

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

SUNDAY, NOVEMBER 21, 1954

PRINCETON INN

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NEW JERSEY

PRESENT:

ALLAN SPROUL, Chairman

W. RANDOLPH BURGESS

WALTER W. STEWART

CYRIL JAMES

W. RIEFLER

JOSEPH WILLITS

DONALD B. WOODWARD, Secretary

MILDRED ADAMS, Research Director

Advisory Subcommittee:

LESTER V. CHANDLER

ELMER WOOD

KARL R. BOPP

CHAIRMAN SPROUL: Gentlemen, this is the second meeting of our committee. We had the last meeting of the full committee on May 11, and at that time we decided to broaden the committee membership, and we are delighted to welcome you, Dr. James, to the committee. We wanted to get a little leavening of the Federal Reserve influence which seemed to be appearing in the committee, and you and Dr. Willits, who has also accepted membership, will provide that.

We also have invited Dr. Clough to join the committee as an economic historian, who will bring that competence to the work of the committee. He has been traveling in Europe, and we were not able to find out whether he will be able to serve with us or not.

We also decided to revise the committee organization somewhat at that last meeting so that the entire committee will act mostly in an advisory capacity in policy matters, and we have a smaller executive committee to supervise the house-keeping.

Since that meeting we have had a Progress Report No. 6 from Miss Adams, telling what was done during the summer to carry out the committee's suggestions, and today you have before you Progress Report No. 7 with its mention of the completion of

the Kincaid Project at the University of Pennsylvania on the Glass Papers and by the start of the work by Dr. Chandler on what he hopes will be a book on Benjamin Strong, Central Banker.

The executive committee met on October 15 and agreed that the full committee needed a better definition of its hope and its expectations with respect to its major project, the preparation of the history of the Federal Reserve System. I say the executive committee agreed on that. I think it was Walter Stewart's idea that we needed to know more of what we were doing. But we accepted the suggestions and we decided to ask Karl Bopp to form an ad hoc committee associating Dr. Chandler and Dr. Woodward, and to study this problem, and prepare, if they could, a statement which would tell us what we mean when we talk about a history of the System, and to present some sort of a tentative outline as to how we might proceed with the accomplishment of that project.

We are gathered here today to discuss with Dr. Bopp and Dr. Chandler and Dr. Wood their attack on the problem, and they in turn hope to get from us, I gather, what advice and counsel and help they can get as they go on with their work tomorrow and finish up this first part of the job.

Then out of this meeting, and a similar meeting to

be held in a month or six weeks, we hope we will get a clearer idea of where we are going as a committee, and as to who is going to help us to get to the main job as the writer, or the person who might write this history, which in turn would throw off some sparks in various directions resulting in monographs, essays, and studies collateral to the main job.

We are finding perhaps what you knew all along, Walter, that spending \$310,000 is not so easy as it ought to be.

I will turn the meeting over to you, Karl, to tell us what you have been doing and what you hope to do today.

MR. BOPP: Thank you, Allen.

I think I might go through the development of ideas that we had yesterday with Elmer and Les and Miss Adams. Each of us, first of all, had great enthusiasm for this project and at the same time a great humility because of its importance. With the headway in central banking, we have a feeling that the central bank is an important social institution. We have a feeling of humility also as we see the enormous amount of source material that Miss Adams has uncovered.

I think the committee is packed, in one sense, and has the same handicap. Each of us is essentially a lone-wolf.

Les is, Elmer is, and I am. We have at times been frustrated by being unable to get answers to relatively simple questions in our studies. Elmer's study, for example, of English theories of central banking control had to rely fairly heavily on -- well, it is a by-product of English government, the parliamentary papers.

There were inquiries into the Bank of England's actions at the time of the suspension of cash payments in 1797, the old Bullion Report of 1810, and the 1819 hearings on resumption, then 1832, and then you had some casual ones in 1840 and 1848, then one in 1875.

Well, these are enormous lapses of time, and the questions asked were not always the ones that would interest a student in the field. So that you had great difficulty in answering questions because of inadequacy of material.

I recently made a little study of the Reichbank's operations before the first world war, and had a very simple little question, which is, did the Reichbank in fact ration credit at various times or didn't it. It is the simplest kind of question and yet it took months to build up a tentative answer to this question, which is either yes or no.

We have been confronted at times with the

inadequacy of material and have felt frustrated. We come to this task aware of the great wealth of material. I might say we weren't quite frustrated; we were a bit frightened by the magnitude of the job.

Our discussion developed to this point of being kind of frightened by it, and we said let's defer discussion of this and ask ourselves, for whom is this history to be written. Attack it from the other end of the problem.

I think at this point I may hand out an outline** of the ideas that we developed yesterday. This is quite tentative, I assure you, and merely something to shoot at during the course of the discussion.

We considered the general design, and I must say that rather than beginning with No. A here, a comprehensive history, we began with No. C and felt that what should come out of this was a history of the Federal Reserve System for the general reader, that this history should be interpretive and imaginative for people who are interested in political and social history, as well as an economic history, for government servants and so on, and that therefore the general history should not be too technical.

On the other hand, we have a strange feeling that

** For text, see Appendix

it should be written by someone who has a thorough comprehension of monetary principles and central banking operations. In other words, that it should be written by a first-class monetary theorist.

In trying to think through what this monetary theorist would do as he approached all this material, we felt also that there should come out of this study a more comprehensive history, and that the general history that we mentioned, which we think of a one volume affair, should be built on a comprehensive history which would cover the origin of the systems, the social and economic environment out of which it grew, and the development of it in its environment.

The word comprehensive I might define in this way. We felt that it should be so complete that a future lone-wolf theorist could go to this comprehensive history and have a feeling that the materials have been covered thoroughly, and also that it would deal with problems that a future person would like answers to.

I might perhaps illustrate that with a couple of points, and I am not sure we discussed these specific points, but last night I tried to think through how this would work. It seems to me that throughout this comprehensive history, at each point

in time, a person should be able to get an answer to the question, what was the character of thinking of the officials in the Federal Reserve System with regard to the nature of their problem, with regard to the objectives that they were pursuing.

Also in terms of very general ideas, one should be able to go to this source, and find at all times through history what were the terms and conditions under which credit was extended by the Federal Reserve System to the market: the methods, the terms, etc.

I mention these as being clearly basic aspects of central banking, and we felt that the whole series of questions of this sort might ultimately be raised, and one should make sure that the comprehensive history would give answers to these questions throughout the history as nearly as material may be available.

Well, that is the general idea then with respect to the comprehensive history.

MR. STEWART: Does comprehensive mean one volume?

MR. BOPP: No. Our thought was several, but exactly how many we did not know.

MR. BURGESS: The Douglas Freeman type. It is a documented thorough review.

MR. BOPP: Quite right. It does not mean that a person could answer all questions. A specialist on a particular aspect of it might then wish to go back to the original sources, but the basic problems of central banking and the answers given to them by contemporaries, as history goes by, should be included in this comprehensive history.

MR. BURGESS: You mean you would pick up certain sources that are like the Strong letters, and so on, that aren't available in documentary form. You probably would pick up some of those more completely than documented stuff?

MR. BOPP: Perhaps the answer is yes, but I had better make it a tentative yes and go on to point B under the General Design, which concerns source material.

Both to assure scholars who in the future might go to this comprehensive history, and also to make known what is available and where, materials for other specialists, we would also suggest the possibility of having an annotated bibliography, which would be comprehensive and also indicate where the material is available, what it is, something as to its nature, and so on. Second, to publish a selected list of unpublished documents.

In connection with that, I might say that we also

would suggest that anyone who is working on the project with the basic documents should keep in mind the possibility of publishing selected documents, and make a note to this effect: here is one of the documents that seems to me of critical importance for one reason or another, or illustrated for one reason or another, and then eventually a group would decide which should be published.

We felt that these should be unpublished documents because the annotated bibliography would indicate where. In other words, get the maximum that is not now available rather than to duplicate things that could be secured in one way or another, feeling that the annotated bibliography giving sources and locations would enable a first-class scholar to find it anyway.

Finally, the fourth part consists of monographs, and in the discussion yesterday I might say that this is the part with which we began. We tried to take, in a sense, what seemed the easier part rather than the hard part, to see if there aren't particular areas that might be lumped off of the whole history that aren't really part of the core of the history of central banking, and yet are important to it. We came up with a large number of suggestions from you gentlemen, as well as others, and came up with the particular list that we have here. That is

certainly subject to correction and modification.

With respect to the monographs, I might say that some of them are almost unrelated to policy, if one uses policy with a capital P. I mention check clearing and collection, fiscal agency, personnel as specific illustrations of those. Others tie into policy more directly. For example, Lester's study of Benjamin Strong.

I mention this difference, which is of course a matter of degree, primarily because we had some consideration of possible authors for these, and we felt that it might be quite appropriate to have a Federal Reserve individual work on those that are not related to policy to any great extent, whereas those that are really intimately tied in with policy it might be preferable to have people outside the System work on them.

With that, I might mention very briefly our conception of the content of these individual monographs, if you like, Allen.

CHAIRMAN SPROUL: Yes.

MR. BOPP: Then we might open the discussion. Or do you think it might be better to go into the discussion of the general idea at this point?

CHAIRMAN SPROUL: What is your pleasure, gentlemen?

MR. BURGESS: I would like to go over the whole field first. It helps us in our thinking.

MR. BOFF: On monographs, the first one, on the whole area of bank supervision, we don't envision too clearly what that might contain. It could at times be an important aspect of policy itself. There is, as you know, at least in later times, some question as to the relation of bank supervision to general credit policy as such, and so on. But at any rate, that Federal Reserve banks do have these relations with the commercial banks through which they operate, and that this is a specific area which only occasionally would come into the general history, and yet is rather an important area in and of itself.

The second one is check clearing and collection, which more or less explains itself.

In the case of fiscal agency, we thought that that should include not merely the technical operations in the issuance and redemption of government securities, and so on, but the problem of the Treasury Accounts and how they are transferred from the balances in commercial banks to the Federal Reserve banks, and considerations involved in that. It would be more descriptive rather than as a part of monetary policy.

Research and intelligence. This would be concerned,

first, with how the system with its regional structure, secures economic intelligence, and how it is analyzed and integrated and passed on, and the role of research in general, or the staff research function relative to policy. In the relative short experience I have had in the system I have seen some changes in how the Reserve system functions. We thought that there could be a significant monograph in that area.

Constitutional history. I think one might define that in this way. What has been in fact the balance of power within the Federal Reserve System and for the system as a whole, and its parts, to various other areas of government? Some people would say Federal Reserve -- treasury. Our discussion yesterday developed that that would be one aspect of a much larger problem and would deal, in a sense, with the role of the Federal Reserve System within the governmental framework and the internal relations of the parts of the system.

DR. CHANDLER: It seems to me that this illustrates a particular problem that is involved here, as obviously the comprehensive history would have much to say about where power was located, how it was divided, and all that kind of thing. Yet the history itself couldn't present sort of a unified analysis with some imaginative and interpretive stuff. It couldn't do the kind of thing, for example, that a really first-rate public

administration person might do, with the Federal Reserve as an experiment in governmental forms.

So that this could be more analytical, in a sense, than the historical treatment of it would be.

MR. BOFF: This, in a sense, is a problem in political science rather than a problem in economic theory. So that in the light of desiring a person to write a general history and a comprehensive history, who would be primarily a monetary theorist with a strong flavor and comprehension and appreciation for history, this might be a political scientist with a political history.

Number 6 under the monographs is personnel. This would be concerned with the general problems of selection, recruitment, maintenance of morale, salary and wage administration, etc., and this is an area which perhaps teachers, especially of money and banking, would tend to dismiss, yet when one thinks of the Federal Reserve System or the Federal Reserve Bank of Philadelphia in terms of 1100 people, that is what it really is. These people are doing all sorts of things, most of them, other than dealing with monetary theory and principles and practice.

So it was felt that this at any rate is a possibility for a monograph, the whole general personnel, maintenance of morale, of the individuals who make up the Federal Reserve System.

The seventh is the role of the Federal Reserve System in international finance. This is just a brief title. Really what is in mind is something more ambitious than that, because it is felt it might include the changing role of the United States, as a whole, in the entire world economy and in international finance, and then specifically how the role of the Federal Reserve System in this has developed.

The Strong project would be one on which Les is already engaged and which would certainly be one related in terms of the dichotomy which I had before. Now there may be others that you suggest or that come to mind, and I think it would be the feeling of the group that this is open to expansion, contraction, etc., from time to time, but this gives you some feeling of stress that would seem to be a little bit on the periphery, or of particular interest and worthy of doing.

That, in general, is the kind of thinking that led us to this general design, which would consist then of a comprehensive history, together with source material, and with a feeling that these two would give to any future lone-wolf scholar, or other person, first answers to the questions that he might appropriately raise in terms of his own theory and intuition, and so on, to himself interpret the history and the source material.

so that if he is not satisfied with the documentary history he can go back to the original document. We will tell him where to look.

Then out of this, and based on it, would be an imaginative and interpretive history for the general reader, and then the series of monographs which are in general on the periphery but each adding to the whole story, though not in general part of the comprehensive history.

CHAIRMAN SPROUL: We have two alternative approaches. I assume that in your thinking they were less desirable, or secondary. As far as you go now, you favor this first approach rather than this alternative approach to the comprehensive history?

DR. CHANDLER: No. This is a question of how you would organize the comprehensive history.

MR. BOPP: Approaches rather than content, really.

Point II deals with how would one now go about writing this history, in terms of topics or in terms of chronology. Then III is the coverage of it. And finally, how does one organize to do it.

CHAIRMAN SPROUL: I see. I would like the committee members to express their views and judgments on your approach to the problem.

MR. BURGESS: You started off with the query who

these things are written for, and the judgment of particularly you, Lester, which ones of these would be used in our courses, for example? You would have occasional references to a comprehensive history. You would use as a textbook or alternative textbook the one volume history, wouldn't you?

DR. CHANDLER: Probably in my undergraduate work it would be almost all either the history for the general reader plus some of the monographs. Probably for graduate students certain sections at least of the comprehensive history would be used.

I think the way we arrived at this sort of trifurcated approach was, we first asked the question would it be possible to write one general purpose treatment and here is where we really got frightened. It just wouldn't be possible to preserve all the materials that should be preserved, to treat them in the detail that they deserve, and still get a kind of treatment that the inquisitive banker, business man, college student, and so on, would feel he would wade through.

So that it would almost certainly be necessary, if we are going to get a general audience for it, to have something else in the nature of the history for the general reader that would appeal to them. We just thought we would sacrifice too

much if we tried to turn out one general-purpose treatise on the thing.

DR. JAMES: Could I suggest an alternative approach? It would be along the lines of what Sandburg did with Abraham Lincoln, where you have a comprehensive history, then you have a subsequent one-volume edition which simply leaves out a tremendous amount of documentation and detail and gives the continuity. It seems there is a waste of effort in thinking of two independent things, a comprehensive history and a history for the general reader, because the general reader is not interested in a different statement, he is interested in certain parts without the supporting evidence.

MR. WOODWARD: That is the same plan as in the Toynbee abridgment.

DR. JAMES: Yes, except that it is better done. The Sandburg one-volume is a readable book.

MR. BOPP: This may anticipate discussion that would come under IV, and I am speaking sort of off-the-cuff, as we all are. Sandburg spent a lifetime on this. We rather have a hunch that anyone confronted with the materials that are available now would equally spend a lifetime and perhaps die just as he was ready to begin writing. (Laughter) That therefore the history

that would be written first would be the comprehensive history, and the other would grow out of it. If it should turn out that sections of the comprehensive history would be appropriate, perhaps so, but that in looking over the entire material it might very well be that a person would have insights and intuitions, and so on, that would make a history for the general reader different in words and not simply sections of a comprehensive history.

