

Committee on the History of the
Federal Reserve System

DATE 9/2/55

TO Ronald Woodward

FROM Nicholas Adams

REMARKS

This should have a Latin tag,
but the only two that come to
mind (one about tyrants and the
other about fools wearing gifts) hardly
seem appropriate.

Will many object to our having
listed peoples' ages etc. after 1935 -
I may have made awful bones in
my report. All I can do is hope!
Don't hesitate to call at Westport -
I'll be coming back forth, even on vacation.
W.

Wallella by telephone 10-10-55

P. 11 - Sec wishes to pay tribute
to people. Should say
at same time tribute should be paid

Libs extension continued search for
history. Should do so.

Say Parallels the legend, but don't
say we wish the doc is, + don't seem
to matter. We think ~~to~~ good progress
made. What we have had is growing
fame.

7

10

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Committee on the History of the Federal Reserve System

Progress and Plans

In the spring of 1954 the Rockefeller Foundation, taking notice of the results of a pilot project carried on by this Committee under a limited grant, accepted the Committee's proposal that a study be made of the history of the Federal Reserve System and for that purpose provided funds to carry the project for five years. The first of those years having passed, the Committee now wishes to ask the Foundation's consideration of progress to date and plans for the future.

I. Progress to Date

The Proposal which elicited the grant included a plan for work in three fields. The Committee planned to engage in Archival and Research activities which were described at some length, to undertake the commissioning of Major Works in two categories, the definitive history and a pattern of related monographs, and to engage in the Editing and Publishing of Pertinent Documents. This third enterprise was seen as arising out of the other two and therefore was not ranked as probably active until the later stages of the project.

A. Archival and Research Activities

As will be seen in a report to the Committee enclosed with this review, achievements of the Committee staff in the field of archival and research activities are considerable. Not only has a sound basis been laid in collecting and arranging essential material which will be useful in various aspects of this study, but the continuing discovery of private papers and the collecting of memories by interview is greatly enriching the whole field of documents available for research purposes in this area. The staff has discovered the whereabouts of ~~94~~ pertinent collections of papers, and

has records of some 90 interviews with Board and Bank officers, directors and related officials, with special attention to those who have had long service. Already four sets of private archives (the papers of Ogden Mills, Fred I. Kent, Emmanuel Goldenweiser and Frank Vanderlip) have been saved from pending destruction or slow disintegration and moved, or are being moved, to responsible libraries. A major university has been inspired to plan the establishing of a new library for monetary research.

At one time the Committee thought it might be necessary to handle and catalogue some of these private collections on its own account. Its first commission in this field was for a Selective Inventory of the Papers of Carter Glass, which was made by Dr. Elbert Kincaid and a group of graduate students at the University of Virginia in the summer of 1954. This inventory, a valuable research aid, is now in mimeograph form awaiting inclusion in the Committee's publishing program.

At the same time, the ground has been laid for research into the early records of Banks and Board by personal visits of the director and by questionnaires which will make it possible to coordinate information as to what historical material is kept in libraries and files, how it is kept, and how long it may be available. It seems probable that no outside committee, lacking what might be called official status, has ever been given such valuable cooperation by these financial institutions.

Meanwhile extensive card catalogues have been developed for the recording and filing of essential data, and easy reference to it. These include first, career data for all Board members, senior officers and directors of the twelve Federal Reserve Banks from 1914 to 1954; we also have a sub-file for economists and monetary experts who are important in Federal Reserve history and for those who might be participants in this project. Second, we have a chronological card file for the forty years of System history which

includes not only pertinent government officials, but also the legislation affecting the System, the litigation (this is in process), the chief Congressional hearings, the policy actions taken; an "Influential Events" category is still in process. Third comes a bibliographic file paying particular attention to periodical contributions and special studies elsewhere unlisted. This may form the basis for a publishable bibliography of wide usefulness.

These archival and research activities are by no means finished. By definition, such labors expand in depth as a project of this type grows. They are, however, so well in hand that in the second year they need no longer occupy a major part of the staff director's attention.

B. Commissioned Works

Work in the archival and research sector was planned to lead into and feed the second category of Committee activity, the commissioning of the history itself and of monographs dealing with special aspects of that history.

The monographic phase had a happy start last spring when Dr. Lester Chandler of Princeton University was commissioned to begin work on the biography of Benjamin Strong, Central Banker - a task for which three years was the time allotted. Dr. Chandler, to whom Bank, Board and family files have been freely opened, spent from January through May reading through files made available in the Committee offices by the Federal Reserve Bank of New York. He has done considerable correlative interviewing and reports that he expects to begin the writing process in September.

Other monographs and monograph writers have been discussed but have, by common consent, been set aside until the historian was appointed. A panel of possible authors and a list of some thirty possible subjects were noted and circulated for consideration, but decisions were postponed on the

ground that the author of the major history, his needs and his wishes, were of the first order of importance, and that until he should be at work, no arrangements which might later seem in conflict should be made.

The definitive history, and the man to write it, have been, in the minds of Committee members, the core of the whole project, and the objects of their primary interest. When the Proposal was made a year ago, we said that, "The major project will be put in charge of a scholar of wide experience and attainments who will have general supervision over its various parts and who will himself undertake some of the writing assignments which the Committee contemplates."

We were then assured, and we so informed the Foundation, that Mr. W. Randolph Burgess, then Deputy to the Secretary of the Treasury and now Under Secretary in charge of Monetary Affairs, would occupy this post when his work at the Treasury was completed. The intervening year has made it clear that while Mr. Burgess' interest in the project has not flagged, his work at the Treasury has grown more, rather than less, demanding and intensive; in any foreseeable future we cannot expect him to assume the responsibility for the major historical study, but we have every reason for expecting his aid and counsel in regular Committee activities.

When it became clear that the original plan could not be carried out, Committee members began at once to seek an alternate for Mr. Burgess who should bring to the project talents and reputation of an equivalent order. They canvassed the field at the top academic level, and examined into the credentials and the abilities of forty-two men who seemed possibly fitted by reputation and experience to undertake the task. Out of these, ten were selected as possibilities.

Then began a most diligent process of consideration and interview. Almost without exception the first reaction was one of enthusiastic interest,

followed by the handicap of individual difficulties. Either the potential candidate felt himself too old to undertake so long and arduous a new task, or he was too deeply committed to his present occupation to be ready to change it for another which at best would be of relatively short duration. Added to those difficulties was the fact that men of the desired caliber make their commitments far in advance. The Committee was forced to conclude that the process of enlisting scholars of the first rank in a project of this importance involved a longer time interval than had been estimated. We are continuing the search.

C. Publishing

The third division of the Proposal concerned the editing and publishing of pertinent documents. This was outlined as a late phase of the project, but two accomplishments should be listed. The first is the Selective Inventory of the Papers of Carter Glass, described on page 2, which awaits inclusion in a future publishing program. The second is a report looking toward that program which the staff director made after interviewing key publishing houses of the commercial, the university and the institutional types. This report constitutes a preliminary survey which lays the base for later planning.

II. Plans for the Future

Having in mind the considerable progress which has been made, the Committee has ended its first year's work with steadfast faith in the importance of its project, with preparatory work in the Archival and Research field well under way, with the most amicable relations established among the people whose cooperation is essential to the project's ultimate success. They have one research volume (the Glass inventory) approaching readiness for publication, and one monograph (the Chandler-Strong study) satisfactorily in process.

Balanced against these points of progress are the considerable disappointments resulting from the Treasury's continued need for the full-time services of Mr. Burgess, and the Committee's inability to find an alternate for him between the time that need was made apparent and the end of the project's first year.

When the Committee members realized that, despite every effort, they were approaching the end of the first year with no historian in hand, they reconsidered the monographic approach. A new list of potential authors and subjects was prepared and submitted which might have proved itself had time not been so pressing. But here too the time factor was a stumbling block. In spite of a most careful combing of the field, it has not been possible during the first year to plan and commission a pattern of monographs.

Plans for the history are therefore in abeyance until a scholar of the required caliber can be secured. Plans for relevant monographs are still in the exploratory stage, with two competent writers (in addition to Dr. Chandler) known to be available and a complete design for a monograph pattern in the discussion stage.

The nature of this experience is such as to persuade the Committee that one of the governing reasons for the Foundation's approval of this project - namely, the need for restudying the history of the System - carries with it certain obligations for which this project has made no adequate provision. Ours is not the first group to find the first rate economic historians in the United States to be in short supply. We knew this to be the case when we entered on the project. Indeed, this condition, and the corresponding lack in adequate historical treatment of monetary affairs, was a governing factor in our original request.

What we had not anticipated was that this barrenness seems to prevail not only among the middle group but also among the young. In an economy so dependent upon monetary factors, we find this lack of a scholarly focus on monetary history and its lessons to be acutely disturbing. We feel that there is great need for a major effort directed toward awakening in younger economists a sense of the importance of monetary history in the affairs of the nation, with particular emphasis on the changes wrought since the creation of the Federal Reserve System, and we would like to add plans for such an effort to our list for the coming year.

However, we recognize that before accepting the responsibilities imposed by new plans, we must arrange for those laid on us by old ones. In view of the Proposal made a year ago, the considerable progress achieved and the disappointments experienced, we find ourselves facing two alternatives, on which we would like to consult the Foundation from whom our funds are derived. On the one hand, we can proceed energetically along the course described above, continuing to stress the monographic approach, looking particularly for younger talent and at the same time continuing to search for the desired author competent and able to undertake the definitive history. On the other, recognizing that the pace of commissioning authors has been slower than we hoped and that this slower pace may imperil the completion of the project in the time allowed, we can, if the Foundation so advises, proceed at once to liquidate our present commitments with the understanding that no new activities shall be started. *We would do this with great regret.*

A. The first alternative implies a continuation of the course which the Committee has been following, with some changes and some additions.

1. In view of the difficulty of securing an economic historian of the required stature, the Committee proposes to devote its immediate

attention to the monographic approach to the field of Federal Reserve history. This calls for a carefully planned series of monographs, coherent and related, which will cover not only the more obvious problems but also include sufficient penetration in depth to examine certain phases for which new material exists and new interpretations are desirable. It demands a panel of writers which will include men experienced in Federal Reserve practice, academic observers of monetary affairs, and younger students able to bring new disciplines and new insights into play.

The success or failure of the undertaking will be determined by the availability within a reasonable time of competent students wishing and able to do the studies. As part of the search for them we propose to call in the autumn a conference focussed on the problem and enlisting the outstanding students and authorities in the field for the nomination of names and discussion of subjects. We have also under consideration the planning of a seminar course at the Brookings Institution for the longer term stimulation of interest among younger men in the history of the Federal Reserve System. Invitations would be issued to the most promising of the younger monetary economists with particular emphasis on their proven interest in writing on monetary subjects.

2. This emphasis on the monographic approach would by no means be considered a substitute for the hunt for an historian of the first caliber who could undertake the definitive history which has been the core of this project. It is contemplated as a shift in balance which, if men can be enlisted as in Paragraph 1 above, would allow us to get more studies under way sooner. We would at the same time continue a diligent search for a scholar able to carry the core of this project.

3. Archival and Research activities would continue, with some changes of emphasis, toward the completion of certain phases and the addition of others. Plans include an intent

- a. To continue the visits to the Board, to the end of improving our research record of material available there.
- b. To carry on by means of correspondence the good relations already established with the twelve banks. Visits may be necessary on occasion, but these should be minor until the point of intensive research into individual Bank history has been reached.
- c. To continue the hunt for papers, the recording of their whereabouts, and the recommendations for deposit of important collections in appropriate libraries.
- d. To complete the biographic, bibliographic and chronological master files. Of these the first and third are nearly finished; the second, planned for ultimate publication, continues to grow.
- e. To revise the interview process so as to lay less stress on collecting of general memories and more on

- (i) Interviews in depth with men known to have participated in important decisions at important moments. The number of interviews will be smaller, but the research value should be greater.

- (ii) Well planned group or conference interviews on the highest level like the two at Princeton which proved so valuable in November 1954 and January 1955.

4. We would continue to keep in mind what was originally the third section of the Proposal, namely the editing and publishing of

pertinent documents, but we anticipate no final decisions in this sector until 1956-57.

B. The second alternative should, if adopted, allow time for the completion of work under way. This includes archival and research activities which could be wound up by June 1956, and the completion of Dr. Chandler's study of Benjamin Strong which has two years to run (until 1957). It would preclude the completion of a definitive bibliography or the undertaking of a publishing program. Staff work should, with the adoption of this alternative, cease June 30, 1956 except for bookkeeping operations connected with the Chandler-Strong book, a task which the Brookings Institution probably could assume. Funds remaining when existing commitments are fulfilled would be returned to the Foundation. The decision to liquidate would be painful ^{and the Committee would be very regretful} but the Committee realizes that the slower pace may make it seem reasonable.

The Committee would prefer to proceed with the first and more positive of these programs. However, it feels the need of Foundation advice and therefore seeks it. Whatever the decision, the Committee wishes to record its gratitude for the privilege of having been able to carry forward the work herein presented.

Acknowledgments

Before concluding this review of the first year's Progress and Plans, the Committee wishes to point with pride and pleasure to the quality and extent of cooperation which the System itself is according this study by an outside staff. This cooperation has taken many forms, from the open doors and the thoughtful assistance rendered in Washington to the welcome accorded the Committee's director in all twelve regional banks. Officers have ~~been~~ granted interviews, employees have searched out information with unfailing courtesy and interest. The staff's daily work in the comfortable and efficient offices

provided free of rent by the Federal Reserve Bank of New York is made easier by courtesies on the part of the Bank staff who mend our typewriters, buy supplies for us, lend us library facilities, allow us cafeteria privileges, furnish emergency typing aid, permit us to examine old files and, in general, combine for us the best features of treatment as honored guests and as members of the Bank family.

That this type of assistance has greatly facilitated the work of inquiry into the research material which might be available to properly qualified students goes without saying. It also constitutes a substantial contribution to the project.

At the same time, the ~~Secretary would like to pay~~ ^{of which he paid} tribute to the quality and extent of interest shown in the project by the very busy men who make up the membership of this Committee. This is in the best sense of the word a working group, responsive to every request made by officers or staff members, willing to make room in crowded schedules for meetings, alert to requests for consultation by telephone or personal conference. In addition to attending business meetings, these men have given up two Saturdays and one Sunday for full-day group conferences at Princeton, and they show every desire to contribute to the project whatever is asked in terms of time or thought. As they are themselves men of wide experience in the theory or practice of Federal Reserve operation, the ability to draw on this reservoir of knowledge gives the project a rare distinction.

Another notable feature is the hearty cooperation given this project by men of many types in many fields who have served terms as bank officers or bank directors, and who now respond to requests for information with an alacrity which is as gratifying as it is valuable. Some of them contribute written memoirs, some agree to open their files for research, others submit to long interviews of the kind that recreate their past in the System. It

has been our repeated experience that a mere mention of the project serves to evoke a wide interest in the subject and a statement of its aims brings an immediate recognition of its broad import.

Of primary importance in the Committee's work is the participation of the Brookings Institution with its long and varied experience in the nursing of scholarly inquiries and the accumulated wisdom which its President brings to bear on Committee problems. We count ourselves fortunate to have the Institution's counsel and encouragement; also we are grateful for its hospitality, and for the high quality of its aid and advice in some of the more puzzling daily tasks.

Donald Woodward
Secretary

Paper Hunt

The following list contains the names of men whose papers we have discovered, with a quick description of their location.

Aldrich, Nelson

Some papers in Library of Congress, where listing is available. Son Winthrop has complete set of National Monetary Commission papers with Nelson's annotations. Will make these available to Committee.

Awalt, Gloyd

Papers, including those dealing with banking holiday, still in his possession. He intends to write his memoirs from them.

Baker, Newton D.

Papers are at the Library of Congress. Committee has permission to consult.

Baker, Ray Stannard

Papers in the Library of Congress contain material about Woodrow Wilson, whose papers Baker edited. Committee has listing.

Ballantine, Arthur

Three file cabinets in his office. Day-by-day memoranda on banking crisis of 1933 at his house. Negotiations still under way.

Bankhead, Senator John A.

Papers are deposited in the State Archives at Montgomery, Alabama.

Borah, Senator William

Papers in the Library of Congress. Committee has permission to consult.

Brandeis, Louis

Papers are in the library at the University of Louisville, Kentucky.

Bruere, Henry

Memoirs transcribed by Columbia University Oral History Research Office.

Bryan, William Jennings

Papers are in the Library of Congress. Committee has permission to consult.

Burleson, Albert

Papers are in the Library of Congress. Committee may consult.

Coolidge, Calvin

Papers divided between the Library of Congress and the Forbes Library at Northampton, Massachusetts. Committee has listing of latter collection, and will obtain listing of former.

Cumberland, William Wilson

Memoirs transcribed by Columbia Oral History Project. Some foreign exchange material pertinent. Open for use.

Curtis, James Freeman

Two-volume memoir was recorded by him in 1951 for Oral History Project at Columbia. 50 pages concerned with Federal Reserve Bank of New York have been photostatted and are in Committee files. No other known papers except as incorporated in Federal Reserve Bank of New York files.

Curtiss, Frederic Haines

Committee has small collection given under instructions that papers be inspected and destroyed. Includes critical memoranda and correspondence. Other papers remain with Mr. Curtiss but should be solicited for library preservation.

Daniels, Josephus

Papers are in the Library of Congress. Committee may consult.

Davis, Chester

Memoirs transcribed by Columbia Oral History Project. Private papers in own possession.

Davis, Norman H.

Papers have been given to the Library of Congress but are presently on loan to Yale University for two years.

Dawes, Charles G.

Papers in the Deering Library, Northwestern University.

Dawes, Henry

Official papers, from his term as Comptroller of Currency, left in Washington. No other papers known to exist, but Deering Library at Northwestern University should be queried.

Day, Edmund

Papers occupying 100 linear feet are in the Mann Library at Cornell University. Contains small amount of material on Federal Reserve.

Delano, Frederic Adrian

Papers have been divided between the library at Princeton, New Jersey and the Roosevelt Library at Hyde Park.

Draper, Ernest

Diary of 300 pages covering May 1941 - 1949 now in possession of Mrs. Draper, may be given to University of Virginia.

Ebersole, John F.

Papers given to Baker Library at Harvard University except for small collection of Federal Reserve material still in possession of his widow, who will let Committee survey them.

