

Carbon Copy to Mr. Donald B. Woodward

June 29, 1954

Dear Dr. Calkins:

Thanks so much for sending me a copy of your letter of June 28th to Dr. Kincaid. I do hope this reassurance will satisfy him.

I am asked by the Personnel Division of the Bank to find out from you what "fringe benefits" would be available for employees of this Committee. As you know, the staff has up to the present been employed by the Federal Reserve Bank of New York and the Bank has charged us for their salaries. As I understand it, people who come to work for us from the 1st of July on will be technically the employees of this Committee although the Bank will kindly continue to do the screening and hiring for us. I am sure staff members will get Social Security, but what about old age benefits, hospitalization et al? I have the Brookings booklet, and have read pages 16 through 23, but I am not sure that employees of this Committee come under its full umbrella.

This problem has not come up for discussion earlier, but it is very much on the mind of the Personnel Division and apparently a factor in any hiring they may do for us. I will be grateful for information and counsel.

Cordially yours,

Mildred Adams

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

June 28, 1954

Dr. E. A. Kincaid  
Associate Director  
School of Business Administration  
University of Virginia  
Charlottesville, Virginia

Dear Dr. Kincaid:

I have Miss Adam's letter of June 24 in response to your inquiry of June 22. I think her letter adequately sets forth our understanding of the arrangement. The Committee felt that in allocating the funds available it should in general engage in contracts, formal or informal, rather than make outright grants. This accounts for the language used in my letter to you. While the Committee agrees to pay the \$4,000 for the work that you propose to do on the Glass papers, we expect in return not a performance highly specified but such work as you can do with the time and money available. As Miss Adams has stated, we would hope that if the entire job cannot be done with the funds available, you might find it possible to concentrate your effort on those activities which most relate to the history of the Federal Reserve System.

I hope that this adequately explains the matter and gives you the necessary reassurance.

With regard to the employment of staff, we do not intend to hold you to the particular persons or budgets indicated in your original estimate. Instead, we leave the whole matter of assistants entirely in your hands.

With very best wishes,

Sincerely yours,

/s/ Robert D. Calkins

President

cc: Mr. Woodward  
Miss Adams ✓

# The Brookings Institution

Washington 6, D. C.

July 18, 1954

## SPECIAL DELIVERY

Professor Lester V. Chandler  
214 Western Way  
Princeton, New Jersey

Dear Les:

Following our telephone conversation I am glad to confirm in writing the agreement between the Brookings Institution, acting jointly with the Committee on the History of the Federal Reserve System, and you for the preparation of a biographical volume on Benjamin Strong - Central Banker substantially as outlined in your memorandum of May 18, 1954.

It is understood that you will undertake to complete this study within the next three years (July 1, 1954 to June 30, 1957) and that you will actually start work on the volume in September of this year.

The Committee is prepared to underwrite expenses as outlined in your memorandum of May 18 up to a total of \$7,000. It also is prepared to pay you as compensation the sum of \$5,000 - \$2,000 in the first year, \$2,000 in the second year, and \$1,000 in the third year. Since you will begin work in September 1954, these payments will fall \$1,500 in the fiscal year 1954-55, \$2,000 in the fiscal year 1955-56, and \$1,500 in the fiscal year 1956-57.

With respect to publication, the Committee and the Institution would like to defer publication arrangements for a few months until they can explore the feasibility of publishing the entire series of proposed studies in a single series by a commercial publisher, a university press, or the Brookings Institution. We do assure you, however, that the Committee will undertake to publish the volume, or allow you to arrange publication on your own responsibility. In the latter event, the Committee will undertake to subsidize publication up to \$5,000, if such a subsidy should be necessary. We hope that the Committee's own publishing plans may be determined by early fall. As soon as those plans are settled this feature of the arrangement with you will be worked out more explicitly.

The Committee makes this contract with you with the understanding that members of the Committee on the History of the Federal Reserve System may have an opportunity to examine the manuscript prepared by you and to make suggestions and criticisms. It is understood that in agreeing to this provision the author is not obliged to accept the suggestions of the Committee. It is recognized that if the study is published as one of a series by the Committee itself, or the Brookings Institution, that a small committee of three scholars, appointed

6/18/54

by the Committee and the Institution after consultation with the author, will have final determination of the acceptability of the manuscript for publication in the series. In suggesting this arrangement we are proposing a procedure very similar to that followed by the Committee for Economic Development.

It is understood that the secretarial and other assistants employed for this study will be engaged by you. The Institution will pay over to you in advance the funds for expenditures so that you may make payments as the circumstances require. Pursuant to this provision the Institution will pay over to you for expenses \$3,000 in the fiscal year 1954-55, \$3,000 in the fiscal year 1955-56, and \$1,000 in the fiscal year 1956-57. These payments for expenses will be made in advance as the work proceeds: \$1,000 on September 1, \$1,000 on January 1, \$1,000 on May 1 each year until the full \$7,000 has been paid.

The Institution will pay you the \$5,000 personal compensation as the work proceeds in installments of \$500 each, on December 1, March 1, June 1, and September 1, beginning on December 1, 1954 and concluding with the payment March 1, 1957.

It is understood that you will send us for each fiscal year ending June 30 a statement of expenditures made under this contract and furnish a report on the progress of the study. It is further understood that any portion of the funds for expenses which remains unexpended on June 30, 1957 will revert to the Institution and the Committee.

We are especially pleased that you can undertake this writing assignment. We look forward to a most worth-while study.

Sincerely yours,

President



PRINCETON UNIVERSITY

Princeton, N. J.

Department of Economics and  
Social Institutions

June 21, 1954

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

Dear Bob:

I am afraid this will have to be an extremely hurried note owing to the fact that a death in the family has made it almost impossible for us to catch our plane even without answering a number of letters. However, I do want very much to say two things. The first is that the letter outlining the arrangements for the study--Benjamin Strong Central Banker is satisfactory in every respect. I shall be glad to conform to it and to try to justify your faith in making the grant to me.

The other matter relates to Elmer Wood as a possible person to write the history of the Federal Reserve System. I have the highest respect for Wood. He is thorough, a hard worker, and an excellent student of central banking. Moreover, his work on the Bank of England indicates that he has an interest in the historical approach to central banking problems. My one big worry would be whether he could finish such a project in any period of time that would be acceptable to you and the committee. He has written very little indeed, and the publications that he did turn out were in the works for many years. If he could bring himself to work steadily on the history and to bring it to a completion in an acceptable time, he would be an excellent prospect. I think, however, that you had better check very carefully with others who perhaps know him better than I in order to find out whether he is a good prospect for the reasons that I indicated. On the way to England, I shall try to think of someone who might be considered for the job and shall certainly let you know if I have any bright ideas.