MR. BURGESS: I think that is a very important thought. If you are thinking in terms of character of circulation here, your comprehensive history belongs in every library, on every reference shelf. The number of students who would buy it, graduates or undergraduates, would be pretty limited. You are talking about a circulation of 5,000, 10,000 maybe. The one for the general reader you would hope would have a pretty wide circulation. I think it means a rather different approach. It means probably a different orientation. Of course, there may be several of those. Somebody may approach it -- I was just talking to Allen Sproul coming over in the car -- from the business cycle and monetary policy, relating the whole thing to what is really a policy question of the place and influence of the Reserve system, and fiscal policy also perhaps to the flow of economic and business

history.

That selection of material would have a very much wider audience, and yet would use some of the basic stuff.

So I am rather in sympathy with that last thought you throw out, that is can be done *pari passu* with the other, perhaps working in the same framework and picking up the thing when it is partly done, and so on.

But it is a pity to wait for it until Sandburg has finished his four volumes, or whatever it is, and then write a conclusion, because the conclusion may never be written. I think it takes a little different type of approach too, or could. It seems to me the more useful approach is a selection of material on a somewhat different basis.

DR. JAMES: I am not sure that you are not a little pessimistic in saying that the major comprehensive history will have narrow circulation. Presumably it would come out volume by volume, and just running through my own thinking, the period from 1907 to 1920, the whole concept in the beginning of the classical 19th century, suffering under the impact of the war and emerging from all sorts of changes that needn't be elaborated, I think that that, well written, might be a book that might sell a large number of copies at the present time, both for the general reader

and for others.

Similarly, I think the next period would be interesting, and of course when you come on to the later period I think you might get a very large circulation. A lot depends on how it is written and whether it can be read by somebody that isn't a financial expert.

MR. BURGESS: If you are ingenious enough to find what is the topic in that first span of years, what is the big topic in the second span of years, and to make your history unfold the development through that general topic, that takes a touch of genius.

DR. JAMES: And yet you have three fairly defined topics. The first is the intermingling of the change from classical theory to uncertainty of theory, coupled with the emergence of the United States in the whole world economic organization. The second is the prosperity-depression phase, and the analysis of theory there, and the place of the United States in a peaceful world. The third is the whole turmoil to which we don't yet quite see the conclusion, shifting the center of gravity from other parts of the world into New York and Washington.

DR. CHANDLER: I think, though, Dr. James, your hopefulness here about a wide circulation for the comprehensive

history does highlight the difficulty of getting readable volumes of wide interest, the difficulty of combining that with making sure you get down on the record tremendous amounts of material that have never been generally available before, and much of which would be of interest primarily to the expert in the field, the fellow who wished he knew or could find out things that have never been published before.

If the Strong papers are any indication of the magnitude of those materials, it would indicate that there would be quite a large volume of this completely new material, which may not add much to the grand design or the general strategy, but adds a tremendous amount to our understanding of the tactics and of the thinking of the people, especially when they wrote letters to close friends and so on, and were not careful to hide the real basis of their thinking.

MR. STEWART: The thought is now that this would be published?

DR. CHANDLER: Yes, but you see, Walter, I am afraid that if you tried to get into the comprehensive history all of these extra things that would be especially of use to the scholar and the expert in the field, that it would tend to detract from the interest for the general reader and thereby tend to

detract from the possibilities of wide circulation. Maybe I am too pessimistic about it.

DR. JAMES: Of course, the answer is who does the writing I agree. But to think of the terrific amount of detailed documentation, that is the reason I picked that one. You go through page after page of reproduced documents and letters, which you can skip if you want. I suppose all readers skip some, and some readers skip all, but you still get a very good connected story, as well as the precise information on what happened at half past eleven on the 17th of September.

MR. STEWART: I am inclined to believe there is quite a bit of difference. To my present thinking there might be two ways of doing it. I think the suggestion Dr. James makes would affect the comprehensive history, and then one might contemplate a comprehensive history to achieve that purpose. It is a rather different conception than the one you are suggesting here.

An alternative would be to make the monographs of two classes, the technical and the non-technical, so that you might look to a wide circulation of some non-technical monographs. For example, Randolph's suggestion of business cycle and credit policy could be a chapter in a book for the general reader, but

it could also be a monograph.

MR. BURGESS: It could be a history. That history listed under C could be done from that point of view.

MR. STEWART: Well, it could be as you found competent authors.

MR. BURGESS: There could be several of them, yes. There could be one straight history of how the thing developed, evolving a little bit the constitutional monograph, but how this developed with government exercising management in an important area, and how that developed.

But the other one would be a little different selection of material, and so on. So that you could have several people working at different C's.

MR. BOPP: Yes, I think we had the feeling on the comprehensive history that one function here should be a hope of learning from experience so that Federal Reserve policy in the future may gain from it, so that all the material is available, and also to permit the free lance genius who comes along to go and give a fresh interpretation of it, which in turn will contribute to our understanding from here on out. That requires, then, that all material be available. If you have a genius like a Sandburg to do it, perhaps he can do both.

CHAIRMAN SPROUL: Your idea of a history for the

general reader was a history of the Federal Reserve System, however, not a history of aspects or facets of the Federal Reserve System as related to government or to the business situation. It was a history of the Federal Reserve System to be a companion volume to the comprehensive history?

I am impressed by what Dr. James says about the fact that these studies which you contemplate in the history for the general reader, that these men would be working over the same field and that unless the history for the general reader were to be more superficial than I think you would intend, that a lot of this work would have to be done twice if two men were doing it.

That wouldn't mean that, as Walter Stewart said, there could be as many histories as you have interested and competent people writing histories from different angles. But if it is to be history for the general reader, as a companion piece to the comprehensive history, then it seems to me there is something to the suggestion that they will be working over the same ground but serving up the meal in a different way.

DR. CHANDLER: I think as has been brought out here that this history for the general reader, if done, could be approached in quite a number of different ways. Dr. Burgess has suggested one way. I think that what we really had in mind

yesterday, may be the wrong concept, was that this would be a more imaginative interpretive kind of thing than the comprehensive history could possibly be; that this would try to distill out of this whole period of experience some general principles, some themes, some interpretations, which would almost inevitably get lost in a highly detailed treatment of the subject. What we had in mind was not necessarily an emphasis on business cycles and the Federal Reserve, but rather an interpretation of the Federal Reserve as an evolving organism responding to changes in conditions, changes in ideas, and so on. We would probably have policy aspects woven in with management aspects, historical trends, and all of that sort of thing. So that as Walter says, it would be a qualitative difference. Perhaps that is the wrong concept.

DR. JAMES: Aren't we doing everything three times if we do this separately? We have a history for the general reader which becomes -- I hate to use the word superficial -- but becomes group jumping in terms of these major things. Then we have a comprehensive history, presumably done by somebody else, that should be thoroughly interesting because anybody that is really interested will want more than the general reader history. Then each of the critical things is covered by separate monographs that produce even more details.

I am not sure that we have those three levels of

people who are going to read. I am frankly doubtful if the number of people who will read the general history, other than students that may be required to buy it for textbook, will be very much larger than the number who will read a four or five volume comprehensive history coming out, let's say, roughly a volume a year, or a volume every eighteen months, if it is well written and thoroughly documented. I think then that the one volume is simply a summary of that, because the history itself should be such as anybody interested at all in economic history and economic theory, in all aspects of banking, ought to find an interesting document to read. And if he wants even more detail on, let's say, the international financial problems, there will be a detailed monograph on that appearing at some particular stage.

I am not quite clear who the general reader is that we are thinking of this still simpler version for.

MR. BOPP: I think perhaps the origin of this in our discussion yesterday may shed some light on it, which forces me to go down to this Point IV on the organization for comprehensive history.

I gather from your discussion that you feel one person would write the general history and one person would write

the comprehensive history. It was our judgment, in terms of the vast amount of material available, that no one person could write the comprehensive history but that it would require more than one person. If it requires more than one person, then it needs some way in which the several people could be coalesced into the writing of a consecutive history.

That in turn means that if one wants a general history, either one of the persons writing down here on the comprehensive one or someone else supervising that job and doing the comprehensive history is necessary.

As I say, that throws us down into a discussion of another problem, but I think illuminates why we came to this.

DR. CHANDLER: I think as I listened to Dr. James and others make comments here, the difficulty seems to stem from our concept of the comprehensive history. How comprehensive it is, how detailed it is, how great it is. We came to a tentative conclusion that it would have to be a tremendous enterprise and that there would be tremendous amounts of materials involved, which led us to some concept of three or four or five volumes, very detailed, which then led us to the conclusion that no one man could do it.

DR. JAMES: I hate to be so pessimistic because I mentioned Sandburg several times. I think in another field, in

Clapham's*

~~XXXXXX~~ Patton's three volumes on modern Britain, which are bulky enough, I would think that it was almost -- or let me put it the other way around -- I would be very disappointed if we ever came to the conclusion that we would be unable to find an individual to do the comprehensive history. I think you must have a dozen people to do the monographs, and I think it is equally true that no one person will read every single document in all the vast archives that we are accumulating. But that I am not sure that that is necessary, because if, for instance, somebody is working over Benjamin Strong's papers for the purpose of a detailed biography, he will have first-hand information of the detail of each of the documents. He will know that nine-tenths of them are not important for the general history. He will know that one-tenth are vitally important.

If you have your ten or twelve people working on the detailed monographs and working in collaboration with the person who is doing the comprehensive history, I don't think it is impossible to find somebody outstanding enough to take ten years on this job. And if we could, I think it would be vastly better than if we have five or six people doing it, because it is bound to be uneven in that case.

MR. BURGESS: We are trying to get it out volume by volume, just as Sandburg did, or just as Freeman did.

* For identification, see Appendix.

DR. CHANDLER: One of the interesting things about that, Dr. James, though, is that getting it out volume by volume, which I think would perhaps assume some sort of a chronological approach, would present very real difficulties because suppose a man, for example, got a volume out on the early period, based upon the materials that he would pick up, that came out during the period. I think he would find later on, much to his embarrassment, that there were letters in 1927, letters in 1926, and other materials where somebody reminisces about the early period and says out loud at that time a number of things that he didn't say out loud in the earlier period.

I am finding, for example, in some of Strong's letters of 1927, some very pithy comments about the 1920-21 period.

DR. JAMES: But your major assumption that I didn't make is that the writer sits down and reads nothing after 1920. It is perfectly obvious in a job of this kind that your writer will spend a year, or perhaps two years, reviewing the whole period. He starts presumably with some knowledge. He will spend a year or two reviewing the whole period and formulating his pattern of ideas, and refining it and dividing this thing into volumes and themes. I don't think it will always happen.

Possibly it may even happen after the comprehensive history is out, that someone finds some new information that corrects a part of it. But I don't think it is impossible to write it chronologically. In fact, I don't think it could be written any other way, for the history. You can take the monographs, but the history must begin with whatever date you take, then come through to whatever date you finish, with varying emphasis on varying periods.

MR. STEWART: It is very obvious that this is not a self evident proposition. I would like to try my hand at making a little different line of distinction between the comprehensive and what has been called the general reader. That line of distinction turns on the two different audiences. Let's consider the author rather than the audience.

The A proposal, it seems to me, would be objective. You are dealing here with objectivity. It therefore conceivably could be done by the Federal Reserve if the Federal Reserve wanted to do it. It would be non-critical; it would not carry appraisal with it. It would be an account on a competent level.

I would regard C as simply not possible to be done by the Federal Reserve. This would be critical, personal appraisal, and all the rest of it, and therefore it would be of necessity the viewpoint of whoever was writing it. And I really seriously

mean that several people could write a general history. It is not at all impossible. There are four gentlemen sitting over there. I could imagine quite different volumes of general history coming from each of them, and I would read each one of them.

CHAIRMAN SPROUL: And write a fifth.

MR. STEWART: Quite true. There would be differences of interest, background, focus, and so on. But I do find it difficult to follow Dr. James in expecting to have the A produce the C. This I find difficult. I don't believe it is a duplication of effort. I think it is two different paths. The A is deliberately, by intent, not dry but objective. I would say that C is different from A and is deliberately an attempt to appraise a whole period. I had not thought of A carrying the element of appraisal in the same way.

DR. JAMES: Would you go on and separate comprehensive history from monographs?

MR. STEWART: My view would be two-fold on that; one, that the monographs set you free from any kind of integration, and there can be extreme differences of length. I can imagine a very short monograph on some of these, but an audience which would be special for that particular thing, it might have a very large circulation. A person may say I must have a monologue on

supervision; put it in the hands of anyone who joins the banks division by division. Whereas I imagine some of these others as running quite long, being chronological in character, and there I would say, differing, in my own conception, some appealing to the technical and some to a popular audience; some of which would involve issues which would be comprehensible to a relatively non-technical audience. However, in contrast with the Lincoln, I would say that the degree of technical knowledge is implied in all of these, a much higher degree than those who sit at this table are likely to acknowledge because we don't know until we catch the fellow who hasn't got it what the difference between the Federal Reserve dollar and the member's dollar is. It takes a long time to learn it and remember it.

If you get that in the offing, then you've got to get an audience that can be either at some stage. So I think even for the general reader it is a banking audience, a congressional audience, banking and currency committee. I could imagine a group there. But there are books about the Federal Reserve which do a kind of popular general reader thing, which is all right for its purpose but not for this purpose. I have in mind the little book on federal service turned out by the board.

MR. BURGESS: Mr. Wood here has been bottling up comments. I can hear him choking over them for the last fifteen

minutes.

DR. WOOD: I didn't have anything profound to say, but I think that there might not be as much duplication of effort as might seem at first sight. It is possible that the editor and director of the whole project would see all these things coming through his hands all the time when he was giving advice to the various assistants who were writing on special periods, so that when he was through he would already have covered the ground pretty thoroughly. He might do the one for the general reader. So you wouldn't have there two jobs of fundamental preparation for the task.

MR. BURGESS: I think Dr. James and Dr. Chandler both bring out the point that our fundamental and essential job here is to produce the comprehensive history. That is the thing that isn't going to get done in any other way, and it is the thing that isn't going to carry itself. Nobody can get that out in spare time. That is the core of this thing.

When you have been working for a year or something like that in collecting material, you have a terrific duty, everybody who has furnished something to that, to use it. I think our main job is to get that done.

The general reader thing I don't think we have to worry too much about for a year. Several people will be able to

do it.

I think the monographs similarly, if the chance comes along we can get somebody started on it, just as Chandler started on the Strong one. I don't think we have the same obligation. I think our primary obligation is to get this thing going on the comprehensive history.

I am inclined to agree with Dr. James that if we can get a man to do that full rounded job, it is going to be very much better than having several writers, or anything that has to do with several writers dividing it up. It bears the earmarks of it when you get through.

I think your main fellow could have assistance. He has got to have some assistance in digging out material, and so on.

DR. JAMES: I think too I would enter a demurrer to Dr. Stewart's suggestion that it could be written by the Federal Reserve System. I think it has to be critical.

MR. BURGESS: Well, the minute you get into the system you've got the problem that Win has had in mind, of release of material, and so on, though an awful lot can be done without the system's releasing material or releasing certain items. But I agree that a person within the system would have certain

inhibitions that would be rather serious.

MR. RIEPLER: The problem is how to cover this wealth of material with a net that will screen out the relative material and not obscure it. It seems to me that in the questions asked under II that we already have in the monographs our topical. The history for the general reader, which isn't put here under monographs, is really topical -- of a little more general type but it is topical.

The monographs should run from very detailed technical things to very broad.

Certainly the constitutional history, properly written, covering the material, would be an essay, a documented and annotated essay in political science that I would think would have the same interest to political scientists that a treatment of the theory of money, business cycle, etc., would have to the economist. This is a gesture in political economy, and those are the two natured general threads.