Eccles, Marriner

Twenty-six volumes of papers, bound and indexed, are deposited in Mr. Eccles' office in Salt Lake City. On suggestion by this Committee, they have been promised to the Library of Congress after Mr. Eccles' death.

Forgan, James B.

Papers are filed and held in storage room of the First National Bank of Chicago. Committee may consult them.

Fraser, Leon

Small collection of papers given this Committee and now in files. Rest may be in B.I.S.

Gilbert, S. Parker

Pertinent papers incorporated in those of the Bank of International Settlement. Widow reports all private papers were destroyed after his death.

Glass, Carter

Papers in the Alderman Library, University of Virginia occupy 138 linear feet, and include 7 volumes of letter press as well as 614 boxes. Committee has selective inventory of Federal Reserve material.

Goldenweiser, Emmanuel A.

Papers occupy 21 linear feet of shelf space, are being moved under Committee urging and assistance to Library of Congress. Committee may consult.

Hamlin, Charles

Diaries and indexes deposited in the Library of Congress now open for students use. Committee has listing, and borrowed copy of excerpts typed for the Board of Governors.

Harding, Warren G.

Papers supposed to be in the possession of the Harding Memorial Association at Marion, Ohio. Further information sought but not available.

Hardy, Charles O.

Papers in hands of his daughter Margaret (Mrs. Potter) in Washington. Committee has permission to inspect. Still in negotiation.

Harrison, George L.

7 1/2 file drawers now in the charge of his secretary, Miss McCarrick, at the New York Life Insurance Company, 51 Madison Avenue. Permission to consult has been granted this Committee.

Hepburn, A. Barton

Papers in library of Columbia University.

Hitchcock, Senator Gilbert M.

Papers are in Library of Congress. Committee may consult.

Hollander, Jacob

Papers are at Johns Hopkins University. Amount of Federal Reserve material still to be ascertained.

Hoover, Herbert

Papers in the Hoover Library at Stanford University. Closed until new archivist is appointed and trained.

Hopkins, Harry

Papers are in the Roosevelt Library at Hyde Park, N. Y.

House, Colonel Edward M.

Papers are in the Library of Congress. Committee may consult.

Houston, David

Fragmentary collection deposited in the Houghton Library at Harvard University. Treasury material in National Archives at Washington.

Hughes, Charles Evans

Papers are in the Library of Congress. Committee will receive copy of listing.

Kemmerer, Dr. Edwin

Papers are with the Benjamin Strong collection in the library at Princeton University.

Kent, Fred I.

Papers have, at Committee urging, been saved from destruction and moved to library at Princeton University.

Lamont, Thomas Wilson

Papers still in files of J. P. Morgan and Company. Disposition not decided. Son will let us know.

Lane, Franklin K.

Papers are in the library of the University of California.

Lansing, Robert

Papers are in the Library of Congress. Committee may consult.

Laughlin, James Lawrence

Papers 1910 to 1932 and 1912 to 1914 are in the Library of Congress.

Leffingwell, Russell C.

Collection of printed papers in bound volume given to Committee. Also said to be 25 volumes letter press copies of correspondence stored in his basement.

Lichtenstein, Walter

Papers covering years as Secretary of Federal Reserve Advisory Committee have been given to Baker Library at Harvard University. Part of 70 cases of material given Harvard.

Martin, William McC., Sr.

Papers are in the possession of his son Malcolm in St. Louis. Committee has been promised listing.

Mellon, Andrew

Official papers of Treasury service now in National Archives. Others stored in Pittsburgh and Washington.

Meyer, Eugene

Papers still in his possession include 7 or 8 volumes of diaries. Collection now in use by biographer, final disposition not determined. Also being interviewed by Columbia Oral History Project.

Miller, Adolph C.

Papers found in Mr. Miller's house were deposited in the Federal Reserve Board, listed by them, and a copy provided for the use of this Committee.

Mills, Ogden

Papers in 25 boxes have, at Committee suggestion, been moved from the family garage to the Library of Congress which is still processing them. Committee will get listing when prepared.

Mitchell, Charles E.

Secretary has storage closet full of papers which she will inspect for relevant material. Still in negotiation.

Mitchell, Wesley C.

Papers in Columbia University library listed as Wesley C. Mitchell Collection. Includes diary over 43 years.

Morgan, J. P.

Son Junius says papers are mostly in the Morgan and Company files. Father not given to memoranda or much correspondence. This might yield to further work as needed.

Morgenthau, Henry Jr.

Papers, including the famous diaries and telephone records, at Roosevelt Library in Hyde Park, except those said to be in use by a scholar at M.I.T.

Morgenthau, Henry Sr.

30 volumes diaries and notes 1871-1919, 23 volumes diaries and notes 1920-1940 in the Library of Congress. Listing available.

Morrill, Chester

Memoirs recorded by Oral History Research Office at Columbia University include substantial section regarding his years at Federal Reserve Board. Will not be open for use until 5 years after his death.

Morrow, Dwight

Papers presented to Amherst College library by his widow and available there to students. Committee has listing.

Newlands, Senator Francis J.

Papers are in the Library of Congress. Committee may consult.

Norris, George

Papers are in the Library of Congress. Committee has copy of listing.

Overman, Senator Lee S.

Papers are in the library at the University of North Carolina.

Owen, Robert Latham

Papers 1920-1941 in the Library of Congress contain some Federal Reserve material but not as much as expected.

Platt, Edmund

Committee has a small collection of papers sent us by Mrs. Platt. Others are in the files of the Federal Reserve Board.

Poindexter, Senator Miles

Papers are deposited in the Alderman Library at the University of Virginia, Charlottesville.

Reynolds, Jackson

Memoirs recorded and transcribed by Columbia University Oral History Research Office. Open for use.

Roosevelt, Franklin D.

Papers arranged and indexed for students in the Roosevelt Library at Hyde Park.

Simmons, Senator Furnifold

Papers are deposited in the library at Duke University, Durham, North Carolina.

Snyder, Carl

1 1/2 linear feet of correspondence between Snyder and Benjamin Strong boxed and kept with Strong papers in New York Federal Reserve Bank.

Sprague, Oliver M. W.

A few papers, including letters from Benjamin Strong, are in the possession of Mr. Sprague's son. The Committee has had photostats made of important speeches not otherwise available.

Stettinius, Edward

Papers in the University of Virginia library at Charlottesville.

Strauss, Albert

Few papers survived. The Committee has a small set of speeches presented by a daughter.

Strong, Benjamin

Papers occupy two file cabinets in the Federal Reserve Bank of New York. Others in possession of son, Benjamin Strong. Now in use by Dr. Lester Chandler for biography commissioned by this Committee.

Thomas, Senator Elbert D.

Papers are deposited in the Roosevelt Library at Hyde Park, N. Y.

Traylor, Melvin

Papers are filed and held in storage rooms of the First National Bank of Chicago. Committee may consult.

Underwood, Oscar E.

Papers are apparently in the State Archives at Montgomery, Alabama.

Untermeyer, Samuel

Papers still in possession of his estate. Committee has been given bound collection of speeches, 1910-1922.

Vanderlip, Frank Arthur

Estimated 132 linear feet of papers in family garage at Scarborough useful for Aldrich Plan and early Federal Reserve comment. Negotiations under way to get collection to Columbia University library which wants it.

Walsh, Senator Thomas J.

Papers are deposited in the Library of Congress. Committee may consult them.

Warburg, James Paul

(Son of Paul M. Warburg). Papers now at home in Greenwich include 6 volume diary for 1933-1934 covering banking holiday and London Economic Conference. Committee has permission to consult.

Warburg, Paul M.

Papers now in possession of his son James at Greenwich, Connecticut include a skeleton diary of 1907-1914, and October 4-24, 1915. The Committee has permission to consult. Committee has important early memorandum on acceptances.

Warren, Robert B.

Papers including some 200 essays and memoranda, mostly unpublished, together with correspondence, are being edited for publication by Dr. F. Cyril James. Final deposit not decided. Committee has list.

Wetmore, Frank

Papers are filed and held in storage rooms of the First National Bank of Chicago. Committee may consult.

Wiggin, Albert H.

25 page memoir in Chase National Bank library. Daughter, Mrs. Sherburne Prescott, has others. Inquiry still under way.

Williams, John Skelton

Papers include diaries, as well as some speeches and correspondence. Still in possession of Mr. Williams' family, but promised to a responsible library where students could consult them.

Willis, Henry Parker

Papers in family home in Staten Island, bequeathed to son Parker Willis in Federal Reserve Bank of Boston. Columbia University library may ask for collection. Still in negotiation.

Wilson, Woodrow

Papers in Library of Congress. Committee has permission to consult.

Wolfe, O. Howard

Papers include correspondence and speeches on Gold Settlement Fund recently brought from Philadelphia to his home in Milford, Pennsylvania. Still in negotiation.

Wyatt, Walter

Papers still in his hands include daily memos of events during banking holiday. Still in negotiation.

Young, Owen D.

128 linear feet of papers, sorted and in manuscript boxes, deposited in vault room at Van Hornesville, New York. Committee has permission to study.

Young, Roy

Papers are still in possession of Mr. Young, who says he has promised them to a newspaper friend for the writing of a biography. Still in negotiation.

Committee on the History of the Federal Reserve System

Profile of Federal Reserve System Top Command

From the material gathered in our biographic files the staff has drawn a quick sketch of Bank directors and their chairmen, of Board members, of Bank presidents (we use the newer term but include those who were called governors before 1935). Here is the composite picture of the men who, during forty years, have had the final responsibility of making those decisions which have shaped the System as it is today. We now know what section of the country (or another country) they came from, what level of education they had, what business experience they acquired. We know how old they were when they came into office, and how long they stayed in the System's service.

The biographic cards tell us a good deal more about them in addition to these basic facts, and it may seem desirable later to do a more intensive survey. We note, for example, that men now in directorships seem to have had more years of formal education than did the earlier ones, and we would like to test the two levels with those prevailing in other occupations in the United States at the same periods to see whether this represents the general trend or obeys some deviation peculiar to bankers. We are, however, well aware of the statistical perils that lurk in any attempt to get averages out of such small groups, and it may be that description, backed by carefully chosen examples, will prove to be a better way of making comparisons.

From November 1914 when the Board and the twelve Banks opened their doors to December 31, 1954 a total of 36 men have served as Board members, 60 as Bank presidents (or governors), 79 as chairmen, and 590 as directors. These 686 men (this total excludes the figure for chairmen, who were of course directors, but still contains a small amount of duplication among men holding more than one office) constitute the top decision-making group that runs the central banking system of the United States; their composite profile is visible behind monetary and economic changes that are felt far beyond the limits of this country.

A surprisingly large number of them, wherever they serve, were born in the Middle West. 14 Board members, 26 presidents (or governors), 33 chairmen, 236 directors came from the regions comprised in the five Federal Reserve districts (7,8,9,10,11) located mostly in the great central valleys that feed the Mississippi River. The Northeast (districts 1,2,3,4), for all its preponderance of population and of financial strength, comes second in the breeding of men who have risen to the top in Federal Reserve posts.

As for their education, our information raises questions. Of the 36 Board members, 12 ended their formal education with a bachelor's degree and 14 added advanced degrees, making a total of 26 or 72.2% who went through college. Bank presidents include 45% in the same category, chairmen 49.4%. Among directors, curious differences catch the eye. Of the Class A directors, only 30.7% went through college (9.9% with an advanced degree) and 13.4% finished their formal education with the end of grammar school. Of Class B directors, 45.6% went through college (16.1% took a higher degree) and 14.4% stopped with grammar school. Among Class C directors, 46.2% had at least a bachelor's degree (26% took a higher degree) and only 9.1% had to be content

with grammar school. Less than half (40.7%) of the men who have acted as Federal Reserve Bank directors during some part of these forty years were college graduates, while the group as a whole is divided almost equally between those who did and those who did not go to college.

These men were mostly over fifty when they entered their high offices. Here too differences characterize the various positions. Of Board members, 44.5% were between 51 and 55 when they were appointed. For Bank presidents (or governors), the favorite age has a wider swing, and one notes that most of them were between 46 and 60, with very little to choose between the three five-year spans in those fifteen years. Chairmen tended to be slightly older - here the majority were between 51 and 65 on appointment. As for directors, the largest percentages in the A group fall between 46 and 65, with 56-60 being the preferred age. The B group clusters between 51 and 60, with a preference for 56-60, though the spread throughout the middle years is fairly even. The Class C directors are one age bracket younger.

The surprising thing is the sharp break that comes for all the groups at age 40. As though this represented a major hurdle, the appointments and elections begin to pick up once that anniversary is passed. Only 1 Board member, 3 presidents, 2 chairmen were chosen under that magic age, and only 5.8% of the directors have been that young.

It is in the occupational experience which they bring to their posts that Federal Reserve officials suddenly break into great variety, so great that the chart itself tells the tale better than any summary. Presidents and chairmen are weighted on the banking side. A directors, being chosen by the member banks, all come out of banking. But among Board members, experience in public administration runs banking experience a close second. And if B directors are rather heavily weighted in manufacturing, refining and construction, they are balanced by the C directors who draw members from so many other classes of occupations.

Born largely in the Middle West, most of them with at least a high school education and almost half of them college graduates, between fifty and sixty years of age on appointment, with a wide range of business experience behind them, this is the composite picture of decision-makers in the Federal Reserve System. Once they get in, how long do they stay? Long enough to put seasoned experience to work? So long that their colleagues begin to mutter about "the dead hand?"

We have divided length of service charts two ways, looking at length of service in the System and length of service in the particular position, and separating those whose terms had ended prior to December 31, 1954 from those who were still in office on the 31st of December, 1954. From them we learn that the most favored term for directors has been 4 to 10 years but that a surprising number went on to serve 11 to 20 years. The 11 to 20 year stretch in the System has been the favorite among Bank presidents (or governors), chairmen and Board members, though the largest number of presidents have stayed in that position 4 to 10 years; Board members have been moved or resigned to such an extent that more than half of those whose terms had ended before December 31, 1954 had only stayed three years at most in office. The fringe figures catch the eye in charts like these - the 4

directors that served 31 to 40 years on Bank boards, the 3 Board members who served the System from 21 to 30 years, or the 13 Bank presidents who stayed in office three years at most.

It is the reasons for these deviations that one seeks, and their effect on the System's course. We hope to refine these sketches, to work out ways of comparison over time that will reveal what has been happening in human terms to the System's high command during the decades of its life. A matter of such great importance to the United States calls for the best analysis that can be given it.

Place of Birth - Board Members, Bank Presidents and Directors

1914 - 1954

Place of Birth by Grouping*

	A	B	C	D	Foreign Country	Info. Not Available	Total
<u>Board Members</u>							
Number	9	6	14	5	2	0	36
% of Total	25.0	16.7	38.9	13.9	5.5	0	100.0%

Bank Men

Presidents & Governors

Number	13	11	26	7	2	1	60
% of Total	21.7	18.3	43.3	11.7	3.3	1.7	100.0%

Chairmen

Number	23	16	33	3	2	2	79
% of Total	29.1	20.3	41.8	3.8	2.5	2.5	100.0%

A Directors

Number	65	28	83	7	7	12	202
% of Total	32.1	13.9	41.1	3.5	3.5	5.9	100.0%

B Directors

Number	60	30	70	4	3	13	180
% of Total	33.3	16.7	38.9	2.2	1.7	7.2	100.0%

C Directors

Number	64	31	83	9	8	13	208
% of Total	30.8	14.9	39.9	4.3	3.8	6.3	100.0%

* Groupings are: A - Federal Reserve Districts 1,2,3,4 (Boston, New York, Philadelphia, Cleveland)
 B - Federal Reserve Districts 5,6 (Richmond, Atlanta)
 C - Federal Reserve Districts 7,8,9,10,11 (Chicago, St. Louis, Minneapolis, Kansas City, Dallas)
 D - Federal Reserve District 12 (San Francisco)

Highest Level of Education Completed - Board Members, Bank
Presidents and Directors, 1914 - 1954

	Highest Level Completed					
	Grammar School*	High School	College	Advanced Degree**	Info. Not Available	Total
<u>Board Members</u>						
Number	1	7	12	14	2	36
% of Total	2.8	19.4	33.3	38.9	5.6	100.0%
<u>Bank Men</u>						
Presidents & Governors						
Number	8	22	10	17	3	60
% of Total	13.3	36.7	16.7	28.3	5.0	100.0%
Chairmen						
Number	6	29	21	18	5	79
% of Total	7.6	36.7	26.6	22.8	6.3	100.0%
A Directors						
Number	27	83	42	20	30	202
% of Total	13.4	41.1	20.8	9.9	14.8	100.0%
B Directors						
Number	26	49	53	29	23	180
% of Total	14.4	27.2	29.5	16.1	12.8	100.0%
C Directors						
Number	19	66	42	54	27	208
% of Total	9.1	31.7	20.2	26.0	13.0	100.0%

* Educational background listing "public schools," but not specifically mentioning high school, is included in grammar school category.