I am enclosing a copy of our itinerary in case there is anything urgent about which you would like to communicate.

Thank you again for the faith that you and your committee have shown in me in making the research grant.

Sincerely yours,

[signed] Lester V. Chandler

# The Brookings Institution

Washington 6, D. C.

June 18, 1954

SPECIAL DELIVERY

Dear Les:

I am sending you herewith a draft of the proposed agreement regarding our support of the Benjamin Strong volume. I will be glad to have you go over this. I hope you will find these provisions acceptable. If not, I should be glad to have your suggestions for modification.

Sincerely yours,



President

Professor Lester V. Chandler  
214 Western Way  
Princeton, New Jersey

enc.

cc: Mr. Sproul  
Mr. Burgess  
Mr. Martin  
Mr. Stewart  
Mr. Woodward  
Miss Adams ✓

FEDERAL RESERVE BANK  
OF NEW YORK

CROSS REFERENCE SHEET

FILE No. ....

SUBJECT Budget submitted to  
Rockefeller Foundation

SEE

FILE No. Rockefeller Foundation

LETTER OF .....

DATED .....

June 17, 1954

Dear Dr. Calkins:

You asked me to send you biographic material about Elmer Wood who has been suggested as a possible writer of the history. You were going to get comments on him to give us added light.

Mr. Wood was born in Illinois in 1892. He was graduated from the University of Missouri in 1916, got his master's degree at Princeton in 1930, and his doctor's degree at Harvard in 1937.

His earliest teaching was at Tufts in 1919 where he started as instructor in economics. He also taught at North Carolina State College (1924-1930), and he has been Professor of Economics at the University of Missouri since 1930.

In 1924 he was economist for the Senate Committee which held the Gold and Silver Inquiry. He was a Guggenheim Fellow in 1939, won the David A. Wells Prize at Harvard in 1937, and the Ricardo Prize there in 1922.

1939 He seems to have written only one book, on "English Theories of Central Banking Control", published by the Harvard University Press in 1913. He has recently done an article in German with Karl Bopp on the Reichsbank, and there is listed one on "International Monetary Reconstruction" in the American Journal of Economics and Sociology. Professor Wood's main research has been done on central banking procedures and the operation of the gold standard during the second half of the 19th century.

I forgot to include the fact that he was Chief liaison officer between the O.P.A. and the Board of Economic Warfare in 1942.

Any comments outside of the Committee which you can get on him will help. He was, of course, the teacher of Karl Bopp and Mr. Chandler.

Cordially yours,

Mildred Adams

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

Washington, June 15, 1954

MEMORANDUM

To: Dr. Calkins  
From: Mildred Adams

The difference in the Chandler figures, and hence in total project commitments, is explained by the fact that I figured the Chandler project on a two-year basis, whereas you have agreed with him that it should be on a three-year basis. The revised figure of \$3,784 is 9 months cost at an annual rate of \$5,667 for 3 years, totalling \$17,000. The three months lacking in the 1954-55 budget will be added in 1955-56 and in 1956-57.

Otherwise these figures are as we discussed them. The summary may serve you for the Rockefeller's needs.

## Revised Budget - July 1, 1954 to June 30, 1955

## Annual Salaries

Executive director (Adams)  
 Research assistant (Stine-McKinstrey)  
 Secretarial & typing ~~and~~

23,354

## Office Costs

Supplies 600.  
 Telephone 400.  
 Equipment - cost & rental 1000.

2,000.

## Travel Costs

3,000.

## Brookings handling charges

3,000.

## Project costs - a good one in negotiation

Kincaid: Carter Glass papers study

" (total \$4,000 - prime costs ~~not~~ from  
 pilot funds)

\$2,667.

Chandler: Ben Strong study

(total \$17,000 - 3 year contract  
 starts Sept. 1st)

3,784.

Barnett: bibliographic and

archival material file on regional

banks <sup>material</sup> (1/2 time for 6 mos.)1,820.8,231

39,625

Contingencies &amp; other expenses (including future project aids)

14,000

Total

53,625

## Summary

### Annual Budget as proposed (p. 21 of Proposal)

Annual Salaries and Research Contracts 46,000

Travel Costs 3,000

Brookings handling 3,000

Other expenses 2,500

\$ 54,500

### Annual Budget as revised

Annual Salaries <sup>office costs</sup> and Research <sup>Contracts</sup> ~~Commitments~~ 38,625

Travel Costs 3,000

Brookings handling 3,000

Contingencies & other expenses

(including future research contracts) 14,000

\$ 53,625



Present Salary Budget projected on an ANNUAL basis.

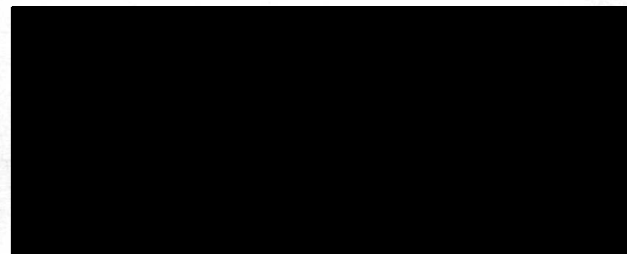
**SALARIES:**

Research director (Adams)	
Research Asst. (McKinstry) (1/2)	
Typist (Krebs)	
Typist (Meglio)	
Present Salary Total	\$18,733.24

REVISED BUDGET  
July 1, 1954 to June 30, 1955

ANNUAL SALARIES:

Research director (Adams) .....  
~~Assistant director ("understudy")~~  
~~from September 1 @ \$7,500) .....~~  
 Research assistant—1/2 time (McKinstry) ..  
 Administrative secretary .....  
 Stenographer-typist .....



~~\$28,280.~~

OFFICE COSTS:

Supplies .....  
 Telephone .....  
 Equipment rental .....

600.  
~~250.~~ 400  
1,000.

2,050.

TRAVEL COSTS .....  
 BROOKINGS HANDLING CHARGES .....

3,000.  
 3,000.

PROJECT COSTS IN NEGOTIATION:

Kincaid: Carter Glass Papers (June costs excluded)  
 Chandler: Total — \$17,000 (Starts September 1)  
 Parry monograph (Estimate on stenographic aid).....  
 Burnett: 1/2 salary for 6 months (Regional bank  
 bibliography) .....

2,667.  
~~8,000.~~ 3784  
 1,000.  
1,820.

8 271  
~~11,487.~~

*Contingencies and*  
*h*

OTHER EXPENSES (including other project aids) .....  
 TOTAL .....