In my own thinking, going over this, I would rather change the D for monographs. I would think that what we are deciding to do is to go at this, in order to assure comprehensive coverage, to really exploit materials. You can go at it in two ways, one, you propose to do a comprehensive history on a

chronological basis and with the highest level of objectivity and thoroughness that a person trained ^{to} that can do; second, you intend to commission the topical headings just as carefully as you can, if the individuals that are assigned to those commissions can arrange the material, with the hope that they will exploit them to the limit.

When you got through with the whole thing, I think you probably would have covered the materials that are available.

MR. STEWART: A single author for No. I?

MR. RIEFLER: Yes. These things aren't going to come out in the neat order that applies to an automobile plant. You might very well find that some brilliant person doing a topical outline had unearthed material back in 1916 that the man doing the comprehensive history tended to under-emphasize. What does it matter? If you go at it in these two ways, a very serious approach to ^{the} comprehensive on a chronological basis, and a very serious approach to the topical, giving each all the aid and support and materials we can find, I think when you get through with the project you have come nearer to exhausting the material than if you tried to decide now on a program which is going to produce a production line, assembly line technique. I don't think you can do it at this stage.

MR. STEWART: I would like to hear from the committee on this. It is rather a re-emphasis, rearrangement of bringing the general history into the topical.

MR. RIEFLER: You can arrange those. Some of them are highly specialized. If you get the constitutional history properly done, that gives as broad and equal level of generalization as anything in this whole thing, just as deep as anything in the theory of money.

CHAIRMAN SPROUL: Karl, do you and your committee want to discuss or comment on that?

DR. CHANDLER: I shall feel far less certain than I may sound on this, but let me express a point of view.

Suppose that the Federal Reserve is quite liberal in releasing material, giving access to materials at all the banks and at the Board, so that this tremendous amount of material that Miss Adams has been finding here and there really does become available, including the multiple volumes of the Hamlin diary and the Glass papers, and all that kind of thing. I envisage a tremendous amount of material to be gone through.

The next point has to do with the writer or writers. As Karl said, he and I and Elmer are all sort of lone-wolves on this kind of thing, where we feel that we have really

got to see the major part of the raw material in order to build up over a period of time a feeling for the thing. We never feel happy about just sending out a research man and saying, bring me back the gist of it. If the writer should be a lone-wolf type, I just have some doubt that in anything short of a lifetime he really could do the kind of job that we envisage for the comprehensive history.

MR. RIEFLER: The lone-wolf is obviously the topical writer.

DR. CHANDLER: That's right. Possibly one could find the kind of writer who is better at using the work of other people so he himself does not have to cull directly so much of the primary material. In this case I think a single writer might be able to do the comprehensive history.

MR. RIEFLER: I wouldn't say a single writer. I didn't mean that he wouldn't have assistants, same as Dr. Young.

DR. CHANDLER: I lean myself towards the possibility of a general editor with, say, three or four or five writers working under him.

Let me sort of outline the kind of organization I would envisage. This general editor, together with his writers for the different periods, and maybe one or two other people

brought in in an advisory capacity, would sit down knowing something already about the history of the Federal Reserve, and say, what are the principal things we ought to be interested in; what are the principal themes that ought to be developed, as a minimum, and then get a common approach by, say, three or four writers, who would then divide the subject up on a chronological basis, and then they would all start to work at about the same time.

But they would constantly be in touch with each other, with the editor being hopefully a strong editor and constantly at work on the materials with these people so as to make it a more manageable thing for each writer.

I see all sorts of disadvantages to this, but at the moment I somewhat incline toward that method of organizing the work.

MR. RIEFLER: I think so. It seems to me if you get some man to head it up, try to do the best chronological history he can, with all the wisdom and study he can bring to it, it then becomes a matter of his decision to a considerable extent as to how he wanted to go about it, and the number of assistants he wanted, and the number he didn't want, whether he wanted to call them assistants or associates.

The working techniques would vary with the

individual, I would think. You will have to find your man.

DR. CHANDLER: I appreciate very much Dr. James' point about the possibilities of very uneven quality, failure to get the kind of integration you want despite cooperative efforts, and so on. But my only question relates to the magnitude of the job.

DR. JAMES: I would accept that if it is impossible to find somebody who will do the job himself. But to me one of the tremendously important things about this, and that will determine its ultimate usefulness, is the quality of the writing. We know that it has to be a monetary theorist as well as a historian. If it is well written, then I think a lot of people will read it, and if it is written continuously, with the same theme and the same ideals, a lot of people starting on the first volume will go through it. But if it is uneven and you've got different philosophies and different qualities of writing, then I think it gets onto the shelf and is simply referred to, which is the last thing any of us want.

So that my first choice is an individual with as many assistants as he could use, if we can find the individual. Then I think the second choice would be your suggestion of a general editor and four or five actual writers. But I think it is a long way below the first.

I certainly am not pessimistic enough to assume ab initio that there isn't somebody to do the job.

MR. STEWART: Would the committee at this stage ask Randolph Burgess whether he is comprehensive or topical as an author?

MR. BURGESS: I think I am topical. That is, I think I could write the C with a point of view, but I know I couldn't produce the comprehensive history. I wouldn't live long enough. That requires a degree of long detailed work that nobody at the age of sixty-five ought to start. I could when I get through my present assignment be available as a consultant, but there would have to be somebody who is responsible for getting out the comprehensive history.

CHAIRMAN SPROUL: There is a time relationship here. You used the phrase, Mr. Chandler, distilled out. That connotes the development of the comprehensive history, and then there is distilled out of that the various topical developments. On the other hand, there is a possibility that they go along at the same time as the work being done on the comprehensive and the source material, and there also is work being done on the topical developments, not a distillation, complete at least, of what is going to be in the comprehensive history and everything that is in the source material, but recognizing that that is a

process that will go on indefinitely, people writing new topical monographs and books, on new sources, from different points of view.

Did you have in mind that distillation process?

MR. BOPP: Les gave a brief description of the organization. It is that the general editor would write the general history and he in turn would be supervising the writing of the comprehensive history. So that in a sense they would be going along together. They were based on this material as it comes through.

I don't think we had in mind that you have to wait until the comprehensive history is done and then the general editor would read that and write a general history. In other words, his supervision of the whole process would be in a sense in terms of what he is going to put in the general history.

Is that a fair statement, Les?

DR. CHANDLER: I think so, Karl, assuming what may turn out to be the impossible -- first I want to say that what I had in mind is obviously different from what Dr. James has in mind. But if one had multiple writers for the comprehensive history, and did have a general editor, then the ideal situation would be that the general editor would be the kind of man who could do the C, the history for the general reader.

But I did have in mind the point that Dr. Burgess made earlier, that the one thing that this committee probably wants more than anything else is the comprehensive history, and that nothing should interfere with that.

CHAIRMAN SPROUL: That is what we devote the money for.

DR. CHANDLER: Probably the man who wrote the history for the general reader would not himself want to go back and look at all these original materials, and so on, but would probably base quite a lot of his writing on this hard work that was done by the writer or writers of the comprehensive history. It is for this reason there wouldn't be quite as much duplication of work as this setup would imply.

DR. JAMES: If I might bring another example into it. I am at present on the committee that is responsible for Mr. Mackenzie King's biography, and while a biography sounds simpler than this, Mr. King left one and a quarter million pieces of paper. I don't think anything from the age of fifteen was ever destroyed, and in addition to these memoranda, there are voluminous documents that are written in a minute script. And the system that is set up there, McGregor Dawson, who is writing the history, which will probably be in three volumes, and five assistants, each of whom is writing a monograph. For instance a

monograph on labor relations, and Mr. Rockefeller, is utterly different from the monograph on Canada's changing foreign policy.

But you have these five people, junior research assistants, continually meeting with one another, exchanging ideas, and probably two of these monographs will be out at about the same time as the first volume, although they deal with a much later period of Mr. King's life.

MR. BURGESS: Is somebody writing a history of his life?

DR. JAMES: It starts in with his birth and goes through to his death.

MR. BURGESS: But that would be one volume?

DR. JAMES: Three volumes.

MR. BURGESS: That will include a lot of things that come out of the topical.

DR. JAMES: It will include them in the sense of reproducing a little of the material and conclusions.

MR. BURGESS: They will be separate volumes?

DR. JAMES: Yes. For instance there are two chapters in the biography that deal with the Colorado strike, and Mr. King's relations to Mr. Rockefeller. There is a whole monograph of nearly 400 pages on this, as one of the very early and important experiments in labor relations, and the things

that grew out of it, industrial relations, and industrial relations associates, the activity of the Rockefeller Foundation, then Mr. King's interest in labor legislation in Canada. That will all be a separate monograph.

MR. BURGESS: But McGregor Dawson is writing the three volumes?

DR. JAMES: And the four or five other people are writing the monographs.

CHAIRMAN SPROUL: But they are meeting together and discussing and exchanging ideas.

DR. JAMES: They are all living together. They have adjoining offices, and they are there not all of the 365 days of the year, but a good slice of it. And they are working full time.

CHAIRMAN SPROUL: Starting out without any bias against any single volume, this sort of approach commends itself to me. These men are not vying with each other to put out a single volume, but discussing the project and then one is doing the comprehensive job and the others are doing the topical jobs.

DR. JAMES: I know from experience that all the specialists on the monographs who do find all the relevant information bring down to McGregor Dawson the cream of their combing and save him the trouble of reading through a hundred

thousand pieces on that particular point.

DR. CHANDLER: In a way the thing that McGregor Dawson is doing would perhaps be more like C than A, wouldn't it?

DR. JAMES: No. A three volume biography of one person is very definitely comprehensive.

DR. CHANDLER: Yes, I agree. On the other hand, these separate monographs dealing with various aspects of his life serve somewhat the same purpose as A would, as far as bringing material to Mr. Dawson's attention, and doing some of his hard digging work for him?

DR. JAMES: No. I still stick to the point that if we can find an author, that that sort of a pattern, if a man is willing to give ten years of his life to it, will give us the best kind of book we can get. But it does need somebody to bring to it a good deal of knowledge and who is willing to take ten years, and who is going to work very closely, not only with his junior assistants, but with these various assistants who are writing monographs.

MR. BURGESS: How long will the Mackenzie King biography take?

DR. JAMES: Its been running three years, and it will be another three years before the first volume is out.

McGregory Dawson resigned from Toronto. The other people are simply on leave of absence from their academic positions for shorter periods of about two years.

MR. BURGESS: He has some junior assistants who are helping him on the three volume life. I think there is a pattern.

DR. JAMES: The junior assistant, in fact, is largely the kind of person with some knowledge of Canadian history and economics, who will go out and go through whole files of newspapers, or whole sections of the King papers, and simply bring in all the things that are relevant, not attempting to appraise them but every single newspaper comment on, let's say, Mr. King's labor legislation, will be brought in.

MR. BURGESS: Is he having anybody draft sections on periods, or anything like that?

DR. JAMES: No.

MR. BURGESS: Of course that could be done. You can take an assistant and assign him to that period and let him start drafting and selecting material. Whether that is a waste of effort depends on the quality of the assistant.

CHAIRMAN SPROUL: This suggests to me that if Canada can find a sufficient number of men to spend their time on a history of an individual, that the United States ought

to be able to find a man to do the job on the history of an institution as important as this one, and that we shouldn't be frightened by the magnitude of the job.

DR. JAMES: I don't think so. I don't think it is an insuperable job.

MR. BOPP: Just incidentally, we were thinking in terms of five years or possibly a little bit less.

MR. STEWART: Per capita there are more people of the type that are available for this in Canada than you could find here.

DR. JAMES: I am not so sure I agree with that, but it is a very nice compliment.

MR. BURGESS: We certainly haven't got fourteen times as many.

MR. STEWART: We are just looking for a person with maturity of judgment and with the energy of youth.

Something has happened in my mind, during this discussion, which removes some of the issues and gives me some sort of pattern, which I think comes partly from Win's suggestion of moving into this by stages, simply figure somewhat the distinctions that we were making a little more elaborate, and then adopting something of the pattern that has been suggested here, and then look for the man and trust to him. It makes it somewhat

more realistic to me.

CHAIRMAN SPROUL: I have had the same sort of development here. I would like to hear what the committee members think about it.

DR. CHANDLER: Might I ask Win a question first?

Win, I didn't quite understand your point about the so-called history for the general reader being considered a monograph. Could you elaborate on that?

MR. RIEFLER: It seems to me when you got down to really what you were talking about there, there was a concentration on the economic aspects of what the Federal Reserve does and its relation to the business cycle. It would seem to me that if you re-defined C to mean that, to put it into the general group of topical outlines, I would think that if you had that as a topical approach that was perhaps finally, to all of us who are economists here, picked up in No. 5, constitutional history, as Karl described it, it would be almost equally the same level of generalization for the political theorist, that 7 and 8 come pretty close to the same thing. Then the rest of your monographs can become more specialized and technical.

So that my suggestion was simply that we approach this in two ways: assign the very best people we can to handle the topical aspects, and find the best person to do the

comprehensive history, and have them work together much as Cyril has described that they are doing up there, each one supreme in his own field, but working together and combing through the same materials. I think the materials will be combed through by the time we have worked the thing up.

DR. CHANDLER: Essentially then, Win, your concept of this so-called general history would be pretty much comparable to what Dr. Burgess suggested at first?

MR. RIEFLER: I think so.

DR. CHANDLER: Rather than dealing with many more aspects of the system, such as taking some part of the constitutional aspects, some part of the organizational aspects, and so on, welding them all together. It would be more concentrating on the relationship of Federal Reserve to business activity.

CHAIRMAN SPROUL: I think the thing that Walter Stewart said comes in. We don't want to think of this general history as being too definitive, that there are going to be a number of general histories over a period of time, and as Burgess suggested, the others might approach it from a different angle.

MR. BURGESS: Take No. 5, constitutional history, which is a type of C. In C we are thinking in economic terms. In 5 we are thinking in terms of political organization. So

in a sense those two are rather separate from the other monographs. The other monographs are much more highly specialized.

DR. JAMES: You said 7?

MR. BURGESS: That is another one. Under C you can bracket A, economic history; B, a constitutional history; C, the realm of international finance. They are all general history, in a sense, with different aspects.

MR. RIEFLER: Of course you are going to cover the same material twice, but I don't think that is important.

CHAIRMAN SPROUL: With that approach, would it be practical if we had C not a history for the general reader, but C would be some more important studies, and there would be then a D which would be the specialized monographs of subsidiary questions.

MR. RIEFLER: Take this bank supervision. It all depends on the kind of person you get to do it. I can imagine some person doing that with a great degree of generalization.

MR. STEWART: The whole American scene?

MR. RIEFLER: Yes. On the other hand I can imagine that being done like a technical trade job. Check clearing and collection; possibly some genius could put some generalization into it.

CHAIRMAN SPROUL: There is a genius*up in the

* For identification see P. 4 of Appendix at bottom.

Massachusetts Institute of Technology working on that.

MR. BURGESS: I would think that the committee was right in classifying the history for the general reader as something of a different kind from the monograph.

MR. RIEFLER: Yes, I think so.

MR. BURGESS: So I think we could retain that with a good deal of justice, recognizing that under the monographs you have an opportunity for a great degree of flexibility, both as to character of treatment, and the type of person you get to do it, and the extent to which they express opinions, and so on.

MR. STEWART: If it is not too subtle a distinction, there is a difference in my mind between the general history and the topical. I would regard the topical as outlined here as being topical but treated chronologically, where required. I would regard the general as being chronological, and treated topically.

DR. JAMES: I think I agree with you.

MR. STEWART: Because for the general reader, he follows it as a periodization, and something is learned. I would also regard the general as including the emphasis on the history of ideas rather than events, where the comprehensive would be events. So that you could have in the general reader something

of the background of the tradition of central banking, transferred to America, learned in our circumstances here, and kept in a kind of chronological order, but the development of the ideas which have been operating within the system. That still makes it a monograph in one sense, but as between topical and chronological, I think there is a difference of emphasis between the two.