** "Advanced Degree" includes LL.B. as well as master's degree or doctorate.

Age Upon Entering Position of Board Member, Bank President and Director - 1914-1954

	Age Interval (Inclusive)									Info Not Avail	Total
	Below 35	35-40	41-45	46-50	51-55	56-60	61-65	66-70	71 and Over		
<u>Board Members</u>											
Number	0	1	5	7	16	4	3	0	0	0	36
% of Total	0	2.8	13.9	19.4	44.5	11.1	8.3	0	0	0	100.0%
<u>Bank Men</u>											
Presidents											
Number	0	3	8	15	16	14	3	0	0	0	60
% of Total	0	5.0	13.3	25.0	26.7	23.3	5.0	0	0	1.7	100.0%
Chairman											
Number	0	2	8	7	18	23	12	3	4	2	79
% of Total	0	2.5	10.1	8.9	22.8	29.1	15.2	3.8	5.1	2.5	100.0%
A Directors											
Number	3	12	20	35	39	43	29	10	3	8	202
% of Total	1.5	5.9	9.9	17.3	19.3	21.2	14.4	5.0	1.5	4.0	100.0%
B Directors											
Number	4	4	20	29	35	36	21	15	2	14	180
% of Total	2.2	2.2	11.1	16.1	19.5	20.0	11.7	8.3	1.1	7.8	100.0%
C Directors											
Number	0	11	30	27	56	40	23	7	2	12	208
% of Total	0	5.3	14.4	13.0	26.9	19.2	11.0	3.4	1.0	5.8	100.0%

Occupation Immediately Prior to Taking Office in System of Board Members,

Bank Presidents and Directors, 1914 - 1954

Occupational Groupings

	Agric. Mining Forestry	Mfg. Refin- ing Con- strn.	Transp. Commun. Pub. Ut.	Trade Com- merce	Finance Insur- ance Real Est.	Bank- ing	Aca- demic	Public Admin.	Prof.	None	Info. Not Avlb.	Total
<u>Board Members</u>												
Number	2	1	1	0	1	14	3	13	1	0	0	36
% of Total	5.5	2.8	2.8	0	2.8	38.9	8.3	36.1	2.8	0	0	100.0%
<u>Bank Men</u>												
Governors and Presidents												
Number	1	3	1	0	2	41	3	3	4	1	1	60
% of Total	1.7	5.0	1.7	0	3.3	68.2	5.0	5.0	6.7	1.7	1.7	100.0%
<u>Chairmen</u>												
Number	3	15	4	14	9	23	4	1	3	1	2	79
% of Total	3.8	18.9	5.1	17.7	11.4	29.1	5.1	1.3	3.8	1.3	2.5	100.0%
<u>A Directors</u>												
Number	0	0	0	0	0	202	0	0	0	0	0	202
% of Total	0	0	0	0	0	100.0%	0	0	0	0	0	100.0%
<u>B Directors</u>												
Number	24	78	19	33	7	1	0	5	2	0	13	182*
% of Total	13.2	42.9	10.5	18.2	3.8	0.5	0	2.7	1.1	0	7.1	100.0%
<u>C Directors</u>												
Number	23	36	22	31	15	32	15	9	8	2	15	208
% of Total	11.1	17.3	10.6	14.9	7.2	15.4	7.2	4.3	3.8	1.0	7.2	100.0%

* Two B Directors who held two occupations simultaneously makes Total greater than actual number of B Directors.

Abbreviations:

Column 3: Transportation, Communication, Public
Utilities

Column 9: Professional

Length of Service in the Positions of Board Membership, Bank Presidency
and Directorship of Those Whose Terms in Those Positions
Ended Prior to 12/31/54

		Intervals in Years (Inclusive)					Info. Not Available	Total
		0-3	4-10	11-20	21-30	31-40		
<u>Board Membership</u>								
Number		17	6	5	2	0	0	30
% of Total		56.6	20.0	16.7	6.7	0	0	100.0%
<u>Bank Positions</u>								
Presidency								
Number		13	24	10	1	0	0	48
% of Total		27.1	50.0	20.8	2.1	0	0	100.0%
Chairmanship								
Number		26	30	10	2	0	0	68
% of Total		38.3	44.1	14.7	2.9	0	0	100.0%
A Directorship								
Number		52	78	29	7	1	0	167
% of Total		31.1	46.7	17.4	4.2	0.6	0	100.0%
B Directorship								
Number		42	63	31	7	3	0	146
% of Total		28.8	43.1	21.2	4.8	2.1	0	100.0%
C Directorship								
Number		54	82	31	6	0	0	173
% of Total		31.2	47.4	17.9	3.5	0	0	100.0%

Length of Service in their Respective Positions of Present Board Members,
Bank Presidents and Directors (as of 12/31/54)

		Intervals in Years (Inclusive)					Info. Not Available	Total
		0-3	4-10	11-20	21-30	31-40		
<u>Board Membership</u>								
Number		3	2	1	0	0	0	6
% of Total		50.0	33.3	16.7	0	0	0	100.0%
<u>Bank Positions</u>								
Presidency								
Number		4	3	5	0	0	0	12
% of Total		33.3	25.0	41.7	0	0	0	100.0%
Chairmanship								
Number		9	2	0	0	0	0	11
% of Total		81.8	18.2	0	0	0	0	100.0%
A Directorship								
Number		16	14	5	0	0	0	35
% of Total		45.7	40.0	14.3	0	0	0	100.0%
B Directorship								
Number		15	15	4	0	0	0	34
% of Total		44.1	44.1	11.8	0	0	0	100.0%
C Directorship								
Number		20	9	6	0	0	0	35
% of Total		57.2	25.7	17.1	0	0	0	100.0%

Less than 36 (12x3) directors in any class, or less
than 12 chairmen, implies vacancies as of 12/31/54

Length of Service in the Federal Reserve System of Board Members, Bank

Presidents and Directors Who Previously Served System

(service ended prior to 12/31/54)

	Intervals in Years (Inclusive)						
	0-3	4-10	11-20	21-30	31-40	Info. Not Available	Total
<u>Board Members</u>							
Number	5	8	13	3	0	0	29
% of Total	17.3	27.6	44.8	10.3	0	0	100.0%
<u>Bank Men</u>							
Presidents & Governors							
Number	5	11	18	10	4	0	48
% of Total	10.4	22.9	37.5	20.9	8.3	0	100.0%
Chairmen							
Number	7	26	27	7	0	0	67
% of Total	10.5	38.8	40.2	10.5	0	0	100.0%
A Directors							
Number	41	78	36	10	1	1	167
% of Total	24.5	46.7	21.6	6.0	0.6	0.6	100.0%
B Directors							
Number	31	59	41	7	4	1	143
% of Total	21.7	41.2	28.7	4.9	2.8	0.7	100.0%
C Directors							
Number	35	78	46	8	0	2	169
% of Total	20.7	46.2	27.2	4.7	0	1.2	100.0%

Length of Service in the Federal Reserve System of Board Members, Bank
 Presidents and Directors Who Presently Serve System (as of 12/31/54)

		Intervals in Years (Inclusive)					Info. Not Available	Total
	0-3	4-10	11-20	21-30	31-40			
<u>Board Members</u>								
Number	1	3	2	0	1	0	7	
% of Total	14.3	42.8	28.6	0	14.3	0	100.0%	
<u>Bank Men</u>								
Presidents & Governors								
Number	0	3	2	2	5	0	12	
% of Total	0	25.0	16.7	16.7	41.6	0	100.0%	
Chairmen								
Number	1	6	4	1	0	0	12	
% of Total	8.3	50.0	33.4	8.3	0	0	100.0%	
A Directors								
Number	12	15	8	0	0	0	35	
% of Total	34.3	42.8	22.9	0	0	0	100.0%	
B Directors								
Number	12	20	3	2	0	0	37	
% of Total	32.4	54.1	8.1	5.4	0	0	100.0%	
C Directors								
Number	14	13	10	2	0	0	39	
% of Total	35.9	33.4	25.6	5.1	0	0	100.0%	

Committee on the History of the Federal Reserve System

Notes on Visits to Federal Reserve Banks

This skeleton report is made on the basis of three-day visits to nine of the twelve Federal Reserve Banks. Of the others, the New York Bank houses the staff, and information is there acquired by specific question and by a daily process of osmosis; Boston and Philadelphia are so close at hand that they were each visited on two separate occasions, rather than on the three-day visit schedule.

Data set down after such quick surveys is necessarily superficial and inadequate. Much more remains to be learned about the history of the individual banks and their place in the System, as well as about the material available to scholars in libraries and files. What is here noted is only a sketch, to be filled in after further work.

To supplement the notes made after returning from each bank, two questionnaires were sent out - the first a "Preliminary Questionnaire on Federal Reserve Archival Material," which was sent to the librarians in the spring and was in effect a query on library resources, the second, a "Preliminary Questionnaire on Files and Historical Source Material in Federal Reserve Banks" which was sent in July to the Committee's liaison officers in the various banks. Both were filled and returned.

The material gathered at first hand is supplemented by answers to the two questionnaires. The former is descriptive, full of detail, difficult to compress into a quick report. Any attempt at summarizing the whole would, at this point, produce little but a handful of disjointed facts. There are, however, a few aspects which should be noted.

Committee members may remember at Princeton some discussion of the difficulty of defining just what categories of material would be most needed in historical studies of the kind contemplated. This problem of definition, particularly as applied to material in bank libraries and files, has been a constant puzzle. Finally the research director attempted to answer, "What kind of material are you looking for?" by asking, "What material have you?" It was at that point that the two questionnaires were framed. Even now a complete definition of what we are looking for must still be expressed in general terms, but at least we know more about what is the material in banks from which we can draw.

These we have divided into four categories. First come the documents of incorporation and proprietorship - a bank's Certificate of Incorporation, the contracts, deeds, leases, etc. These are kept generally in the President's Office, the Secretary's Office, or the vault, and this category is, so far as our quick search reveals, generally intact since 1914.

Also intact since 1914 is the second category which we call Management and Policy Records - this includes Minutes of the Board of Directors, with supporting memoranda, Minutes of the Executive Committee, of the Officers' Council, and so on.

The third category, Operating Records, includes Annual Reports, Presidents' Reports to the Directors, to the Stockholders, internal bulletins,

personnel records, officers' correspondence of a policy-making nature, legal records, departmental memoranda. Of this group, the Annual Reports are intact from 1914 to date except for a gap when none were published. Officers' policy correspondence is intact for forty years in some banks but not in others.

As for correspondence less clearly of long importance, that in some banks is kept active for 18 months, sometimes for two years, sometimes for five years. It is then transferred to an inactive file center, variously named, and kept for varying periods. Only one bank seems to be microfilming important papers for indefinite retention in limited space.

The diversity in filing practice is such as to confound anyone prone to assume that the twelve banks or any two of them are carbon copies of each other. Some banks swear by centralized filing, some swear at it and prefer to departmentalize their files. Some have their important files intact since 1914, some have little on hand before 1925, one made basic changes in file organization as late as 1951.

Only the New York Bank pays specific attention to archives in the usually accepted meaning of the term. One or two others use the word to designate the place where files are moved when they cease to be active, and from which a varying degree of destruction is decreed.

The variety in filing practices, and in historical material thereby available, is to a certain extent echoed in the bank libraries, but with this difference - that library methods have an accepted degree of standardization and librarians have a professional organization within which they meet to discuss those standards. This brings them closer to a uniform practice than obtains among filing circles.

The libraries vary in size, coverage, and in responsibility. Each is rich in the material of its region, and in material common to the System. Some have a marked historical interest that goes back to earlier days, one or two spread their interest to the broader field of international finance. No one of them, nor the Board itself, claims to have everything that an historian of the System might want.

In short, the scholar who goes seeking data from Federal Reserve Banks will find much that he needs, but not all of it in any one place. Files and libraries will be his friends, but vaults and the Secretary's Office may be more permanently dependable. Official records of action taken in meetings of officers and of directors can be found in all the banks, from 1914 to date. Correspondence which might provide background, explain decisions or the lack of them, illumine controversy, show the nucleus of an idea, reveal what was discussed but failed of support - all this is in uncertain quantity. Some banks have kept it from early days forward. Others threw it out. Under these circumstances, the finding of any crucial letter, on any subject, becomes in some degree a matter of luck.

The situation may improve, now that the importance of historical records and the historical point of view is being stressed. One bank, New York, has a collection of basic documents which is kept intact, by itself, and regularly added to as the years go by. Two other banks use the word "archives" to designate dead files, but do not keep them intact. A third intends to start an

"archives" center to preserve documents of historical importance. Others might follow if sufficiently urged, for the sense of local pride is strong. The danger in this idea is that, with the best will in the world, the picturesque will be preserved and the critical document will be judged confidential and kept out, to be destroyed under another heading at another time.

The importance of official destruction schedules in this is more complicated than it may seem, and deserves more extensive treatment than it can be given here. Conversations between the executive director and the chairman of the pertinent sub-committee of the Presidents' Conference are still in process.

Each of these bank visits is reported under the following headings:

- (a) Character of the district, with a note about bank histories if they exist
- (b) Subjects of Special Interest
- (c) Officers or Directors to be Queried about Early Days
- (d) Men Whose Papers Should be Sought
- (e) Library Coverage
- (f) Filing System (with a note about archives and about local impact of destruction systems)

Visits to Federal Reserve Banks

District

Date of Visit

I. Federal Reserve Bank of Boston

March, 1954

a) This district includes all six of the New England states, with the exception of a southwestern county in Connecticut bound by transportation ties to New York. Densely populated, old in banking traditions, the region offered considerable opposition to the System when first set up, and certain practices in the Bank can only be understood in terms of that early history. Small, closely integrated territory traditionally centered on Boston, no branches were necessary. The Bank's earnings were at first enough to rank it immediately after New York and Chicago, but other districts have grown faster.

A history written in 1938 by Joseph Taggart and published by Bankers Publishing Company is entitled "Federal Reserve Bank of Boston."

b) Subjects of Special Interest

Co-equal responsibility of chairman and governors, as reported by Mr. Curtiss.

Value to Bank of Stockholders' Advisory Committee, annual stockholders' meeting, annual report to stockholders. Effect on System.

Experiment with Havana Branch, and resulting competition with Atlanta. Bank's role in district's economic and industrial woes.

Effect of banking holiday.

c) Officers or Directors to be queried about Early Days

Frederic Curtiss (one of few original chairmen still living), Roy Young, Walter Eddy, Carl Pitman, W. W. Paddock, and retiring vice presidents.

d) Men Whose Papers Should be Sought

Frederic Curtiss, W. P. G. Harding, Roy Young, Alfred L. Aiken, Charles A. Morss, etc.

e) Library

Library is large in proportion to size of Bank. In addition to the usual Federal Reserve Reports and Bulletins, it contains a file of reports of the Comptroller of the Currency, and earlier reports of the Secretary of the Treasury back almost to the founding of the Republic; 50 volumes of local banking histories; 20 years of Banking manuals and annual reports of the banking commissions of the New England states; a complete run of the Commercial and Financial Chronicle and its predecessor, Hunt's Merchant Magazine, back to 1832, and other source material for monetary historians. Large number of regular bank publications here in complete series.

f) Filing System

The present filing system, set up in 1948, is a mixture of the centralized and the departmental. Correspondence and memoranda of senior officers

is centralized, so is Fiscal Agency correspondence. Legal and research material is in the relevant departments. Files are considered active for 2 years, material is removed annually to uncurrent files and stored for varying periods, depending on destruction schedules. There is a complete set of bank publications since 1947. In general, files can be said to go back to 1914. Selected Liberty Loan material, 1917 - 1923, is still preserved.

Bank has no archives division, either in files or library. Destruction schedules of Treasury and Presidents' Conference apply.

District

Date of Visit

II. Federal Reserve Bank of New York

(Staff housed here)

a) This district is small in area, large in population, limited to one state and parts of two others. Bank has one branch in Buffalo. Concentration of banks and money market makes active wealth the greatest of any in the System. The Bank is consequently possessed of assets and income far in excess of any other. Its influence in the System stems in part from this, in part from the character of the men who have run it, in part from the functions peculiar to itself which it performs for the entire System. As a bank, its size dwarfs the others and makes useful comparisons difficult, yet for the purposes of this resume, it is reported under the same headings.

A history written in 1930 by Laurence Roberts, published by Columbia University Press, is entitled "The Federal Reserve Bank of New York."

b) Subjects of Special Interest

New York's role in establishing character of American central banking, 1914 - 1928.

Lesson of the Liberty Loans, 1914 - 1918.

Conflict between Bank and Board, and effect on System.

Leadership relations with other regional banks.

International role, 1920 - 1929.

Bank's role in the making of Monetary Policy.

The Bank and the Money Market.

Effect of the crash of October, 1929.

The Bank and the System's Open Market Operations.

The Banking holiday in New York.

Development of research tools - e.g. Department store index.

c) Officers or Directors to be queried about Early Days

George Harrison (the second governor), Leslie Rounds, J. Herbert Case, Owen D. Young, Samuel Reyburn, etc.

d) Men Whose Papers Should be Sought

Papers of Benjamin Strong, George Harrison, Owen D. Young are available and rich. Others should be sought, e.g. Gates McGarrah, J. Herbert Case.

e) Library

Largest bank library in the System, with fine resources in district, national and international material. Books of clippings from 1914 valuable and should be preserved. Treasures include reports of Secretary of the Treasury 1790 to date, long runs of government reports and financial periodicals, charters and laws governing important central banks of the world, their annual reports; yearbooks and statistical reports for foreign countries; wartime foreign exchange regulations. Publications issued by the Bank are kept in complete sets. Pressures of space weigh heavily on older material, but thus far have been withstood.

f) Filing System

Present filing system set up 1914 by former librarian who adapted Dewey Decimal System to filing needs and set pattern for several other Federal Reserve Banks. Central filing established as a policy, upheld by Governor Strong and bank heads who followed. Covers general nonroutine correspondence, but not legal nor complete research material. Subject file of important correspondence goes back to 1914 and is rich in policy material valuable to historians. Files may be current or non-current, but are so well classified and identified that the old can usually be located without difficulty. Destruction schedules approved by Presidents' Conference and by Treasury apply to routine material listed therein.

"Archives" here refers to a collection of material set aside in a book vault in 1927 according to then current ideas of material with historical importance. Periodic items in this collection have been generally kept up to date. Sense of history strong in this bank.

DistrictDate of Visit

III. Federal Reserve Bank of Philadelphia

March 18, 1954

a) This is in area the smallest of the districts, including one of the smallest states in the Union and parts of two others. Long-settled, its banking habits firmly fixed in the community, its early System days bear comparison with those of Boston. Like Boston, the Federal Reserve Bank here has no branches. In the first years its earnings ranked with those of Boston and Cleveland; now they still rank with those of Boston. The diversity of manufacture which the Bank serves is said to make for a notable steadiness of business.

A history was published in 1943 by the Columbia University Press, written by Frank J. Tomby, entitled "Federal Reserve Bank of Philadelphia."

b) Subjects of Special Interest

Slow acceptance of the Bank in the district.
Lending policies during the Austin period.
Philadelphia and Gold Settlement Fund.
Role in the economics of anthracite and steel.
Contribution to System in terms of research men.
Banking holiday of 1933.

c) Officers or Directors to be queried about Early Days

Charles J. Rhoads, governor 1914 - 1918, is one of the few original bank governors still alive. Casimir Sienkiewicz, Thomas McCabe.

d) Men Whose Papers Should be Sought

Richare L. Austin, E. P. Passmore, George Norris, Thomas B. McCabe.

e) Library

Library is a good one, rich in historical material of the region and the nation. 9,000 volumes.

f) Filing System

File system set up in 1914 by Library Bureau, and non-routine correspondence, beginning then, is still held. Mixture of centralized and departmental systems. Present officers' files, Bank Examination, Legal, Government Bond and Custody, Research files kept in departments where they originate. No archives collection.