4 000.  
\$50,817.

S U M M A R Y

Budget as proposed (page 21 of Proposal)

Annual Salaries and Research Contracts .... \$46,000.  
 Travel Costs ..... 3,000.  
 Brookings Handling ..... 3,000.  
 Other Expenses ..... 2,500.  
\$54,500.

As revised

\$39,767.  
 3,000.  
 3,000.  
5,050.  
\$50,817.

# The Brookings Institution

Washington 6, D. C.

June 15, 1954

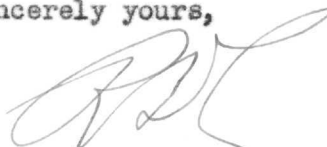
Dear John:

As you probably know, the Rockefeller Foundation has made a grant for a five-year program of studies on the History of the Federal Reserve System. The Committee is now in search of the appropriate person to write the history. I would welcome any suggestions you can offer.

Since Miss Adams spends a portion of her time in the New York Federal Reserve Bank you may wish to discuss the matter with her before sending in suggestions.

With very best wishes,

Sincerely yours,



President

Mr. John H. Williams  
Federal Reserve Bank of New York  
33 Liberty Street  
New York 45, New York

cc: Miss Mildred Adams ✓

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LAURENCE F. WHITTEMORE  
DONALD B. WOODWARD

The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

June 14, 1954

HONORARY TRUSTEES

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MRS. ROBERT S. BROOKINGS  
JOHN LEE PRATT  
HARRY BROOKINGS WALLACE

OFFICERS

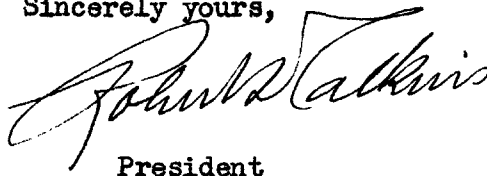
ROBERT D. CALKINS  
*President*  
MILDRED MARONEY  
*Treasurer*  
ELIZABETH H. WILSON  
*Secretary*  
SHELDON B. AKERS  
*Executive Manager*

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

Dear Miss Adams:

At our meeting Friday it was agreed that we should  
reappoint you for the coming year as Executive Director  
of the studies on the History of the Federal Reserve System.  
Accordingly, I am glad to advise you officially of this  
appointment for the period July 1, 1954 to June 30, 1955 at  
an annual salary of [REDACTED]

Sincerely yours,

  
President

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

33 LIBERTY STREET, NEW YORK 45, NEW YORK

TELEPHONE: RECTOR 2-5700, EXTENSION 286

ALLAN SPROUL, *Chairman*

W. RANDOLPH BURGESS

DR. ROBERT D. CALKINS

WILLIAM McC. MARTIN, JR.

WALTER W. STEWART

DONALD B. WOODWARD, *Secretary*

MILDRED ADAMS, *Research Director*

*With cooperation of*

THE BROOKINGS INSTITUTION

722 JACKSON PLACE, N. W.

WASHINGTON 6, D. C.

June 9, 1954

Messrs: W. Randolph Burgess  
Robert D. Calkins  
Donald B. Woodward

The Rockefeller Foundation asks of this Committee an annual budget as a basis for forwarding the funds granted.

Our original proposal was based on a budget of \$54,500 annually for the first two years, but that budget was admittedly rough. We now have further experience and plans better developed on which to base an estimate of needs, but that estimate is still rough. It is appended for your consideration, together with notes meant to clarify the various items.

This revised budget is based partly on experience under the pilot project, and partly on plans already discussed with the Committee, but perhaps grown dim in the interval between planning and the actual approval of the grant. Before considering it you may find useful a short survey of the functions of this office in its second phase as they appear to your research director after four and a half months of operation under the pilot project, and in the light of various conferences with Committee members.

The Task

The task to which the office must set itself is that set forth in the Proposal which the Rockefeller Foundation has approved in making the grant of \$310,000 to this Committee.

The Committee's decision not to hire a "stable" of scholars to do group research, but to stimulate the writing of the desired books and monographs by grants of one kind or another to chosen experts on the submission of approved plans, means that the Committee's office will continue to be a small center of basic research; of the building of such aids to research as the card files already in process; of pertinent correspondence, record keeping and conferences. It will be planned and equipped in part to be a center for service to scholars working on Committee projects. One Committee member described his concept of it as a "research library operation". That is certainly a part of it, if one adds that the books are here only in card index form.

The research work which has been done under the pilot project, and which is described in the Report to the Foundation, will continue. This work has been done with two purposes in mind - to help now in the continuing process of interview and paper hunt, and to serve scholars who go to work on their various sectors of the main design. The card files being prepared are meant to serve as aids to research for anyone connected with this project who can make use of them. They were started with that end in view, and while they already are in daily use by the office we look to a further testing of their usefulness by an early scholar.

### Quarters

If the bibliographic work, the interviewing, the survey and coordination of information concerning research facilities in regional banks, and the other tasks in progress or in contemplation are completed in the first year, the office may then become chiefly a place for conference, consideration of requests for grants, consultation. If so, quarters may need rearranging so that the research director (or whoever continues as head of operations) has privacy. For the present, and while the actively cooperative working phase continues, the present simple group quarters suffice.

### Staff

In order to accomplish the work outlined in the proposal accepted by the Rockefeller Foundation it will be necessary to redefine staff functions and to assemble a group which is both competent and reasonably permanent. The budget which is attached assumes the hiring of one more person than are presently employed - an assistant director (sometimes referred to as "Miss Adam's understudy"). This matter has been discussed by the Committee - it is referred to in more detail below. The salary level has been set higher than now obtains - this should provide a full-time secretary and a stenographer with more experience and higher levels of skill than those available during the pilot project.

The pilot operation, now in its final phases, has been carried on since January 15th against the handicap of insufficient and changing help. Miss McKinstry has been able to give us only such time as Dr. Williams was not using her, and this has never averaged as much as 50% of her time. Nor have we known from week to week which days we could surely expect her services, as Dr. Williams does not keep to a regular schedule.

The first assumption was that we would use Miss McKinstry as secretary and research assistant, with another girl to substitute when she was not there and to supplement her services when she was. This proved impractical; the arrangement in operation since April 1st has been the assignment to us by the New York Federal Reserve Bank of a stenographer (Miss Krebs) and a typist (Miss Meglio). The former has taken dictation, transcribed Ediphone recordings of interviews, and aided in typing minutes, records and reports. The latter has worked chiefly on building up the chronological file of research. This has been a matter of copying from records, under supervision. She has also aided in copying and, like Miss Krebs, has done substitute secretarial work in Miss McKinstry's absence.