DR. JAMES: I think really what we are doing is separating D, as Win suggested. Following his suggestion, you have got three monographs that should interest the general public. (1) Which is roughly the economic history of the system, monetary and business cycle. (2) Constitutional, and (3) International, and (4) the Benjamin Strong biography.

Then you've got a second list, which in spite of the genius coming along and getting generalizations from them, are really going to get pretty technical.

CHAIRMAN SPROUL: That is what I had in mind; whether you separate C and D, or keep them together, there is that separation.

DR. CRANDLER: There is a possibility, Win, of still further differentiation here, and that would be to have something very frankly a monograph, in the sense that it goes into Federal Reserve policy and its relation to the behavior of the

committee, but doesn't get at all into the question of organization, constitutional history and that kind of thing. Then possibly the history in the more comprehensive sense, which tries to distill out the wisdom in all aspects of this thing, including the material which is in a number of monographs.

That would be one possibility, to enlarge the number of monographs by one to include this thing that you have mentioned.

MR. RIEFLER: You could only commission that when the rest were fairly well finished. I don't think it is a pressing problem now.

DR. CHANDLER: Might I ask a question here with regard to the time period? I think it goes directly to the point that Dr. James has discussed a number of times, as to what would a reasonable period of time within which to expect the comprehensive history to be finished? I think Dr. James has mentioned the length of ten years or so. Does the committee have a feeling as to whether that is a reasonable period of time, or whether it ought to hit for a shorter period of time? I think this might be somewhat relevant to the final decision as to organization.

CHAIRMAN SPROUL: I might ask Mr. Woodward to comment on that. We started out with a five year project.

MR. WOODWARD: I was going to say that Dr. James has doubled our time. Our grant was for five years. I think there was always, in all the discussions, the realization that that might have to be lengthened, and that a supplementary grant might have to be requested. But we said in good faith that the attempt would be made to do it in the five year period.

MR. RIEFLER: Isn't five years enough?

MR. WOODWARD: Many projects do have to go back for supplements, and I don't think it would prove embarrassing, Walter, if that did prove to be the case, to go back.

MR. RIEFLER: I should think you should plan on commissioning the topical studies to a year and on the general history, five years.

DR. JAMES: I think five years is too short for the comprehensive history. I think there really are two stages. If we went along on the scheme that I suggested a few minutes ago, that Win elaborated, within the five years you should get most of your monographs finished, finished and published. You should get at least half of the comprehensive history, approximately half, so that the continuing thing would be the remainder of the comprehensive history.

But I would doubt very much if you would within five years finish the kind of comprehensive history that I would

like to see written, which is definitive, is well written, is critical in its appraisals, and that covers the whole ground.

MR. REIFLER: Do you feel that so strongly that we should go back and try to get more money now?

DR. JAMES: No. I think that would show in the early monographs.

MR. WOODWARD: We have a fairly good recipe for the stew now, and this problem revolves around our catching the rabbit, Mr. Chairman. (Laughter)

MR. STEWART: With full time being a requirement?

MR. WOODWARD: I would certainly think so.

DR. JAMES: It couldn't be done otherwise. You would have to live with it, and dream it and sleep it.

DR. CHANDLER: I think, Walter, we might amend your earlier comment. You're looking for a man with maturity of age, and both the energy and life expectancy of youth.

CHAIRMAN SPROUL: It would help us to make progress on catching our rabbit if we knew how we were going to proceed. I have gotten the impression that there is some unanimity of opinion on the approach which Dr. James and Win Reifler have suggested, of the full-time man who would start work on the comprehensive history, with a group of other men, whatever you want to call them, who would be associated with him, working with

him, but who would be on their own on these topical studies, monographs, books, reports, whatever they might be called.

MR. BURGESS: The full man to have some assistants also.

CHAIRMAN SPROUL: He would have some assistants down the line to do the digging for him.

Is there any objection either within our committee on the history of the system, or on your committee, to that sort of approach?

MR. BOPP: I think it would be important that the specific topics cover a sufficiently wide range to make sure that the material is covered. I am not sure whether the series of monographs listed here -- they haven't been constructed with that in view. On the contrary they have been constructed from the point of view of taking everything but the core of it. And if now we shift the approach to topical, then I would have an off-hand hunch that we should reconsider the specific monographs.

DR. JAMES: For instance, is anybody writing a life of Carter Glass, which you would need a monograph of?

MR. WOODWARD: I did have some question on this point in a broader sense, if we move away from the procedural to this aspect. There seems to me to have been implicit in the

discussion, but perhaps not explicit, the feeling that important parts of this ought to be in the broader, rather than the narrower style of coverage, and it did seem to me that from that standpoint there were some pieces that were perhaps lacking, or perhaps not made sufficiently specific. One was the whole matter of personalities, Cyril. We have only one personality treated here, and that is Benjamin Strong, but I think as Karl said earlier, the Philadelphia Bank, indeed the whole system, consists of people doing things, and that's all it ever has or ever will consist of.

Personnel policy is an aspect of it, but I wondered if it would be possible to do something of a broader nature, either several biographies, or one book dealing with a considerable number of significant personages. The New Yorker thing, for example.

DR. JAMES: Maynard Keynes, Essays in Biography. ul

MR. WOODWARD: Exactly. Perhaps that would be one bridge to the general public. People can read about people and get more interest than from the abstraction, perhaps.

The other question that I had is also in going over to the non-professional or technical people, such as are around this table, to what is the system about, and I mean this not so much in a popularistic sense, as in a distillation of the

essence of the matter.

Let me illustrate. All of us live in more than one world, and I have been living in two worlds for a considerable time, of being very much interested in these matters but living with business men and life insurance men who are not at all clear about the difference between the Federal Reserve dollar and the member bank dollar, and their lack of clarity goes a good deal further than that.

But on the other hand, they are interested, many of them, intensely interested in what is this system about. More than one president of more than one life insurance company has asked me over a period of time -- and must have asked you, Randy -- what can we read that will give us some idea of this, not in its technical phases, though we do need to know something of its operation, but what are the real questions, what are the real problems which necessitate a system, and what is it that it does try to deal with.

Obviously the answer to that would be different at different times. But the answer to that certain question would be helpful to them. I am not sure whether this is in the general history, or whether it is covered in the monographs, but in the devising of the general scheme which we are trying to do here, it would seem to me to be important, that this job not be

finished without a resolute attempt to do that job.

MR. STEWART: Put a title on that.

MR. WOODWARD: I had three titles, Walter, but I wasn't satisfied with any of them. One I had written down as "The Federal Reserve System as a Public Body." Banking yes, but as a public body. It was created by Congress, and it is the only really successful creature Congress has ever created.

The other thing that I had down was the questions of policy. What are the policy questions, or what have been the policy questions at different times, that the system has attacked and that have attacked the system.

The third that I had was "Central Banking in International Politics." That is quite different from its role in international finance. But none of those titles are exactly what I am seeking.

DR. JAMES: Do you really mean the effect of central banking on business activity?

MR. WOODWARD: That certainly would be part of this, but I would not do this solely in a domestic sense.

MR. BURGESS: You're talking about what I was trying to talk about, Cyril. As C, one way of putting it would be the impact of monetary policy on the economy. You would bring in the Treasury policy, business crises, you would try to

popularize it somehow, and try to answer just this point that Don brought up.

I must say that I am very greatly impressed with the need of it. I think it has been very disillusioning in the past, particularly last spring when we did what was a pretty traditional and classical central banking procedure of tightening things up, or helping them tighten, when we were in the last phases of an inflation, and the Treasury worked along with it. And there was abysmal lack of understanding of what we were trying to do particularly in Wall Street. And that was after many years of teaching of central banking in colleges, or of the campaign that Don and I and others were associated with in the committee on public debt policy, which of course bore down the same alley.

I may say from another point of view, I don't think this group has had a report to it, we had with us in the Treasury during the last year a fellow named Ted Braun*, who was one of the best public relations, advertising men on the West Coast, who lived with us during that period. Recently he came up with the idea that a group of business people ought to bestir themselves on educating the American people on what monetary policy means for them. Now their motivating factor is that Safeway Stores, and some other of their clients, don't believe

* For identification, see Appendix.

that in any crisis they ought to do just what Barney Baruch advocated, immediately put in a complete blanket of direct controls, but that monetary policy just should be the first line.

What they are doing is building a public campaign on that point. You are going to see ads, full-page advertisements, on this subject, film, and so on. Charlie Abbott* is working up a basic book for them, which is being worked over. Well now, there is no basic book, in a sense. In a certain sense this C history can be a basic book from one point of view on this broad topic.

MR. WOODWARD: It seems to me that there are perhaps two different types of jobs here. One is a popularization in the sense of reaching a mass audience. The other is popularization in the sense of reaching the interested and intelligent business men in a way that will make these matters real to him. Popularization sometimes comes to be a word of deprecation, almost. It is amiss to think of it as such. We are not talking about a Sunday supplement, lurid creation, but something that will move on an intellectual plane to the interested people.

MR. STEWART: There is an even worse word which I am inclined to adopt more and more, the more I live with these practical matters. That is propoganda. That is supposed to be

* For identification, see Appendix.

very low form. As a matter of fact it is only applied history that I have in mind, but I want to draw a moral from these studies. There is a practical moral to be drawn, and I don't want that history so objective that it doesn't pass a judgment upon the events along to the future.

So if I follow you there, I think it is quite right, we need some morals to be drawn, and I think people, by and large, the popular mind, learns by way of morals, much better than it learns by events. It will attach itself pro or con, and divide, but it will learn a moral system in relation to a monetary system. We obscure it in another. Those who say sound money mean a moral system.

MR. WOODWARD: That is very good. You would say if that can be done, it would be another way of getting it done.

DR. CHANDLER: One of the reasons that No. 9 appears under monographs, is that we had the feeling that there might be other biographies that should be done, and we hoped for suggestions from the members of this group that we could discuss.

MR. BURGESS: I wish there were more figures that were worth writing a biographical chapter of.

MR. WOODWARD: Individual biographies are good.

In a certain sense however I wonder if they really do the thing. This system has had some outstanding men, but the essence of it has been a group of men working together to accomplish something, as I see it. That has never been stated, or written that way to my knowledge. That would be to me the really vital thing to be done.

CHAIRMAN SPROUL: That is the reason Benjamin Strong stands out, that in the early days there was one dominant personality, but in the later days it was a group project, rather than a personality project.

MR. WOODWARD: Some of these men are still alive too.

MR. BURGESS: Some of the best of them are still alive. (Laughter)

MR. WOODWARD: But it might be possible to discuss the men as a group, including some that are still living, whereas an individual biography of a person still living would be much more difficult.

CHAIRMAN SPROUL: Looking at it in the way we have been in the latter part of our discussion, certain topical writings as distinguished from monographs, we have had five suggested: Economic, constitutional, international, personalities, and the general in the terms that you were talking about, Mr. Woodward,

you and Walter Stewart.

MR. REIFLER: The most important part is how you commissioned it. There is an appalling absence of an understanding of finance. The American financial market has got to have a writer. I don't know how you commission that. That is what bothers me.

CHAIRMAN SPROUL: I know what you mean by commissioned, but if we had a book that covered the subject, not superficially, but popularly, and drew some morals, you would have the first step toward doing the job. There is no place where these men can go to get an understanding of what it is all about except a narrow viewpoint, with blinders on.

MR. REIFLER: We have tried to get things up there at the New York bank, and we still come up against the same abysmal thing.

MR. BURGESS: The clearing house has done something. There have been things put out. I think our "Public Debt" has been a perfectly readable thing.

MR. STEWART: The people are going to be hard to find, because some things are going to be right and some wrong, and you have got to put your finger on what was wrong.

CHAIRMAN SPROUL: You will have to stir up some emotion on this.

MR. STEWART: Exactly. Then there will be discussion and reading.

DR. JAMES: I wonder if that really doesn't come back to your comprehensive history, because one of the reasons that things like the Public Debt memorandum, or even a book on the impact of the Federal Reserve on business, isn't read is because it lacks personal appeal.

I think in part, to get this over, you are going to have to show conflicts of personalities, and the pattern of the environment, and then draw your moral with all the strength you can find, and pungently, but I think it really comes back to the comprehensive history to get that over, and I think if that history comes along, a volume at a time, which means it is taking specific periods and specific problems and specific crises, and showing all these conflicts, it may do precisely the thing that isn't achieved by the other books, because they lack the sort of drawing room discussion possibility.

MR. STEWART: It is harder and harder to find this author. You can commission and organize a piece of research at one level, objectivity. You can get the documents and you can tell a chronological story.

MR. BURGESS: That is the reason that these topical things may be more apt to produce that sort of thing. And there

I think our procedure is not to say, "Well, here is something we ought to produce. Now where is the producer?" If we can get the idea around that if Dr. Wood wants to write a monograph on the Reserve System, if he has something burning in his soul, we say, "Come along, we will help you."

Lester has already plunged in. I hope that he will create a controversy. He's got a good one to create a controversy on, Strong's policies in 1924-27, the easy money policy, which in the light of history I think was wrong. Walter and I were right in the middle of it and working with him.

MR. REIFLER: I don't think you are going to get this moral judgment if you simply describe the Federal Reserve individual squirming between pressures he is under, and don't bring in the thing you are really concerned about, the lack of understanding of the problem by the market.

MR. BURGESS: Well, there was an episode in '28 and '29, of the battle between the First National Bank and the Federal Reserve Bank, that went into the question was it proper for a member bank to borrow. Old Mr. Baker took the view that the First National Bank always had money when money was needed in the street -- that was a historical position -- and that the Federal Reserve Bank was there for them to use, and if money was in short supply, they were going to borrow money and lend it

to the street.

That was one of the reasons why the restraining policy of '28 and '29 worked so slowly, because Mr. Baker was the most prominent, but there were several of his ilk, who were seeking that. Maybe that particular illustration ought to be written up.

DR. JAMES: Definitely.

MR. BURGESS: I don't know if that is in the record or not.

MR. STEWART: The committee, will limit ourselves to the internals of Federal Reserve and try to determine the policy as if they were ideas in the abstract. The history of the Federal Reserve in terms of depressions brought upon us would make a wonderful account of the development.

DR. CHANDLER: I should think as a matter of fact, Walter, this would be one of the principal themes in this thing on the constitutional history of the Federal Reserve, the process through which the Federal Reserve responds to changes in the general ideas in the community, to pressures, not only within the system but outside of government, from government. I am sure that in a sense it is a responsible academic institution reacting to these things, but through processes that are quite different, perhaps, from those that would characterize certain

government agencies.

MR. WOODWARD: Something that Randy just said seems to me to warrant some emphasis. He said it may or may not be in the record. I have felt from the beginning that one of the important operations to be carried on was to get things into the record that otherwise were going to be pretty soon lost, that exist now only in people's memories or in files.

MR. REIFLER: This approach of ours is designed to get that.

MR. WOODWARD: This involves a considerable amount of interviewing, as well as looking at these documents that are already in the record.

MR. REIFLER: Doesn't it also mean getting these monographs started, because it is the authors of the monographs saying we want to get what we can on the record in these things. Then we come up with the other kind of screening.

DR. CHANDLER: I think in our discussion now we are constantly to keep in mind the fact that these monographs, as Karl indicated earlier, were chosen to a considerable extent because they lay along the borderline of the main comprehensive history, rather than being in the midst of it. For some purposes, Dr. James has indicated, you ought to have some monographs that would be right in the central material of the comprehensive history.

I think Karl's suggestion that we perhaps ought to review these monographs with that in mind is a very good one.

MR. BURGESS: I think that list of monographs should be treated as suggestive and illustrative, rather than definitive.

CHAIRMAN SPROUL: I think we have been coming to a distinction between these studies along the main stream and those which are tributary or peripheral. It seems to me our whole discussion has led in that direction.

