributed or any further thought been put on the document which the experts intend to present.

After a good deal of discussion, I reduced the somewhat hazy problem to three questions. In the first place, did Dr. Bopp think he and his colleagues would want to recommend junking the second meeting? Second, would they like to postpone the second meeting until the author is chosen when the Committee and the experts could usefully meet with him? Third, would they like to go ahead with the program as planned?

Dr. Bopp rejected the first idea but favored the second proposal, provided that choice of the historian may be made very shortly. I could give no such assurance. Otherwise, he would prefer to go ahead with the January meeting as planned. He feels that any proposal for a change in the agreed program should come from the Committee rather than from the experts who are serving the Committee. He will see Chandler on Thursday and try to probe further.

If I may, against this background, make a recommendation, it would be that, unless signs of dissatisfaction come from the Committee, we let matters stand as they are, at least until the Executive Committee meeting on the 14th of December. By that time, the stenotype record will have been received and distributed to the experts, I will have had a chance to make suggestions as to the expansion of the draft document, and Dr. Wood will have had a chance to evoke new ideas from his former students.

If the actual choosing of the eventual historian seems on December 14 to be close, The Committee might then like to consider the other suggestion of postponing the meeting until perhaps the end of January when it might be held with the chosen author.

I hope this makes sense in your terms.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, N. Y.

Villa Le Terrazze
Via G. B. Morgagni 3/5
Rome, Italy
November 27, 1954

Dear Don:

Believe it or not but your letter of Oct. 29 has just reached me. Inasmuch as it comes without envelope I do not know whom to blame, but some one of my forwarders has slipped, I guess the one at Columbia.

As you can see, I am in Italy and shall not be back until September, 1955. At present I am looking into problems of Italian economic growth. The first of January I begin to teach at the University of Turin, with lectures all over the map in March.

I would gladly - enthusiastically - accept your invitation to join the Committee on the History of the Federal Reserve System, but obviously I cannot be of any use to you - unless by mail until next fall. Therefore I do not tie your hands by accepting and leave you entirely free to find a replacement.

Yes, I had heard of the project via Bob Celkins. I am delighted that the RF decided to support it.

I am having another wonderful year. So far we have stayed about a month each - Paris, Florence, Perugia, and Rome. Fortunately I have been able to get a lot of writing done in spite of all the travel.

Yours sincerely,

Shep

RECEIVED

DEC 1 1954

COMMITTEE ON THE NEXT DAY
OF THE
FEDERAL RESERVE SYSTEM

Villa Le Terrazze
Via G. B. Morgagnani 3/5
Rome, Italy.
November 27, 1954

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has just reached me. I'm sure as it comes without
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I am having another wonderful year. So far we
have stayed about a month each: Paris, Florence,
Beverly, and Rome. Fortunately I have been able to
get a lot of writing done in spite of all the
travel.

Yours sincerely,
Shep.

November 26, 1954

Dear Don:

A note addressed to you came in today from the secretary to Mr. Clough. It is of such nature that I think you would prefer to have the original kept here. Mr. Clough's secretary signs herself A. Herrick, secretary in the Department of History at Columbia. She says:

"After being sent to two other people by the name of Clough, your letter of October 29th finally reached the office of Shepard Clough.

I realize after reading it that you wanted an answer before November 21st. This note is to advise you that Professor Clough is now in Europe and will not return until September 1955."

If you want your letter forwarded to Clough in Europe, I should think that Miss Herrick should be able to do it.

Secondly, I have received a note from Joseph Willits. He says:

"I am very happy to join the Committee, but I am quite certain I will be the feeblest member thereof. I join it because of what I will learn, not because of what I will give. I am not a "fachman" in this field, as you know."

I also have from Dr. Calkins a copy of the material he sent you about Karl Bode. It sounds interesting, and he said he was going to try to turn up some samples of Bode's writing.

Best as always

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, N. Y.

November 24, 1954

Dear Don:

Minutes of the Princeton meeting will be sent you shortly, but meanwhile this is to serve as a small reminder on two counts:

First, that you put on your calendar the date January 8th for a return engagement at Princeton - an all day meeting to consider the document which the experts will produce, and to move forward with a decision on the choice of a man (or men) to write the comprehensive history.

Second, if you have a sudden inspiration, either for The Historian or for writers of monographs, we would be delighted to have them by December 10th so that we can circulate them to the Committee.

It was good to see you Sunday.

Most sincerely yours,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

November 16, 1954

Dear Mr. Woodward:

This is to repeat a message sent you earlier that we have a room reserved in your name at the Princeton Inn, where you are expected Saturday afternoon, to stay through Sunday afternoon. Our three experts and at least two other members of the Committee will be dining at the Inn on Saturday evening - they will be particularly pleased to have you join them.

You will be glad to hear that we are expecting a full attendance of Committee members for the all day meeting on Sunday. They will convene at ten o'clock in the morning in the Inn's private conference room.

Very sincerely yours,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

November 15, 1954

Dear Don:

We enquired about Shepard Clough from Columbia and were told, as you heard, that he is in Europe. They do not know exactly when he will be back but certainly not before June, and possibly not until September.

On looking at the Princeton timetable, I find that trains on Saturday leave Pennsylvania Station at 4:00 p.m. (arriving Princeton at 4:56), at 5:05 (arriving Princeton at 6:15), and at 6:00 (arriving Princeton at 7:06). It is also possible to go to Trenton, but at that time of day, nothing seems to be gained by that more round about method.

I think I forgot to tell you that I tried to see Charles Cortez Abbott in Charlottesville, but he was out of the University on some errand that was keeping him busy all day long, so I got no chance to talk with him.

We will try to get word to you by Thursday if we find any loose end that should be tied up with Brookings. Also, I am working on an agenda or a progress report, depending on which form seems to fit what there is on hand.

We will expect you as a caller in the near future.

Best as always,

Mildred Adams

P.S. Mr. Spreul thinks that in view of Dr. Willits' position and ours, it would be wiser not to invite him to take part in Committee discussions until he has heard from Dean Rusk.

Mr. Donald B. Woodward
Vick Chemical Co.
122 East 42nd Street
New York, N. Y.

DONALD B. WOODWARD
122 EAST 42ND STREET
NEW YORK 17, N. Y.

November 3, 1954

Miss Mildred Adams
Committee on the History of
The Federal Reserve System
33 Liberty Street
New York, New York

Dear Mildred:

The expenses for my trip to Philadelphia to see Mr. Bopp on Thursday, October fourteenth, were \$12.73: railroad fare \$6.73, lunch \$2.75, and taxis and miscellaneous \$3.25.

Could the Committee, in due course, compensate me?

Cordially yours,



Donald B. Woodward

ks

November 3, 1954

Dear Mr. Woodward:

We have kept a copy of the enclosed letter for our files. We have already engaged a single room with bath for him for the night of Saturday, November 20. Miss Adams wrote Dr. James on Monday that she had made this reservation for him.

Sincerely,

Secretary

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

November 1, 1954

Dear Mr. Woodward:

Enclosed is a letter from Dr. James to you. We have copied it for our files here.

Sincerely yours,

Secretary

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

C O P Y

Principal and Vice-Chancellor
F. Cyril James

McGILL UNIVERSITY
MONTREAL, 2

November 1st
1954

Dear Don,

In response to the copy of your letter of October 20th, I agree wholeheartedly with the suggestion that Joseph Willits and Shepard Clough should be invited to join the Committee. I might also repeat my previous statement that the Bopp-Chandler-Wood team seems to me an excellent one.

Cordially yours,

/s/ Cyril

P.S. I shall arrive at Princeton Saturday afternoon. Could you ask Miss A. to reserve a room for me? Thanks.

C.

Donald Woodward, Esq.,
Committee on the History of the Federal Reserve System,
33 Liberty Street,
NEW YORK, N.Y.

October 29, 1954

Dear Shep:

I have the honor formally to invite you to become a member of the Committee on the History of the Federal Reserve System. As you may already know, this group was working earlier in the year with a small exploratory grant from the Rockefeller Foundation to explore the availability of papers and memories. Both were found to exist in large volume. Consequently an application for \$300,000.00 over a five year period was filed with the Rockefeller Foundation and that grant has been made.

With the alteration from a temporary exploratory group to an established operation to cover some years, the Committee agrees that a wider participation and intellectual base should be established. Accordingly it is the intent to add perhaps two or three members to the Committee, at least one of whom will give us the advantage of insights and techniques in the field of history. On the desirability of Dr. Clough there is unanimous agreement.