Both Miss Krebs and Miss Meglio have worked well, but both have been on a temporary basis. Miss Meglio has asked to be returned to her former department by July 1st. Miss Krebs is willing to stay on.

### Staff Functions

#### Research Director

The task of the research director has grown more complicated as the project has developed. In the first three months she organized the office, planned and started the work on biographic, bibliographic and chronological card files, began seeking papers and interviews, learning the way around the Board, the New York and near-by Federal Reserve Banks, with particular attention to library and early file systems.

Since April, when it became necessary to prepare the Report and Proposal for the Rockefeller Foundation, the work of seeking papers, recording interviews and becoming familiar with Board and regional banks has been slowed. The ideal would have been to finish these tasks in the pilot phase. This not being possible because of the time factor, it will be picked up and carried forward as soon as office revision permits.

Meanwhile time spent on correspondence, preparation of agenda, reports and minutes for Committee meetings and oversight of clerical work has increased. So has time spent in planning and in conference. To these has been added a set of functions concerned with the projects which are the purpose of this Committee's work. Correspondence, interview and investigation of hopeful candidates for grants are just beginning. The projects thus far brought to the stage of negotiation or grant have a background of familiarity, both of author and plan, but even so this preparation takes time, and that time element will increase as news of the Committee's existence goes further afield.

Thus far the Research Director has felt at times like "the cook and the crew and the captain too, and the mate of the Nancy brig". It is flattering to be trusted with so much responsibility and allowed such leeway, but now that this project has been given a five-year life the staff should have more substance and the Research Director more help.

#### Assistant Director

It was stated in the Proposal that the present Research Director would continue in that post for a year, and then withdraw in order to focus on one particular sector for writing. If this plan is to be carried out it has seemed wise to find some one who could come in as an assistant, become familiar with the entire operation, and be prepared to carry it forward a year hence. Two views of the type of person required have been voiced - first, that this person should be the one who would write the history, that is an economic historian of the first order; second, that he or she should be merely an executive of ability, understanding, tact and initiative, able to write well, with an adequate economic background and some research experience. Thus far the individuals suggested (George Roberts, Harold Roelse and



Ralph Young) have been considered on their own merits. Now that none of them is available it may be possible to come to an agreement on type before looking further.

The budget appended assumes that the second type is chosen. The salary allowed (\$7,500) may be too low. The date of start (September 1st) may be earlier than is needed. Three months training as understudy would seem to be enough, and if Miss Adams withdraws as of June 1, 1955, this allows more time for choice, and a corresponding reduction in the budget.

#### Research Assistant

Miss McKinstry has thus far divided her time between work as an executive secretary (dealing with bank routine and relations, handling expense forms, making out requisitions, filing expense accounts, making appointments etc.) and work as research assistant. In the latter capacity her work has been especially valuable. She has been building files both of people, and of books of unpublished material; her experience in this field is large and her suggestions fertile. We would like to free her from secretarial work so far as this office is concerned and to encourage her research talents. We hope that out of her work may come the annotated bibliography on the Federal Reserve System which at least one Committee member has suggested.

Her necessary absences when Dr. Williams calls for her, as he does more than 50% of the possible working time, have robbed the office of the continuity its work needs. When she is away the tasks at which she has been working stand idle. When she and the Research Director are both away the office has no head. Miss Krebs and Miss Meglio have done wonders, but the office needs, and the Research Director needs, the steady presence of a high-grade secretary able to keep everything in the office working at a steady pace. The salary allowed for is in accord with the Bank's median for this type of job.

#### Stenographer - typist

The provision of a stenographer - typist in addition to an administrative secretary is dictated by experience. Files are not yet complete; and the ordinary amount of paper work, already higher than was anticipated, will rise again as soon as it is possible to resume bank visits and interviewing; and to undertake in more detail the work of gathering and coordinating information about archival material and files in regional banks. Such an assistant would serve Miss Burnett (see below) as well as the office in general.

#### Office Costs etc.

These items have been estimated on the basis of experience in the pilot phase. So have travel costs and Brookings handling costs.

## Projects

Of the projects allowed for, the first two have been discussed. The budget assumes that the Kincaid-Glass project will cost \$4,000, will take three months from June 15 to September 15, and that the first month's cost will come out of pilot project funds. This has now been agreed. The Chandler project (still being negotiated) is assumed to cost \$15,000 in all, and to start September 1st. It will take about two years.

The other two projects have been mentioned, but have not reached the point where Committee decision has been asked. Nevertheless there has been enough agreement on their desirability so that it seems wise to include them in budget estimates. The Parry project is the half-completed monograph on Selective Credit Controls — there are indications that the provision of stenographic help would speed this. As for Miss Marguerite Burnett, who retires this summer as librarian of the New York Federal Reserve Bank, we would like her to work part time on a master bibliography of archival material in the twelve regional banks. Mr. Sproul is interested in the idea, and discussions to that end are under way. The figure assigned for her is based on her present salary.

The total as revised is roughly \$4,000 below the original estimate, on the assumption that requests for funds will be heavier in the second year than in the first and that then we may be asking for more than the \$54,000 allowed in the proposal. This point should, of course, be made clear when the budget is submitted to the Foundation.

*Mildred Adams*  
Mildred Adams

Present Salary Budget projected on an ANNUAL basis.

**SALARIES:**

Research director (Adams)	
Research Asst. (McKinstry) (1/2)	
Typist (Krebs)	
Typist (Meglio)	
Present Salary Total	\$18,733.24

**REVISED BUDGET**  
July 1, 1954 to June 30, 1955

**ANNUAL SALARIES:**

Research director (Adams) .....  
 Assistant director ("understudy")  
     from September 1 @ .....  
 Research assistant—1/2 time (McKinstry) ..  
 Administrative secretary .....  
 Stenographer-typist .....

**\$28,280.**

**OFFICE COSTS:**

Supplies ..... 600.  
 Telephone ..... 250.  
 Equipment rental ..... 1,200.

**2,050.**

TRAVEL COSTS ..... 3,000.  
 BROOKINGS HANDLING CHARGES ..... 3,000.

**PROJECT COSTS IN NEGOTIATION:**

Kincaid: Carter Glass Papers (June costs excluded) 2,667.  
 Chandler: Total — \$15,000 (Starts September 1).. 6,000.  
 Parry monograph (Estimate on stenographic aid)..... 1,000.  
 Burnett: 1/2 salary for 6 months (Regional bank  
     bibliography) ..... 1,820.