Destruction schedules of Treasury and Presidents' Conference applied except to officers' files.

District

Date of Visit

IV. Federal Reserve Bank of Cleveland

January 11-13, 1955

a) District includes all of Ohio, and parts of three neighboring states, giving it a mixture of highly industrialized and deeply rural regions with considerable agricultural variety. Not a homogeneous district nor self-contained, but described there as "open-ended." The Bank has two branches.

A history was published by the Columbia University Press in 1940, written by Arthur Blaser and entitled "Federal Reserve Bank of Cleveland." Two unpublished theses also contain material.

b) Subjects of Special Interest

Cleveland's part in events leading to the bank holiday of 1933.
Effect of Guardian Trust and Union Trust failures.
Cleveland Bank and big industry.
Cleveland Bank and lake traffic.
Relations with Chicago.
1929 - 1933 period.

c) Officers or Directors to be queried about Early Days

Ray Gidney, Mr. Laning, Mr. Ehniger. Several long-service employees about to retire.

d) Men Whose Papers Should be Sought

Gidney papers should be useful if obtainable. E. R. Fancher, David C. Wills, George DeCamp. Some long-service directors. Crissinger of

the Board came from this district, but his papers have not yet been found. Warren G. Harding was an Ohio man, but his papers are not yet open to the public.

e) Library

Library established in October, 1918 by Miss Alta Claflin (librarian 1918 - 1944) after consultation with New York. Her idea of a library was a place where historical research could be done. Consequently Cleveland has much valuable older material, including a clipping file 1918 - 1944. Their particular interest is the fourth district. Library has notable file of staff papers 1918 to date.

This Bank is unique in its "Chronicle Log of Important Happenings and Events" which is the particular charge of Mr. Harman Flinkers, and which gives a picture of Cleveland Bank history for any year desired. This is a useful research device for quick reference.

f) Filing System

Files not centralized. General file system set up in 1920 on alphabetic basis. Includes general correspondence of senior officers, but not Fiscal Agency material, officers' memoranda, research or legal material; these latter are kept in the departments concerned. Active files cover current year and past two years. Older material goes to uncurrent files for micro-filming of important material, which is afterward destroyed. Rest, including general correspondence, is destroyed after 3 years without micro-filming.

The micro-filming program had not in practice caught up to the theory. The destruction of old records at this Bank is, however, a peril from the history point of view.

"Archives" used here to mean uncurrent, or dead, files.

District

Date of Visit

V. Federal Reserve Bank of Richmond

End of April, 1954

a) This district includes four of the southern states bordering on the Atlantic, part of West Virginia, and the District of Columbia. The Bank serves, with its two branches, three big cities and several small ones, but the district is predominantly agricultural and rural.

A "History of the Federal Reserve Bank of Richmond" was written by Charles C. Coit, published in 1938 by the Columbia University Press.

b) Subjects of Special Interest

Bank has had only one governor and one president - effect of these long regimes?

Richmond-Baltimore rivalry in 1913.

Par clearance experience and controversies in this district.

Effect of this Bank on southern banking practice, and vice versa.

Agricultural depression of 1920's.

Post - 1930 developments.

c) Officers or Directors to be queried about Early Days

Hugh Leach, now President, began as assistant auditor in 1921.
Mr. Kezeez, now retired, has good memory. Others can be found.

d) Men Whose Papers Should be Sought

William Ingle, Caldwell Hardy, William W. Hoxton, F. A. Delano.
Papers of Governor Seay (1914 - 1935) ought to be valuable. Much is in the Bank, but there is material in the possession of his wife, now very old. Papers of John Skelton Williams of this district are in the possession of his son. Those of Carter Glass are in the library of the University of Virginia.

e) Library

The library here, good if small, prides itself on being one of the best financial libraries in the south. The staff has a sense of history rare in banks and will try to hang onto their historical material, in which they have some interesting items. Chief function is to serve research division.

f) Filing System

The filing system was set up in 1920, after conference with Miss Mary Parker, head of files in New York, and according to the Dewey Decimal System she favored. It is a subject file, but at some time a card catalogue was set up according to authors of letters, and this provides a personal key into old files which is extremely useful. The files are not entirely centralized. Fiscal Agency correspondence, legal correspondence, research studies, most officers' memoranda are files in the departments from which they come. Subject files and files touching the other Reserve Banks go back as far as 1914; subject files are considered active for 5-10 years and then moved to the Old Record Room. Thus, material useful in historical inquiry should be available here.

Aside from one file drawer and a box, there is as yet no Archives section; the subject was discussed when I visited the Bank in 1954, and we are now told that future plans call for the organization of such a section.

Destruction programs of Treasury and Presidents' Conference are followed.

District

Date of Visit

VI. Federal Reserve Bank of Atlanta

February 15-18, 1955

a) This, the second southern district, includes three southern states and parts of three others, runs from the Atlantic to the Mississippi. Larger in area than the Richmond district, it includes about the same number of people, but continues smaller in earnings than Richmond. The recrudescing South, coming to balance old agriculture with newer industry, is burgeoning here, thanks perhaps to steel and chemical as well as textile mills. The bank, with its four branches, has taken a considerable spurt since 1938.

A history of the Bank was published in 1940 by the Columbia University Press, written by Axel E. Nielson, entitled "The Federal Reserve Bank of Atlanta."

b) Subjects of Special Interest

Governor versus Chairman controversy, Wellborn versus McCord.
 Par clearance experience and controversies.
 Rivalry with Boston over Havana Branch.
 Effect of this bank on southern banking practices, and vice versa.
 Agricultural depression of the 1920's.
 Florida land boom of 1925-1926.
 Role of the Bank in recent industrial penetration.
 Economic research and the Bank.

c) Officers and Directors to be queried about Early Days

M. B. Wellborn, chairman, is old, deaf and in Florida. Mr. Lewis Adelson might have useful memoirs to contribute. Frank Neely is a mine of information.

d) Men Whose Papers Should be Sought

Hoke Smith, Roland Ransom, Mr. McCrary, Mr. Saunders, Mr. Wellborn, Frank Neely.

e) Library

Library a good working collection, 10,000 volumes, but until now its librarian has had little demand for keeping older materials or searching for them. An unpublished "history" of the Bank was put together by Joseph McCord, the first governor, after he was old and infirm. It is not distinguished, but has some useful material.

f) Filing System

Files suffer from past intervals of what was described here as "careless housekeeping." The policy from 1914 to 1948 was that everything should go into General Files, but there is considerable evidence that General Files was hardly equipped to handle material with complete efficiency. From 1948 to 1951 files were kept in individual departments, and centralization, even as a policy, was forgotten. In 1951 a new set of General Administrative files was set up, and the sub-basement, which houses uncurrent files, was completely overhauled under the direction of Miss Poeppel, head of files at the Board, and one of her assistants. The system of location then installed has mostly been followed, but chaos still reigns within certain of the older file drawers.

For practical working purposes the General Administrative files serve the present officers. For students seeking to do historical research, the sub-basement is highly important. Fortunately there is no suggestion that early files be destroyed simply because it has not seemed imperative to set them in order. Material back to 1914 can still be found.

There is no archives collection.

Destruction schedules framed by Treasury and Presidents' Conference apply.

DistrictDate of Visit

VII. Federal Reserve Bank of Chicago

July 26-29, 1954

a) This district, composed of the state of Iowa and parts of four other states of the north central section, includes the major cities of Chicago and Detroit. The latter contains the Bank's one branch. While it has agricultural interests, the size of cities and industries tends to dwarf the importance of the farming element except insofar as it becomes the raw material for industry. In wealth the Bank is second only to New York.

A history was published in 1935 by the Columbia University Press, written by John Alfred Griswold, entitled "History of the Federal Reserve Bank of Chicago." Federal Reserve material also exists in Cyril James' two volumes on "Growth of the Chicago Banks."

b) Subjects of Special Interest

Given Chicago's size, independence and rivalry with New York, it is to be expected that banking characters and banking controversies both flourished there.

Influence of Chicago in the Aldrich-Glass controversy which preceded the setting up of the system.

Par clearance and collection troubles.

Reserve Requirements.

Discount rate controversy.

Bank holiday.

Chicago's influence in the Federal Advisory Council.

c) Officers or Directors to be queried about Early Days

Older staff members are going out. 8 men still in the Bank came to work in 1914, 9 in 1916. Bentley McCloud, vice governor, is interesting. President Young retires in a year or two, 3 vice presidents retire in 1955. All have memories to be tapped.

d) Men Whose Papers Should be Sought

Papers of Forgan, Traylor, Wetmore are in the keeping of the First National Bank of Chicago. Papers of James McDougal, George J.

Schaller, C. H. Bosworth, William A. Heath, Eugene M. Stevens would help.

e) Library

The library is good, useful, in charge of an able young librarian who is alert to historical needs. She has several file drawers of archival material with a certain historical importance. Some Liberty Loan material is preserved in the Chicago Historical Society.

f) Filing System

The filing system has from the start been decentralized, organized alphabetically. Material of a record character is forwarded to General Files, confidential and specialized material is retained in the department handling

the transaction. General correspondence, wires and advices are retained 10 years; Fiscal Agency material is intact from 1925. Departmental files contain "permanent file" subject matter of some age, but this is spotty except for such essential records as Directors' Minutes, etc. General Files holds material for 18 months, then moves it to Bindery and Inactive Records Department where it stays for 3 1/2 years, then to Records Warehouse for 5 years; then destruction.

Three destruction schedules are followed - Treasury, Presidents' Conference and the Bank's own.

There is no archives section.

District

Date of Visit

VIII. Federal Reserve Bank of St. Louis

July 20-23, 1954

a) This district includes the state of Arkansas and parts of six other Mississippi Valley states. Slightly larger than the Chicago district in terms of area, it has less than half the population and a quarter of the annual earnings. The economic balance of the district is weighted heavily on the agricultural side. Industry is diverse, including oil, a complex of chemicals and atomic energy. The district includes the confluences of three great rivers, but river commerce is only recently being restored as an important economic factor.

A history was prepared in 1941 as a graduate thesis for Washington University, written by Wilber C. Bothwell, entitled "Federal Reserve Bank of St. Louis."

b) Subjects of Special Interest

Chairman as executive officer - Wells and Martin.
Early troubles with the discount rate.
Par clearance and collection.
Agricultural depression of the 1920's.
Bank holiday of 1933.
Growth of specialized research.

c) Officers or Directors to be queried about Early Days

Clarence Stewart, vice president and head of Little Rock branch,
Chester Davis, vice presidents near retirement.

d) Men Whose Papers Should be Sought

William McC. Martin, John S. Wood, David C. Biggs, Chester Davis.

e) Library

Library a good working collection, 6,000 volumes, mostly devoted to the System and the economics of the 8th district. Includes cumulative file of staff memoranda and special studies, 1914 to date. Also reports of State Bank Commissioners and Departments for 7 states in district.

f) Filing System

Present filing system, alphabetic in order, was set up in 1945. It is a mixture of the centralized and the departmentalized, with the emphasis tending to fall on the latter. Files are considered active for two years except for subject matter correspondence which is retained indefinitely. An Old Record Room contains material back to 1914, but few of the files, active or inactive, go back that far. Active files are considered to cover 1945-1955. Earlier material is complete only in such essential categories as, for example, Directors' Minutes and Annual Statements.

There is no archives collection.

Destruction schedules of Treasury and Presidents' Conference are followed with some divergence for the Bank's needs, particularly in research.

DistrictDate of Visit

IX. Federal Reserve Bank of Minneapolis

June 8-11, 1955

a) This district centers on the northern tier of the Mississippi Valley, but it also stretches west so far as to cover all four time zones in the U. S. In terms of territory, it is one of the four great western districts, four times as big as the New York district in area, but with less than a third as many people. The Bank has a single branch. Economically, the district's income is derived from agriculture, mining, and a few industries, with the major accent on agriculture, now suffering a decline.

b) Subjects of Special Interest

Par clearance history and controversy.
Effect of the Bank on isolated country banking.
Montana and the demand for silver coinage.
Agricultural depression of 1920's.
Closed banks and sod house bankers.
The Bank and the bank holding company controversy.

c) Officers or Directors to be queried about Early Days

Mr. Clark, Mr. Decker, Mr. Peyton, Mr. Jaffrey, Norman Holter, John W. Black, J. Cameron Thompson.

d) Men Whose Papers Should be Sought

Theodore Wold, Andreas Ueland, Roy Young, Peyton, Jaffrey, John A. Rich, John R. Mitchell.

e) Library

The library is small (4,000 volumes) and designed to serve research department, member banks and public in that order. New librarian. Collects Rutgers Graduate School of Banking theses. Recently set up "Memory Lane" collection of miscellaneous older material, mostly of persons and events.

f) Filing System

Most files are centralized, but such centralization does not include officers' memoranda, legal memoranda or legal correspondence. It does include officers' correspondence and Fiscal Agency correspondence. Other material is kept within the departments where it originates. No effort is made to hang on to any of it for any length of time. Fiscal Agency files go back to 1925, general files to 1949; otherwise, correspondence and Bank entries are moved annually from active to inactive status, and kept in an "old records division" only until destruction schedules permit of their destruction.

This program bodes ill for historical studies. It might be noted, however, that the Minnesota State Historical Society is recommended as a source of financial information.

There is no archives section.

Destruction schedules framed by Treasury and Presidents' Conference are followed.

DistrictDate of Visit

X. Federal Reserve Bank of Kansas City

June 13-20, 1955

a) This district is second only to San Francisco in area, but with half as many people as in the 12th district. It includes four of the states of the central plains area, stretching from the Missouri River west to the Rocky Mountains, and parts of four others. Cattle and grain, air transport, railroads, oil, automobiles, farm machinery and uranium are the most obvious sources of wealth. The remnants of the frontier are disappearing, but the district cherishes its memories.

b) Subjects of Special Interest

Progressive discount rate, invented here.
Agricultural depression of the 1920's.
Failed banks and bank robberies. Liberty Loan experience.
Character and influence of Jo Zach Miller on Bank and Board.
Check collection complaints.
Cattle paper and central banking.

c) Officers and Directors to be queried about Early Days

Mr. White, Mr. John Phillips, etc.

d) Men Whose Papers Should be Sought

Jo Zach Miller, E. F. Swinney, Asa Ramsay, Charles M. Sawyer,
J. W. Fleming, W. J. Bailey.

e) Library

The library is a good modern center, well arranged, serving mostly the big research division under Clarence Tow. They have a small amount of historical material, including an unpublished history by Jesse Worley, and a typed

master's thesis ("The Federal Reserve Bank of Kansas City, 1914 - 1921") by Robert Wallace who had the advantage of long conversations with Jo Zach Miller. There is also a history written by Hershel Underhill, published by the Columbia University Press in 1942, entitled "The Kansas City Federal Reserve District, Origins and Developments."

f) Filing System

Files were set up in April 1918. Some are centralized, others kept in departments. An alphabetic system of filing prevails. Active files which are classified for permanent retention go back to 1914, but "active" in general means only for 2 years; inactive material is moved annually, bank files to an old records file room and Fiscal Agency files to a Federal Records Center in Kansas City.

This does not sound like a promising place for historical research; much of its picturesque past will be lost unless collected from retiring officers by interview process.

There is no archives collection.

Destruction schedules framed by Treasury and Presidents' Conference apply.

District

Date of Visit

XI. Federal Reserve Bank of Dallas

March 30 - April 1, 1955

a) This district includes all of Texas and parts of four other southwestern states, yet it is in area the smallest of the four great western districts. It is also one of the most interesting, partly because its economic changes and its extremes have been so great. It suffered heavily from the depression of the 1920's, yet much wealth has been made very fast. The shift from cattle and agriculture to petro-chemicals and industry is still visible. The Bank's president is trained in economic research and possessed of a broad point of view. Except for his interest, curiosity about elements in the Bank's history is very slight, mostly anecdotal and on the picturesque side.

Two unpublished accounts are kept in the Bank's library, one a "History of Organization and Growth of the Federal Reserve Bank of Dallas" by James L. Lumpkin, dated March, 1920; the other, "Discount Operations of the Federal Reserve Bank of Dallas" by Jean Richardson (master's thesis, 1947).

b) Subjects of Special Interest

Agricultural loans of the 1920's.
Failed banks.
Cattle paper.
Heavy use of checks in the district - cause and effect.
The bank holiday.
Effect of oil boom.
Growth factors and their influence on the Bank.
Relations with the Board.

c) Officers or Directors to be queried about Early Days

This Bank will lose four of its older officers this year, and with them a vast amount of knowledge of how things were done in older days, most of this unwritten. It can only be collected through interview sessions.

d) Men Whose Papers Should be Sought

Governor Talley's papers, if available, should be interesting. Also the papers of R. L. Van Zandt, B. A. McKinney, E. O. Tennison, W. F. Ramsey, etc.

e) Library

Library good but small (3,000 volumes) with special emphasis on economic conditions and the new industries of the region. Furnishes monthly appraisal of national situation for directors and officers. Keeps track of international data touching Texas.

f) Filing System

Files are mostly departmentalized, but a General Files system is set up chronologically and by subject. Active files cover a very short period, and are moved out at the discretion of each officer and each department. Some consideration has been given the installation of complete central filing, but it would be expensive, difficult, and opposed by many officers used to the departmental way. When moved to "archives" (synonymous in Dallas with dead files), files stay for a period set by destruction programs of the Treasury, the Presidents' Conference and the Dallas Bank.

No archives collection in any sense other than dead files. All Liberty Loan and War Finance Corporation material has been destroyed.

Destruction schedules framed by Treasury apply. Those of Presidents' Conference used with some variation.

DistrictDate of Visit

XII. Federal Reserve Bank of San Francisco

April 7-11, 1955

a) This district, containing six of the far western states and a section of a seventh, is in area the largest in the System. Alaska and Hawaii are, for certain purposes, now included. Population has grown hugely. As for relative wealth, current earnings in 1953 put the San Francisco Bank in third place among the twelve banks, though it was eighth when the System was started. Growth is thus recurrently an influential economic factor.