MR. BOPP: Yes, the constitutional history and the monetary history, those are in the center.

CHAIRMAN SPROUL: They are in the center of the main stream.

MR. BURGESS: Somebody could write one on the stock market and the Federal Reserve and make a very interesting history out of it. The whole question of margin requirements, what happened in '28 and '29.

MR. WOODWARD: That is one that would have considerable readership too.

DR. JAMES: Maybe that is the one that would get this over to the public more effectively than the others.

MR. BURGESS: The whole period of 1927-28-29, the relationship with the Federal Reserve, and the booming stock

market, reduced credit being the key to the whole thing. We are sitting around now and asking what does the present stock market mean in terms of monetary policy. And this question of margin requirements, when if ever is it right for the Federal Reserve to say that a man can only borrow twenty-five per cent of the money that he puts into his stock. How much does that restrain the use of equity in the country? There is a very good monograph there.

DR. JAMES: And that will break some new ground in monetary theory. No one has ever answered that question.

CHAIRMAN SPROUL: You only have to look at the financial pages of the newspapers to see where the news value is. In our financial record it is in the stock exchange and the stock market. That gets most of the space, most of the discussion. That is apparently the interesting thing. The things we put out, and you put out, Win, they don't have emotion, they don't have morals, they don't have any news interest, so they are not read by the people.

MR. BURGESS: There is another one on agriculture and monetary policy. Agricultural people, historically, have been enormously interested in monetary policy, starting with the Populists.

MR. BOPP: And historically in the twenties, you

had the whole question of how is eligible paper to be defined, particularly with respect to agriculture. This would illustrate the kind of pressures that come on.

MR. BURGESS: These are all different kinds of cross-sections.

CHAIRMAN SPROUL: Does this discussion of 1 give you the basis for going ahead tomorrow with your further consideration of this whole project, Karl?

MR. BOPP: It does for much of it. It certainly indicates the necessity to reconsider the whole monograph approach to the thing. I think we shouldn't be too disturbed by not having got down to 2, 3 and 4, because in part these are part of the process of this discussion this morning, and are based essentially on the assumption that there would be a general editor, etc., rather than the type of organization that is now envisioned.

CHAIRMAN SPROUL: We certainly have touched on 4.

MR. BOPP: Yes. So that much of that would be dependent on the person finally chosen to do the comprehensive history.

DR. CHANDLER: Yes, I think that the discussion this morning has clearly led to one policy decision that you gentlemen will have to make, and that is, do you want to think of this in terms of a ten year rather than a five year project?

There have been statements that it very definitely would be desirable to think of more than five years. Whether it would be ten or not would be another question. I suppose this would have to do not only with finances but also with the whole recruiting problem, staffing problem, and so on. This is one of the key decisions.

CHAIRMAN SPROUL: It is possible to think of it in terms of a five year project, but having in the back of our minds that it may go to ten years, as in dealing with the Brazilians. You want to keep some pressure on the people, while at the same time we have in the back of our minds that we may have to do some more.

MR. REIFLER: Isn't there one crucial thing on that. What kind of a commitment can we make? We clearly can make a five year commitment, and we clearly with our present finances can't make more than five years.

MR. BURGESS: Unless we budget our sum of money so that it lasts more than five years.

MR. WOODWARD: We would have to go back and get permission, and I have no reason to suppose that it wouldn't be considered.

DR. JAMES: I don't think it is really as important as that, because everything excepting the final volume,

comprehensive, ought to be completed within the five years. In other words it is a five year project with a comparatively small continuing project beyond that.

MR. BURGESS: I would think that we could budget with a little something left over to carry on.

DR. JAMES: Also if the first five years is as successful as the discussion around this table suggests, I don't think there would be any difficulty of financing it further.

CHAIRMAN SPROUL: That would be my approach, of financing it for five years, with almost assurance of getting further help if we have done the job that we have talked about doing.

DR. CHANDLER: I was thinking in terms of this all-important one person. The single writer would carry it all the way through. I don't know who this person might be, but certainly if it is going to be something on the order of ten years, it probably will mean severing all his present connections. I don't know of any university, for example, that would give a man a ten-year leave of absence.

DR. JAMES: I don't think they would give him five. I think the monographs will have to be written by people with one or two years' leaves of absence, and anybody who took on the big history certainly would sever all other contacts, and

I wouldn't think the decisive thing would be with him whether you guarantee him any salary in the sixth year. If that was what he was worrying about, he would be the wrong person.

MR. BURGESS: He would be the best man to teach a course on Federal Reserve in the country.

CHAIRMAN SPROUL: If he does this, he would have no concern with the sixth year and the eighth year. That would take care of itself.

MR. REIFLER: I think five years is satisfactory.

MR. WOODWARD: Randy has a good record in this matter. On the other project to which he alluded, I believe he went successfully back for four. (Laughter)

MR. BURGESS: It was several. We started out with \$100,000.

MR. STEWART: The chairman had no difficulty in finding himself a job afterward.

MR. BURGESS: And the people who wrote all have jobs too. When I think how small that was and how big this is.

CHAIRMAN SPROUL: Rephrasing the question, with this discussion and its variations of approach, not a complete change but variation of approach, and with the five year project as the project we are now talking about, does your committee get from this discussion this morning what it needs to pursue its work

tomorrow with respect to 1 and 4, as much of that as we have covered?

DR. WOOD: I am slightly hazy as to just how the thing has crystallized.

CHAIRMAN SPROUL: I'll try to summarize it, and everyone else may have a somewhat different view.

It seems to me that so far as it has crystallized, it has crystallized first around the idea that Dr. James and Win Hiebler have suggested, that there would be one man full-time who would be working on the comprehensive history with assistants, research people, working for him, and with another group of part-time, one or two-year men, who would be working on various monographs and associated with him in the whole general project. That so far as the outline here is concerned, instead of having C, a history for the general reader, and D, monographs, we would have two groups, however we list them, one of which would be in the broad stream of the comprehensive history that has been mentioned here: economic study, constitutional study, international study, personality study, and a general study, which would include the climate, the pressures which have been mentioned; and then there would be, second, the subsidiary, the peripheral monographs on these other aspects of Federal Reserve operation and relations with the Treasury and with the banking system which have been

listed, in addition to others that might be suggested.

Going down to 4, that, so far as we have gone, suggests a single writer for the work on the comprehensive history and several writers for both the broad stream books and the tributary stream monographs.

MR. BOPP: And that on the monographs, several -- probably particularly those dealing with the broad stream -- would involve the full time of a person for a year or two. Others, technical monographs, could be done part time.

MR. REIFLER: Could we put it this way, that there are two ways of trying to squeeze what is relevant out of historical data. One is a very careful approach geared primarily to time, the chronological approach. The other is the problem approach, which tries to take a problem from a topic and explore it. And we plan to use both on an equal basis.

DR. JAMES: There is the other point, that if the monographs are well done within the first two or three years, they are going to be invaluable to whomever is writing the comprehensive history, because he will know where he wants to ask questions and what original documents he wants to examine.

CHAIRMAN SPROUL: That suggests a break-off point here, with lunch at 12:30.

(Luncheon Recess)

AFTERNOON SESSION

CHAIRMAN SPROUL: We are going to take the first three minutes to try to bring Mr. Willits up to date on our discussions of this morning, since he was not here and since he has to leave in 20 minutes or so. I will ask Mr. Woodward to read the stenographer's record of the policy decisions, insofar as they are decisions.

(Stenographer's transcript of Mr. Sproul's summary at end of morning session was read.)

CHAIRMAN SPROUL: I think in general, with whatever changes in wording or emphasis each one might put into it, that was the result of our discussion this morning, which ranged over this whole of I, and always came back to IV; who is going to do this job we are talking about.

If we can consider that we have for our present purposes completed our discussion of Roman Numeral I, and partly of Roman Numeral IV, which we can take up again, and in the order of this outline, is there anything under Roman Numeral II that you now want to take up, Karl?

MR. BOPP: I think it would be preferable to move to Roman Numeral III, which concerns the question of the coverage of the comprehensive history. It raises the

question as to whether, if it is the purpose, which I think the group yesterday felt it would be, to trap and preserve in a sense for all time all of the information that is now available with respect to the Federal Reserve System, that would be not only the documentary material which Miss Adams has uncovered in such great volume, but personal interviews, and also, since in working over this material one really forms a judgment as to what should be taken out of it in terms of the questions that are being asked, if we could move on to point A under that, What Aspect Should Be Covered in All Periods? This would, in a sense, be a suggested kind of feeling for the writer of the comprehensive history.

CHAIRMAN SPROUL: Did your committee have any suggestions as to what they might be?

MR. BOPP: Illustrative only, perhaps. There might be, for example, a consideration of first the background and environment out of which the real bills doctrine grew, its relations in the Federal Reserve Act itself, and the application over the time, difficulties encountered with it, modifications to it, etc., and coming on through, which in turn leads to the question of instruments of policy.

In a sense the eligibility requirements and the discount rate were the important instruments of policy in the earlier period. But that was essentially a feeling that the central bank should be responsive to the needs of trade, etc., rather than a positive attitude on the part of the system to the money market and the economy, and when you get this transition a greater emphasis on the open market operations, demonstrations of the inadequacy of real bills, and so on, as I say, that is simply illustrative of a line to go through the entire history, and appropriate questions asked, and information secured to get that story through.

That is merely one of the various aspects, and I think the group would be very much interested indeed to have the judgments of the men here as to other similar aspects.

Before we get that, Les may have an additional comment to make.

DR. CHANDLER: No. I was just thinking that probably it would be impossible for us today to try to come to any complete list of the things that should be dealt with, either for all the periods or for some of the periods. But I should think that if people would make

suggestions of things that they thought certainly should be covered, that this would help to set the tone of it.

CHAIRMAN SPROUL: Do you have anything to add to that, Dr. Wood?

DR. WOOD: I thought in that first session or volume that we would consider the politics of the formation of the Federal Reserve. Something that a political scientist would be well qualified to take up, the interplay of different groups in Congress, the whole background of forming the Federal Reserve System.

CHAIRMAN SPROUL: And that would take into account the politics of it, including the attitude of bankers, and the business community, as well as the politicians.

DR. WOOD: Yes, and monetary traditions and prejudices, points of view of various groups, etc.

CHAIRMAN SPROUL: Walter, do you have any comments?

MR. STEWART: Nothing that I feel urged about at the moment.

CHAIRMAN SPROUL: Dr. James?

DR. JAMES: An idea was running through my head to remember a statement that Henry ^{Strakosch*} ~~Pracek~~ once made,

* For identification, see Appendix.

that the important thing about the gold standard was who conducted the orchestra. It seems to me again you get three periods with different emphasis. First period, the drafting of the legislation and the activities up to 1914, with the activities of a new kind of central banking unit in a world where somebody else was conducting the orchestra and you could believe in real bills and automaticity, and so on.

The second period was the period of uncertainty as to who was the conductor, and perhaps alternating conductors, perhaps collaboration, where a whole series of other factors come in to focus and you begin to think about monetary policy.

The third and final period is the one in which the Federal Reserve System itself, working with the Treasury, or competing with Treasury and stock market occasionally, is the conductor.

So that the first really is the period in which the climate of opinion is classical 19th century theory. The second is experimental. The third is the hammering out of new theory, with all that that implies. The things that you bring into focus in each period will be slightly different because the whole scope is different.

CHAIRMAN SPROUL: In that third period, you have us conducting the orchestra, so far as international monetary policy is concerned. New international institutions have come into the picture, as well as the Treasury in a more active way. So we are not actually conducting the orchestra without assistance or competition.

DR. JAMES: No. As I saw on the football field here yesterday afternoon, the band conductor does his best to conduct with five small boys jumping around.

CHAIRMAN SPROUL: Win, have you any comments on this question?

MR. REIFLER: No, I haven't.

CHAIRMAN SPROUL: Randy?

MR. BURGESS: As to what Dr. James has brought out and what Karl has said about the pressures, I think in each one of these periods the pressures, political and otherwise, that are brought to bear are enormously important. We have lived in the shadow of the 1933 depression, in terms of political pressures, for a long time now. The account of those pressures is a major explanation of the way the system behaves, and the event that's gone before, the major event most recently, constitutes the root of many of the pressures.

DR. JAMES: I think too as an addendum to that, I dislike the idea of thinking of some parts of this as appropriate to a political scientist and some to an economist, because if this project is really successful it again gets back to a reintegrated political economy, which is one of the things that is fundamental.

CHAIRMAN SPROUL: Don't

MR. WOODWARD: I was hunting for a way to say it. I think I would like to underscore the integrated political economy. That is the phrase.

MR. STEWART: There is one statement which I don't know whether it falls in here or not, but those of us who have been with central banks are likely to normalize the experience and omit the periods of war. This was born into a war period, has been through three of them, and if you take business cycles or if you take the use of instruments for control, the time divides more or less equally between when you were free and when you weren't free.

Just how one deals with the war finance as an aspect, I don't think it does integrate by periods very much. The mind is inclined to skip it, anyway, but if so, then it ought to be drawn together as to how a central bank behaves or can be expected to behave in wartime.

CHAIRMAN SPROUL: And I think there is also running through all of these approaches how the system adapted itself to changing conditions in terms of its internal organization and functioning, which may have changed so that you could see it, or it may have changed so imperceptibly you couldn't see it.

MR. BOPP: And the adjustment, in a sense, of principles to events. One has principles which he is following, but take an experience which is perhaps more recent. If you have an announcement of a Treasury issue and the securities are actually issued, then the maintenance of a market until it is issued is again one of the types of pressures.

MR. BURGESS: We have a phrase for that, Karl. When we do some things that we don't like to do, we say, "At this point we will rise above our principles." (Laughter)

MR. BOPP: I think it might be well if we had Miss Adams to give us her views.

MISS ADAMS: I think there is some worry on the part of our three experts about the business of the size of the documentation, the size of the material that there is to be covered. If one really goes through this thing from the beginning, even assuming that your writer,

who is still a question mark, has had considerable experience in this field and knows the background thoroughly, if he starts in to re-examine it and starts in to go through this material, he is going to have a terrific job. He is going to have the kind of job that means a continual piling up of revaluations to be faced.

That thing is what was back of the suggestion that no one man could handle the whole thing. You get in all the policies, you get in all the events, you get in all the causes of the events, you get in all the people. You've got a considerable mass there.

Yesterday there was a great deal of reaching for a kind of definition which didn't blot out, or didn't discard anything, but made it possible to bring it in and set it in proportion. That looms as one of the major problems.

It is possible that if we find this genius, all these worries about the size of the thing will disappear, but we had yesterday three men working on it and we would be content with any one of them as this genius, and all three of them kept on being scared at handling the amount of the material.

I have felt today that there was too much of

a danger that the committee would dismiss that problem too easily. That is what has been in the back of my mind as I listened to today's discussion, that this still looms as a Mount Everest of material.

MR. REIFLER: Can the committee do anything about that? It seems to me we have to rely on the selectivity of the people that do this, and it seems that having this dual approach, subject approach and approach by chronology, that it is our faith that one or the other does uncover what is relevant for preservation. But I don't see how a committee can draw the lines of screening on this.

MISS ADAMS: Would this help the discussion at this moment? We had said yesterday, don't let's get thinking about people because that always arouses a lot of reactions that we thought would be better for six weeks from now. But I am not sure at this moment but what it might help if you threw the discussion open to possible people, because then that clarifies the kind of mind that you are going to bring to bear on the thing, and perhaps makes the difficulties and the possibilities sharper.

CHAIRMAN SPROUL: I think we have approached it from the ideal, and perhaps it would be better before we

conclude our discussion to decide on a means of going about finding that person or persons from whom a choice might be made, and organize a search for that person. But I doubt if we could throw out ideas at this stage which would help us to clarify our discussion.