**11,487.**

OTHER EXPENSES (including other project aids) ..... 3,000.  
**TOTAL** ..... **\$50,817.**

- 7500

**S U M M A R Y**

**Budget as proposed (page 21 of Proposal)**

Annual Salaries and Research Contracts ....	\$46,000.
Travel Costs .....	3,000.
Brookings Handling .....	3,000.
Other Expenses .....	<u>2,500.</u>
	<b>\$54,500.</b>

**As revised**

	<b>\$39,767.</b>
	3,000.
	3,000.
	<u>5,050.</u>
	<b>\$50,817.</b>

June 9, 1954

Dear Dr. Calkins:

You may remember that early in the work of this committee there was considerable discussion concerning the papers left by the late E. A. Goldenweiser, then in a Princeton Warehouse. In March I called on Mrs. Goldenweiser and found that the papers were stored with household goods, that she was eager to get them to Washington, but felt short of funds. Because several Committee Members believed these papers to be of great importance, and in the hope of breaking what had come to see an impasse, I suggested that the Committee might pay half the costs of transportation, the total estimate being \$300 and the Committee share \$150.

This small offer had a catalytic effect. The household goods including papers were brought to Chevy Chase where Mrs. Goldenweiser was living with her daughter Mrs. Andrew Kamarck. I explained our interest in the papers to Mr. Kamarck, who proposed to put them in order and send us a list of the collections contents.

The list has just arrived, and with it a suggestion that Mrs. Goldenweiser would now like the promised \$150. This whole matter has been handled on such simple and informal terms that I hesitate to ask for any statement of costs. It would seem to me much more in keeping with the character of this smallest (and perhaps richest) of projects to accept the list as proof of expected performance and send a check for \$150 to Mrs. Goldenweiser. Her address is 7013 Meadow Lane, Chevy Chase, Maryland. I would be grateful if you would also send an accompanying note saying that the check was sent at my request, and in fulfillment of my promise of March 24, 1954.

Very sincerely yours,

Mildred Adams

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

June 8, 1954

Dear Dr. Calkins:

I am sending you herewith a carbon of the letter which I am writing today to Dr. E. A. Kincaid and which I discussed with you over the telephone. I am also sending a copy of his letter of June 4th which came in reply to my forwarding of your suggestion that he undertake this project on a part time basis.

The "formalities" which I mentioned to him are the same that I talked over with you. I assume that we should have a model letter to go to grantees signed by an officer of the Committee, and that there should be some form of communication between Brookings and the Committee which signifies that both approve a project. You will certainly have worked out some such forms for Brookings.

I believe that the first month of Dr. Kincaid's project can be paid for out of what remains of our pilot funds and if you approve, I would suggest that this amount (1/3 of \$4,000) go to him before the end of the month so that he can meet the June 7th to July 7th payroll without difficulty. By the end of June we should have had our own budget approved by the Rockefeller Foundation and have money in hand for his July and August costs.

As I told you by phone I will be in Washington Monday afternoon and all day Tuesday of next week. I hope you will be able to save time on Tuesday morning.

Sincerely yours,

Mildred Adams

Enc.

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

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## The Brookings Institution

Washington 5, D. C.

722 JACKSON PLACE, N. W.

May 14, 1954

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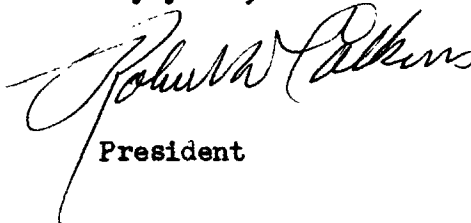
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*Executive Manager*

Dear Miss Adams:

Thank you for your letter of May 12. I think the session went very well here. I have Mr. Burgess' reactions today regarding the statement of arrangements which I sent him yesterday. He suggested a modification in item 5 only. Enclosed is a corrected copy.

Respecting Shaw: He has been a Consultant, January to June 1954. He will become a senior staff member in September 1954. Until then he is at Stanford. His study will be entitled The Structure of Commercial Banking. It is estimated to require two to two and a half years. His address is Department of Economics, Stanford University, Stanford, California.

Sincerely yours,

  
President

enc.

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



May 12, 1954

Dear Dr. Calkins:

I have your memo of May 4th about omitting the word "Dr." before your name when we reprint Committee stationery. We will certainly do so and thank you for calling our attention to this.

In going over our list of scholars, I find that our information about Mr. Edward Shaw is not complete and we need to bring it up to date. Could you have sent to us the date when he started at Brookings, the official title of his study and his present address. We have him still teaching at Stanford.

I hope you were pleased with the way yesterday's meeting went.

Everyone seemed in very great form and enjoying Brookings hospitality.

Cordially yours,

Mildred Adams  
Research Director

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

Miss McKinstery -

Please write to Dr.  
Callahan saying I have called  
this memo to your attention and  
we will make the appropriate  
note to ourselves H.A.

# The Brookings Institution

Memorandum to Miss Mildred Adams from Robert D. Calkins 5/1/54

When you have your stationery reprinted will you kindly omit the word Dr. before my name. The degree is correct, but I seldom use it, and it is conspicuous in the Committee list - especially in view of the fact that others with a degree are not so designated.



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The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

May 7, 1954

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*Executive Manager*

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

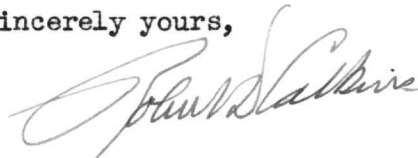
Dear Miss Adams:

I am sending you herewith a tentative draft of three alternative plans covering the arrangements that might be established between the Brookings Institution and the Committee on the History of the Federal Reserve System. Under Plan I the Committee would assume responsibility for the project directly. Plan II provides for a joint responsibility by the Committee and the Institution. Plan III provides for an assumption of the responsibility by the Institution, with the Committee serving in an advisory capacity.

When a choice has been made among these three basic plans certain further details can be agreed upon.

This matter will be a subject for discussion at our luncheon next Tuesday, here at the Brookings Institution at 1 o'clock. Luncheon will be served in the West Alcove.

Sincerely yours,



President

enc.

# MEMO

DATE \_\_\_\_\_

TO \_\_\_\_\_

FROM \_\_\_\_\_

RE: \_\_\_\_\_

Substitute attached for p. 3 in  
your copy.

Draft  
May 7, 1954  
Robert Callahan -

SUGGESTED RELATIONSHIP BETWEEN THE BROOKINGS INSTITUTION  
AND THE COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

Last December the Brookings Institution was asked by the Committee on the History of the Federal Reserve System whether it would be willing to cooperate with the Committee and administer a prospective grant from the Rockefeller Foundation for the development of a research program. The Institution expressed its interest in the project, and indicated its willingness to receive and administer a grant in collaboration with the Committee for the proposed exploration of research possibilities and formulation of a research project.