A history was published in 1937 by the Columbia University Press, written by Willis Parker Brown and entitled "The Federal Reserve Bank of San Francisco."

b) Subjects of Special Interest

Effect of long early battle for power between president and chairman.
 British influence on Bank habits and practices.
 Par clearance troubles.
 Agricultural depression.
 Effect of recurrent expansion factor on the San Francisco Bank.
 Attitude toward inflation.
 Branch banking in the district and its effect on the System.
 Gold and silver coin usage and handling in the 12th district.
 Effects of far western situation and location - unusual degree of autonomy?
 Competition between branch and home office.
 The Bank and the evacuation of the Japanese in World War II
 (deserves a monograph, though late for this project).

c) Officers or Directors to be queried about Early Days

Mr. Morrison, Mr. Herman Mangels, Mr. Leisner of the Seattle branch,
 certain older bankers in remote sections.

d) Men Whose Papers Should be Sought

John Perrin, Archibald Kains, John U. Calkins, Ira Clerk, Issac B. Newton.

e) Library

Library has about 4,000 volumes, good librarian. Mostly concerned with financial and economic life of region, but is now building up collection of foreign bank reports, both central banks and commercial, along with monthly economic reviews and special studies; emphasis in present early stages on Pacific and Asiatic areas. Library treasures include supercargo's journal of ship which burned in gold rush days at site now occupied by the building.

f) Filing System

Files are centralized, organized and managed in such a way as to delight any research worker. Dewey Decimal System used in subject or reference file. Central filing system includes officers' correspondence and memoranda, Fiscal Agency correspondence, legal correspondence and memoranda. Research studies are retained in research department. Files go back to 1914, but present system was set up in 1920. All material in reference file (which is quite understandably their pride) is considered active and kept that way. Inactive files are moved to records room, kept according to dates set in the Bank's destruction schedule (related to schedules issued by Treasury and the Presidents' Conference), and then destroyed. This affects only ephemeral and routine material.

The word "archives" is used in this Bank as meaning a room for inactive records.

Destruction schedules framed by Treasury and Presidents' Conference are applied.

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

Report of the Executive Director for 1954-55

The Secretary's summary review of work done in 1954-55 reports the Committee's progress and outlines the plans proposed for 1955-56. This more detailed report of staff accomplishment is appended for the interest of Committee members.

Archival and Research Activities

This group of activities was planned as basic to the entire project, and a continuing attempt has been made to keep it firmly rooted there. As the project is concerned not only with the history of institutions and the people who set them up and have operated them, but also with the theories held, the policies followed, the effect of those theories and policies on the country's monetary structure and on the surrounding economy, it has been necessary to plan several lines of inquiry and to record various types of information.

This information is primarily concerned with the past, but we have been getting at the past by courtesy of the present. Visits to Board, Banks and Treasury are made to those institutions as they now work, and records of those visits necessarily touch on present characters and conditions as well as on those of days long past.

Because the field is so large, the survey has, for this first year, been continuing to map mostly surfaces. The majority of this is done. We now know a good deal about what material is where, how to find it, in what direction further searching can most usefully proceed. We hope in the second year to complete our survey, make its results available to scholars working on this project, and dig into deeper levels.

1. Board Visits

The staff's executive director made nine visits to Washington between September 1954 and May 1955, of which eight were for two days each. An office with desk and telephone was made available for her use, library and cafeteria privileges were extended. During these occasions she had one or more interviews with Chairman Martin; his assistant, Mr. Riefler; the Board's Secretary, Mr. Carpenter; the Economic Advisor to the Board, Mr. Woodlief Thomas; the General Counsel, Mr. Vest (who has kindly undertaken some research for us into significant court decisions involving the Board or the Banks); the Director of Research and Statistics, Mr. Young; the Assistant Director, Miss Burr; the Librarian, Miss Sutherland; the Head of Files, Miss Poeppel; and others of the staff.

Transcripts of these interviews were dictated from notes and filed in the Committee office as "confidential." The useful information they contain is being held as part of the raw material which can be made available for students working on the history. They also served to orient the staff director as to the material available in the Board.

Library - The library of the Board of Governors is essentially a working institution, serving primarily the Board and staff members, but welcoming our inquiries. It does not aim to become a depository of historical material, nor

has it space or staff for the housing and servicing of collections whose value is chiefly historical. It contains a good collection of printed data, basic to this project, including the reports of the National Monetary Commission, the Aldrich Plan, and so forth. It has complete sets of Board Reports, and a collection of memoranda and speeches by Board members and staff over the years. Its librarian, Miss Sutherland, makes no claim that this collection is complete or definitive, but it is certainly rich. One hopes it may be kept intact, with current additions but without forced disposal of early material, as its historical importance grows with the years. Students who come with appropriate introductions are permitted to work there in the limited space available.

Miss Sutherland loaned us a complete set of Annual Reports (later replaced by the New York Bank Library) and had copied for us a set of library cards cataloguing addresses and testimony before Congress of members of the Board and of the Board's staff. She also made it possible for a former member of the Board's staff to compile for us (at our expense) a card file of the principal Congressional hearings which have been concerned with Federal Reserve matters. This gives the Committee unique and valuable research aid.

Files - A complete report on material available in the files of the Board of Governors could only be made after more exhaustive inquiry than has thus far been possible. Legal files, Research files, and General Administrative files are separate collections following different patterns of organization. Legal files include a device called a "spike file," also existing in the New York Bank, which is in effect a chronological record of matters that come up day by day in the Legal Division. Bound at intervals and kept on shelves in the Legal Division, the early volumes afford a picture of the legal aspect of the System as it evolved within the Board.

General Administrative Files are the Board's device for central filing. According to Miss Poeppel, who runs them, they contain a good 25% of material that is archival in nature. Organized as subject files, classified according to a modified Dewey Decimal System, they also contain a key to the persons creating the material in the form of a card file started very early by Mr. Jemison, a former Head of Files, who kept a carded record of who wrote what on subjects of importance.

These files were apparently assembled from various places when the Board came from several offices into its own building nineteen years ago, and there is some indication that their form of organization may have been changed at least once. Miss Poeppel has recently begun to replace worn backings and tattered guides so as to render the older material more easily useable. She is much interested in the aims of this Committee, and very cooperative, an attitude in which she has official support.

2. Bank Visits

The staff director has now made the acquaintance of all twelve regional reserve banks, New York, Boston, Philadelphia and Richmond, before July 1954, and the other eight between July 1954 and the end of June 1955. No attempt has yet been made to see branch offices.

Dates and places were as follows:

July 20-23, 1954, inclusive	Federal Reserve Bank of St. Louis
July 26-29, 1954, "	" " " " Chicago
Jan. 11-13, 1955, "	" " " " Cleveland
Feb. 15-18, 1955, "	" " " " Atlanta
Mar. 30-Apr. 1, 1955 "	" " " " Dallas
Apr. 4-11, 1955 (inc. weekend)	" " " " San Francisco
June 8-11, inclusive	" " " " Minneapolis
June 13-15, 1955, inclusive	" " " " Kansas City

The way for these visits was prepared by a letter from Mr. Sproul, Chairman of this Committee and President of the Federal Reserve Bank of New York, to his colleagues in the other eleven banks introducing the work of this Committee and asking their cooperation, a letter which proved its effectiveness many times.

Bank cooperation showed itself in many courtesies, large and small, in a willingness to answer all questions and to open all doors. The degree of interest in historical research as such varied with the individual, but the general attitude was one of warm welcome. With two exceptions, caused by absence from the city, the President of the Federal Reserve Bank welcomed the Committee's representative in person, and talked at length about the district, the bank, the economic history of the region, as well as contributing anecdotes of earlier days and suggesting "elder statesmen" who might have useful memories. A desk was provided, schedules of further interviews set up. Nor did Bank hospitality end there. Luncheon invitations were extended, sometimes with other officers, once with the entire officers' council. Bank cars and drivers were offered to take the visitor around the city. Dinner appointments were made as for an honored guest. The director is warmly appreciative of such hospitality and such kindness.

To talk with senior officers, to inquire about "elder statesmen" who might contribute papers or memories, to find out what historical material was available in files and libraries, to establish a sense of confidence which could be extended and deepened by correspondence, to create a reciprocal interest in the project which might result in volunteered information and aid, all this was the repeated aim. The Chairman of this Committee, Mr. Sproul, very early expressed the hope that it might be possible to coordinate information about bank archives; that goal has stood high on the list of things which might be accomplished by these bank visits.

Toward that latter purpose, two questionnaires were constructed, one to find out what material was held in bank libraries, the other designed to find out about bank files. In framing the library questionnaire we had the aid of Miss Marguerite Burnett, recently retired as librarian of the Federal Reserve Bank of New York, and a longtime friend of librarians at other Federal Reserve Banks; most of them meet annually at the convention of the Special Libraries Association. The questionnaire on files proved more difficult, but the returns have been rewarding. Both are described in the appendix report on banks.

3. Treasury Visits

Because the Federal Reserve Board was lodged in the Treasury Building for at least part of the time before the present building was finished in 1936, and because the operations of the two institutions have been so intimately related, we made inquiry about the location and disposition of Treasury files

related to the decades of Federal Reserve history. Mr. W. Randolph Burgess, Under Secretary of the Treasury and a member of this Committee, opened the appropriate doors for a general survey of Treasury material. Much more needs to be done in this sector, but at least we have made a start in finding out where Treasury material of potential interest to students can probably be found.

Paper Hunts and Handling

The search for pertinent private papers, which from the start has been one of the primary objectives in this project, has continued to occupy a regular part of staff time. We now have reports on the whereabouts of 94 collections, with some indications of their size and their condition. (A complete list is appended.) In one instance (the Carter Glass Papers) we have a selective inventory of material which concerns the Federal Reserve System, and in several others we have obtained permission from the Library of Congress to copy their registers.

Our latest valuable find is the important collection of Owen D. Young, who served on the Board of Directors of the Federal Reserve Bank of New York in various capacities from 1923 to 1940. These papers are arranged with care and housed in a steel vault at Van Hornesville, New York. They have been surveyed by the director, and we are assured that they will be made available to properly qualified students able to go and work there.

As noted, in the Secretary's report, the Committee has, in several instances, played a leading role in rescuing valuable papers, and bringing about their transfer from casual family storage to a library where they will be properly arranged and catalogued for scholarly use. Committee members may remember that the Ogden Mills collection was, after Committee intervention, moved from a Long Island garage to the Library of Congress. With Committee aid in the earlier stages, the Goldenweiser papers have been transferred to the same depository. The Fred I. Kent papers were saved from destruction and given to the Princeton University Library where they are to be housed in the section on International Finance. The Frank Vanderlip papers, now stored in the family garage at Scarborough, are being invited to Columbia University by the Director of Libraries of that institution. The saving of these collections for scholarly use will benefit students working in many sectors of financial history.

When this project was first proposed, the Committee anticipated the need for considerable work in organizing, arranging and cataloguing the collections of papers it hoped to find and in analyzing their contents for scholarly use. Toward these ends, two experiments were tried. Again, the Committee may remember that the papers of Senator Carter Glass, "rough sorted", boxed and put on deposit in the Alderman Library of the University of Virginia, were without index of their contents. Interested students had to go through the whole collection in order to know what of interest it might offer them.

In the summer of 1954 Dr. Elbert Kincaid, distinguished economist, then head of the Economic Department of the University of Virginia, for years Economic Advisor of the Federal Reserve Bank of Richmond, was given a sub-grant to make an inventory of the Glass papers, with particular reference to Federal Reserve material. That inventory was delivered as finished in October 1954. Its list of the pertinent contents of 423 boxes occupies 614 mimeographed pages.

Six copies in ring binders have been given to the Library at the University of Virginia. Thirty-seven more await distribution by this Committee. Such distribution awaits Committee decision as to whether this scholarly aid should be used in its present form, or held for eventual publication.

The second experiment was carried on with the aid of the National Records Management Council which undertook to set in order two small collections as examples of the kind of work they might do on larger groups of papers. This taught us more about modern techniques in archival practice, but it too promised to be very expensive.

In the end, and after consulting experts in the Library of Congress, the Harvard Business Histories Group, the National Archives and the Ford Archives on the handling, processing and arranging of important papers for scholarly use, Committee members came to the conclusion that rather than commission the arranging and cataloguing of papers on its own account, efforts might better be spent in persuading their owners to move them to a qualified library which would then undertake the processing of these collections according to its own rules and system.

The Committee therefore on May 24, 1955 adopted the following points of policy for making recommendations:

- (1) Papers which have belonged to a man of national stature, active in the political scene, should be made available to the Library of Congress provided that the institution shows an interest in acquiring them;
- (2) Papers belonging to a man who has had, or whose family has had, marked affiliation with a specific college or a particular region should be offered to the library of that college if properly equipped to handle them, or to the properly equipped library of a college in that region;
- (3) Papers belonging to a New York financier should, if not preempted under the two earlier provisions, be regarded as available for the Columbia University Library, which has come, under Committee urging, to consider the establishing of a new manuscript collection of financial and monetary papers.

The Columbia plan is highly interesting but still tentative. The Committee, searching for a library in the New York region where the papers of financiers who had made the great metropolitan money market famous could be studied, discovered that no such center existed. Convinced of the value of such a center, sure that the time to set it up was now, before more collections should be dissipated or destroyed, the Committee secretary arranged for a series of conversations with Dean Courtney Brown of the Columbia Business School and Dr. Richard Logsdon, head of Columbia's libraries, Columbia now seems eager to establish a fine manuscript collection in the field of financial and monetary problems. To acquire, arrange and service such a collection, they would need a fund of \$35,000.

The Committee, after extended discussion of the plan, has decided that, while in view of the size and importance of the problem the sum is entirely reasonable, they cannot themselves set aside so large a proportion (more than 10%) of their own funds for the needs of a single institution or a single

sector of the entire project in which they are engaged. The plan is therefore in abeyance until autumn when other solutions to the problem of funds may be sought.

Card File Building

The making of master card files, started during the pilot phase as a primary aid to research and so planned that they could be duplicated for scholars elsewhere, is in various stages of near-completion.

Biographic cards now record essential data for 1,450 individuals who have played important roles in the System. These men include senior officers of the regional banks, directors, government officials, academic consultants and so on. The staff continues to refine and add to this file, as to the others, but 75% of the work has been completed, and 15% of what remains is clerical in nature. It is out of material compiled for this file that the data used in the study of age, length of service and career background of officers and directors, appended to this report, has been assembled.

A sub-file of 550 cards has been built to give necessary career and achievement data for economists and monetary historians who have been suggested as participants or consultants in this project. These are at present classified according to field of interest; the file needs duplicating to allow for alphabetic arrangement and quick reference.

The bibliographic file, to which a part-time staff member devotes complete attention, now contains some 7,000 items and is still growing. This is planned to provide basic material for the definitive bibliography projected as one of the works to be published. It promises to be particularly valuable in the field of periodical literature on Federal Reserve matters which contains important academic and professional comment and analysis, and for which no comprehensive guide exists. Miss McKinstry has worked on it some 600 hours during 1954-55, but it cannot be regarded as more than one-third finished.

The chronological file is perhaps three-quarters complete. For each year from 1914 through 1954 we have recorded on file cards for the purpose of quick reference the following categories of information:

- Names of President, Secretary of the Treasury, Comptroller of the Currency
- Names of members of Banking and Currency Committees in House and Senate
- Names of members of the Federal Reserve Board
- Names of members of the Federal Advisory Council
- Names of members of the Federal Reserve Open Market Committee
- Names of officers and directors of the 12 regional banks
- Chief Congressional hearings affecting the System
- Legislation affecting the System

Three other categories are in process. "Important court decisions affecting the System" are now being analyzed and listed for us by kindness of Mr. George Vest, Counsel of the Federal Reserve Board. "Policy Actions of the System" is almost completed. "Events influencing or surrounding System action" is still in progress.

All these research aids are, of course, available to students working on phases of the project. Dr. Lester Chandler is the first to make use of them, and his use of them is helping in turn to test their value. His report assures us of the value of these card files.

Interviews

From the beginning the Committee has laid heavy stress on the value of interviews with older men who had good memories and were interested in reliving their early days in the System for the benefit of those working on this project. A year's experience, added to that gained in the pilot project, makes it possible to look at the interview process more closely, to analyze its values, and to make recommendations for the future.

Three types of interviews have now been developed. The first is the interviewing of a retired official for the purpose of finding out what events or impressions in his years of service stand out most clearly in his memory. This had in the beginning a triple value - it made textbook accounts come alive for your director, it provided suggestions about other people who might usefully add to the record, and it created a reciprocal interest which has led to contributions in the forms of papers, memoirs, etc.

The second type, the bank interview, is a variant of the first, in that it deals with people still active; it leads toward the sketching of what might be called a historical profile of each of the 12 Federal Reserve Banks.

The third type is the group or conference interview, of which the Committee held two at Princeton, the first in November 1954 with the participation of three consultants (Dr. Karl Bopp, Dr. Lester Chandler, and Dr. Elmer Wood), the second in January. This has proved very valuable in contributing new material as in getting at the sources of controversy and the process of decision. It has possibilities which we hope to explore further.

All three types of interview have been recorded and made part of the Committee's material. The first two types were, with one exception, taken down as pencilled notes, then dictated and transcribed, labelled "confidential" and filed. The exception was a pair of interviews with Mr. Leslie Rounds, formerly Vice President of the Federal Reserve Bank of New York, in which we tried using a tape recorder with less success. The third group, the conference interviews, were taken verbatim by a stenotypist, distributed to participants and corrected by them.

In evaluating these interviews and these processes, it should be remembered that while the interviewing was done by one experienced in that process, the statements in them have not yet been checked. The transcripts rank as part of the raw material needed in this project, to be used with caution and only after extensive cross-checking.

In this framework they are very useful. On the other hand, if they are regarded as elements of "oral history," their importance becomes arguable. Procedures adopted by the Harvard Business Histories Group and by the Oral History Project under Dr. Allan Nevins at Columbia University have raised questions about note-taking as a way of recording interviews, and have laid heavy stress on the tape recorder which takes down every word and the trained transcriber who edits out unnecessary words as she types. Whether or not this

judgment is accepted, the fact that the new processes exist lays an extra burden of caution on those who still use the old for research purposes.

At their best, the new processes make possible a verbatim record of an interview-in-depth, taken down after a vast amount of preparatory work has been done by both the skilled interviewer and the forewarned subject. On a lower level, they offer little or no improvement over note-taking. They are very expensive processes. That they are not always successful is suggested by the recent comment of a critic who concluded that "Oral history reminiscences can be worthwhile, but only if they are prepared with educated care and used with scholarly caution".