I think Win Riefler suggests something with respect to this topic, what aspects should be covered in all periods. We could lay out some general lines of approach, but the man who is going to do this job, if he is the man we want working with the material, will finally decide what the approach is to be, the essential things and the significant things to be covered.

MR. BURGESS: There is perhaps one question that Miss Adams' discussion raises. You can't put all your documentation in the document itself. We have probably got to visualize an appendix volume, or volumes of source material. Some of this will weave into the text, some of the supporting data, but there will be other documents that are too big to do that with, or that don't fit in quite naturally and yet are too important to pass over and leave just as letters or other unavailable documents.

So that we have really got to visualize an

appendix.

CHAIRMAN SPROUL: They have here annotated bibliography and selected unpublished documents, of which a list would be published.

MR. BOPP: I assume that would go on in any event, am I correct?

CHAIRMAN SPROUL: Yes.

DR. JAMES: I think one of the things you should remember is that out of any documentation as vast as this, a tremendous amount of it will be unimportant to the final history, and another very large chunk will be duplication.

MR. BURGESS: And that problem of selection, pulling out one paragraph that is important, is a terrifically time consuming job. That could be done by assistants.

MR. BOPP: It requires a very high quality assistant.

CHAIRMAN SPROUL: He has to be an alter ego.

MR. BURGESS: I did it with the little volume of interpretations of the writings and speeches of Strong. Of course, that was culled out of something three times that size, going through Congressional hearings, crossing out, deciding what to keep, and so on. I didn't find any-

body I could trust to do it, but one should.

DR. JAMES: You have to distinguish the asking of questions and the finding of answers. If the person who is writing the thing asks the right questions of his assistant, they can then quite often dig through a lot of material and find things that bear on that.

MR. WOODWARD: The other part of this problem is getting into the record the things that are in people's minds, such as the chairman's and Randy's and Walter's, that are not now in writing. It seems to me in some respects that is even more urgent than the other problem of handling what is already in writing. This certainly should not escape, and it certainly will add a great deal to the history of the system if we can do it.

I think some of the discussions here today have demonstrated that point.

MR. STEWART: I think there would be an economy of time and a gain in result if someone undertook to prepare a questionnaire, which would not be inclusive but so a person had notice. I am quite willing to talk about these things, I enjoy it, but I think there is something to be said for casting a common form for those of us who have lived through the same things and at the same time.

The issues would be quite sharp. You might have several views and you might get some balance of opinion.

MR. WOODWARD: That would be very interesting. I wonder if that is something that our committee could consider tomorrow and before the next meeting, as to how to do that. Mr

MR. STEWART: A guide to interviews, or whatever it is.

MR. WOODWARD: If that isn't expanding their job too much.

MR. BURGESS: It seems to me that is going to be tough, because a lot of us are ready to remember a thing for conversational purposes, but to write it out is a different thing.

MR. STEWART: No, you are interviewed but you are given notice that this is the area of the interview.

MR. BURGESS: But even so I was thinking for example it was either the spring of 1923 or 1924 when Ben Strong came back from England, when he had an officers' council meeting and told us his philosophy about easy money, keeping money easy, so that the British could make their recovery and get back on gold, and we ought to let our prices rise a little bit, it would make it easier for

everybody, so we should follow an easy money policy. Norman and the British economists had got at him. I suppose that was the spring of 1924. But that preceded the move to mark up securities that summer.

That is easy to tell this way, but to be sure you've got it right --

MR. BOPP: And there is an added problem. It may be that a single questionnaire doesn't do it. I am thinking of, for example, Daiger*, who wrote an article in Current History on "Did the Federal Reserve Play Politics," which was the story of a difference of opinion between the board and Federal Reserve Bank of Chicago.

I can see a questionnaire designed for that episode in which one, on the basis of memories and other things, could reconstruct it with a fair degree of accuracy. But that is on the basis of a questionnaire for a key episode.

I am wondering -- I don't know who is going to do it, and since you said the committee might consider making out these questionnaires -- whether it wouldn't bear further development to see if there are key episodes in which a person could design interviews and then ascertain in advance who are the persons to be interviewed

* For identification, see Appendix.

on these things. It would be a job but it might be very fruitful.

DR. CHANDLER: This fits in with some of the experience we have had with Miss Adams, where she has been trying to find guidance in what material she should get, in what form. Some of us were not too helpful to her because we didn't know what questions to ask, what subjects should be covered. So Miss Adams would be working blindly to a considerable extent until somebody could tell her what the major things would be.

I think in a sense also this devising of questionnaires, which is probably a good idea, would have to await somewhat a formulation of the important questions. Of course, the other thing is, Walter, I find every time I talk to you I don't know the right questions to ask.

MISS ADAMS: That's funny, but it is the key thing. You all laugh, but that is the key thing. It is what questions to ask that will bring the thing out you are groping for, and groping is a large factor in this whole process at the time.

MR. WOODWARD: Perhaps, instead of asking if questionnaires could be formulated, if the committee could ponder this question of how to go about it, it would make

the question much broader.

MR. RIEFLER: Isn't there a place in this for something like this? I remember Matt Daiger came to see me and see other people, asking us some questions, and all of a sudden he came out with this article which you always thought was extremely well done, putting the elements and the process together. I later asked him where he got it. He got some from the Board.

But picking up this noon's conversation, Randy was talking about the episode of trying to save the Bank of the United States. I always thought that that was one of the key episodes of the Federal Reserve System. I was saying to Mildred after lunch that Livingstone could take that episode, if we go after it, and write a memorandum on the failure of the Bank of the United States. It is a very small commission but a reporter type, with his background, could turn out a good manuscript.

MR. WOODWARD: That would certainly help to broaden the possibilities for personnel to take up some of these episodes, if one could take a very explicit one.

(At this point Mr. Willits left the meeting room.)

CHAIRMAN SPROUL: I think it is clear, Miss

Adams can perhaps best testify, that the interview has to grope for the questions as well as the answers, and that they develop themselves to a considerable extent during the course of the interview.

But I think, as I visualize your suggestion, Walter, that maybe we could cut out sending a prospectus to the interviewee but have a general idea sent to the interviewees suggesting to them a line of questioning which could then be worked up with things that came up in the course of conversation.

MR. BURGESS: That would be an interesting question to ask with the material that you have. About the steps in the failure of the Bank of the United States, which began about October, 1830, and went through December, it would be interesting to see what the records show on that, whether there are memoranda. There must have been some.

MR. STEWART: You could hardly ask a broader question than the first one: what do you regard as key episodes, from a variety of people. You are bound to get a different collection.

MR. WOODWARD: That would be interesting, just what the participants thought.

MISS ADAMS: If you went a round this table, you would get a different step from each one.

MR. BURGESS: That's a very good one.

CHAIRMAN SPROUL: And that would suggest perhaps some work by the man who is doing the general study, with the help of his committee, to select out of that variegated list the key episodes which would fit in best with the whole project, and which should be pursued and parceled out, and if there are enough people who agreed on the Bank of the United States failure, and the man to do it, that would be parceled out as a job to him.

I don't think we can ask this group to make up a complete questionnaire for the use of interviewers, but I think, as Don Woodward has suggested, you might consider this general problem of how this whole important job of interviewing people with recollections might best be undertaken, with Miss Adams' help. She has done so much of it already.

What did you have in mind on what aspects are limited as to time?

MR. BOPP: In a sense, those would be episodes, some things which were very important at one time and then ceased to be important. There are some things that go

throughout, as the terms and conditions under which credit is made available. There are others. In other words, simply to make sure that these would be covered in a comprehensive history.

CHAIRMAN SPROUL: Are you intending to make some suggestions as to those that carry through the whole history and those that are of temporary significance?

MR. BOPP: If the members here have any particular suggestions to make, we would like to hear them.

CHAIRMAN SPROUL: Do the members here think that is a fruitful approach, and if so, whether they have any other suggestions?

MR. STEWART: I've got a test which seems to me reasonable to apply. Is there anything you can learn from it? What can you learn from it? Congressional hearings, I don't call that a key episode and it is not continuous, but there is something to be learned from the theories within the lifetime of the Federal Reserve, the series of Congressional hearings that have been held. And I wouldn't be surprised if we studied the debating of them, the timing of them, the personalities, that it would make not a very difficult and a rather interesting thing. Looking into the future, a person says, this is what

happens; every so often a hearing.

I rather think any event or episode, continuing or separate, from which one could say that something should have been learned out of that, could be included. What was it that was learned? That would be my test of it. It would have some bearing on the future.

MR. BURGESS: It would be perfectly clear, for example, that the agricultural inquiry hearings in the summer of 1921, to which Benjamin Strong went week after week and laid on the table his whole view of the Federal Reserve System, made an enormous impact on his mind with respect to agriculture. It gave him sympathy and it got him acquainted with Anderson, Sydney Anderson,* with O'Neal* of the Farm Bureau Federation, and some others, a connection that he kept up when they came to see him. I think that conditioned his mind toward the easy money policies of 1924 and 1927, where he got another impact from the foreign need for an easy money policy here.

Of course equally the 1950 Douglas committee hearing certainly made possible the accord. I don't think it would have been possible without that. Those are two examples.

Those hearings make much more of an impact

* For identification, see Appendix.

on administrators because they are called to account for their stewardship, much more of an impact than you would think from the economic observer view.

MR. BOPP: The concept that the system is responsible to the Congress has real content.

MR. WOODWARD: This is a monograph of some importance.

MR. STEWART: I have got them listed under the monographs further back. It would make an interesting one.

MR. BOPP: The inter-relation also, that if the system recommends legislation and can give a convincing story, it has a fair chance of getting it. And in a sense it is creating administrative law. It runs in both directions.

MR. STEWART: I would like to see a person undertake a session which tries to tell Representative Patman's^{*} theory of money. We must not think that he doesn't have one. It has occurred in the history of this country a number of times and should be treated as a theory of money, and some conclusions drawn from it.

CHAIRMAN SPROUL: Some morals drawn from it.

MR. STEWART: Yes. But it is going to come

* For identification, see Appendix.

up again. He will be dead and gone and it will come back.

DR. CHANDLER: Probably the representative would be amazed to see that there really was order in his thinking.

CHAIRMAN SPROUL: Perhaps we have gotten a little away from what aspects should be covered in all periods and what aspects are limited as to time, with this more general question that Walter Stewart has suggested as to a test for an aspect, whether you have learned something from the situation, or the series of situations, which contributes to an understanding of the whole development of the system and its environment.

MR. BURGESS: You've got that monograph of the Federal Reserve and the Congress.

DR. CHANDLER: In a way this will probably be handled somewhat in the constitutional history, but there might be a case for a separate monograph on that.

MR. STEWART: The A of that coverage would be what would come into the comprehensive history?

MR. BOPP: Yes. In a sense, those are the themes that run through it, with all the varying answers that are given to the basic question of what are the terms and conditions under which credit is made available.

DR. JAMES: Don't the things under B also have to come in? It seems to me that anything that was significant in influencing the operation of the Federal Reserve System, even if it only operated for a year, needs to be in in that period. I think for instance of the gold pool in 1914, which is a very significant thing, although it had no real influence after about the beginning of 1915.

MR. BOPP: Quite right.

DR. CHANDLER: I think perhaps the history of this Roman Numeral III will help clarify the questions. This was drawn up at a time when we suspected there might be several writers dealing with different periods. Therefore the question of getting integration, continuity and consistency of approach became a very important one. So we said, what are some of those key questions that ought to be asked, first as to every period and secondly as to a particular period.

For example, your gold fund matter could perhaps be limited to this pre-Federal Reserve history.

MR. BOPP: And you have certain things that were important in their whole evolution, which might have a significant period of quiescent, and unless someone had

his attention specifically called to the fact, let's see what developed there, it would be omitted.

CHAIRMAN SPROUL: In a sense, then, you want to and have to now review your thinking of coverage in terms of the discussion this morning.

MR. BOPP: Yes.

CHAIRMAN SPROUL: It was on the basis of a somewhat different approach that you raised these questions.

DR. CHANDLER: Although I think the questions are still relevant even if you have a single writer.

CHAIRMAN SPROUL: But you would be thinking of them with that approach in mind.

DR. JAMES: It occurs to me, Mr. Sproul, that something has come out in these last ten minutes that might be extraordinarily helpful. The question asked by Stewart a few moments ago: what are the key incidents in any particular period? I wonder if a logical and useful approach might not be to try and get those key incidents and make up a skeleton of the thing that we are talking about, history of the Federal Reserve System, not that it would bind whoever was going to take it on but it would give us some sort of idea of what goes into the comprehensive history, how it divides, and where we

would need supplementary monographs.

CHAIRMAN SPROUL: This would be an aide memoir for the man who was doing the job, not an outline for him to follow.

DR. JAMES: No, just to help us crystallize our thinking.

DR. CHANDLER: I am not sure, Dr. James, just where this leads. Perhaps I can point up my question by indicating how Bob Warren thought this whole thing might go ahead. Perhaps instead of having a comprehensive history you simply take a few key decisions; the action of 1919 was one of the key decisions, I believe, that he wanted to highlight. I think the policy during late 1920 and 1921 was another key decision. I don't know what the others were. But he thought it wouldn't be necessary to go into all the minute detail about the non-crisis periods.

I gathered you are not leading to this organization of the study?

DR. JAMES: No. To take your singular example, if we agreed that the incidents of 1919 and 1921 are two of the key incidents, they of course need ample description. But how do you lead from 1919 to 1921, and what is the change in the climate of opinion and the economic periphery

of the things that your historian has to fill in?

I am not thinking of an episodic history, but if you have knocked off the signposts, roughly, then you know the things that are to be covered in the history. Also you have framed a question as to how you get from one to the other, which the ultimate historian has to deal with in terms of emphasis.

MR. BOPP: This suggests too that the ultimate historian would feel free to have persons of high quality work in something of this kind and write for him a particular episode, or whatever it may be, to be sure that he would rework it.

DR. JAMES: Also it bears on your monograph, because if certain things are so significant that a very substantial part of the comprehensive history is going to deal with them, you don't want a separate monograph on that thing. One would kill the other.

CHAIRMAN SPROUL: As you say, there are episodes, but there is also a continuous flow which has to carry forward in this complete history, which binds together and gives some of the meaning to the episodes.

MR. BOPP: The episode grew out of something.

CHAIRMAN SPROUL: And it resulted in something.

Is there anything more you would like to discuss on Roman Numeral III?

MR. BOPP: Elmer, do you have anything to say?

DR. WOOD: No, I believe not.

MR. BOPP: I guess not, Dr. Sproul.

CHAIRMAN SPROUL: Miss Adams said, and Mr. Woodward reminded me, and we have just referred to the ultimate historian, that we do have this question of how we are going to go about finding the man, first the man and after him the men, for these jobs we have been talking about.

Up to now what we have done is thought up some names among ourselves and made some inquiries about them, and perhaps some approaches, but it has been fragmentary and disorganized.

Is there an organized approach to this job that you men who are more familiar with these things than I am can suggest that would assure us that we were covering the whole field of finding out who the men are whom we would like to consider, then finding out their interests, and the best method of approaching them with the best kind of bait to attract them to the job.

Can we use the British system and advertise

for them, or use the American system of stealing them from our friends?

MR. BURGESS: With or without advance notification.

(Continued on page 107)

CHAIRMAN SPROUL: Is there an organized method of approach to that problem, or must it be inspiration? If someone says who should write this history, my mind goes blank. I can't think of the man who should write this history. But I think perhaps if all of the possible men were brought together by suggestions from this committee, and then we had two or three of our members work on it actively and bring it to the full committee, we might get together most of the possible names and then decide on the method of attack.

MR. WOODWARD: I have some feeling that we have pursued the inspirational method probably as far as it can go. That has been worked.

DR. CHANDLER: Inspiration plus perspiration.