Your membership would not entail many meetings. The Committee has been and expects in future to operate through its staff and an Executive Committee consisting of Messrs. Sproul, Burgess, and myself with Dr. Calkins meeting with the Executive Committee since Brookings is an agency of the Committee. The highly important role of Committee members is to make policy decisions, to assure that an adequate and balanced job of developing the historical materials will be done. Most discussions of the matters that come before the Committee can be done by mail and by telephone. Occasional face to face discussions are arranged ad hoc, and with a view to the convenience of Committee members.

I certainly hope that you will see your way clear to participate in this effort which promises to be extremely interesting. We would if possible like to have an answer in time (if it is favorable) to include you in a conference planned for November 21st.

With warmest regards.

Cordially,

Donald B. Woodward

Dr. Shepard Clough
Professor of History
Columbia University
New York 27, N. Y.

Original sent to Mr. Woodward, 11/1/54

COPY

McGill University
Montreal, 2
October 28, 1954

Dear Mr. Woodward,

Dr. James asks me to say in reply to your telegram that he is arranging to arrive at Princeton Inn on Saturday November 20th, but may have to fly to Montreal Sunday evening.

Yours sincerely,

s/s D. McMurray

Principal's Secretary

Donald Woodward, Esq.
Committee on the History of
the Federal Reserve System
Care Miss Adams, 33 Liberty Street
NEW YORK. N.Y.

MISC. 34

(MISC. 34.3-60M-2-52)

COPY OF TELEGRAM

SEND TO FILES

FEDERAL RESERVE BANK
OF NEW YORK

SRT

Committee on the History of the
SENT BY Federal Reserve System,
Brookings Institution

Oct. 26, 1954

2

Replies from our Committee members indicate Sunday, November 21, as most generally possible date for meeting with Dr. Bopp and his committee. Am therefore arranging for morn to night session that day at Princeton Inn, Princeton, New Jersey, including your participation. Details will follow.

Donald Woodward

To be sent to addresses on attached list

Mr. W. Randolph Burgess
Under Secretary of the Treasury
Treasury Department
Washington 25, D.C.

Dr. Robert D. Calkins
The Brookings Institution
722 Jackson Place N.W.
Washington 6, D.C.

Dr. F. Cyril James
Principal & Vice Chancellor
McGill University
Montreal 2, Canada

Mr. Winfield Riefler
Federal Reserve Board
Washington 25, D.C.

Dr. Walter W. Stewart
Council of Economic Advisers
Executive Office Building
Washington 25, D.C.

Date? Sunday, November 21, 1954 (day after Princeton - Dartmouth game)

Time? 10 A.M. - 4 P.M.?
11 A.M. - 5 P.M.?
Dinner Saturday night?

Place? Princeton Inn, Princeton, New Jersey

Conference room engaged -

Easy chairs? Straight-backs at a table?

Should they be allowed or encouraged to stay
at Inn the night before if they wish?
(Paid for?)

Any bedrooms for resting? (e.g. Stewart.)

Luncheon - other meals?

Personnel

Bopp, Chandler, Wood: Sproul, Burgess, Calkins, James(?), Riefler(?),
Stewart, Woodward: Adams, Singer, stenotypist(?)

Technical Problems -

Stenotype or tape recorder? Or both?

How provide greatest atmosphere of ease and confidence? Would it
help if Bopp et al, Adams and Woodward spent night at Inn and
held pre-meeting breakfast conference?

Small group talks as well as big ones?

Agenda? Rough draft to talk to?

How provide against eruption of cut-off date and at same time
allow reasonable discussion of problem? (I have warned Bopp)

Material - pads, pencils, envelopes, stamps

Costs? Bopp has been told to use telephone freely in his conferences and
we would pay charges.

Conference costs?

Conference room

Meals

Transportation

Telephone

Overtime for Mrs. Singer

Stenotypist or tape recorder

Honorarium for 3 experts? (Bopp thinks Wood needs it,
hence....? \$100 suggested)

How handle funds? Check to Wood for plane ticket?

Expense accounts from members?

Howard Ellis to be invited to this?

Or be sure Bopp now wants him?

Or ask him to 2nd Conference?

Need Don's reaction.

Miscellaneous

Letters of information - Kay's drafts

No word from Committee members on Clough and Willits - send out 2nd request for vote?

October 18, 1954

Dear Don:

This is meant to serve as a reminder, to me as well as to you, of a few loose ends that are on my conscience and may also be on yours.

In the first place, did you have a chance to dictate a memo on your conversation with Mr. Burgess in which he set forth in more detail his own plan and desires in connection with this project? We would be most grateful for a copy for our files.

Second, in re-reading certain material basic to this operation I find a document describing the "proposed relation between the Committee... and the Brookings Institution". In that, it is set forth that "a member of the Executive Committee will be designated and empowered to act for the Committee in accordance with general policies established jointly by the Committee and the Brookings Institution". I can't find any record that this was followed up. I'd think that you as Secretary would be the person to be so designated, and if you think well of the idea, I'll ask for approval of it from Sproul and Burgess. We don't need it immediately, but we will the next time a research contract is to be signed, and one hopes that time is not far away.

Third, we've made no further move toward getting someone to read the various collections of papers we are unearthing. I've had it on my mind, but thought it could stay quiescent until we got our history started. Do you think that is safe, or should we be making motions? Parker Willis, Ogden Mills, Goldenweiser - all that richness and no one delving in it.

The space problem appears to be solved with the antiseptic tower rooms you saw last week. Pictures are now being drawn of what goes where, and we may be moving next week. Add star in your crown.

I hope you won't mind that I decided not to talk to Chandler about the triune planning group until I had seen Bopp. He may prefer to write his co-workers himself - at any rate I'll have it on the agenda.

You asked me about John Chapman and I should have replied by now. I don't quite see him fitting in to this particular picture, but I'm lunching with him in Cambridge Friday and may come back with ideas. Also I'm trying to see Lichtenstein, who has just moved (I think) from Chicago.

I'll call you Tuesday if I get back from Philadelphia early, otherwise Wednesday.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM
33 Liberty Street, New York 45, New York

October 11, 1954

Dear Don:

Various items on my desk testify to the large amount of work which you did for the Committee while I was on vacation. May I make the following comments in series:

First, thanks so much for sending us a copy of your letter of October 9th to Mr. Alfred Williams regarding Mr. Bopp. My hopes for this project coincide with yours.

Second, I have a note from Mr. Lewis Galantiere dated September 9th in which he says that he is about to go to Europe for two months and that he is committed "not only to a full-time job, but also to a succession of writing tasks that will take my time for many months ahead". He suggests we talk to Elliott Bell, John Jessup of Life, and Marquis Childs. I judge from the general tenor of his note that he jumped to the impression that we would want him to write the history. I thought I was careful to avoid any such implication, but I think no harm is done and possibly this preliminary note may work for us in case the Thomas-Galantiere idea comes off.

Third, in regard to your letter of September 28th on the matter of Dr. Chandler and the contract he signed the apparent contradiction between my statement that he would want things corrected and Dr. Calkins' statement that the contract was signed and satisfactory lies in timing. Dr. Chandler talked with Dr. Calkins after talking with me and before the Calkins contract was sent him, so matters are entirely in the clear excepting for the detail mentioned to you earlier that Calkins signed both for the Brookings Institution and for the Committee.

I will have an agenda for your meeting with Mr. Sproul and Mr. Burgess on Friday the 15th, but I will hope to talk to you about details by phone on Wednesday. There are several things which should be discussed, but you may prefer to keep this meeting on the one topic for which it was called.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

From the office of
D. B. WOODWARD

October 9, 1954

Ms Adams:

I do hope and trust that this
will bring the result we are seeking.

DW

October 9, 1954

Mr. Alfred H. Williams, President
Federal Reserve Bank
Philadelphia, Pa.

Dear Mr. Williams:

This Committee has been seeking diligently for the person most able and suitable to write the history of the Federal Reserve System. Inquiries and discussions have been proceeding through the four months since the Rockefeller Foundation gave us the generous grant. The man that has been most strongly and most frequently recommended is Karl E. Dopp; and the members of this Committee share this view.

The Committee by unanimous action wishes to ask you to consider whether arrangements could be made for Mr. Dopp to do this work, if he were interested. This is a matter of great importance to the System, since a fully competent and definitive history would benefit it in every respect; and the present availability of many facilities, papers, memories and desires to cooperate present an opportunity unlikely to be repeated. And it is a great opportunity for the man.