The lesson for this project would seem to be threefold: first, the interviews with individuals thus far taken and transcribed are valuable in recalling events and the atmosphere in which they happened, in contributing detail, in recreating the sense of personalities long gone but important in System history. They also suggest the wisdom of further inquiry on certain points sometimes believed to be settled. On the other hand, subject as they are to the frailties of human memory, they seldom can be taken as providing the absolute truth or the final work in a complicated controversy.

Bank interviews have also been subject to some of the same difficulties, but have almost always led to the discovery of further material. Here the need for personal contact and the establishing of confidence has been as great as in the earlier type. No matter how good the introductions - and ours have been of the best - it is only in individual conversation that the past begins to take shape as men reach back into memories long untouched. Correspondence may be useful as a follow-up, but it will not do the job of a face-to-face discussion.

For 1955-56 your director would like to suggest that new interviews be chosen with more care, that second interviews-in-depth be held where first interviews indicate the existence of memories so rich that they call for further exploration, and that major stress be laid on group or conference interviews of which the two Princeton conferences were important examples. These group conferences can achieve a quality and depth of recall which is seldom won in a general interview. They are particularly valuable in re-creating and clarifying the quality of a controversy concerning which official records show only the unexplained outcome.

The interest of the Committee itself in these group interviews is lively, and more of them have been approved in principle. They result in records valuable to the student of central banking history in the United States. At least three of them could well be included in the plans for 1955-56.

Writing

The reason for this archival and research work is, of course, the acquiring and organizing of information basic to the scholarly writing which is the core of this project. It is in the anticipation of monographs and the history that the paper chase, the interviews, the laborious business of file carding all come alive.

Monographs

During most of 1954-55 the central stress of the Committee's efforts lay in securing the historian who would tackle the definitive history itself. There was, however, one monograph for which arrangements were made very early. This is the biography of Benjamin Strong, Central Banker, which Dr. Lester Chandler of Princeton University started in September 1954, on which he has been working throughout the year. His first report on the progress of that work has been made to the Brookings Institution and a copy is on file with this Committee. He expects to finish the bulk of his research by September of 1955, and to begin writing then. Three years is the estimated time for the book's completion. No arrangements for publishing have as yet been made.

Other monograph plans await decision and commissioning. The staff has done considerable preparatory work in collecting suggestions for subjects and data concerning possible authors. It is hoped that this may be in print in the near future.

Committee Organization

When the Rockefeller Foundation granted the Committee's proposal in the spring of 1954, the following names of Committee members were attached to that proposal: Allan Sproul, Chairman; W. Randolph Burgess; Robert D. Calkins; William McC. Martin, Jr.; Walter W. Stewart; Donald B. Woodward. All these men were experienced in the monetary field, and actively interested in the development of economic studies. To widen the scope of interest in the Committee, they invited Dr. Joseph Willits, with wide experience in the field of social science, and Dr. F. Cyril James, financial historian, to join the Committee; the two scholars accepted membership in it, and have added strength.

Association with the Brookings Institution has been strengthened in the regular process of working together. The association has value for both groups; the counsel given this ad hoc Committee by the more experienced institution, in matters of policy as well as in bookkeeping and budgetary matters is a sturdy and continuous contribution to the progress of the program.

The Committee's expectation was that Mr. W. Randolph Burgess would have general supervision over this project and would himself undertake some of the writing assignments which the Committee contemplated. Then, as the Secretary's report indicates, it became obvious that Mr. Burgess must continue serving the Treasury as Under Secretary in charge of Monetary Affairs. Under those circumstances, and until a substitute of equivalent stature could be found in the person of the historian, the work of the staff has been supervised by an executive sub-committee composed of the Chairman, the Secretary, Mr. Burgess and Dr. Calkins, who have been as generous with their time as they are astute in their judgments.

Staff

The daily work processes have been in charge of Miss Mildred Adams, who acted as research director of the pilot project and on March 1st was made executive director. From June until September 1954 she had the part-time help of Miss Katherine McKinstry (acting thus in intervals when Dr. John Williams, for whom she is secretary, was not in New York) and the typing assistance of

Miss Lois Krebs. Both of these were loaned by the New York Federal Reserve Bank. On September 9th Mrs. Ellen Singer was added to the staff to serve as executive assistant and secretary. On November 1st Miss Irma Burstein was employed as stenographic secretary, and Miss Krebs went back to the Bank.

Meanwhile, three people have worked in our offices on special projects: Miss McKinstry from June to September worked as assistant for the part-time equivalent of six weeks, and from September to June worked 413 hours (or ten weeks) on the bibliography project; Miss Burnett worked eight months part-time (or four months full-time) on the archives project; and Dr. Chandler worked at his own pace on the life of Benjamin Strong.

These, in addition to Miss Adams, make the office sound amply staffed. However, analysis shows that omitting Dr. Chandler who was occupied with his own projects, the regular office force throughout the year adds up to less than three persons, while the two part-time workers on special projects for office use together worked the equivalent of 29 full time weeks, or slightly more than half a person on full time.

In addition, we borrowed (and paid for) 640 hours (sixteen weeks plus) of typing aid from the Bank.

Complicated as this staff situation may look, we believe that this small office, given the special skills it needs, has operated more economically this way than if we had tried to get the same work done by hiring four full-time employees. The ability to borrow (and pay for) typing help from the Bank's pool when and as we need it is a real source of economy as well as an aid to peace of mind.

Quarters

When the pilot project was begun in January of 1954 the Federal Reserve Bank of New York housed the staff rent free in a pleasant working room on the 8th floor into which desks, a table, a bookcase and a file cabinet were fitted. That arrangement continued into the first months of the longer project. In November 1954, after the staff had been reorganized for the longer life of the main project, the Bank made available a suite of three pleasant and efficient rooms at the eastern end of the 11th floor. These quarters provide a private office for the director, a research room with three desks and file cabinets, a reception and clerical office. They have the double advantage of being within the Bank so that various Bank services are still available, and sufficiently set apart from Bank operations so that the independent status of the Committee is clear. They are sufficiently spacious and flexible so that they should serve Committee needs in 1955-56 without change if the Bank continues its generous permission for their use.

Respectfully submitted,

Mildred Adams
Executive Director

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

First Anniversary Progress Report

Princeton
January 29, 1955

TO: Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
F. Cyril James
William McC. Martin, Jr.
Walter W. Stewart
Joseph H. Willits
Donald B. Woodward, Secretary

Because this meeting comes so shortly after January 17th, the first anniversary of the opening of the Committee's office, you may find useful an informal recapitulation of the year's work. Strictly speaking, that work was, as you remember, done in two phases, with a pilot grant of \$10,000 for four months (January 15 - May 15, 1954) followed by a five-year grant which began July 1, 1954. You had a report on the pilot phase when it was finished; a formal annual report on the first year under the major grant, with appropriate financial details, is not due until July 1, 1955. This account is therefore rather in the nature of a birthday candle, shedding light but imposing no responsibility.

Despite the difficulties which might have been created by the shift from pilot phase to major grant, we were, with the aid of Rockefeller budgetary kindness and Brookings bookkeeping skill, able to bridge the technical gap between May 15th and July 1st and keep on working. This continuity of the work process has tended to blur the operative differences between the pilot phase and the five-year project. The important distinctions are: (1) in the pilot phase we made no sub-grants, whereas since July 1st, we have commissioned three projects, one of which (the Kincaid-Glass) is finished, and the other two (Chandler-Strong and Burnett-Archives) are under way; (2) while we are continuing to pursue the four research processes so fruitful in the pilot phase (paper chase, interview, bank visit and card-file building), we are now able to enlarge their scope and to deepen their content.

Work Basis

Staff work in both first and second phases has thus far tended to center around these questions:

"What happened? When, where, and why?"

"Who and where are the people who helped build the System?"

"Where are their papers?"

"What about archives of Board and Banks - where are they, and what is in them?"

People

We set to work on people and papers by collecting from Committee members a list of some 20 of the most important and obvious names, and then seeking interviews if they were still active, or papers if not. That list has been multiplied many times over. We now have a card catalogue of about 1500 persons, including all Board members, Bank officers and directors, the government officials, economists, monetary experts — all of them concerned in some way with Federal Reserve development. We do not yet pretend that the list is complete, but we intend that it shall be. For these people we are collecting at least skeleton biographic and career data.

Keyed to this alphabetical list is a card file of the twelve banks, each with its senior officers and directors, arranged chronologically. These two files will provide clues to the persons whom an historian of the System may need to identify.

Interviews

The interview process has yielded both more and less than we hoped (we have records of the 100 interviews thus far held): more, in terms of operating knowledge of early years, acquaintance with the men who made the System what it is, a treasure of anecdotes which illumine the story; less, because deeper matters of policy and controversy seldom come out in first interviews, and the interviewer must know more than has hitherto been possible in order to decide what are the most fruitful questions that can be asked.

We have been exploring the methods of the Columbia Oral History Project and of the psychological laboratory at Michigan in an attempt to see whether their experience may help us with interviews in greater depth. We hope to begin very shortly an experiment in group interviews for which the Executive Committee recently made financial provision.

Papers

The paper chase, which began so fortunately, still continues to yield good results. The returns are perhaps spottier, but they still come, and the possible sources are by no means exhausted. We now have records of more than 70 collections which bear on the System, scattered among the Library of Congress, various university libraries, and private owners. We have not wanted to amass material in the Committee office, but we do intend to compile as complete a record as possible of the whereabouts and the contents of pertinent collections. In the process, an excellent degree of cooperation has been established with the Library of Congress, and we are now in the position of being able to recommend various types of depositories for newly discovered collections.

These 70-odd collections of which we have record represent only a fraction of what we hope to find. The continuing threat is that valuable papers will be destroyed for lack of knowing that a responsible group is interested in them. We are now framing a letter to older officers on our lists asking them to consider the aims of this Committee in providing for the disposition of their papers.

Meanwhile, the problem of handling is still troublesome, though we know much more about it than we did a year ago. The high cost of providing an inventory for the Carter Glass papers has moved the Executive Committee to ask for a report on the scope and estimated costs of the paper problem. That report is in preparation.

Bank Visits

Introduced by letters from Mr. Sproul to other Bank Presidents, your research director has visited six of the regional banks (not counting New York) and plans to visit the other five before the end of May. These visits are for three days, obviously superficial, but productive of much information and helpful in the building of the kind of confidence which must be established between the Committee and the banks on lower as well as higher levels, if the questions we ask are to be answered and the material supplied. The banks have been most kind and most cooperative. We hope to have more luck with the archives inquiry when this first-hand exploration is finished.

Projects

The cataloguing of the Carter Glass papers which, conceived in the pilot phase, was the first project commissioned, is completed except for an index. Decision as to whether to publish is being postponed until we have more information as to the Committee's eventual publication schedule.

Dr. Chandler has, since September, been working on the Benjamin Strong papers one day a week. After February first, he expects to increase that time-schedule to four days a week.

The project for exploring and collating information about Board and Bank archives, which Miss Burnett began in October on a part-time basis, has languished because considerable preliminary investigation was needed before she could usefully start. She has been most helpful in bibliographic aspects of Committee work and in the continuing paper chase. Meanwhile, the preliminary work of querying banks about files and archives is being done through personal visits on the part of the research director. This means delay, which is unfortunate but apparently unavoidable.

Files

When the Committee chooses its historian, we assume that the research work done by the staff will take on new dimensions. Meanwhile, we continue to put into four card files the basic data about people, banks, legislation, policy actions, hearings, speeches, unpublished material, articles, books and so on, which an historian could reasonably be expected to ask for. We have mentioned the Persons file and the Bank file. The third is the Time file, which attempts to collate the responsible people with the various types of events affecting the System. The fourth, developing a new approach to a System bibliography, is the special province of Miss Katherine McKinstry whose years with Dr. Williams have given her a wide familiarity with the needs of scholars as well as with the rarer fields of theses and periodical literature. We have also had fine bibliographic assistance from Miss Sutherland, Librarian at the Board.

Future

The aim of all this work and these accretions is to prepare to serve the research workers who will be seeking information as the history-writing phase develops. A year of effort enables us to be at least better supplied with data than when we started. The outline-memo prepared for this meeting shows how much further we still have to go. Having spent 1954 in primary exploration, we are hoping that 1955 may make it possible to use some of what we have and to go deeper for the major aspects which are still to be gathered.

Mildred Adams
Research Director

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

Progress Report No. 7

November 19, 1954

TO: Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
F. Cyril James
William McC. Martin, Jr.
Walter W. Stewart
Joseph H. Willits
Donald B. Woodward, Secretary

The work of this Committee has made notable progress in the last two months. Projects long planned have come into being; the cooperative effort represented by the conference at Princeton holds high hope for the history itself; and new quarters have made the staff work easier.

Projects

The Kincaid examination of the Carter Glass Papers is finished, and the "Inventory of 423 Boxes on Deposit in the Alderman Library of the University of Virginia" promises to be a valuable aid to students working in this field. A separate memorandum on the details of this project is appended. The number of boxes found and catalogued (423) is almost twice the number estimated by the librarian (216) and accepted as the basis on which the project was undertaken. A final accounting of the grant to Dr. Kincaid has not been received, but conversations indicate that his costs will not run much past the amount provided.

Dr. Lester Chandler started work on September 27th with the Benjamin Strong Papers in an office kindly provided by the New York Federal Reserve Bank. (Since then, he and his papers have been moved into the Committee's new quarters). From September until February, he will be spending every Monday on work for the book. From February forward, he expects to be devoting full time to this.

Miss Marguerite Burnett, formerly librarian of the New York Federal Reserve Bank, started work October 13th on a part time basis to identify and explore archival material in the twelve regional banks. Thus far, she has chiefly been occupied with taking soundings in a field surprisingly diverse and unmapped. We are developing hopes, but it is too early to expect results.

History Writers

The steps which led to the happy decision to invite Dr. Bopp, Dr. Chandler, and Dr. Wood to work with the Committee on a closer defining of our desires (including an outlining of the "grand design" and perhaps of the history itself) have been reported as taken; they need no repetition here. As for the man, or men, who may write the history, the hope is that an agreed choice may emerge in the course of these Princeton Meetings.

Next Step

As you know, the Princeton conference is a three-day affair -- Saturday (the 20th) and Monday (the 22nd) for the three experts, Sunday (the 21st) for the Committee. After the Monday meeting, the experts will go their ways to wrestle separately or confer by correspondence or telephone with the problems set before them. At the end of some six weeks, they hope to come up with recommendations which they would like to present at a second full conference, perhaps on the week-end of January 7-8th.

Committee Organization

In accordance with the Committee's wish, Dr. Joseph Willits and Dr. Shepard Clough have been asked to join this Committee. Dr. Willits has accepted. Dr. Clough is in Europe, and no reply from him has yet been received.

Publishing Plans

The summary of interviews with publishers, promised in this report, has been postponed for the next one.

Housekeeping

The Committee staff and office have been moved from a single room on the 8th floor of the Federal Reserve Bank of New York to a pleasant, quiet, and comfortable three-room suite on the 11th floor. This makes possible a much more efficient separation of work needs; it gives Miss Adams a private office, provides a research room in which Dr. Chandler, Miss Burnett, and Miss McKinstry have desks and file space, and adds to the ease of handling clerical work. Committee thanks are owing to the New York Bank.

Mildred Adams
Research Director

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

Report on Kincaid Project

The inventory of the Carter Glass Papers at the University of Virginia, which was undertaken early in the summer by Dr. Elbert Kincaid and three graduate students working under his supervision, has been completed. The list fills 614 mimeographed pages and describes the Glass material contained in 423 boxes on the shelves of the Alderman Library at the University. The contents of each box are given at least a page, and in some instances, two or three pages. This system makes it possible to place in each box the page (or pages) which constitute the inventory of that box, as well as to bind the whole inventory into a volume useable by students.

The value of the inventory as an aid to locating items depends, of course, on the inviolability of the present arrangement of papers within the boxes where they are now catalogued. It might have been safer had each item been given an item number and a box number. It also would have seemed that some rearrangement might have been advantageous. Neither idea has yet been welcomed by the library authorities. For the sake of the inventory's continued usefulness, one can only hope that their optimism as to the orderliness of future users of the collection is not misplaced.

No index to the inventory was made by Dr. Kincaid, and the funds provided him are not sufficient to cover this extra work. (In fairness to him, it should be noted that the estimate of boxes provided by the librarian in the beginning was 216, whereas the number actually found was 423, so that the work done was almost twice as much as anticipated). An index of names and subjects would be a primary need of any student using this inventory. Dr. Kincaid would like to make such an index himself, but there are reasons why the staff thought it better to get independent estimates in New York.

Now that we actually have the inventory sheets in hand, questions arise as to the kind of index to be provided, the way in which the finished work should be bound, the number of copies which are desirable, the procedure for distribution and so on. These matters will be proposed for consideration by the Executive Committee at a later date.

Provided with an index, suitably bound, distributed to appropriate centers of research, this inventory will have great value for students of these papers and the public events on which they bear. A great deal has been learned in the process which will be valuable for the next undertaking of this sort -- (perhaps the Goldenweiser Papers?).

Mildred Adams
Research Director

Committee on the History of the Federal Reserve System

PROGRESS REPORT NO. 7

November 19, 1954

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

The Kincaid examination of the Carter Glass Papers is finished, and the "Inventory of 423 Boxes on Deposit in the Alderman Library of the University of Virginia" will be presented for the Committee's inspection at the Princeton Conference November 21st. No index has been provided, but this should not be taken as a criticism of Dr. Kincaid. The number of boxes found and catalogued (423) is almost twice the number estimated by the librarian (216) and accepted as the basis on which the project was undertaken. The Committee's decision on the matter of providing the needed index will be sought at Princeton. A final accounting of the grant to Dr. Kincaid has not been received, but conversations indicate it will not run much past the amount provided.

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Next Step

As you know, the Princeton conference is a three-day affair -- Saturday (the 20th) and Monday (the 22nd) for the three experts, Sunday (the 21st) for the Committee. After the Monday meeting, the experts will go their ways to wrestle separately or confer by correspondence or telephone with the problems set before them. At the end of some six weeks, they hope to come up with recommendations which they would like to present at a second full conference, perhaps on the week-end of January 7-8th.