CHAIRMAN SPROUL: Perhaps they pursued it without having taken this first step of knowing quite what we were asking people to consider, and what we had in mind, and without having dressed up our lure sufficiently to get them interested.

MR. STEWART: One of the troubles is that inspiration leads to almost anywhere. The United States Treasury, the Federal Reserve Board, and one of the banks, that is where the talent is assembled.

DR. JAMES: I wonder whether that is true. I am not saying there is no talent there. I mean do we need that sort of talent? I think there are two first requirements for this. After all, whoever takes it on is going to have to stick at it for a good many years.

The first requirement is a very considerable enthusiasm, and therefore I am doubtful if it is a question of baits and lures, because if anybody takes this on that doesn't really want to do it wholeheartedly, it will be a very, very slow job.

Then secondly, I think perhaps we need a man with more historical experience in writing. We have rather played down that. We have talked about monetary theory, which is obviously essential, familiarity with banking practice, and so on. But the whole technique of writing history and using historical documents is one that most of us as economists don't come in contact with.

I wonder if we have properly explored the field of people that are used to this sort of thing and have a good deal of enthusiasm. Of course, you are up against the basic question, if you take somebody who has already done several outstanding things, that his youthful enthusiasm is apt to have diminished. If you pick

somebody that hasn't, you are taking a considerable gamble.

CHAIRMAN SPROUL: How did you go about this problem of the Mackenzie King biography?

DR. JAMES: I am not sure that we have gone about it in the right way. Speaking within these walls, I am not sure we have the best people. I think we have got perfectly competent people. We did it by inspiration and knowledge, and I regret to say, partly on the basis of finding somebody who was within shooting distance of retirement so that he could give up everything else and settle down. Quite frankly, I think that he was a little too close to retirement, intellectually.

MISS ADAMS: May I ask a question? Supposing that you chose -- I name these names only because we all know them -- Allen Nevins or a Samuel Morrison, or one or two other top-flight historians that you could think of, would you think that men such as they, who have had no specialized training in monetary theory or in economic theory, could handle this subject?

I think that really is a basic thing on which we need the decision of this committee.

DR. JAMES: I would say emphatically no, but if you chose a Lipson* or a Clapham*, yes. In other words,

* For identification, see Appendix.

it must be history plus economics, but unless you have profound economic experience I think it would be impossible.

MR. BOPP: Is the inference of that that Sir John's History of the Bank of England would be the kind of thing you would envision as comprehensive history?

DR. JAMES: I think it is a lamentable failure. Let's remember that Clapham was taken on to write an official history, which was taken on when he was well over 70. I think those were examples that we might avoid.

CHAIRMAN SPROUL: We avoid at the beginning an official history.

DR. JAMES: As a matter of fact, I don't know a good central banking history.

MR. BURGESS: No; most of the central banking history, in some ways, is Gregory's* little red volume of quotes from hearings.

DR. JAMES: But evidently for a very limited audience, because you have to know a lot about what he is talking about. As a matter of fact, I would say one of the best is Richard Hyde's^{*} Life of John Law.^{*} Law's bank wasn't a central bank but it was trying to do the same

* For identification, see Appendix.

thing in embryo, and there you do have an admirable delineation of the pressures we have been talking about, and the impact on the community, and the secondary impact of the community back on the bank.

MR. BURGESS: Of course, there aren't many economic historians, are there?

DR. JAMES: No.

MR. BURGESS: That know both techniques. They do one or the other.

MR. RIEFLER: Jackson* is an illustration of how a historian can go wrong. "The Age of Jackson"* shows how the historian can go wrong.

DR. CHANDLER: I can't think of anything that more assiduously develops the wrong themes.

CHAIRMAN SPROUL: We say here, gentlemen, there are few men that have these two facets. Is there some way other than throwing out names at a meeting such as this that we can go over the whole field of men who might be considered for this, and see if we make some selections?

MR. RIEFLER: You are thinking of an organized approach?

CHAIRMAN SPROUL: Yes.

DR. CHANDLER: It does seem to me, Mr. Sproul, that whatever form of organization you set up would have to have some sort of preconceptions as to what would be your first choice as to type of person. For example, if it were decided that this man must be pretty expert in financial affairs, then perhaps your organization should be set up to utilize the people who really know the people in that field.

On the other hand, if you thought that some economic historian who was not an expert in the finance field might do it, then perhaps the organization should be broader and should be aimed more at utilizing the knowledge of personnel, of people in that line.

MR. RIEFLER: I think the discussion today has lifted the topical approach to the same level of importance as the chronological history approach, and depending on this double approach to pull the essence out of the materials. Certainly on the topical approach we are going to look for people who thoroughly understand the topic. I would think that on the other one I would be inclined to go along with Cyril. We ought to start with a trained historian, try to find him in the trained historian with a grasp of finance.

CHAIRMAN SPROUL: A trained historian but with a grasp of finance?

MR. RIEFLER: Oh, thoroughly, because on the topical we are planning on just the other approach. There we are going to get the trained specialist, the expert.

CHAIRMAN SPROUL: Walter, you are an economic historian. What do you think of this?

MR. STEWART: I am puzzled, I must say. Historians I have talked with, even if they are economic historians, whether they can get deep enough into the marrow of their bones what the nature of this institution is, I just don't know. They don't in the ordinary run of economic history deal with monetary institutions in this form.

Sprague* was a historian before he was an economist. Old Dunbar* was a newspaper writer before he was a professor. White* was a newspaperman. Among the present people I don't know how to go about it, honestly.

DR. JAMES: I wonder if the simplest thing wouldn't be to look over the recent periodical literature and see who seems to be writing most effectively. There are a lot of people writing on financial historical

* For identification, see Appendix.

subjects.

MR. BOPP: The name kind of flashes --
Hamilton* I have seen some of his work on the bank of
Spain.

DR. JAMES: He has a financial mind and a
great knowledge of financial theory.

MR. STEWART: He does.

DR. JAMES: He also knows how to handle his-
torical data.

MR. BOPP: Vast quantities of it. As I say,
the name just occurs, and I know nothing more about it
except that I have read some of his material.

DR. CHANDLER: I think he would be generally
considered to be one of the very best of the economic his-
torians, just in general, and unquestionably the best
in this country who has concentrated on financial and
monetary matters.

MR. BURGESS: How old is he?

DR. JAMES: I would think about 57.

MR. BURGESS: Where is he?

DR. JAMES: Duke.

MR. BOPP: No, he is in Northwestern, Chicago,
now.

* For identification, see Appendix.

MR. STEWART: And has an especial interest in your friend Mr. Law.

DR. JAMES: Yes.

MR. BURGESS: Did he do something on Mr. Law? That is a very good preparation.

MR. STEWART: And has a lightness of touch. There is some imagination in him. I think he would get it up off the ground.

MR. BURGESS: That sounds more hopeful than any noise I have heard yet.

MR. STEWART: I think he is the kind of person who would learn the kind of technical thing that he needs to learn. This would be an interest in finance rather than a knowledge of it.

MR. BURGESS: You know him, Walter? You have read his things?

MR. STEWART: I know him pretty well. He has been active with the Economic History Committee. He writes well.

CHAIRMAN SPROUL: You got this flash through having read some of his papers?

MR. BOPP: Yes.

CHAIRMAN SPROUL: I suggest that Dr. James'

suggestion of looking through the literature and finding who seems to have this flair has some advantages.

MR. STEWART: I have tried reading the literature, I honestly have, and with great hope at the time I began.

MR. BURGESS: Shephard Clough*

MR. STEWART: There may be those who feel that he hasn't grounded sufficiently, but I think that among the run of economic historians he also has points to him.

MR. BURGESS: He wrote the history of the Mutual Life, which was a pretty good job.

MR. STEWART: Yes, he is a little more the promoter type.

DR. JAMES: He is not nearly as well grounded.

MR. STEWART: No, not nearly as well. I am a little doubtful as to whether he has editorial capacity, as this plan suggests, as Hamilton would have.

MR. BURGESS: Does anybody know Tom Cochran? He is a very decent fellow with a good deal of ability. I don't know whether he has the quality to do this or not.

MR. WOODWARD: Clough, I may say, had no acquaintance with life insurance at all when he was com-

* For identification, see Appendix.

missioned to do this job. I was responsible for getting him to do it, after some search. He came in, and within I thought a surprisingly short period of time, had a fairly considerable mastery of the subject. He did show a capacity to enlarge on something that he started on with little familiarity.

DR. JAMES: I come back to Miss Adams' point. While a well qualified man, I mean men with a general approach, could easily write a history of this, unless he starts with an inquiring mind well grounded in financial and monetary theory, he is not going to ask questions that open up great new territory, or to draw the effect and morals that we have been talking about.

DR. CHANDLER: I have known Clough for some period and have a high respect for his intelligence, but I thought I detected there some sense of impatience and some lack of desire to do the kind of basic digging job that would be required here. It seems to me that he would be at his best on a more limited project, or on one where you could draw the maximum of interpretation from I won't say a minimum of digging but an attempt to minimize the digging relative to the final output, frankly.

MR. WOODWARD: I think that is fair, having worked with him for some period of time. I think that is a fair statement.

MR. STEWART: Certainly compared with the economist who has no training in the handling of documents would would simply be snowed under by this job there is a great deal to be said for the historian. In either case you've got a deficiency. The historian doesn't know the technical facts about money and banking.

MR. WOODWARD: I have pondered several times in the discussion whether that could be cured by a team. If one had one of each I could imagine a collaborative project, then one could have a possibility of curing the deficiency.

DR. CHANDLER: There is another type of person who might conceivably do this type of thing, who would meet some of Walter's requirements of experience in dealing with basic documents, and that is the kind of an economist who has been more interested in institutional and historical development, such as the economist who makes industry studies.

DR. JAMES: You mean people like Gras?*

DR. CHANDLER: Yes. Edward Mason would be an *

* For identification, see Appendix.

excellent example of a man who is able to handle lots of basic materials and still generalize and still get a sense of history and of social perspective out of it.

I can't name any particular person who I think would be excellent for this, but this kind of person would be likely to know more about the financial processes involved than would most of the economic historians.

DR. JAMES: The best of his that I have read are descriptive but not very deeply probing. I think the significant thing about this is somebody who asks the right questions, as Miss Adams said. That really is the beginning of wisdom in this sort of a study.

I wonder if it wouldn't be a good idea to ask Hamilton. I don't know whether Hamilton would take it on. He's got a terrific amount of unplowed stuff on his study of the sixteenth century monetary policy, and I suspect that he might want to continue there. But I wonder if it wouldn't be a good idea to have Don write to him and ask his advice about what people there are. At least he has a very critical mind and knows the situation. We might get some other suggestions from him, and it doesn't prevent us later from going back and asking if he would do it himself.

MR. WOODWARD: I would be glad to. I don't know him. Walter, you do. Perhaps you and I might talk about it, if that would be your pleasure, Mr. Chairman.

MR. STEWART: Where are the American History people meeting this year?

DR. JAMES: Detroit.

MR. STEWART: Talking face to face is always better.

MR. BURGESS: There ought to be some choice morsel here that he would be interested in.

CHAIRMAN SPROUL: I have some reservation in approaching a possible man we would like for the job as an adviser, as to who else we can get for the job. We have done some of that already and that always puts us in the position of being told of some other people who might do the job, and making up reasons why they can't do it or won't do it.

MR. STEWART: You know the wonderful answer that F.D.R. gave to Julian Boyd when F.D.R. wanted him for the archives library. He brought him a list of four men, each of whom could do the job better than Boyd could. F.D.R. said, "Very interesting; show them to President Dodds."

I think it would take a real dislocation to get Hamilton. I am rather inclined to agree with Allen that if one makes up one's mind, one had better make the direct approach. I think we would be at a sound place then. He would disavow any knowledge of modern finance or modern history, and I think he will say no to start with. And it means also giving up his chosen field. But I am not sure he might not be persuaded.

DR. JAMES: This is a more interesting field as far as getting an audience goes, and there are more facts available too.

MR. STEWART: That sometimes is a disadvantage.

CHAIRMAN SPROUL: If we think we are in a position to say that Hamilton in our opinion could do this job, I would be for going after Hamilton. If we don't think we are in that position yet, then how do we go about getting some other names to be considered, compared with Hamilton, and a choice made?

MISS ADAMS: This is only a bright young historian who has now chosen himself a job. I was thinking of McGeorge Bundy* who did such a good job on Stimson. I don't know anything about his economic background. I

* For identification, see Appendix.

would assume he probably didn't have very much. But that is a young and energetic person. We'd have to pry him out of Harvard, and I don't know that he could do it, but ^{he} it is a person who can write, who has judgment, and who can do interpretive things, who understands, who goes further than just a straight relation of a string of beads.

MR. BURGESS: He has been made dean of faculty, hasn't he?

MISS ADAMS: Dean of men; something of that sort.

DR. JAMES: I would rather take a few weeks to look back over the literature of the past four or five years and see what names emerge from it. I don't think of one at the moment. These two didn't come up until we started probing back.

MR. WOODWARD: If you would be willing to do that, I think the committee would benefit greatly.

DR. JAMES: I'll do my best. I would be glad if somebody else would do it too because two minds are better than one.

MISS ADAMS: We have compiled in the office a surprisingly large file of people who have been suggest-

ed at various times and by various individuals. None of them has clicked as the person that we wanted to recommend without any doubt. Either they didn't have sufficient economic knowledge or they didn't have any historical training, or they were ~~XXXXXXXXXXXXXXXXXXXX~~ dull as ditch water. As we know, those things come in. We have a great deal of material which may not have been sufficiently plumbed.

MR. BURGESS: Allen, I think we might throw on the table a name you and I suggest, and see what the people know about him. That is Brooke Willis, who did the Federal Reserve job for the New York Clearing House, and did it extremely well.

He teaches at Columbia. I don't know what historical experience he has had. He would have, I think, a deep interest because of the fact that his father was the Parker Willis who was one of the --

MR. STEWART: He worked down at the Federal Reserve for a time, didn't he?

MR. BURGESS: No, that's his brother.

MR. RIEFLER: He worked for me in London. He is a first class researcher. He does clean work. In terms of hard work and working relationships and clean work he is tops.

MR. BURGESS: He displayed the qualities of a saint in doing this report because he worked for a committee of clearing house banks and tried to satisfy them and yet turn out a job that was pretty good. And I think that was a good, readable job.

I talked about him with Allen Temple, who worked with him as much as anybody did, and he thought very highly of him. The question I don't know the answer to is whether he has done historical work. Do you happen to know, Cyril?

DR. JAMES: No, I don't know.

CHAIRMAN SPROUL: As I said to you, I have thought of him not as the man for this ultimate job but as a man who might come in and work with Miss Adams if and when she feels she must lay down the burden; that he could pick it up.

MISS ADAMS: I wish he would get his father's papers in order.

CHAIRMAN SPROUL: That is his brother, another brother, Boston Reserve Bank Willis.

MR. BURGESS: His brother works for you?

CHAIRMAN SPROUL: Arthur works for us. Young Parker works for the Boston bank, and Brooke is at

Columbia and at Chase.

In the past we have asked the members of the committee to think about this but sort of casually and if you have time. We have suggested that we might have Dr. James look into it, but why not the other members of the committee too, and not only maybe and if they think about it but within the next month to do some canvassing of the field to the extent that they can, and any way they can, and to make some further suggestions.

MR. WOODWARD: Do you apply that to both committees that are in this room?

CHAIRMAN SPROUL: Yes.

MR. BOPP: By inspiration we have made a little contribution.

CHAIRMAN SPROUL: That is something you could think about as well as the general outlines of the study.

DR. JAMES: Jacob Viner*.