Rather than to try to present all the phases of the matter to you by letter, it might be more fruitful and informative if I could come to see you at your convenience. Would it be possible for me to do so on Wednesday morning, October 13 (though I would have to be back in New York by 12:30 P.M.), or Friday afternoon, October 15, or Saturday morning, October 16? Or if you plan to be in New York soon, might I see you here?

Thank you most sincerely for your consideration.

Very truly yours,

Donald E. Woodward
Secretary

P.S. My office address is 122 E. 42nd St. and the telephone number is Oxford 7-3800. I shall be out of town on Monday but in the office on Tuesday.

DONALD B. WOODWARD
122 EAST 42ND STREET
NEW YORK 17, N. Y.

October 4, 1954

Miss Mildred Adams
Committee on the History of
The Federal Reserve System
33 Liberty Street
New York, N.Y.

Dear Mildred:

My friend Douglas Gibson, Economist at the Bank of
Nova Scotia in Toronto writes as follows:

"With regard to your questions about Canadian views as to
the development of the Federal Reserve system, I have asked
someone here to look at the old Bank Act Revision hearings
and see if they can find anything worthwhile. I would
further suggest that you write to A.F.W. Plumptre in the
Department of Finance at Ottawa and ask him for his sugges-
tions. Plumptre was Secretary to the Macmillan Commission on
Banking of 1935 and he also wrote a very comprehensive book
on Central Banking in the British Dominions. If you do not
know him already just write to him and tell him that you are
a friend of mine and I know that he will be glad to help in
any way that he can."

Will you please follow this along if it seems wise to
you to do so?

I seem to have heard Plumptre referred to in favorable terms
before. It makes me wonder a little whether he should have considera-
tion as a writer. Does this evoke any feeling in you?

Cordially,
Don

DEW:lw

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

33 LIBERTY STREET, NEW YORK 45, NEW YORK
TELEPHONE: RECTOR 2-5700, EXTENSION 286

ALLAN SPROUL, *Chairman*
W. RANDOLPH BURGESS
DR. ROBERT D. CALKINS
WILLIAM McC. MARTIN, JR.
WALTER W. STEWART
DONALD B. WOODWARD, *Secretary*
MILDRED ADAMS, *Research Director*

With cooperation of
THE BROOKINGS INSTITUTION
722 JACKSON PLACE, N. W.
WASHINGTON 6, D. C.

September 28, 1954

Miss Mildred Adams
Committee on the History of
The Federal Reserve System
33 Liberty Street
New York 45, N.Y.

Dear Mildred:

You will have had a copy of Dr. Calkins letter of Sept. 22 to me stating that Dr. Chandler is entirely agreeable and satisfied with the contract. In view of your letter to me and oral comment this is confusing. We had better talk about it when you return. Will you please let this letter serve as a request to call me at your convenience?

Yours,



Donald B. Woodward

DEW:lw

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

33 LIBERTY STREET, NEW YORK 45, NEW YORK

TELEPHONE: RECTOR 2-5700, EXTENSION 286

ALLAN SPROUL, *Chairman*
W. RANDOLPH BURGESS
DR. ROBERT D. CALKINS
WILLIAM McC. MARTIN, JR.
WALTER W. STEWART
DONALD B. WOODWARD, *Secretary*
MILDRED ADAMS, *Research Director*

With cooperation of
THE BROOKINGS INSTITUTION
722 JACKSON PLACE, N. W.
WASHINGTON 6, D. C.

September 27, 1954

Miss Mildred Adams
Committee on the History of
The Federal Reserve System
33 Liberty Street
New York 45, N.Y.

Dear Mildred:

As I told you when we were lunching with Mr. Spencer Scott I had some interesting conversations on our project while I was in Canada. I wonder if you would be good enough to follow up those conversations with some letters which you might say are written pursuant to the conversations I had.

One should go to Mr. J. R. Beattie, Director of Research, Bank of Canada, Ottawa, Canada. Dr. Beattie was most interested, promised to ponder the matter, discuss it in the bank and elsewhere as opportunity presented and to pass on suggestions to us. A letter to him telling him more about the project, perhaps briefly summarizing the progress reports with emphasis on the papers that have been located would be appropriate.

The same is true for Mr. Kenneth W. Taylor, Deputy Minister of Finance, Ottawa, Ontario, Canada. Mr. Taylor is interesting not only for his official position but from the fact that he was one of those who went to the Brookings School when it existed and he has an affectionate regard for Brookings.

A similar letter should go to Dr. W. A. Mackintosh, Principal and Vice Chancellor, Queens University, Kingston, Ontario, Canada. Dr. Mackintosh is the opposite number at Queens to Cyril James at McGill. Dr. Mackintosh served for a good many years as Deputy Minister of Finance.

These are the three with whom I discussed the project and promised to write.

Their suggestion pointed to the Bank of Montreal in Montreal which was the fiscal agent for Canada in the United States for many decades past and indeed still is. The Economic Advisor of the Bank of Montreal is Mr. Edward A. Walton and I think he would be interested. I know him fairly well. A letter to him would be in order, appealing for his aid and that of the Bank of Montreal in uncovering and providing access to materials that might be relevant to this work.

In addition to the Bank of Montreal several of the other Canadian Banks - which as you know are all nationwide branch systems - might well have included among their officers people who had some important contacts and who may have maintained papers or diaries. It was the suggestion of the three to whom I talked that a more general inquiry be sent to some of the other banks. I would suggest letters to Mr. J. Douglas Gibson, Bank of Nova Scotia, King and Bay Streets, Toronto, Ontario, Canada whom I know well and to whom my name could be used. Letters also might appropriately go, I was told, to Dr. William Lougheed, Economist, The Canadian Bank of Commerce, Toronto, Ontario, Canada and Dr. Donald Marsh, Economist, The Royal Bank, Montreal, Quebec, Canada. I had only met Lougheed and Marsh very briefly.

There were two or three other specific suggestions for papers which were mentioned to me and which I have noted someplace but can't find the notes. When they turn up I'll pass that on also.

Cordially,



Donald B. Woodward

DBW:lw

September 23, 1954

Dr. Walter W. Stewart
Council of Economic Advisers
Executive Office Building
Washington 25, D. C.

Dear Walter:

Miss Adams has kindly sent me a copy of her letter to you of September 21. I do feel a marked sense of responsibility and am becoming uncomfortable at the slowness of development.

However, contrary to what her letter states I do not intend to try to see Mr. Burgess until I have heard from Dr. Calkins which will in turn be after he has had a conversation with you. This decision was made as a result of discussion with him after Miss Adams' letter to you was written. Otherwise all that she said is correct.

My very warmest regards.

Cordially,



Donald B. Woodward

DBW:lw

COMMITTEE TO STUDY THE HISTORY OF THE FEDERAL RESERVE SYSTEM

September 22, 1954

Dear Mr. Woodward:

Miss Adams asked me to send you the enclosed list
of men suggested by Dr. Hart at lunch yesterday.

Secretary

Mr. Donald Woodward
122 East 42nd Street
New York 17, New York

Enclosure

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM
33 Liberty Street, New York 45, New York

September 17, 1954

Dear Don:

One further detail about the Chandler contract. We note that Mr. Calkins has signed that contract both for Brookings and for the Committee. Personally, I do not think that this is a good idea and I am sure that reasons for this belief will jump to your mind as they have to mine.

The incident brings up a question for which I find no answer in my notes, namely, who is supposed to represent the Committee officially in dealing with Brookings on matters requiring the action of both groups? The matter was brought up at a Committee meeting in the summer, but, unless I slipped up on making a record of it, it was never answered. You and I have, I think, talked of it. I would think you as secretary should play that role. The feeling expressed earlier was that for his own sake and for that of the Committee's autonomy Calkins should not be asked to wear both hats.

I raise this point because I think it is basically important, and can easily be handled by you now; a caveat now may avoid trouble in the future.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
205 West 54th Street
New York, New York

c.c. Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM
33 Liberty Street, New York 45, New York

September 16, 1954

Dear Don:

As I told you over the phone, Lester Chandler came in yesterday afternoon and in the process of a long discussion mentioned the fact that there were two or three details which might have to be changed.

The principal thing which seemed to concern him was paragraph 6 which sets forth the Brookings system of passing on publications. He did not think that would pass Sproul's eye in view of a paragraph which Sproul had on the same day sent me.

The thing which is now coming up is the matter of how much control a bank or the Board will feel it must try to exercise and how far that control can be squared with the Brookings attitude and the Committee desires. This is, of course, not a new problem. We have known it would confront us and for that reason this particular moment becomes in a quiet way a test case.