Committee Organization

In accordance with the Committee's wish, Dr. Joseph Willits and Dr. Shepard Clough have been asked to join this Committee. As yet, no reply has been received from either of these gentlemen.

Publishing Plans

The summary of interviews with publishers, promised in this report, has been postponed for the next one.

Housekeeping

The Committee staff and office have been moved from a single room on the 8th floor of the Federal Reserve Bank of New York to a pleasant, quiet, and comfortable three-room suite on the 11th floor. This makes possible a much more efficient separation of work needs; it gives Miss Adams a private office, provides a research room in which Dr. Chandler, Miss Burnett, and Miss McKinstry have desks and file space, and adds to the ease of handling clerical work. Committee thanks are owing to the New York Bank.

Mildred Adams
Research Director

Committee on the History of the Federal Reserve System

PROGRESS REPORT NO. 6

August 31, 1954

To: Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
F. Cyril James
William McC. Martin, Jr.
Walter W. Stewart
Donald B. Woodward, Secretary ✓

The daily pace of Committee work during the two mid-summer months has seemed at moments to resemble that of a slow snail, but a glance back at June 24th, date of the last report, does show progress.

Projects

The Kincaid examination of the Carter Glass papers is, according to a recent letter from Dr. Kincaid, three-quarters done, and due to be finished by September 15th. The papers, which are in chronological order, have not been rearranged, but Dr. Kincaid is making a complete inventory of which he will furnish us copies. He says that "many interesting documents which would be of great interest to an historian or a biographer" have been uncovered.

Dr. Lester Chandler is due back from Europe at the end of this month, and we have every reason to expect that early in September he will be starting work on "Benjamin Strong, Central Banker".

Miss Marguerite Burnett, recently retired as librarian of the New York Federal Reserve Bank, will start work on October first in a first attempt to make a master list of the archival material in the twelve regional banks. She begins this pioneer study on a part-time basis. Some exploratory work has been done by Miss Adams in the visits already made to five of the banks, but only enough to show how much more will be needed before this source material can be listed so as to be of use to students.

Meanwhile the National Records Management Council has done a pilot study which will be of value to us in helping to solve problems of handling newly discovered papers. Using two small collections as trial material, they have sorted, analyzed and appraised the papers, and set them up in a form which should be very useful to scholars. This work provided a basis for time studies which will enable them to estimate costs of handling other and larger collections. The task was done without expense to this Committee, but in an attempt to demonstrate the Councils' methods and with the hope that we could use their services

for other papers. The work is admirable, and there is every reason to believe that we now have at hand an expert agency to which the task of examining, indexing and evaluating collections can be entrusted.

History Writers

Some progress has been made in the search for an economic historian who might write the definitive history of the System which continues to be the core of this project.

Dr. Burgess has kindly furnished a preliminary memo indicating what areas interest him - he does not want to undertake the history itself.

Two men, Dr. Elmer Wood of the University of Missouri and Dr. Harold Reed, recently retired from Cornell, have been so often mentioned by Committee members as possibly desirable that it seemed wise to explore the degree of their interest and their potential attitudes toward an invitation to work on the project. To this end Miss Adams, on a mid-summer trip to Federal Reserve Banks in St. Louis and Chicago, flew to Denver over an intervening weekend so as to interview Dr. Wood, then on vacation. Later she visited Dr. Reed at Ithaca.

The net result in both cases was negative in the sense that neither man seems in a position to be receptive to an invitation to undertake work in this project - Dr. Wood because he is working on a book which needs two more years for finishing, Dr. Reed because he is still "recovering from forty years of teaching" and not eager to embark on a task demanding such long concentration of effort. On the positive side, the conversations served to enlist the interest of both these scholars. They have made valuable suggestions, and they will be glad to be consulted further when we need them. Each has agreed to send us the name of any younger man in this field who could be recommended as a possible candidate for some sector of this work.

This leaves two younger men, Dr. Karl Bopp of the Federal Reserve Bank of Philadelphia and Dr. Edward Shaw of Stanford University next on the list of the warmly recommended.

Dr. Edward Shaw's name has been proposed by Dr. Robert Calkins, who recommends him as an able scholar, a good writer, having a brilliant analytical mind, and an informed interest in banking problems. Dr. Calkins is bringing Dr. Shaw on from Stanford University in September to do a study of Trends in Commercial Banking under the auspices of Brookings.

Born in New Mexico in 1908, Dr. Shaw was graduated from Stanford in 1929 and given his doctorate there in 1936. Upon graduation he entered the Stanford economics faculty. In 1941 he was made a full professor, with a year as executive head of the department, a post which he resumed in 1948. Outside the University, Dr. Shaw held a Social Science Research Council fellowship for the purpose of studying monetary theory and the London money market. The war took him to Washington where from 1942 to 1943 he was Chief economist in the Textile, Leather and Apparel Division of the OPA. From 1943 to 1945 he ranked as lieutenant in the U.S. Naval Reserve. His writing has mostly taken the form of studies for economic journals, but he has one full-length volume on "Money,

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A recent letter from Dr. Calkins indicates that it might be possible to transfer Dr. Shaw from his study of Trends in Commercial Banking to this history project if the Committee so desires. Decision in this matter should preferably be made before the commercial banking study gets too far under way.

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Thus far it has been assumed that Dr. Bopp was so valued by the Philadelphia Bank that he could not be released for the writing of the history even if he himself wanted to undertake it. This, like the question as to whether Dr. Bopp might be open to high-level persuasion if the Bank would lend him for this work, is a matter which the Committee may like to ponder.

A third suggestion is that Dr. Chandler himself may be so immersed in Federal Reserve matters after he finishes the Strong book that he will then want to start on the full-dress history. He is a warm friend of Dr. Bopp and Dr. Wood. Conceivably this expert triumvirate might fashion some kind of a working arrangement which would bring the knowledge, skills and judgement of all three men to bear on the project.

Committee comment on or additions to these suggestions will be most welcome.

Committee Organization

Replies to the second list of names to be added to this Committee resulted in a majority vote for Dr. Frederick Lane, professor of history at Johns Hopkins. Dr. Willits has been asked to discuss the matter with Dr. Lane, and a reply is expected this week. Meanwhile Dr. F. Cyril James has accepted the Committee's invitation and a file of progress reports to date has been sent him.

The quarterly report of the Rockefeller Foundation which was expected to announce on July 15th the granting of funds to the Brookings Institution for the work of this Committee was delayed by the demands for information made by

the Reece Committee. It has just been issued; relevant newspaper reports bear the date August 25th. The language used by the Foundation is as follows:

"Two grants totaling \$685,000 have been made to the Brookings Institution by The Rockefeller Foundation. An outright grant of \$375,000 will help to establish a new program of research and education. Preparation of a history of the Federal Reserve System will be partially financed by the other appropriation, amounting to \$310,000.

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The proposed history of the Federal Reserve System will include an appraisal of this unusual invention of government, and a review and analysis of its functioning as illumined by the papers and memories of men who helped develop it. How such a mechanism of monetary control, uniquely adapted to our needs, came to be established, by what devices it has endured and thrived, and a study of its role in both government and the economy will be some phases dealt with."

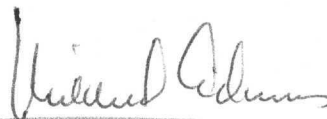
With this announcement in hand a letter can now be drafted which will spread information about the project to interested scholars in the banks and the academic world.

Papers

The work of uncovering new sources of material is by no means finished. On a recent visit to Chicago Miss Adams learned that the papers of James B. Forgan, who played an important part in the formative years of the Board and the Chicago Federal Reserve Bank, fill several packing cases in the storage basement of the First National Bank. The papers of Melvin Traylor are also there. Both collections can be made available for the purposes of this Committee.

Publishing Plans

At the suggestion of the executive committee we have started on a series of conferences with publishers as a start toward making plans for publishing the eventual fruits of this project. Their recommendations will be included in the next progress report.



Mildred Adams
Executive Director

DRAFT FOR MR. WOODWARD

Committee on the History of the Federal Reserve System

PROGRESS REPORT NO. 6

August 26, 1954

To: Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
William McC. Martin
Walter W. Stewart
Donald B. Woodward, Secretary
F. Cyril James

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show how much more will be needed before this source material can be listed so as to be of use to students.

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The net result in both cases was negative in the sense that neither man seems in a position to be receptive to an invitation to undertake work in this project - Dr. Wood because he is working on a book which needs two more years for finishing, Dr. Reed because he is still "recovering from forty years of teaching" and not eager to embark on a task demanding such long concentration of effort. On the positive side, the visits served to enlist interest of both these scholars. They have made valuable suggestions, and they will be glad to be consulted further when we need them. Each has agreed to send us the name of any younger man in this field who could be recommended as a possible candidate for some sector of this work.

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Dr. Edward Shaw is less well known in Eastern circles, and without close experience in Federal Reserve banking. His name has been proposed by Dr. Robert Calkins, who recommends him as having a brilliant analytical mind, and an informed interest in banking problems. Dr. Calkins is bringing him on from Stanford University in September to do a study of Trends in Commercial Banking under the auspices of Brookings.

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A recent letter from Dr. Calkins indicates that it would be possible to transfer Dr. Shaw from his study of Trends in Commercial Banking to this history project if the Committee so desires. Such a decision should in all fairness be made rather quickly, and before the commercial banking study gets well under way.

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Donald Woodward
Secretary

June 24, 1954

Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
William McC. Martin, Jr.
Walter W. Stewart
Donald B. Woodward ✓

PROGRESS REPORT NO. 5

The month which has elapsed since the Rockefeller Foundation approved this Committee's request for a major grant has been divided between continuing the work of the pilot phase and preparing for the longer and different period ahead.

Committee Expansion

It was decided May 11th that, in the event of the favorable reply which has now come, the Committee would be enlarged and its scope widened by the addition of three members, to be drawn, if possible, from the ranks of historians, economists and political scientists. (The third category was inexplicably dropped from the minutes of that meeting, for which apologies herewith.) A list of suggested names was circulated, but only that of Dr. Cyril James met general approval. He has been invited to join the Committee, but no reply has yet been received.

A second list is appended to this Progress Report - your comments are needed.

Executive Committee

At a meeting of the executive committee (Messrs Burgess, Calkins and Woodward) in Washington on June 11th a budget was approved for the fiscal year July 1st, 1954 - June 30th, 1955. This, which calls for an expenditure on office costs and projects slightly less than that foreseen in the Proposal (\$53,325 in place of \$54,500) has been forwarded to the Rockefeller Foundation with a request for the first year's funds. The summary is as follows:

ESTIMATED BUDGET
July 1, 1954 to June 30, 1955

Annual Budget as Estimated for 1954-55

Annual Salaries, office costs and Research	
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Brookings Expenses and Overhead	3,000
Contingencies and other expenses (including future research contracts)	15,000
	<u>\$ 53,325</u>

It was agreed that the idea of providing an understudy for Miss Adams, which has proved troublesome, should be dropped from budget and staff considerations for the time being. The staff as approved would consist of Miss Adams, Miss McKinstry as research assistant (1/2 time), a competent secretary and a typist.

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The Kincaid project for sorting and study of the Carter Glass papers is underway. Work started June 15th, with an agreed grant of \$4,000 (of which a fee of \$1,500 goes to Professor Kincaid) and an understanding that the work would hold September 15th as its target date of completion.

The Chandler project for a study to be entitled "Benjamin Strong - Central Banker" has been approved on the basis of further discussion, both with Miss Adams and with Dr. Calkins, and a supplementary memorandum (copy inclosed). You will have received from Dr. Calkins a carbon of his letter of reassurance to Dr. Chandler, who was sailing for Europe June 21st. A more formal contract, to be signed by Dr. Chandler and by representatives of Brookings and this Committee, will be ready when the former returns in September. We hope to have publishing details ready for inclusion then.

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Papers

The hunt for papers continues to yield welcome results, and will be continued at least during this year.

The Adolph C. Miller papers have been deposited in the Federal Reserve Board, listed by them, and a copy of the list has been provided for the use of this Committee. Thus far no final place of deposit has been decided.

The Marriner Eccles papers, consisting of some twenty-six volumes bound and indexed, are in Mr. Eccles' office in Salt Lake City. Mr. Eccles is considering the Library of Congress as a place of final deposit for them.

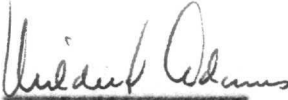
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The papers of A. Barton Hepburn are in the Library of the Columbia University School of Business.

The papers of Frederic H. Curtiss, Chairman of the Federal Reserve Bank of Boston from 1914 to 1944, are still in his possession. He gave us a few items on the understanding that they would be destroyed after notes had been made from them. This collection should be especially valuable for the early history of the Boston Bank.

The son of Oliver M. W. Sprague reports that his father kept few papers. He did, however, preserve letters from Benjamin Strong. These have been checked against the New York Bank files, their carbons located, and the originals returned to Mr. Theodore Sprague. We also have had photostat copies of a few important speeches of which duplicates could not be found.

The daughters of Albert Strauss report that their father left few papers. They have sent us a small set of speeches.


Mildred Adams

Enc.

June 9, 1954

Supplementary Statement Relative to a Proposed Study -
"Benjamin Strong--Central Banker."

The purpose of this note is to provide a somewhat clearer description of the scope, comprehensiveness, and completeness of the proposed study.

My purpose will be to provide as complete a study as possible of Benjamin Strong in relationship to the evolution of Federal Reserve structures and policies and to economic policies in general. To do this, I shall first study Benjamin Strong's life before he assumed the leadership of the Federal Reserve Bank of New York. I shall study his family backgrounds, his training and experience, his position in the banking community, and his ideas as they evolved in this period. In short, I shall do my best to find out what type of person he was and what kinds of ideas and predispositions he had as he entered the System.

From that point on, I shall study carefully the interactions of the man and his experience, trying to assess his influence on course of events and the influence of events on him and his thinking. This would include both domestic and international aspects of his experience, for I am confident that both are important and inseparable. In some cases, "domestic" policies were influenced by international considerations, and after World War I--if not before--our so-called "domestic" policies inevitably had important effects on other countries. Moreover, it is my

impression, still without adequate documentation, that Mr. Strong also played an important role in conference with foreign central bankers and other officials.

In short, my objective is to provide as close to a definitive study of the subject as the available materials will permit, and the study would include Mr. Strong's role in both domestic and international developments.

Lester Chandler

June 22, 1954

Progress Report No. 5

Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
William McC. Martin, Jr.
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Donald B. Woodward

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Second List of Names
Suggested as Additional Committee Members

Please check your first and second choice, numbering them in that order:

More information has been requested concerning Dr. Frederic C. Lane, historian, whose name was circulated on the first list. It is true that Dr. Lane who is Professor of History at Johns Hopkins, has been famous as the author of studies of Venetian shipping during the Renaissance, but his interest is by no means confined to the 15th century. He was editor of the Journal of Economic History from 1943 to 1951. He was historian for the Maritime Commission in 1946-47, and his Ships for Victory, published by the Johns Hopkins Press in 1951, is an account of American maritime activity in World War II. He spoke at the recent Columbia convocation on a paper presented by Kuznets.

Charles C. Abbott, economist, recently made Dean of the Graduate School of Business at the University of Virginia. Dr. Abbott got his Ph.D. from Harvard in 1933, taught there in the Department of Economics and the School of Business Administration from 1931 to 1954; served with the War Shipping Administration in 1942. His books include The New York Bond Market, Financing Business during the Transition, (1946), and Management of the Federal Debt (1946).

Simon S. Kuznets, professor of Political Economy at Johns Hopkins. Professor Kuznets, famous for his studies in capital formation, now President of the American Economic Association, is one of the best known of American economists.

Harold L. Reed, (aged 66) economist, Professor of Economics at Cornell since 1923, was a member of the New York State Banking Board from 1933

to 1944. His books include Development of Federal Reserve Policy (1922), Federal Reserve Policy 1921-30 (1930) and The Commodity Dollar (1934).

Lucius Wilmerding, political economist who dubs himself in Who's Who "private scholar since 1951". Mr. Wilmerding got his master's degree from Oxford in 1929; his career includes service in the Treasury as a political economist from 1935 to 1941, economist with the War Shipping Administration in 1944, member of the Institute for Advanced Study 1945-48, and consultant to the Federal Reserve Board, 1951.

Joseph H. Willits, economist, recently Director for the Social Sciences at the Rockefeller Foundation (1939-1954), now going to the University of Pennsylvania. Dr. Willits has been deeply interested in this project since its inception. His vision and his enthusiasm are of great value. He is well known to all members of this Committee.

Elmer Wood, economist, Professor of Economics at the University of Missouri since 1930. Professor Wood, who was the teacher of Karl Bopp and Lester Chandler, got his doctor's degree at Harvard in 1937. He was economist for the Senate committee which held the Gold and Silver Inquiry in 1924. Harvard granted him the David Wells Prize for his study on "English Theories of Central Banking Control, 1819-58" which the Harvard Press published in 1939. Dr. Wood has been variously recommended as a Committee member, and as the historian who should be asked to undertake the definitive history.

David McCord Wright, economist, Professor of Economics at the University of Virginia, got his doctorate at Harvard in 1940, taught at the University of Virginia Law School in 1940; he was economic consultant to the National Resources Planning Board in 1943, Fulbright lecturer at Oxford in 1953, has been professor at Virginia since 1940. His books include The Creation of Purchasing Power (1942), The Economics of Disturbance (1947), Democracy and Progress (1948) and Capitalism (1951). He was co-editor with Robert Roosa of Money, Trade and Economic Growth -

June 9, 1954

Supplementary Statement Relative to a Proposed Study -
"Benjamin Strong--Central Banker."

The purpose of this note is to provide a somewhat clearer description of the scope, comprehensiveness, and completeness of the proposed study.

My purpose will be to provide as complete a study as possible of Benjamin Strong in relationship to the evolution of Federal Reserve structures and policies and to economic policies in general. To do this, I shall first study Benjamin Strong's life before he assumed the leadership of the Federal Reserve Bank of New York. I shall study his family backgrounds, his training and experience, his position in the banking community, and his ideas as they evolved in this period. In short, I shall do my best to find out what type of person he was and what kinds of ideas and predispositions he had as he entered the System.