The grant of January 21, 1954 was made to the Brookings Institution to be administered by the Institution in collaboration with the Committee. At the request of the Committee the Institution appointed Miss Mildred Adams as a member of its staff and paid her out of the Foundation grant and disbursed other funds for expenses incurred in connection with the exploratory project.

On April 20, 1954 the Committee submitted to the Rockefeller Foundation a request for a five-year grant. A supporting letter from Mr. Calkins on April 26 expressed the willingness of the Brookings Institution to act as sponsor and as fiscal agent for this research undertaking and reported that the proposed arrangement would be presented to the Trustees for formal approval on May 14.

The request itself recommended a continuation of the association between the Committee and the Brookings Institution, and pointed out that the relationship would need clarification, particularly when the publishing stage was reached.

This memorandum is intended to suggest the relationship that should prevail, as I see it, from the point of view of the Brookings Institution and of the Committee.

Three plans of cooperation are presented herewith for consideration.

#### Plan I

Under this plan the Committee will assume direct responsibility for the project and the grant, and the Brookings Institution will act only as fiscal agent, paying sums from the grant on the authorization of the Committee for purposes and by methods that are acceptable to the Brookings Institution as meeting its obligations to handle the funds prudently within the terms of the grant.

Under this plan the Committee will assume full responsibility for the project, select personnel, supervise the work, edit and finally approve manuscripts for publication, arrange for publication, and take financial and other responsibility for the outcome. The Brookings Institution will assume none of these responsibilities, but, in the capacity as fiscal agent, will merely pay funds from the grant upon authorization of the Chairman, the Research Director, or Secretary, as determined by the Committee, and as approved by the Institution.

#### Plan II

Under Plan II the Committee and the Institution will assume joint responsibility for the project and the expenditure of funds. The Committee and the Brookings Institution, through its President, will agree jointly on the character of the program and the purposes for which the funds are expended, and the Institution will pay out sums from the grant on the joint authorization of the Committee and the



Institution by methods to be specified, and the two parties will assume responsibility for the results as specified below.

The Committee and the Brookings Institution will jointly make contracts with individuals, organizations, or the Brookings Institution to complete portions of the program and these contracts will specify the obligations of the parties and the amount and manner of payment. Payments will be made on the joint authorization of the Chairman, Research Director, or Secretary of the Committee and the authorization of the President of the Brookings Institution. These contracts will specify the ultimate responsibility respecting editorial work, approval for publication, and the publication arrangements.

It is understood that any contract research undertaken by the Brookings Institution itself will delegate to the Institution, in accordance with the customary practice, the final decision respecting editing and publication unless otherwise expressly provided. Under such contracts the Committee's advice and counsel will be sought and considered in the conduct of the research.

### Part III

Under Plan III the Institution will assume responsibility for the project and the administration of the funds by agreement with the Committee, and the Committee will become an Advisory Committee to the President respecting the project and the allocation of the grant. Under this arrangement the President of the Brookings Institution will have final decision respecting all aspects of the program, but will give due consideration to the advice of the Committee in so far as it is compatible with policies and interests of the Institution and with prudent management, follow the advice of the Committee.

Institution by methods to be specified, and the two parties will assume responsibility for the results as specified below.

The Committee and the Brookings Institution will jointly make contracts with individuals, organizations, or the Brookings Institution to complete portions of the program and these contracts will specify the obligations of the parties and the amount and manner of payment. Payments will be made on the joint authorization of the Chairman, Research Director, or Secretary of the Committee and the authorization of the President of the Brookings Institution. These contracts will specify the ultimate responsibility respecting editorial work, approval for publication, and the publication arrangements.

It is understood that any contract research undertaken by the Brookings Institution itself will delegate to the Institution, in accordance with the customary practice, the final decision respecting editing and publication unless otherwise expressly provided. Under such contracts the Committee's advice will of course be sought and considered in the conduct of the research.

### Part III

Under Plan III the Institution will assume responsibility for the project and the administration of the funds by agreement with the Committee, and the Committee will become an Advisory Committee to the President respecting the project and the allocation of the grant. Under this arrangement the President of the Brookings Institution will have final decision respecting all aspects of the program, but will give due consideration to the advice and recommendations of the Committee. Editorial responsibility, acceptance of manuscripts for publication, and publication arrangements will be determined finally by the Institution.

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The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

April 30, 1954

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SHELDON B. AKERS  
*Executive Manager*

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

Dear Miss Adams:

This letter is to confirm your reappointment for the months of May and June on the same basis as that indicated in my earlier letter of February 4.

I assume that before the appointment expires we may have word from the Rockefeller Foundation regarding its further support, and that future arrangements regarding your services will be worked out by the Committee.

I am very pleased over this extension of your appointment until the longer-run plans have been agreed upon.

Sincerely yours,



President

April 28, 1954

DRAFT FOR CONSIDERATION BY DR. BURGESS  
AND DR. CALKINS - TO BE SUBMITTED, AFTER  
THEIR COMMENTS, TO THE COMMITTEE:

Donald Woodward

Since submission of our application to the Rockefeller Foundation I have talked twice with Dr. Willits at his request to clarify a few of the points. He feels that the Committee's proposal was well prepared and, while nothing is certain until the meeting on May 21, the application thus far appears to be on the right track.

In view of the possibility that in late May we will receive word that funds are available and work may proceed, I suggest that the Committee might well begin to think about future procedure. Two points are of especial importance; if the Committee could reach a consensus of opinion on these two before the Rockefeller meeting (which takes place May 20th) the conclusions might provide supplemental information for Dr. Willits in case he should be questioned on them.

The two chief problems are as follows:

1. Finding a major staff man.
2. Identifying major problems and securing representation of all points of view.

1. Finding a major staff man. Our proposal stated (Page 19) "the Committee's aim is to find a well equipped and exceptionally able Research Assistant, with the necessary academic training in monetary matters and some experience in administration who has the capacity to play a major role in the project. Such a person would, after a year or so as administrative assistant take charge and carry forward. Miss Adams would then be in a unique position to embark upon a major writing part of the project". This individual will be a highly significant factor in the work of the Committee. Therefore he will need to be most carefully chosen.

I should think there are several possible avenues of approach. One would be to seek an individual sufficiently close to retirement and with sufficient qualifications as to be interested in moving to this job in the near future. Such a person might be George B. Roberts of the National City Bank or W. A. Berridge, Economist of the Metropolitan Life Insurance Company or J. H. Riddle recently retired from the Bankers Trust Company after some time at the Federal Reserve Board.