Chandler's attitude is that the imponderables are so important that they can only be handled (a) by a precise and lengthy legal defining, or (b) by generalities and good faith. He would prefer the latter and I must say that I sympathize with him with my fingers crossed.

The problem is to find the general phrase. This may take time, but it will not hold up Chandler's work. He plans to come in to read Strong papers every Monday beginning September 27th. I took him yesterday to see Mr. Roelse who is providing him desk space. Other details will be worked out.

If there are further developments in this, I will report them to you on Tuesday.

Best as always,

Mildred Adams

Enc.

P.S. I am returning your copy of the agreement.

Mr. Donald B. Woodward
205 West 54th Street
New York, New York

c.c. Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

September 15, 1954

Dear Mr. Woodward:

Miss Adams asked me to send you the enclosed letters to keep you up-to-date on the details of this office.

Sincerely,

Secretary

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

Letter from Blue Cross re. appointment to discuss coverage for this office
Letter to Miss Maroney re. "deficit"
Letter to Mr. Akers re. hiring Mrs. Singer

August 26, 1954

Dear Don:

I am enclosing herewith a draft of the Progress Report of which we talked. You will note that I have included in that short career sketches of both Bopp and Shaw. If you do not want them handled this way, let me know and something else can be done about them.

I am also enclosing a letter from Mr. Sproul which was brought down yesterday. At the moment I think it would not be wise to push him further, but I think there will be an opportunity to bring the matter up again a little later. What he sketches is what I thought he had in mind, but underplayed.

I am sending this material up Special Delivery with the idea that it may provide train reading for you. A copy also goes to your office, but I assume they will cease on your return and pile you deep with work. I shall be in the office on Tuesday, and shall probably go to Washington for Thursday and Friday.

Best as always,

Mildred Adams

Enc.

Mr. Donald B. Woodward
Squirrel Inn
Squirrel Island, Maine

cc. Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York City 17, N. Y.

C O P Y

ALLAN SPROUL
THIRTY THREE LIBERTY STREET
NEW YORK 45, N. Y.

August 25, 1954

Mr. Donald B. Woodward, Secretary,
Committee on the History of the Federal Reserve System,
33 Liberty Street, New York 45.

Dear Mr. Woodward:

Your letter of August 20 reminds me that Miss Adams is not one to let grass grow under her feet. Our casual talk about my becoming an author contemplated no more than the assembling of some of my speeches and testimony before Congressional committees with introductory notes and comments. Nevertheless, your opinion that I could make a valuable contribution to the literature on central banking is very much appreciated.

Yours sincerely,

/s/ Allan Sproul

Committee on the History of the Federal Reserve System

September 8, 1954

Dear Don:

Among the many details which I dealt with in Washington was the matter of "fringe benefits" which you and I had discussed earlier. A letter from Dr. Calkins showed only three areas in which there was any question left, one of these was hospitalization. The New York bank puts its people under Blue Cross and Blue Shield and pays two-thirds of the cost. Brookings provides Blue Cross hospitalization but at the employees expense. Calkins thinks that an equivalent arrangement should be made here in New York.

His exact phrasing is:

"Hospitalization. Since the Institution provides Blue Cross hospitalization at the employee's expense, we believe that efforts should be made to arrange for similar benefits through the Blue Cross or Blue Shield systems in New York. If such arrangements can be made and the employees pay the full cost of coverage, as they do here at Brookings, we should provide this service on the same terms as it is provided here."

Under those circumstances I wonder if you would like to write in your capacity as secretary to the Blue Cross people. I am enclosing a suggested letter but I framed it merely to save you time and would be entirely content with any changes you might make.

Also you might like to know that I got the matter of our over optimism with money sorted out. The \$10,000 pilot project went from January 15 to May 30 without difficulty. By the latter date we had spent \$8,679.30. That left us \$1,320.70 available for work in June. Had we merely continued in the way we had been going we could almost have covered our June expenses but we began the Kinkaid project June 1, and \$1,333 was the June portion of that hence we spent \$3,359.34 and were left with the deficit previously noted.

Committee on the History of the Federal Reserve System

- 2 -

Sept. 8, 1954

Having felt guilty about this I am cheered to know at least we did not run into deficit trouble until the pilot project was technically complete. Were the whole thing prorated we would probably find that we stretched the \$10,000 for five months instead of for four. This somewhat soothes my conscience.

I will tell you other details of the Washington trip when your schedule develops a bit of free time.

Best as always,

Mildred Adams
Research Director

Enclosure

Mr. Donald Woodward
c/o Vick Chemical Company
122 East 42nd Street
New York, New York

August 24, 1954

Dear Don:

I find in my mail copies of letters written to Dr. Calkins and to Mr. Sproul. My thanks for both. I note the various points in the Calkins' letter and I am glad you worded them as you did.

Also I note the postscript which, as you know very well, was not really necessary as my confidence in you is complete and unlimited.

Looking back at the Chandler file I find that he said in his application that if the grant came through, "I hope to begin the study no later than September, 1954. From that time until February 1, 1955 I would work part-time on it... Because I have a leave of absence for the second term of the coming academic year, I can work on the study full time from February 1 to September 15, 1955. After that I shall again have to work on it on a part-time basis. Though such prediction is dangerous, I expect that I could finish the study in a little over two years". That would bring him to September, 1956 at the earliest; even if he were disposed to start immediately on the history he would only have a short three years in which to finish it within the present span of the project. It isn't impossible, but it means stiff work.

I also find that the Chandler's schedule called for them to leave London the 23rd of August. I think they were coming home by boat which probably means that they won't be back much before the 1st of September.

I hope you took fur lined mittens to Maine. The temperature dropped to 54° in Westport last night.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
Squirrel Inn
Squirrel Island, Maine

August 20, 1954

Mr. Robert D. Calkins, President
The Brookings Institution
722 Jackson Place, N.W.
Washington, D. C.

Dear Bob:

I have several communications from or regarding you and will attempt to answer them in turn.

1. Both the Dearing and the Poole studies seem to me meritorious and I would vote in their favor. May I suggest that it would be helpful if the materials coming to the program committee had a brief statement as to the relation of the specific study to the overall program of the Institution? I am sure that you and your associates consider that question and that it is clear in your mind; for one sitting at a greater distance and with less intimacy, the relationship is less clear.
 - a) I do wonder if the Dearing Study is cast in a wide enough scope. This is difficult to judge from the outline. But in both the social and the economic functions of this economy my impression is that growing amounts of transportation are involved; my unstudied hypothesis is that transportation "needs" may well rise somewhat more rapidly than population or income. Assumptions or calculations in this direction would seem important. In this connection the outline makes no reference to airways, waterways, pipelines, electric lines, all of which in one respect or another are alternative methods of transportation for some items.
 - b) I have no specific questions or suggestions on the Poole Study.
2. I feel reluctant to ask for a supplemental appropriation for the Committee on Federal Reserve History - at least yet! It would seem to me desirable and appropriate to absorb the small deficit into the budget for this year.

3. The possibility of Mr. Shaw is very interesting. Two or three other names have arisen in recent discussions that seem to hold promise. I have asked Miss Adams to prepare a story on each of the men including Mr. Shaw for submission to the Executive Committee and if that Committee wishes to the complete Committee. I should hope that she will have this completed in the fairly near future so that the decision on the Historian can be made shortly. I should judge that this is your feeling also.
4. Miss Adams is also pursuing the assignment from the Executive Committee to explore alternatives regarding publication. Some interesting points have already arisen but I will not anticipate her report.
5. I sought you by telephone this morning but was told you are unavailable until next week. I'm leaving for Maine tonight and will be back in the office Monday, August 30 and Tuesday, Aug. 31 and September 1 and then back to Maine for a few more days. There is a challenging matter about which I would like to talk with you on the telephone in the next ten days if possible. If you expect to be in Washington during the week beginning August 30 I'll call you from New York that week. If you will not be available during that week I wonder if you would telephone me at Squirrel Inn, Squirrel Island, Maine at your convenience on receipt of this letter. The telephone number is Bath Bay Harbor 8656-W1. Unfortunately the telephone connections in that more distant area are not always the clearest so I had preferred and would prefer to talk from New York if that is possible.

I hope that your time in the West was enjoyable. It seems to me highly urgent that you have a really good vacation.

With regards.

Cordially,

P.S.: Mildred:

The matter about which I want to talk to Calkins by telephone has nothing whatever to do with the Federal Reserve History Committee - I am not seeking to talk about you behind your back!