From that point on, I shall study carefully the interactions of the man and his experience, trying to assess his influence on course of events and the influence of events on him and his thinking. This would include both domestic and international aspects of his experience, for I am confident that both are important and inseparable. In some cases, "domestic" policies were influenced by international considerations, and after World War I--if not before--our so-called "domestic" policies inevitably had important effects on other countries. Moreover, it is my

impression, still without adequate documentation, that Mr. Strong also played an important role in conference with foreign central bankers and other officials.

In short, my objective is to provide as close to a definitive study of the subject as the available materials will permit, and the study would include Mr. Strong's role in both domestic and international developments.

Lester Chandler

Committee on the History of the Federal Reserve System

Progress Report - 4

May 17, 1954

To: Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
William McC. Martin, Jr.
Walter W. Stewart
✓ Donald B. Woodward, Secretary

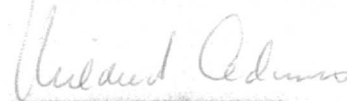
Papers

The papers of John Skelton Williams, reported earlier to be in possession of his widow in Richmond, are to be deposited either in the Library of the University of Virginia at Charlottesville or in the Virginia Historical Society at Richmond. They include diaries, as well as speeches and some correspondence. After discussion with Mrs. Williams's son, Mr. John S. Williams, Jr., it seemed fairly certain that the family would choose the University of Virginia which, of the two institutions mentioned, has better facilities for making such collections available for students.

The papers of E. A. Goldenweiser, earlier reported to be in a storage warehouse in Princeton, have with some aid from this Committee, been brought to the Chevy Chase home of Mr. Goldenweiser's daughter. His son-in-law, Mr. Andrew Kamarek, reports that the collection contains "papers that would be of considerable value in a study of Federal Reserve history. Dr. Goldenweiser apparently kept a kind of official diary at a number of important points in the history of the Federal Reserve." Mr. Kamarek will, over the next six months, organize the material and list it for us. After that, the family would like to make it available to students, but under some arrangement by which they will know who is using it and that proper safeguards assure discretion. Dr. Walter Stewart of this Committee will advise with them on this.

The Committee's part in this includes a visit to Mrs. Goldenweiser by your research director and a volunteered promise of \$150.00 to help with handling charges. This small intervention apparently acted as a catalyst to resolve a situation that had continued confused and static since Mr. Goldenweiser's death.

The papers of Robert B. Warren have been collected and listed by his son Peter, and sent to Mr. Cyril James, Vice-Chancellor of McGill University, who plans a book from them, the exact form of which has yet to be decided. The collection includes some two hundred essays and memoranda, most of them unpublished, together with a small amount of correspondence. Other correspondence is known to exist, and will be gathered. Mr. James will send us a copy of the list of subjects covered in the essays and memoranda.


Mildred Adams,
Research Director.

M:skm

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

Progress Report - 3

March 17, 1954

To: Messrs. Allen Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
William McC. Martin
Walter W. Stewart
✓ Donald B. Woodward, Secretary

In the five weeks which have passed since you received the last progress report, the work then started has followed the course laid out.

Data

The index of key persons in the Federal Reserve System is steadily growing. So is the bibliography of unpublished material. The chronological index has moved from the planning to the operating stage. The subject index is to be started this week.

Interviews

The interview process is yielding results no less valuable for being somewhat different from what we had expected. We find that the things which men remember and recount on a first approach are not necessarily the things they might recall if closely pressed about what happened in a controversial situation. In this early phase, it has seemed best to question mostly in general terms rather than to press on detail.

If these interviews did no more than make the project come alive in the minds of men whose cooperation is vital to its success (and to that of the second phase) they would be worth while. In addition they get men to thinking about past events in which they played a part, and in the process they frequently set the past in proportion against the foreground of the present. This is of great help in working out the dimensions of the main project.

The Progress Report of February 8th listed some twenty-seven persons who had been interviewed. Some of these give us repeated

assistance. Since February 8th, we have had at least one interview with Brooke Willis, Arthur Willis, Eugene Meyer, Daniel W. Bell, George Vest, Miss Anna Youngman, Miss Meta Glass, Francis Berkeley of the University of Virginia Library, Professor Elbert Kincaid, Woodlief Thomas, Parker Willis, Ansgar Berge, Carl Pitman, Professor Arthur Cole, Roy Young, Walter Stark, Floyd Harrison, Mrs. Ogden Mills, Joseph Broderick, Robert Schiff, Miss Henrietta Larson of the Harvard Business Histories group, Jay Crane, John Sinclair, Joseph Dreibelbis, and James Warburg.

Papers

The hunt for pertinent papers has recently yielded these items: The papers of Paul M. Warburg, now in the possession of his son James at his country home in North Greenwich, Connecticut, include a skeleton diary of the period 1907 to 1914, covering events leading to Mr. Warburg's taking of the oath of office as a member of the first Federal Reserve Board. There is also a diary of "Daily Happenings Bearing on the Work and Policy of the Board" from October 4 to 24, 1915.

The papers of James P. Warburg, housed in the same quarters, include a six-volume diary for the period 1933-34, covering both the banking holiday and the London Economic Conference.

The papers of Oliver M. W. Sprague are in his son's possession in the Cambridge house.

The pertinent papers of Walter Lichtenstein have been given to the Baker Library at Harvard.

The papers of H. Parker Willis are in the cellar and attic of the Willis house on Staten Island. If this Committee could make it possible, Mr. Parker Willis might go from Boston to Staten Island to set those papers in order, provided it is understood that he does not know how much of value may be found.

The papers of Norman H. Davis were left to the Council on Foreign Relations and are now (March 1954) in their hands. A final place of deposit has not been decided.

A collection of papers of Dr. Adolph C. Miller, has been found in an unused closet in Dr. Miller's home. They may be turned over to this Committee for temporary deposit at the Brookings Institution, until they can be sorted and a final depository chosen.

A small collection of papers left by Mr. Leon Fraser at the First National Bank of New York has been sent to this Committee and is now in our files.

We have not sought to acquire papers; when offered them, we have made other suggestions for their deposit. But in both the Fraser and

the Miller case circumstances made refusal difficult. It is, however, understood that these papers can be accepted only on a temporary basis.

The scope of inquiry has recently been widened by Mr. Sproul's kindness in writing a letter introducing the pilot project to the Presidents of the other eleven District Banks. We followed this by a first letter asking for certain information we needed from the other Reserve Banks, and by a personal visit to the Boston Federal Reserve Bank. Other visits to other Reserve Banks are in prospect.

We have had a change in personnel--Miss Meglio took the place of Mrs. Karius, and as clerical work was falling behind schedule we added another typist, Miss Krebs. Meanwhile, the Board Librarian, Miss Sutherland, is kindly giving us bibliographic help with certain material in Washington, and the staff of the New York Federal Reserve Bank continues to be warily cooperative.

Timing

The triple process of file making, introductory interview, and discovery of papers is still going forward, and we hope to continue it until May 1st, when the Rockefeller grant for the pilot project ends. Meanwhile we are also working on the design for the main project which should be ready for Committee members by early April. (A skeleton will be ready next week). We are still proceeding on the assumption that Committee members would rather be consulted individually than as a group. A meeting may, however, be necessary before April 18th, when the final draft, with the Committee's approval, must go to Dr. Willits.

Mildred Adams *ms*

Mildred Adams
Research Director

Committee to Study the History of the Federal Reserve System

Progress Report - I

February 8, 1954

To: Messrs. Allan Sproul, Chairman
W. Randolph Burgess
Robert D. Calkins
William McC. Martin
Walter Stewart
✓ Donald Woodward

The first three weeks of this Committee's work have yielded good returns. Housekeeping details are well in hand, with pleasant offices made available in the Federal Reserve Bank of New York (room 807), the Board in Washington and the Brookings Institution; in New York a research assistant (Miss Katherine McKinstry) and a secretary (Mrs. Edna Karius) are at work. Cooperation has been established in Bank and Board, with officers and staff in both institutions very helpful.

Data

The index of key persons in the Federal Reserve development is well under way. The bibliography of unpublished material is started. The chronological index is in the planning stage. The subject index comes next, and for that we are getting expert advice.

Interviews

At least one interview has been held with each of the following (in chronological order)-

Harold Roelse, William Trieber, Thomas Waage, George Harrison, Thomas Lamont, Russell Leffingwell, Gordon Wasson, Robert Roosa, Sam Carpenter, Winfield Reifler, Walter Stewart, Leslie Rounds, Arynness Wickens, Walter Logan, Dr. John Williams, Dr. Robert Calkins, Randolph Burgess, Carl Parry, Walter Wyatt, J. H. Case.

Also with Library and File Department heads - in New York Miss Burnett, Miss Dillistin, Miss von Reuschlaub; in Washington, Miss Sutherland, Miss Poeppel; Dr. Powell and Miss Katherine Brand of Recent Manuscripts Division, Library of Congress-

The average thus far seems to run about ten interviews per week.

Papers

As for discovery of documents and papers, we now know that;- The diaries of Charles Hamlin, Board member from 1914 to 1936, are at the Library of Congress. The collection consists of 365 volumes, of which 25 are diaries. The papers of Governor Harrison, in seven file drawers, taken with him when he left the New York Federal Reserve Bank, have been listed and are to be handed over to us.

The papers of Carter Glass are at the University of Virginia, and will be listed.

The papers of Charles Dawes are at Marietta, Ohio.

Nelson W. Aldrich papers (in 12 boxes) are at the Library of Congress.

So are the Woodrow Wilson papers, the George Norris papers, those of Newton D. Baker, those of Charles Evans Hughes, those of Calvin Coolidge.

The papers of Dr. Edwin Kemmerer are with the Benjamin Strong Collection at Princeton.

The papers of John Skelton Williams are in the possession of his widow, still living, in Richmond.

The papers of Ogden Mills (in 25 boxes) are in his stepson's garage at Brookville, Long Island, and will be made available.

The papers of Paul Warburg are in the Greenwich house of his son James, and may be seen.

Timing

For the next three weeks this triple process of file making, introductory interview, discovery of papers, will go forward. After that we must start to prepare first a preview of the main project to which this survey of material is leading (to be in Dr. Willitts' hands by April 1st) and then a statement of the various sectors of the main project itself (including of course a design for an internal history of the New York Federal Reserve Bank), in as much detail as possible. This last should be ready for Committee Members by April 10th--it is due to be in Dr. Willitts' office by April 18th.

Committee members have been generous with individual help and advice. It may be necessary to ask for a joint meeting in March, but we will try to keep the committee process as occasional as possible.



Mildred Adams, Research Director.

33 Liberty Street
New York 45, New York
January 18, 1954

Messrs. Allen Sproul, Chairman
W. Randolph Burgess
William M. Martin
Walter W. Stewart
✓ Donald B. Woodward

Dr. Robert D. Calkins

PROGRESS REPORT ON THE WORK OF THE COMMITTEE ON HISTORY OF THE
FEDERAL RESERVE SYSTEM

In place of the proposed January 19th meeting of the Committee, which was cancelled, here is the Progress Report which would have been given you then. Other reports will follow at least monthly, and more often if occasion warrants.

The modified arrangement with the Rockefeller Foundation under which preliminary work began January 12th is as follows: Because Dr. Willits is eager to have the major project blocked out and submitted to the Rockefeller Foundation before he retires, he has made an immediate grant to the Committee of the sum of \$10,000; this will carry us until the first of May. In April, he would like prepared for submission to the Foundation a full dress statement of the major design, which would then move ahead where the pilot project left off. (If for some reason this date proves impossible, we doubtless could ask for another ^{short} full-term grant, but we would then have lost Dr. Willits for the main project.)

In substance, this means that the pilot project on which we are now embarking will run for four months instead of six, will be less complete in its first phase than originally planned, and that some of its

work will be carried over into the second phase. This change, far from injuring the end and purpose toward which this work is done, has certain obvious benefits, including a valuable demonstration of Dr. Willits's interest in the whole undertaking.

Conversations in Washington and New York have already made apparent the high degree of cooperation which the Committee will also receive from the Federal Reserve Board, the Federal Reserve Bank of New York, and the Brookings Institution. With those and the Rockefeller Foundation behind us, we are set on our way.

In accordance with Mr. Woodward's suggestion of January 5th, I talked on January 12th with Dr. Robert Calkins, President of the Brookings Institution, clearing necessary physical and financial arrangements with him and asking his advice on certain research details. The substance of this conversation was as follows:

FINANCIAL ARRANGEMENTS

Brookings expects to receive the grant on or about ^{January} February 15th. (They may already have it in hand.) They will handle details of paying salaries and reimbursing expense money or advancing it as seems most convenient.

They will provide a desk at the Brookings Institution for use of the Committee's Research Director when in Washington. Library and dining room facilities have also been made available.

The New York Federal Reserve Bank will order stationery bearing the Committee's name. It has been suggested that a dual letterhead might

serve our purposes; a proposed copy is included with this memorandum.

May we have your approval of its form?

RESEARCH ADVICE

The tangible result to be achieved by this Project would presumably come under four groupings:

1. A bibliography of the printed material concerned with the history and development of the Federal Reserve System.
2. A bibliography of unpublished materials to be discovered, classified, etc.
3. Biographic index of persons concerned in the System's growth.
4. Time file of related events both in the development of the System and the public events which affected it. This file would be keyed to the others.
5. Subject file properly cross-indexed.
6. A comprehensive design for the main project, which may be composed of several separable pieces.

It is Dr. Calkins's advice that, in view of the shortness of time, the first of these groups be set aside until the main project with its more ample time limit gets under way. Investigation has already showed that New York and Washington have bibliographies set up for special purposes, and while these will be useful and suggestive, time will be saved by postponing the complete bibliography of known material until later. (This is a recommendation, not a decision.)

As for the fourth item, the comprehensive design will take shape as this pilot project goes on. All suggestions from the Committee leading toward it would be most welcome.

HEADQUARTERS

On January 14th, your Research Director was welcomed at the Federal Reserve Bank of New York where arrangements have generously been made on the eighth floor, near the Reference Library and the Files, for a good office with able secretarial help. The phone number will be REctor 2-5700, Extension 286. The understanding with Mr. Kimball, Vice President in charge of the Bank's physical arrangements, who was asked by Mr. Spraul to handle this, is that the Bank will furnish the space free of charge, but that a small rental (\$10 a month) will be asked for equipment. Cost of supplies will be charged to the Committee, as will the secretary's salary. Miss McKinstry, who has been acting as secretary and research assistant for Mr. Burgess and Dr. Williams at the Bank, has been assigned to this post. Bookkeeping arrangements call for a monthly statement of expenditures on Committee business to go from the Bank to the Brookings Institution.

Miss McKinstry has had bibliographic experience, and for the time being will act as bibliographer also. The Committee is fortunate to have so able a person assigned to its work. Later, it may be necessary to secure the second staff member for whom the budget supplies funds.

Because this project is concerned with two very different operations -- the accumulation of bibliographic material and the process of personal interviewing, the preparation of a working plan must await the first few weeks of experience.

Quarters in the Federal Reserve Bank of New York will be ready on Monday, January 15th. Talks with the Librarian and the head of the Filing System have already been started, and will be carried on in Washington;

the scheduling of other interviews is under way. Explorations at the Federal Reserve Board in Washington will follow immediately. At the end of the first month, the Research Director hopes to know more surely how many interviews may be expected per week and how fast the projected files may grow.

Mildred Adams
Research Director

January 18, 1954

MATTERS REQUIRING COMMITTEE OPINION

1. Does the proposed and enclosed letterhead meet your approval?
2. We are proposing to ask interviews immediately from such people as are listed below. Would you please indicate those whom you think of first importance and add any others who come to mind?

Bell, Daniel W.
Bopp, Karl R.
Bryan, Malcolm
Burgess, W. Randolph
Carpenter, S. H.
Case, J. Herbert
Crane, Jay E.
Crocker, Stuart M.
David, Chester
Eckles, Harriner
Eddy, Walter W.
Fleming, Robert F.
Gidney, Ray
~~Harding, W. F. G.~~
Harrison, George L.
Daves, Henry M.
Kinkaid, E. A.
Leffingwell, E. C.
Logan, Walter
McCabe, Thomas B.
McIntosh, J. W.

Meyer, Eugene
Morgan, Shepard
Parry, Carl E.
Payton, John N.
Riddle, Jack
Riefler, Winfield W.
Roberts, George B.
Roelke, H. V.
Rounds, Leslie
Saylor, Louis
Stewart, Walter W.
Strong, Jr., Benjamin
Temple, Alan
Thomas, John J.
Thomas, Woodlief
Thompson, Donald
Thurston, Elliott
Viner, Jacob
Wheeler, Oliver F.
Williams, John H.
Woolley, Clarence M.

Wyatt, Walter
Young, Owen D.
Young, Roy

Mildred Adams
Research Director

Please initial and return
Committee on History of the Federal Reserve System
Room 807
33 Liberty Street
New York 45, New York

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM
33 Liberty Street, New York 45, New York
Telephone: REctor 2-5700, Extension 286

Allan Sproul, Chairman
W. Randolph Burgess
William M. Martin
Walter W. Stewart
Donald B. Woodward, Secretary
Research Director: Mildred Adams

With cooperation of

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

✓ 1. Correct Research Director report, before Board's copy

✓ 2. Type another original of Research Director Report for Martin

✓ 3. Pety proposed letter had another Colburn for the

✓ 4. Pattern of use of the Research Director's report to go in Dr. Colburn's envelope, on which the last 2 lines of Research Director's report are omitted.

5. On one of my "Form the office of . . ."

(a) Mr. Burgess:

Herewith is:

1. A letter regarding addition to Committee
2. A progress report from the Research Director
3. Proposed letterhead for the Committee (to which Dr. Colburn's would be added if approved)
4. A single page headed "Matters Requiring Committee Opinion."

(b) Mr. Spauld

Same as to Mr. Burgess

(c) Director Martin:

Herewith is

1. A letter regarding Committee membership - yourself and Dr. Colburn.
2. A progress report from the Research Director
3. Proposed letterhead for the Committee (to which Dr. Colburn's name would be added if approved)
4. A single page headed "Matters Requiring Committee Opinion."

(d) Mr. Stewart

Same as to Mr. Martin

CONFERENCE ON CAPITAL GOODS ECONOMICS
MACHINERY AND ALLIED PRODUCTS INSTITUTE

② Dr. Colkins

Here is:

1. A progress report from the Research Director.
2. A single page asking suggestions on names for interviewing.

6. For Colkins only, retype the single sheet headed
Requiring Committee Opinion
but omit the first question.