Another approach would be to seek a presently established person who would want to do the job and might be able to get a leave of absence, or who might see this as a big enough opportunity to wish to take it and hope to find another post at its termination. (If there were the possibility of an appointment at Brookings following experience with this project, this might also be a factor.) Ralph Young of the Reserve Board staff has excellent qualifications and so I should think does Donald

Thompson of the Cleveland Federal Reserve Bank, R. J. Saulnier of Columbia, Lester Chandler of Princeton, or Burton Hallowell of Connecticut Wesleyan - to name a few. (Other names follow this memo.)

Yet another approach would be to seek a good young person who might hope to make this the springboard for a major career and who has already demonstrated marked capacity. The office has a list of younger scholars, compiled by Miss McKinstry from experience with Dr. John Williams, which may be useful. Probably Ralph Young, or Saulnier, or Dr. Williams or a number of others could suggest names. (Other names follow this memo.) Perhaps the Committee would wish to have prepared a statement of its objectives and the kind of person it is seeking, and to send such a statement to a number of Economists in this field with a request for their suggestions.

Your preferences in these possibilities and your suggestion of names would be helpful. From responses a consensus might evolve for further consideration by the Committee.

2. Identification of major problems, with representation of all points of view: One of the first problems for the research director, in passing from the exploratory phase to the main project, will be that of knowing, in so wide a field, which subjects and which points of discussion are in need of the added light that further research may bring. What do the experts want to know? What most puzzles the historians? What is it about the System that informed men have never really understood? To obtain <sup>focus</sup> ~~forces~~ on key points



is of the first importance. It should be the kind of focus that comes from coordinating various points of view - from men in and out of Board and Banks, from teachers and students of finance and business, from economic historians and political scientists.

In order to help obtain focus, and to get rounded representation, the Committee might care to ask a dozen or so persons, particularly interested and qualified, for a thoughtful statement on the questions concerning the history, development and functioning of the Federal Reserve System which seem to them most important and most puzzling. This method of enriching the research <sup>content</sup> ideas of a project has been tried elsewhere with success; it seems to prove the more successful when an honorarium of \$100 or \$200 for thoughtful suggestions is offered with the request. The Committee might like to consider such an idea. (A <sup>possible</sup> list of occasional advisers or consultants on a fee basis follows at the end of this memo.)

After this original approach, the Committee might wish to establish a procedure for intermittent consultations with such a representative group in the future. The same group, or some selected individuals from it, might be formed into an advisory group for the Committee; this might be done directly or through the facilities of Brookings. Indeed it might be desirable to have such a Committee meeting perhaps semi-annually to review progress. For the political scientists Dr. V. L. Key of Harvard or Arthur McMahan of Columbia might be suitable. Among

the historians Fred Lane of Johns Hopkins and who has been spending some time with the Rockefeller Foundation might be helpful and so also Arthur Cole. On this group there might well be some of the names mentioned as possibilities for Committee staff above and with the addition of perhaps such as Dr. John Williams, Dr. C. C. Abbott, newly named Dean of the Graduate School of the University of Virginia, F. Cyril James, Principal of McGill University, Roland Robinson of Northwestern University, etc.

In this, as in the previous case, responses by the Committee could possibly provide a consensus for further discussion.

Suggestions compiled from Staff lists

Occasional Advisers or Consultants (On fee basis)

FIRST PREFERENCE LIST		SECOND CHOICE	
John H. Williams	-	HARVARD	- Arthur Smithies or Edward S. Mason
Howard S. Ellis	-	CALIFORNIA	- Norman S. Buchanan
John W. Clark	-	COLUMBIA	
W. W. Rostow	-	M.I.T.	
		CHICAGO	- Earl J. Hamilton
G. Griffith Johnson	-	GOVT. SERVICE	
J. Viner	-	PRINCETON	
Paul Homan	-	UCLA	
F. W. Fetter	-	NORTHWESTERN	
Fritz Machlup	-	JOHNS HOPKINS	
P. T. Ellsworth	-	WISCONSIN	
L. W. Watkins	-	MICHIGAN	
H. M. Somers	-	BUFFALO	



Qualified persons, presently in active service, who might be persuaded to get leaves from present posts to serve as Research Assistant and eventually Director of Research (providing salary was scaled to their current levels):

Karl R. Bopp - Philadelphia  
H. S. Ellis - California  
Elmer Wood - University of Missouri  
L.V. Chandler - Princeton  
Bray Hammond - Living temporarily in Italy  
Harold L. Reed- Cornell (now about 66 years old)  
F. Cyril James- McGill  
Richard Musgrave - Michigan

Competent younger men who might be considered as Research Assistant and eventually Director of Research, (in order of preference): -

\* Fed. Res. connection

1. Paul W. McCracken - \*Minneapolis Bank, former  
U. of Michigan director of research
2. John Lintner or Harvard Graduate School of  
Lawrence E. Thompson Business Administration
3. Victor M. Longstreet - \*Federal Reserve Board  
MSA mission abroad
4. Harry G. Johnson  
Cambridge University (also Univ. of Toronto)
5. James W. Ford  
Vanderbilt University
6. Guy Freutel St. Louis Bank  
Washington U., St. Louis
7. Wm. C. Bradford  
Northwestern University
8. Warren L. Smith  
U. of Virginia
9. Donald C. Miller, Div. of R. & S.  
Federal Reserve Board
10. James Tobin or New York Bank  
H. C. Wallich, Yale University

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The Brookings Institution

Washington 6, D. C.

722 JACKSON PLACE, N. W.

April 26, 1954

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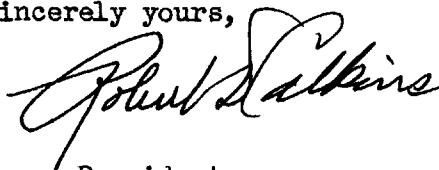
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*Treasurer*  
ELIZABETH H. WILSON  
*Secretary*  
SHELDON B. AKERS  
*Executive Manager*

Dear Miss Adams:

I shall be glad to see you toward the end of this week. Enclosed is a copy of a letter to Joe Willits, reporting our endorsement of the request filed by the Committee to the Rockefeller Foundation.

I think you have done an excellent job in whipping this request and report into shape. It is a good statement.

Sincerely yours,



President

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

enc.

# The Brookings Institution

Washington 6, D. C.