DEW:lw
cc: Miss Adams

August 20, 1954

Mr. Allen Sproul, President
Federal Reserve Bank
33 Liberty Street
New York, N. Y.

Dear Mr. Sproul:

Miss Adams has told me that before you went on vacation you talked a bit about considering a volume on Central Banking. I hasten to express the utmost delight and the strongest possible hope that such a work will materialize. If the Committee on the History of the Federal Reserve System can be credited with having played any part in bringing a volume from you it will be that fact alone more than justify its existence.

Sincerely yours,



Donald B. Woodward
Secretary

DBW:lw

August 19, 1954

Dear Mrs. Williams:

I am enclosing Miss Adams' check for \$5.30 to cover the two telephone calls made by Mr. Woodward to her at Westport during the month of June. These are reported in our July statement to the Brookings Institution and will be paid for by Brookings in the regular expense account.

Miss Adams asks me to thank you for sending us this memorandum.

Very sincerely yours,

Lois Krebs

Enc.

Mrs. LaVerne Williams
Vick Chemical Company
122 East 42nd Street
New York City 17, N. Y.

August 12, 1954

Dear Don:

The thermometer at Westport registered 57° this morning, which confirms my feeling that this is no summer in which to take a vacation for the purpose of escaping from the heat. I hope the ice bergs at Squirrel are under firm control.

The enclosed letter from Scott will, I hope, cheer you, in that it shows him still sticking to the main point. The emergence of Hart as their economic consultant may pose diplomatic difficulties, but we can cope with those in September. As you will see, I am welcoming the idea of a conference.

Meanwhile I have started negotiations with Storer Lunt, President of Norton and Company, and publisher of Barbara Ward, for a similar conference. With those two conversations in hand I'll hope to be more sure-footed in exploring further in the publishing field.

Calkins, as you will see from the enclosed, has returned from his vacation and is now suggesting that his favorite young writer on banking, Edward S. Shaw, might do the Federal Reserve history. I have no opinion on the subject, but I'll try to acquire one by reading a Shaw book. This is a proposal that has been coming for a couple of months, and it may have merit, though I have heard some objection that he tends to force material into pre-determined molds.

I am abashed to learn from the same letter that we had overspent our funds in place of under-spending them. That \$10,000 was for a 4 month's period, which carried us through the middle of May, but we thought we had enough left so that we could ride safely through June. Obviously we didn't. Part of the trouble is due, I think, to a lag in the bank's presentation of its own expense statements, and part to a lack of watch-dog techniques in this office.

As to whether we should absorb the \$2,038.64 into our 1954-55 budget or ask for more, I'd hope to do the former. July and August, with smaller payrolls (one typist went back to the bank and has not been replaced) ought to help.

But neither you nor I want to embark on a policy of scrimping, so maybe that problem needs further thought.

Have you had a chance to call Willits on the the matter of approaching Lane? Jackson, New Hampshire, and right near you!

Devotedly

Mildred Adams

Mr. Donald B. Woodward
Squirrel Inn
Squirrel Island, Maine

August 12, 1954

Dear Mr. Scott:

Thanks so much for your letter of August 11th with its information about Mr. Robertson and its suggestion for a later meeting. I know I can speak for Mr. Woodward when I say that both of us will very much welcome a luncheon conference with Mr. McCallum, Mr. Albert Hart and yourself. We are very much in need of informed advice and you have been so helpful that we come swarming back for more aid with great enthusiasm.

The book has not appeared, but will, I am sure, come in a later mail. My thanks in advance.

Cordially yours,

Mildred Adams
Research Director

Mr. S. Spencer Scott
Harcourt, Brace and Company, Inc.
383 Madison Avenue
New York 17, N. Y.

cc: Mr. Donald B. Woodward

C O P Y

HARCOURT, BRACE AND COMPANY, Inc.

Publishers

383 Madison Avenue, New York 17, N.Y.

August 11, 1954

Miss Mildred Adams
Committee on the History of the Federal Reserve System
33 Liberty Street
New York 45, New York

Dear Miss Adams:

I am sorry to be so slow in sending you the copy of Rossiter's SEEDTIME OF THE REPUBLIC, but I thought I would be able to answer all the questions you raised. I find I haven't all the answers yet, but I don't want to hold up sending you a copy of the book.

I have talked with Mr. McCallum, head of our College Department, and he held up a warning finger to me on Robertson, who is doing the Economic History for us. He said that Robertson handles facts well, but writes ponderously. Mr. McCallum thought well of Lester Chandler, but suggested that in September we get Mr. Woodward and you to come for luncheon with Mr. McCallum, Mr. Albert Hart, our economic adviser, and myself. I think this suggestion has a lot of merit to it, for you would not only have people who know the college field much more accurately than I do, but you would also have people who know something about the various men and women to whom you might turn for projects. Let me know what you think of this.

Sincerely,

/s/ S. Spencer Scott

S. Spencer Scott

SSS:es

C O P Y

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM
33 LIBERTY STREET, NEW YORK 45, NEW YORK
TELEPHONE: RECTOR 2-5700, EXTENSION 286

ARTHUR AN SPROUL, *Chairman*
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DR. ROBERT D. CALKINS
WILLIAM McC. MARTIN, JR.
WALTER W. STEWART
DONALD B. WOODWARD, *Secretary*
MILDRED ADAMS, *Research Director*

With cooperation of
THE BROOKINGS INSTITUTION
722 JACKSON PLACE, N. W.
WASHINGTON 6, D. C.

July 28, 1954

Miss Mildred Adams
Committee on the History of
The Federal Reserve System
33 Liberty Street
New York 45, N.Y.

Dear Mildred:

This responds to your letter of July 8 about employees in New York.

As I read it there is no question about social security, sick leave, vacations,

As to hospitalization I would be prepared to follow what apparently is Mr. Smedley's recommendation, if that is agreeable to Dr. Calkins.

On insurance I propose that your office get the New York State forms and instructions. We can then make a suggestion to Dr. Calkins.

As to retirement Brookings is a participant in T.I.A.A. which, as you know can, thanks to the subsidy, offer more attractive terms than are available elsewhere. I believe that under the Brookings plan there is contribution both by the employee and the employer.

When we make our arrangements we certainly should write a formal letter to the Bank expressing appreciation for the cafeteria and the medical facilities.

In summary I judge the only questions pertain to hospitalization and insurance and I will happily make or join you in making a recommendation to Dr. Calkins as soon as you have the information.

This is another item that can be cleared, I should think, in September.

Cordially,



August 3, 1954

Dear Don:

I have now had a chance to read your three letters of July 28th and to thank you for the various suggestions contained in them.

I will immediately try to reach Dr. Willits in order to consult him about the best way to approach Mr. Lane. The quicker we can get the Committee filled out the better it will be for everybody including the office staff which is now short of stationery.

We have written Dr. Reed to ask if I could come up to talk to him about the history project sometime this month. It might be well if you would follow this up by a note to Dr. Myers, but if you are on the verge of going to Maine I do not think this is essential.

As for the details on employee arrangements in New York I will follow the suggestions in your letter of the 28th and will hope to have a complete framework ready when you get back from vacation.

I am glad that Miss McKinstry sent you a copy of Dr. Burgess' letter of July 26th setting down in greater detail his own area of interest. The more of this kind of thing we can get the clearer the lines of effort will become.

I agree with you that we should try to arrange a September meeting of the Committee. How would late in the week of September 6th seem to you? That is perhaps Wednesday the 8th or Friday the 10th. I could make it the week of the 13th, but that is not so convenient. I am planning a vacation for three weeks beginning the 19th.

Have a good and restful vacation and give my most cheerful greetings to your family.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York City 17, N. Y.

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

33 LIBERTY STREET, NEW YORK 45, NEW YORK
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ALLAN SPROUL, *Chairman*

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MILDRED ADAMS, *Research Director*

With cooperation of

THE BROOKINGS INSTITUTION

722 JACKSON PLACE, N. W.

WASHINGTON 6, D. C.

July 28, 1954

Miss Mildred Adams
Committee on the History of
The Federal Reserve System
33 Liberty Street
New York 45, N.Y.

Dear Mildred:

I certainly am persuaded that your trip to see Dr. Wood was desirable. It confirms my growing conviction that a very great deal of time is wasted by exchanges of letters. And I am delighted that you found the Inn agreeable.