CHAIRMAN SPROUL: I think as Dr. James said in discussing what they did in Canada, we are probably going to have to take a gamble to some extent. We want to gamble as little with other people's money as possible, but I think we are going to have to gamble to some extent between the established reputation and approaching re-

tirement and early enthusiasm, and our guess or our estimate as to what a younger, more active man can do. That will be something of a gamble in trying to find this combination of historian and economist.

MR. STEWART: Young Fetter*doesn't have an imagination for it, does he?

DR. CHANDLER: I know him, Walter, but I don't know his work well enough. I certainly would not rule him out.

MR. STEWART: He has written in the field.

DR. WOOD: Frank is in England this year. He is working on that material. I had a letter from him not long ago and he said he hoped something would come out of it in the way of a history of the banking controversy.

MR. BURGESS: Which controversy?

DR. WOOD: I think he is referring to the period around the thirties and forties.

MR. BOPP: I think he just brought out an edition of some report, Irish report.

MR. STEWART: We are getting along with inspiration.

MR. WOODWARD: I have raised the question

* For identification, see Appendix.

of the possibility of getting Galantiere*, who can write, and perhaps he can team up with someone who is perhaps in the System. The quality of the writing there would, of course, be splendid, and there is more than a little understanding of the System.

I think perhaps with this possibility of availability, in as much as he is free lancing at the present time, it would not be a question of dislodgement.

MR. STEWART: He would do an absolutely exquisite job on these group biographies. He would have real depth of understanding and great power to write. And I agree that he lived in the System, and while he was not always a part of it in the sense of complete identification, back of that he also knew something about Congress.

CHAIRMAN SPROUL: I think that the danger would be that he would do an exquisite piece of writing which would lead us and the public astray by its brilliance.

MR. WOODWARD: I think there would be that risk. As a matter of fact, if he were teamed with Wood-lief Thomas,^{*} for example, then I think that risk would be at least minimized and the good writing might be pre-

* For identification, see Appendix.

served. I would think some such teaming operation would be desirable.

MR. STEWART: I don't know that I want to ask Woody at the moment, but I would like to get a consideration from Woody as to his availability, whether or not there is any chance that he could be drawn into this and whether or not he is the man. He has, after all, lived with this a long time, and I don't know whether he would be available.

MR. BURGESS: I talked to Bill Martin about it. He, of course, qualifies on his scholarship without question. He doubts whether on writing he would produce something that was readable and interesting. Of course, he isn't readily available. I don't think Woody has been greatly interested in it, do you?

MR. RIEFLER: I haven't heard but I wouldn't think he would be.

MR. WOODWARD: I had the impression that he was, in some conversation I have had with him a couple of times.

MR. BURGESS: I think he would be interested in helping along with it.

MR. RIEFLER: Do you think he would be

interested in doing a piece of writing sustained over five years?

DR. CHANDLER: Would you be bothered by the fact that one of the principal authors of this had been identified as a part of the System for some years?

MR. RIEFLER: Yes.

MR. STEWART: Yes.

MR. BURGESS: He is bound to be frozen into a position.

CHAIRMAN SPROUL: I have a schedule, as I understand it, where you and your associates want to meet again with this committee after a month or so, Karl, for further digestion?

MR. BOPP: That was the thought we had in mind initially. Do you see any reason for changing that, Les? We shall get together tomorrow to try to come up with some revisions here, there and yonder; then spend some time on where that leads us.

MR. BURGESS: I think it has been very helpful to our committee, I must say. I wondered a little what we were going to do all day, but it has been very stimulating.

CHAIRMAN SPROUL: I was thinking in terms of

time and not losing time, that if that is what we are going to do, that then to take that same period to get further suggestions as to men, and when we finally come together with our more or less definite and final ideas as to what the study is to comprise and how it is to be organized, and make our final attempt at selecting a man or men to be approached, we would have lost no time. We will come together at the proper point.

Is that agreeable?

MR. STEWART: Is there any machinery or way in which one could save time in clearing names prior to that, a nearby meeting on names? Are you thinking of the January meeting?

CHAIRMAN SPROUL: Yes.

MR. STEWART: If there is any way of saving time on that, one could get suggestions, turn them over, or circulate them, or confer.

MR. BURGESS: Can't we pool them through Miss Adams and have her send out any reactions?

MISS ADAMS: I'll be glad to do that. I'll be glad to send out suggestions that come in and go through our own file card and see if something comes out that we haven't given sufficient attention to.

MR. BURGESS: Particularly rechecking these names we have had up. Willis hasn't done historical work. Frank Fetter -- anything further about his background. Hamilton -- any opinions we can get.

MR. STEWART: I would almost like to see an executive committee meeting prior to our next meeting of the committee, in which they went over this material and came up with a list, and eliminate, and then say here are three names; we rank them in this fashion. That would enable us to go forward with the full meeting of the committee. You will do as much in two weeks as you will in a month if you get after it.

MR. BURGESS: When you say the executive committee you mean you want us to work?

MR. STEWART: Exactly. Take your responsibilities seriously.

CHAIRMAN SPROUL: What we could do, Don, is get out a letter, after having determined when the Executive Committee can meet, to all of these people asking them to have their suggestions into Miss Adams before the date of that Executive Committee meeting, at which time the Executive Committee would do what it can and come up to the later meeting of the full committee

with whatever comments any member can give.

MR. BURGESS: You will be in Washington?

CHAIRMAN SPROUL: I will be there on the seventh of December, and I don't know when else.

MR. BURGESS: Our time up until the seventh of December can be fairly well occupied.

MR. WOODWARD: Well, the office can attempt to find a time when you and Barber can be in New York.

MR. BURGESS: We can meet that evening.

CHAIRMAN SPROUL: I may go home and lie down.

DR. CHANDLER: May I make the facetious comment here that for the benefit of future historians I hope the Federal Reserve and the Treasury will keep all the first, second and third drafts, as well as the final draft.

CHAIRMAN SPROUL: Is there anything else you want to bring up at this meeting, Don?

MR. WOODWARD: No.

CHAIRMAN SPROUL: Miss Adams?

MISS ADAMS: If we could have a decision on this business of the date for the next meeting.

(Discussion as to date.)

CHAIRMAN SPROUL: Then as far as the full

committee is concerned, it will meet on Saturday, January 8th, and the experts can arrange their time around that.

Do you have anything else, Miss Adams?

MISS ADAMS: No, not unless you want to set a date for the Executive Committee too.

CHAIRMAN SPROUL: Don Woodward is going to explore that with the members of the Executive Committee after they look at their calendar.

Is there anything anyone else wants to bring up while we are here together?

Thank you all for coming. Thanks particularly to this ad hoc committee which we asked without benefit of glory or future remuneration to come in to help us.

We will adjourn.

(Whereupon, at 3:40 P.M. on November 21, 1954, the meeting was adjourned.)

APPENDIX

Outline formulated by Drs. Bopp, Chandler and Wood in all-day meeting at Princeton, November 20, 1954 and presented as the basis for Committee discussion on November 21st (see page 6 of text).

I. GENERAL DESIGN

- A. Comprehensive history
- B. Source material
 - 1. Annotated bibliography
 - 2. Selected unpublished documents
- C. History for the general reader
- D. Monographs
 - 1. Bank Supervision
 - 2. Check Clearing and Collection
 - 3. Fiscal Agency
 - 4. Research and Intelligence
 - 5. Constitutional History
 - 6. Personnel
 - 7. Role in International Finance
 - 8. Benjamin Strong Biography
 - 9. Other?

II. ALTERNATIVE APPROACHES OF THE COMPREHENSIVE HISTORY

- A. Topical
 - How integrate?
- B. Chronological
 - What time periods?

III. COVERAGE

- A. What aspects should be covered in all periods?
- B. What aspects are limited as to time?

IV. ALTERNATIVE ORGANIZATIONS FOR COMPREHENSIVE HISTORY

- A. Single writer
- B. Several writers
 - how achieve integration, continuity, and consistency of approach?

APPENDIX

ABBOTT, Charles Cortez (p. 63): Dean, Graduate School of Business Administration, University of Virginia. Born in Kansas, 1906. Author: THE NEW YORK BOND MARKET, 1920-30 (1937); FINANCING BUSINESS DURING THE TRANSITION (1946); MANAGEMENT OF THE FEDERAL DEBT (1946).

ANDERSON, Sydney (p. 99): Congressman, member 62nd to 68th Congresses from the 1st Minnesota District. Born in Minnesota, 1881. Chairman, Joint Commission of Agricultural Inquiry, U. S. Congress, 1921-22. Died 1948.

BRAUN, Ted W. (p. 62): Public relations expert. With Braun and Company, Inc., 15 West 48th Street, New York City.

BUNDY, McGeorge (p. 121): Dean of Harvard College. Co-author with Henry L. Stimson: ON ACTIVE SERVICE IN PEACE AND WAR (1948).

CLAPHAM, Sir John Harold (p. 109): Born 1873. Author: BANK OF ENGLAND; A HISTORY, 1694 - 1914 (1945); ECONOMIC HISTORY OF MODERN BRITAIN, THE EARLY RAILWAY AGE, 1820 - 1850 (1927); and others.

CLOUGH, Shepard Bancroft (p. 116): Professor of history, Columbia. Born in Indiana, 1901. Member, Division of Economic Studies, U. S. Department of State, 1942-43. Associate editor, Journal of Economic History, 1941-43. Author: A CENTURY OF AMERICAN LIFE INSURANCE (1946); and others.

COCHRAN, Thomas Childs (p. 116): Professor of U. S. history, University of Pennsylvania. Born in Brooklyn, 1902. Director, National Bureau of Economic Research, 1949-52. Editor of New York University Business History Series, 1945-50. Author: HISTORY OF CITY OF GREATER NEW YORK (with others); THE RAILROAD LEADERS, 1845-1890 (1953); and others.

DAIGER, J. Matt (pp. 93, 95): Former journalist. Vice-president of American Homes in Washington D. C., a company which handles prefabricated houses. Wrote 7 periodical articles between 1931 and 1933, which attracted Federal Reserve Board attention. The most quoted was: "Did the Federal Reserve Play Politics?" in Current History of October, 1932. *Special ass't. to Chmn. of Reserve Board (Eccles), 1936.*

DUNBAR, Charles Franklin (p. 113): Professor of political economy, Harvard, 1871-1900. Born in Massachusetts, 1830. Author: CHAPTERS ON THE THEORY AND HISTORY OF BANKING; CURRENCY, FINANCE AND BANKING; and others. Died 1900.

FETTER, Frank Whitson (p. 126): Professor of economics, Northwestern. Born in San Francisco, 1899. Author: FISCAL POLICIES AND THE AMERICAN ECONOMY (with others, 1951).

GALANTIERE, Lewis (p. 127): Writer. With Radio Free Europe. Born in Chicago, 1895. With Federal Reserve Bank of New York, Foreign Department, 1928-39.

GRAS, Norman Scott Brien (p. 118): Retired professor of business history, Harvard. Born in Toronto, 1884. Founder of Business Histories Group at Harvard. Author: AN INTRODUCTION TO ECONOMIC HISTORY (1922); THE MASSACHUSETTS FIRST NATIONAL BANK OF BOSTON, 1734-1934 (1937); ARE YOU WRITING A BUSINESS HISTORY? (1947); and others.

GREGORY, Sir Theodore E. (p. 110): British member of the Currency Committee, Bank of Greece, and sometime Financial Adviser to British Economic Mission to Greece. Born in London, 1890. Professor and lecturer at London School of Economics, University College, University of London, University of Manchester. Author: PRESENT POSITION OF BANKING IN AMERICA; THE PRACTICAL WORKING OF THE FEDERAL RESERVE SYSTEM IN THE U. S.; SELECT STATUTES, DOCUMENTS AND REPORTS RELATING TO BRITISH BANKING, 1832-1928 (1929); and many others.

HAMILTON, Earl Jefferson (p. 114): Professor of economics, University of Chicago. Born in Mississippi, 1899. Research in Spanish, French, Belgian, and Italian archives. Author: THE FIRST FIFTY YEARS OF THE BANK OF SPAIN (1953); and others. Member, Board of Editors, Journal of Economic History. Editor, Journal of Political Economy.

HYDE, Hartford Montgomery (p. 110): Lawyer and author. Born in Belfast, 1907. Author: JOHN LAW; THE HISTORY OF AN HONEST ADVENTURER (1948); and many others.

LIPSON, Ephraim (p. 109): Reader in Economic History in University of Oxford, 1921-31. Born in England, 1888. Editor of Economic History Review from its inception until 1934. Author: PLANNED ECONOMY OR FREE ENTERPRISE; THE LESSONS OF HISTORY (1945); GROWTH OF ENGLISH SOCIETY; A SHORT ECONOMIC HISTORY, (1950); and others.

MASON, Edward Sagendorph (p. 118): Professor of economics and dean of Graduate School of Public Administration, Harvard. Born in Iowa, 1899. Deputy to Assistant Secretary of State in charge of economic affairs, 1945. Economic consultant to State Department, 1946-47. Chief economic adviser at Moscow Conference, 1947.

O'NEAL, Edward Asbury III (p. 99): Former President, American Farm Bureau Federation. Born in Alabama, 1875. Member many Federal commissions concerning agriculture and the economy.

- PATMAN, Wright (p. 100): Congressman, member 71st to 83rd Congresses from the 1st Texas District. Born in Texas, 1893. Democrat. Chairman, Subcommittee on General Credit Control and Debt Management under Joint Committee on the Economic Report, 1952. Presently a member of the Subcommittee on Economic Stabilization.
- SCHLESINGER, Arthur Meier Jr. (p. 111): Author and associate professor of history, Harvard. Born in Columbus (Ohio), 1917. Consultant, Economic Cooperation Administration, 1948. Author: THE AGE OF JACKSON (1945); and others.
- SPRAGUE, Oliver Mitchell Wentworth (p. 113): Professor of economics, banking and finance, Harvard, 1900 - . Born in Massachusetts, 1873. Economic adviser, Bank of England, 1930-33. Assistant to Secretary of the U. S. Treasury, June - November, 1933. Author: HISTORY OF CRISES UNDER THE NATIONAL BANKING SYSTEM (1910); BANKING REFORM IN THE UNITED STATES (1911); THEORY AND HISTORY OF BANKING (1929). Died 1953.
- STRAKOSCH, Sir Henry (p. 82): Born 1871. Author: ROAD TO RECOVERY; WITH SPECIAL REFERENCE TO THE PROBLEM OF EXCHANGE STABILITY AND THE RESTORATION OF THE INTERNATIONAL GOLD STANDARD (1935).
- "THE AGE OF JACKSON" (p. 111) - See SCHLESINGER, Arthur Meier Jr.
- THOMAS, Woodlief (p. 127): Economic adviser to Board of Governors, Federal Reserve System. Born in Texas, 1897. With Federal Reserve Bank of New York, 1930-33. With Federal Reserve Board since 1933; assistant director, Division of Research and Statistics, 1934-35, director, 1945-49.
- VINER, Jacob (p. 125): Professor of economics, Princeton. Born in Montreal, 1892. Special assistant to Secretary of the Treasury, parts of 1934, 1939, 1942. Consultant to U. S. Treasury, 1935-39. Consultant, U. S. Department of State, 1943-52. Author: TRADE RELATIONS BETWEEN FREEMARKET AND CONTROLLED ECONOMIES (1943); and others.
- WHITE, Horace (p. 113): Journalist. Born in New Hampshire, 1834. With Chicago Tribune, 1864-74. With New York Evening Post, 1883-1903; editor-in-chief when retired in 1903. Chairman, Governor Hughes' Committee on Speculation in Securities and Commodities, 1909. Author: MONEY AND BANKING ILLUSTRATED BY AMERICAN HISTORY (1895); and others. Died 1916.
- Mr. Sproul's reference (p. 52) is probably to THE STUDY OF THE TRANSFER OF CREDIT IN RELATION TO THE BANKING SYSTEM by Robert H. Gregory and Herbert Jacobs (1954).