Success in one step encourages the idea of another. What would you think of going up to Ithaca and seeing Harold Reed at your earliest opportunity? Ithaca is fairly easy to reach by plane, train, or car and is a pleasing place to visit. I can easily arrange an introduction through Dr. Meyers. If you made this visit we would then have a pretty clear amount of information about the two chief names. We ought then to be able to move with some celerity - which is needed - on the matter of the History in the early Autumn.

If you think well of a visit to Ithaca, I would be disposed to withhold any report to the Committee on Wood but make a joint report then on both Wood and Reed.

Miss McKinstry kindly sent me a copy of Dr. Burgess' letter of July 26. We can encompass it in our early conversation.

I suspect that August will be a slow month. But if we could be in a position to try to have an Executive Committee session some time in September for some fairly definite decisions it would be desirable don't you think?

Yours,



COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

33 LIBERTY STREET, NEW YORK 45, NEW YORK

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With cooperation of
THE BROOKINGS INSTITUTION
722 JACKSON PLACE, N. W.
WASHINGTON 6, D. C.

July 28, 1954

Miss Mildred Adams
Committee on the History of
The Federal Reserve System
33 Liberty Street
New York 45, N.Y.

Dear Mildred:

I have been pondering the best procedure regarding Mr. Lane and the Committee. The following now has come to seem to me appropriate and I submit it for your consideration.

1. Since Mr. Lane was either first or second with all Committee members except Mr. Burgess, and since in this matter I feel confident that Mr. Burgess will be satisfied with the view of other members of the Committee, I conclude that it is not necessary to refer the matter again to the Committee members.
2. The question then is the best way to carry the decision to Mr. Lane to get his acquiescence. He was for some time an associate of Dr. Willits and Dr. Willits felt that Mr. Lane would make an appropriate member of the Committee. Therefore I conclude that Dr. Willits would be the best source of guidance on the matter.
3. Accordingly I suggest that you get in touch with Dr. Willits by telephone, tell him the decision and desire of the Committee that Mr. Lane become a member and find out from Dr. Willits if Mr. Lane knows about the Committee. Dr. Willits could then indicate whether in his judgment it would be more appropriate for a formal letter to be written to Mr. Lane or for a personal call to be made on him.
4. As the members of the Committee will be important considerations in your life for a number of years I hope, I think you will want to consider these points carefully to decide whether you agree or not. If you do agree then I would suggest you act accordingly. If not, then let's talk.

Yours,



July 27, 1954

Dear Don:

Any trip which takes me out of the heat of St. Louis and sends me to Estes Park thereby pays off in my book. This one is, I hope, also profitable for the Committee, even though in a negative sense. It has, I suspect, disposed of the idea that Elmer Wood is the person to write the definitive history. Whatever I may or may not think as to whether he could do it is less important than the double fact that (a) he does not want to, and (b) he has a book of his own under way which could conceivably come within our scope if he and the Committee both chose.

As a third benefit, I am bringing back Dr. Wood's own copy of the much discussed paper which he delivered before the Midwest Economic Association this spring, a paper which in summary attracted attention from both Dr. Williams and Mr. Sproul. This gives the flavor of his thinking, and in its various controversial points of view would certainly have an impact on certain of our Committee members. I have permission to have it copied and to show it to anyone who is interested.

But to go back -- before I left St. Louis, I asked William Abbott, head of research in the St. Louis bank, about Wood and found less enthusiasm than I would have expected for a Missouri product. It may have been partly an instance of the "prophet not without honor save in his own country," and partly a reflection of a certain lack of sympathy on Wood's part for the direction St. Louis research is taking. In any event, they think him dry as dust, and not the person to do this job.

I am not prepared to agree that that opinion is justified. I saw Wood for a short time on Friday afternoon, when I arrived from Denver and stopped at his cottage before I went on to my own Inn, and twice for a considerable period of time on Saturday, both morning and afternoon. All in all, I must have spent four or five hours with him, first presenting the project, and then probing (as best I could without making commitments) to see what part, if any, interested him.

Wood is a refreshingly independent person who follows his own line of thinking wherever it leads, and prefers to make his own judgments. He would rather talk plain English than take refuge in economic jargon. He is interested in theory, but he is also interested in fact, and in the relationship which prevails (or fails to prevail) between the two. There may be about him a slight timidity; there is certainly a hint of the handicaps felt by a sensitive provincial who lives far from the centers of power and does not see very much of the

July 27, 1954

powerful. But there is nothing stuffy or pretentious about him. His intent is clear and direct, and his mind is keenly analytical. He is perhaps overly aware of what he considers his own limitations.

If we could somehow turn back the clock and telescope the years which have passed since he wrote his book on English theories of central banking, so that he could begin on an American equivalent of that book, I think he might produce something of considerable value. Obviously we can't. The next best thing is to plan some other way of bringing the thing he wants to do into our orbit. Two possibilities have presented themselves: one, an easing of the way so that he can finish the book he has in hand, the other, a monograph.

The book has been in the writing for some time. He works on it in summer vacations, but not during the academic year. He thinks that there is another year's work to be done on it, and it is possible that he could persuade the University of Missouri to give him a sabbatical year on half pay. He approached Chester Davis for a subsidy when the latter was with the Ford Foundation, but never got an answer, which is curious in view of the latter's decade as President of the St. Louis Federal Reserve Bank. When I asked if he would like to have our Committee consider the book for a place in the project, he was doubtful -- he wants it to stand on its own feet, and he wants to be free to exercise his own judgment in regard to Federal Reserve and/or Treasury activities. I assured him no censorship would be exercised, and left the matter open for further thought on both sides.

He has been writing under the title "Monetary Control," but is not content with that. "Monetary Control in American Theory and Practice" is perhaps a better description of what he has in mind.

He has nine or ten chapters written: one on Open Market Operations, one on Discount Rate, one on Reserve Requirements and the changes that have taken place in them, three on Deposit Expansion, two on Interest, one on Adjustment of Cash Positions. He is now working (in a cabin facing a bubbling brook which furnishes a running obligato to the chatter of chipmunks) on the Relation of Monetary Procedures to Expenditures, studying general monetary controls in their relation to expenditures; he expects to come out with a criticism of both the Keynesian theory and the quantity theory of money. He has ahead of him a consideration of International Monetary Relations and Controls, of Federal Reserve Procedure, with or without techniques, of later nineteenth century English practice as it illumines American practice.

I asked Dr. Wood if he had a publisher. He is thinking in terms of one of the more popular publishers such as Doubleday, rather than a strictly academic publisher like Macmillan. No commitment has been made.

July 27, 1954

The monograph idea came up in conversation, and after reading the paper which was presented to the Midwest Economic Association. Wood is very much interested in the accord of 1951, and he has been thinking of going to talk with Truman about it. He might, I think, be interested in embarking upon a study of that accord -- what conditions it arose from, what made it necessary, what the various parties concerned thought they were doing, what the result has been. I did not ask him whether he would like to do a monograph -- I only suggest it now for consideration.

Wood's own recommendation of the man to do the definitive history is Karl Bopp, but he doesn't think Bopp would do it. So we come full circle again.

I do not, however, think this has been wasted time, energy or travel money. We now know Wood, know what he is about, what he wants to do (or doesn't). We have his interest, and we may in the end get something valuable from him. In any event, he is out of the class of vague but enticing enigmas.

In talking over other possible candidates, he showed interest in Howard Ellis of California, shook his head at Harold Reed of Cornell, wondered whether it might be possible to interest Earl Hamilton, now at the University of Chicago.

I have asked Miss McKinstry to type this and send it on to you before I return. You may think it well to have some part of it sent to the other members of the Executive Committee, but we can talk about that when I return. I also have some interesting data for you from St. Louis.

So glad you urged me to go to Estes Park. A day in those mountains is a whole vacation in itself.

Best, as always,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, New York

MA:km

Dear Don.

Any trip which takes me out of the heat of St. Louis and sends me to Estes Park thereby pays off in my books - ~~stimulation~~. This one is, I hope, also profitable for the Committee, ~~even~~ ^{even} though in a negative sense. It has, I suspect, disposed of the idea that Elmer Wood is the person to write the definitive history, ~~and disposed of it~~ ~~Whatever~~ I may or may not think as to whether he could do it is ~~unimportant~~ less important than the double fact that (a) he doesn't want to and (b) he has a book of his own under way which could conceivably come within our scope if he and the Committee both chose. # As a third benefit ~~to product~~ I am bringing back Dr. Wood's ~~own~~ copy of the ^{much-discussed} paper which he delivered before the Midwest Economic Association this spring, a paper which in summary attracted ~~the~~ attention from both Dr. Williams and ~~Chas.~~ ^{Wm.} Sproul. This ~~letter~~ gives the flavor of ~~his~~ thinking, and in its various controversial points of view would certainly have an impact on certain of our committee members. I have permission to have it copied and to show it to any one who is interested.

~~I found~~ Before I left St.

But to go back — before I left St. Louis I ~~found~~ asked Wm. Abbott, head of research in the St. Louis bank, about Wood and found less enthusiasm than I would have expected for a Missouri product. It may have been ~~an~~ ~~instance~~ partly an instance of the "popular ~~not~~ without honor ~~interest~~ ^{repetition of a certain} ~~same~~ in his own country", and partly a ^{lack of sympathy} on Wood's part for the direction St. Louis research is taking. In any event, they think him dry as dust, and not the person to do this job.

I am not prepared to agree that that opinion is justified. ~~I got into~~ I saw Wood for a short time on Friday afternoon, when I arrived ~~in this region~~ from Denver and stopped at his cottage before I went on to my own town, and twice for a considerable period of time on Saturday, both morning and afternoon. All in all I must have spent four or five hours with him, first presenting the project, and then probing (as best I could without ~~committing~~ ~~is to~~ making commitments) to see what part of it interested him.

^{Wood} He is a refreshingly independent person who follows his own line of thinking, wherever it leads, and prefers to make his own judgments. He would rather talk plain English than ~~economic~~ take refuge in economic jargon. He is interested in theory, but he is also interested in fact, and ~~the~~ ⁱⁿ the relationship which prevails (or fails to prevail) between the two. There ~~may~~ he about him a slight timidity, there is certainly a ~~hint~~ ^{hint} of the ~~handicapped~~ ^{handicapped} ~~feeling~~ ^{feeling} of a Christian, who lives far from the center of power and does not see very much of the powerful. But there is nothing stuffy or pretentious about him. His intent is clear and direct, and his mind is keenly analytical. He is perhaps overly aware of his ~~that~~ he considers his own limitations.

~~If circumstances had been such that he could have embarked on a study of American theory and practice of central banking after he had soon after he had finished his book on the English theories I think he would have~~

If we could somehow turn back the clock and telescope the years which have passed since he wrote his book on English theories of central banking, so that he could begin on an American

a journal of that book, I think he might produce something of considerable value. Obviously we can't. The next best thing is to plan some other way of bringing his ~~abilities into our~~ the thing he wants to do into our orbit. Two possibilities have presented themselves, one an easing of the way so that he can finish the book he has in hand, the other a monograph.

The book has been in the writing for some time. He works on it in summer ~~vacations~~ vacations, but not during the academic year. He thinks that if he could have a whole year to work on it he there is another year's work to be done on it, and it is possible that he could persuade the University of Missouri to give him a sabbatical year on half pay. He approached Chester Davis for a subsidy when the latter was with the Ford Foundation, but ~~was~~ never got an answer, which is curious ~~in~~ in view of the latter's decade off as president of the St. Louis Federal Reserve Bank. ~~(This probably reflects Ford's operational confusion, it may also reflect an~~ When I asked if he would like to have our Committee consider the book for a place in the project he was doubtful - he wants it to stand on its own feet, and ~~not be "censored"~~ he wants to be free to exercise his own judgment in regard to Federal Reserve and/or Treasury activities. I assured him no censorship would be exercised, and left the matter open for further thought on both sides.

He has been writing under the title "Monetary Control", but is not content with it. ~~"Monetary Control"~~ "Monetary Control in American Theory and Practice" is perhaps a better description of what he has in mind.

He has nine or ten chapters written: one on Open Market Operations, one on Discount Rate, one on Reserve Requirements and the Changes that have taken place in them, three on Deposit Expansion, two on Interest, one on Adjustment of cash positions. He is now working (in a cabin facing a lumbering brook ~~where~~ which ~~offers~~ ^{affords} a running obligato to the chatter of chipmunks) on the Relation of Monetary Procedures to Expenditures, studying general monetary controls in their relation to expenditures: he expects to come out with a criticism of both the Keynesian theory and the quantity theory of money. He has ahead of him a consideration of International Monetary Relations and Controls, of Federal Reserve Procedure, with or without techniques, of later 19th century English practice ~~in its~~ as it illumines American practice.

I asked Dr. Ward if he had a publisher. He is thinking, in terms of one of the more popular publishers such as Doubleday, rather than a strictly academic publisher like Macmillan. No commitment has been made.

The monograph idea came up in conversation, and after reading the paper which was presented to the Mid-West Economic Association. Ward is very much interested in the Accord of 1951, and he has been thinking of going to talk with Truman about it. He might, I think, be interested in embarking on a study of that accord — what the various parties conditions it arose from, what made it necessary, what the various parties ~~which~~ concerned thought they were doing, ~~what~~ what the result has been. ~~It~~ I did not ask him if he would like to do a ~~monograph~~ monograph — I only suggest it now for consideration.

Wood's own recommendation of the man to do the definitive history is Karl Bopp, but he doesn't think Bopp ~~would~~ would do it. So we come full circle again.

I do not, however, think this has been wasted time, energy ^{or} ~~and~~ travel money. ~~Not only do we~~ We know know Wood, know what he is about, what he wants to do (or doesn't.) We have his interest, and we may in the end get something valuable from him. In any event, he is out of the class of vague but enticing enigmas.

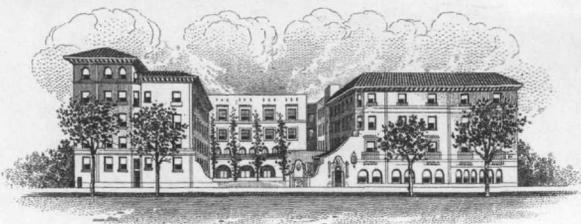
In talking over other possible candidates he showed interest in Howard Ellis of California, shook his head at Harold Reed of Cornell, wondered ~~about Ed~~ ~~Ed Hamilton~~ whether it might be possible to interest Carl Hamilton, now at Chicago (?).

I am sending this report to Miss McKinsty in my ~~own~~ ~~best~~ handwriting, asking her to type it.

I have asked Miss McKinsty to type this and send it on to you before I return. You may think it well to have some part of it sent to the other members of the Executive Committee, but we can talk about that when I return. ~~I also will also have~~ also have some interesting data for you from St. Louis, ~~including~~ ~~the names of a group~~

So glad you urged me to go to Estes Park. A day in those mountains is ~~something special~~ a whole vacation in itself.

Best as always
Killed



"NOT JUST ANOTHER HOTEL"

OLIN HOTEL
DENVER, COLORADO

Sunday

Dear Kay -

Will you type this, ~~or~~ leave it typed,
and send it on to Mr. Woodward as soon
as possible? ~~his~~ can do you a draft,
and you can correct for retyping -

Please sign it for me - the final
paragraph explains that need to Mr. W.

Came down from Estes Park at
7 this morning in the bright Colorado
sunshine. You'd better put Colorado
on your next vacation list.

I hope your Mother is better.

Hurriedly

Walter Adams

Leaving for Chicago
at 4:30

July 19, 1954

Mr. Donald Woodward
Vick Chemical Corporation
122 East 42nd Street

Dear Don,

I am sending you herewith a copy of the present score card on extending the Committee. I would say that Lane is certainly in, and that Willits comes second.

Word from Martin came in this morning. The Stewart vote was verbal; I found it in notes taken at the latest interview with him.

Under these circumstances I am not sure whether you would want to write to Lane immediately or to tell the Committee how to vote first and than write Lane. In any event since I am to leave for St. Louis shortly I drop the matter into your lap.

Aunt Gertude was warm in her praise of the visit after you left. You (collectively) were certainly very kind to an aging lady.

My thanks with hers.

Best as always,

Mildred Adams

Enc.

Score 7/19/54 on Committee expansion

	Burgess	Calkins	Martin	Sproul	Stewart	Woodward
Lane		1	1	2	1	2
Abbott						
Kuznets						
Reed						
Willits	1			1		1
Wood			2	3		
Wright	2 (?)		3			

July 13, 1954

Dear Don:

We have been looking up the matter of expenses charged and repaid and found the following data:

February 4-5 you and I went to Washington. The Bank bought transportation for both of us and because you had to go for both Brookings and the Committee you charged the Committee for nothing except railroad fare. In a letter of February 15th, you sent a statement of outlays on my account amounting to \$13.15. I thought I had sent you a check for this, but we have no record in our files. I will track it down at home.

March 3, 1954 I sent you a check for \$5.00 to cover costs of a business luncheon for the Committee.

April 7th you and I went to Washington for a single day. The Bank bought transportation except that you paid for your own Pullman seat. On May 13th I sent you my personal check for this and reminded you that we had no other record of expenditures for both of us including breakfast, coffee, dinner, taxis and tips. We still have none, but will make a supplementary charge to Brookings if you can send us this record of expenditures on April 7th.

On May 11th, you and I went to Washington and you gave us a memorandum of \$12.75 for expenses. That check should have been sent you and I enclose it herewith along with deep apologies.

If this record is correct, the only other amount for which we have received a memorandum and may or may not have returned expenses to you is the \$13.15 of February. As I said before, I will try to track this down in my own records.

This is a perfect description of my gratitude for the fact that I do not have to do the Committee's bookkeeping.

Best as always,

Enc.

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York 17, N. Y.

July 9, 1954

MEMORANDUM

To: Miss Adams

Re: EXPENSES INCURRED BY MR. D. B. WOODWARD IN CONNECTION WITH COMMITTEE BUSINESS

From: K. McKinstry

The first trip Mr. Woodward made out of town for the Committee was on February 4-5 to Washington, D.C. The Bank purchased a round-trip rail ticket for both you and Mr. Woodward, and subsequently recovered its outlay when the Brookings check for February was received in March. Mr. Woodward said that, since he had to go to Washington for a meeting of the Finance Committee of Brookings, he would not charge the Committee for any personal expenses he incurred except railroad fare. He submitted to you with his letter of February 15 a statement of certain outlays he made on your account (for dinners, taxis, porter fees, etc.) in the amount of \$13.15. This, I believe, you later covered by sending him your personal check when Brookings check for February came in. We have no record in our files, but think you must have in your checkbook the stub showing the date this item was covered.

The next item for which you reimbursed Mr. Woodward in the form of your personal check was in the amount of \$5.00, made out and sent on March 3, 1954, which was to cover the cost of your luncheon on the preceding day. I do not find on your monthly statement to Brookings a luncheon charge for either Mr. Woodward or you on that day.

Mr. Woodward made a one-day trip to Washington on April 7 for the Committee. In this case, too, the Bank purchased a round-trip first-class rail ticket for him, and he bought personally his own Pullman seat for the return (cost \$2.30). I note you sent him with a letter of May 13th your personal check for this amount, and reminded him that you did not have a record of his other expenditures made for both you and him, including breakfast, coffee, dinner, taxis and tips. I find no record in our files of any account of these outlays from Mr. Woodward. On your April statement to Brookings, submitted May 10, you listed the following items (based on your figures handed to me):

Hotel, April 7-8	\$20.40
Meals, April 8-9	5.79
Taxis April 7	2.70
Tips, April 9	1.50
Tel. and Tel., April 7-9	7.46

If Mr. Woodward's outlays are not covered in the foregoing, it will be necessary to submit a supplemental bill to Brookings.

On May 11, your records show that you and Mr. Woodward made another trip to Washington. The Bank purchased 2 round-trip 1st-class rail tickets and a drawing room (both ways) for you, and billed Brookings accordingly. I find a small office memorandum from Mr. Woodward listing his expenses for this particular trip. The memorandum is dated May 17, 1954 and the items therein were included in your statement to Brookings for the Month of May. I find nothing in our files to indicate you sent Mr. Woodward a personal check for the \$12.75 he claimed after the Brookings check for May expenses was received here (July 2, 1954).

∴ Owing to DBW as of now = 12.75 : no expenses
for breakfast meeting with Drs. Burgess & Callahan
JUNO 11X

OFFICE CORRESPONDENCE

DATE July 6, 1954TO Miss McKinstry

SUBJECT: _____

FROM Miss Adams

Mrs. Williams telephoned this morning to say that Mr. Woodward had not been reimbursed for expense accounts put into the Brookings and I would be grateful if you will check whether or not they actually did come in. He said that on February 4 and 5 he went to Washington and rail fare was to be paid by the Committee on April 7 same thing is true. Two things may have happened on this, first that we brought the tickets and paid for them and he has forgotten it, or second, that we put in a charge to the Brookings and then I forgotten to send Mr. Woodward a check when the money came back from Brookings.

Would you look up these dates and our expense accounts and find our as much as you can. Meanwhile, I will look in my check book to see what checks I have sent Mr. Woodward to reimburse him for committee expenses.

Will you telephone Mrs. Williams on Friday when you get this sorted out. She may then have other dates which have not been taken care of.

Checks

May 14 -	Donald Woodward	2.30
Mar. 4	" "	5.00

July 8, 1954

Dear Don:

As I told you this morning, one of the problems of shifting from a short-term project to one which will continue for five years is the matter of fringe benefits for employees. As you know, the Bank has, up to the present time, loaned us people from their own staff and charged us for their salaries. They now feel quite understandably that it's better that employees go on the Committee payroll. Technically I suppose this makes them the joint responsibility of the Committee and of the Brookings Institution, and therefore subject to the arrangements which Brookings makes with its own employees.

On the other hand, these people work in the Bank which in turn has its own rules. In order that there should not be too much disparity between our arrangements and the arrangements which the Bank makes I talked this morning with Mr. Smedley, one of the Bank's personnel managers. We discussed in detail the matter of fringe benefits as provided by Brookings and by the Bank. The net result of our conversation is as follows:

Social Security - Federal practise rules in both places and would govern us.

Hospitalization - Brookings uses the Blue Cross and employees pay all costs. The New York Bank uses both Blue Cross and Blue Shield and pays two-thirds of the cost. Mr. Smedley is sure that Blue Cross service can be enlisted in New York for Committee employees. He thinks we would do well to follow the Brookings arrangement and have employees pay the whole cost as they choose to.

Sick Leave - The Brookings rule is that staff members may have sick leave with pay at the rate of fifteen working days for each fiscal year (1.25 days per calendar month) cumulative to a maximum of 90 days. This corresponds closely to the Bank's arrangement and should be followed.

Vacation on Pay - The Brookings plan is that staff members are eligible for annual leave with pay at the rate of two days per month plus one extra day for the twelfth month making 25 working days for each fiscal year. This is slightly more generous than the Bank's plan and Mr. Smedley thinks we should accept it.

Insurance - Disability, Unemployment, Workmen's Compensation. Here the Committee is more or less on its own, and subject to the New York State laws. (The Bank being a Federal institution merely supplies equivalents. Brookings being in Washington is not subject to New York laws). Mr. Smedley advises that Brookings write the New York State authorities to ask for instructions and forms. You, who are familiar with the New York State laws, may have another suggestion.

Retirement - Mr. Smedley says this is a minor benefit so far as most young employees are concerned. The only warning is that nothing should imperil the employees future retirement rights. Presumably the Brookings provisions would apply.

In addition to these specific arrangements the Bank will be so kind as to share with Committee employees two fringe benefits of obvious value. The first is the right to eat in the Bank's cafeteria, where food prices are so arranged that the Bank assumes 50% of the cost. The second is the matter of medical facilities in the Bank's clinic. This latter includes clinic advice and ministrations in the event of sudden illness or accident on the job, an annual physical examination, and a required check-up by the medical officer after two days or more of absence on sick leave.

I am particularly eager to have your advice on the matter of insurance and hospitalization. I assume that the whole arrangement should be submitted to the Executive Committee, but I would like recommendations on those two items before sending it further.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York City 17, N. Y.

July 8, 1954

Dear Don:

Dr. Bopp, whom I called immediately after talking with you this morning, sounded very cheered at the suggestion that I go out and talk with Professor Wood. He is entirely willing to call the latter by telephone, but he is afraid that there is no phone in an Estes Park cabin. Therefore, he will write Professor Wood "an extended letter" telling him about the Committee, the project, the search for an historian, etc. He seems to think that Professor Wood will see me with pleasure.

I am, therefore, planning to fly from St. Louis to Denver on Thursday, the 22nd, and spend the weekend there rather than in Chicago. I must say the prospect is very much more pleasant than the one which I had had scheduled.

I will let you know as soon as I hear from Professor Wood that this is a firm date.

Best as always,

Mildred Adams

Mr. Donald B. Woodward
Vick Chemical Company
122 East 42nd Street
New York City 17, N. Y.

July 1, 1954

Mr. Walter Lichtenstein
The First National Bank of Chicago
Chicago, Illinois

Dear Walter:

I am no end delighted with your letter. We are putting
a note on the calendar to follow you up in the Autumn.

With warmest regards.

Cordially,

DEW:lw

cc: Mildred Adams