April 26, 1954

Dr. Joseph H. Willits  
The Rockefeller Foundation  
49 West 49th Street  
New York 20, New York

Dear Dr. Willits:

I should like officially to record the Brookings Institution's wholehearted support of the request filed with you by Mr. Donald Woodward on behalf of the Committee on the History of the Federal Reserve System. The Committee requests a further contribution of \$310,000 for a continuation of the exploration and research on the history of the Federal Reserve System over the next five years. This request contemplates the continuation of the existing relationship between the Brookings Institution and the Committee.

The Brookings Institution is glad to act as sponsor and as fiscal agent for this research undertaking. In this I express the views of the Advisory Council, the President, the Chairman, and a number of the Trustees. Formal approval of this arrangement will be sought at the Trustees meeting on May 14, and I have every reason to believe that the arrangement will be formally ratified.

As pointed out in the submission, some of the arrangements with the Institution remain to be settled. We are confident that these matters can be handled to the mutual satisfaction of the Committee and the Institution.

Sincerely yours,



President

cc: Mr. Akers  
Miss Maroney  
Mrs. Wilson

Miss Adams ✓

April 22, 1954

Dear Dr. Calkins:

Thanks so much for sending me a copy of your letter of April 20 to Dr. Willits asking extension of the pilot grant to May 31.

It is very interesting to read that we have only spent about half the grant. The reason lies in the difficulties we have had in getting the kind of help we needed. As you know, Miss McKinstry has only been available for a small proportion of the time and the bank has been generous in lending us another secretary for whom they may not have charged us. However, there will be no certainty about this until the April bill comes in.

I expect to be in Washington toward the end of next week and shall hope it may be possible to see you at that time. It would seem to me wise to make at least tentative plans ahead so that we can move smoothly from the pilot phase into the main phase of this project--always assuming that the request is granted. I would be much happier to have plans made vainly than not to have them made at all. I am seeing Mr. Woodward Friday for a preliminary conversation on this subject and, while I don't think there is any instant rush about these conversations, I do know that we should be getting at them both with you and Mr. Burgess.

Sincerely yours,

M. Adams,  
Research Director.

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

MA:hvm

FEDERAL RESERVE BANK  
OF NEW YORK

CROSS REFERENCE SHEET

FILE No. ....

SUBJECT Letter from Dr. Calkins,  
dated April 20, 1954, to  
Dr. Willits

SEE

FILE No. ....

LETTER OF April 20, 1954

DATED .....

April 20, 1954

Dear Dr. Calkins:

Here is the copy of the Proposal and Report as it was sent to Dr. Willits by hand on Tuesday, April 20th. I am also enclosing a copy of the covering letter which Mr. Woodward will sign. You will find your changes embodied in it, along with those made by other committee members. The other changes were of wording, not of content, so that we did not think you would want to be bothered with having them reported in detail.

I hope that the re-wording of the budget statement is in line with what you had in mind.

If this copy as revised includes anything you think must be changed, you will, of course, let me know by telephone so that I may report the correction to Dr. Willits' office. Otherwise we assume that you will send the necessary supporting letter to Dr. Willits' on the part of the Brookings Institution.

Thanks again for all your kindness.

Very sincerely yours,

Mildred Adams

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

April 15, 1954.

Dear Dr. Calkins:

I am enclosing a revised draft of the proposal to the Rockefeller Foundation. This follows the form of an outline developed in discussion with Dr. Willits and Mr. Woodward. With it goes the report of the pilot project which you have already seen; I am not at the moment enclosing another copy.

Time is pressing us so closely that I have had to do the thing this way rather than try sending you an early draft as we had intended. Thus the whole Committee gets this draft simultaneously. I would be grateful if you would read this over the weekend and, if possible, let us have your approval by Monday, so that we can put it together with the report and send the whole to Dr. Willits.

Very sincerely yours,

Mildred Adams,  
Research Director.

P. S.--The biographic data was taken from Who's Who and put in for the benefit of Rockefeller board members. If we have omitted any detail of your career which should be included I trust you will make the necessary correction.

Enc.

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

MA:hvm

April 19, 1954

Dear Dr. Calkins:

I am enclosing a copy of the original request to the Rockefeller Foundation for money for the pilot project and with it a copy of Mr. Woodward's covering letter. These are what you requested by telephone this morning. I assume that you have a copy of Dr. Willits's reply.

Mr. Woodward will sign a letter conveying the request for the main project to Dr. Willits. It is our understanding that after you have read the completed proposal (we expect to get this to Dr. Willits Tuesday or Wednesday of this week) you will follow this with a letter supporting this as a Brookings request.

Sincerely yours,

Mildred Adams

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

MA:km



April 2, 1954

Dear Dr. Calkins:

The meeting with Dr. Burgess and Mr. Sproul today came to the following conclusions:

1. that a proposal which was too elaborate or too specific would defeat itself either through becoming too ponderous and expensive, or through inability to get agreement on details;
2. that the best way to proceed was to agree in general on what were the important things to be done, namely (this is in substance A.I. of the skeleton of 3/23)
  - (a) to continue the work done during the pilot project;
  - (b) to edit and publish certain documents (see A.I. 3 and 4);
  - (c) to find and hire the proper scholar for the history which is the core of the project;
  - (d) to make the Committee's research facilities available for students and provide help perhaps in the form of small subventions or secretarial assistance.

60-16000  
For this Dr. Burgess proposes asking for \$250,000 to be spent over five years (which would give us \$50,000 a year). This would be supposed to support a small office, the editorial and research work, and leave room for some peripheral subventions. The office would be allowed \$20,000 a year, which is based on the original estimate of \$10,000 for six months. The writing of the history would cost perhaps \$20,000 a year (it is assumed that the bank will continue to house the Committee although this has not been specifically stated), leaving \$10,000 for printing, subventions, travel, etc.

This is a rough summary of an interested and interesting meeting. The other two points made were that the proposal to accept a cutoff date of 1935 was not possible and Mr. Reifler would be overruled on it, and, second, that the problem now is to find a form of words and presentation which will be generally acceptable.

Sincerely yours,

Mildred Adams,  
Research Director.

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

MA:hvm

Copy: Mr. Woodward

Dr. Robert Calkins - Brookings Institution

Conference -- Miss Adams, Roosevelt Hotel, 8:30 a.m. March 29, 1954

Put I Documents and papers at end.

II History and analysis first.

1. History of Federal Reserve System - emphasizing the evolution of its conception of its function and policy objectives, and methods; stress on turning points in its policy history, its achievements and failures, its relations to the Treasury, other agencies, the banking system.

2. Monographs:

- a) Relationships between the Board and the Banks.
- b) Relationship to other Governmental agencies.
- c) International Operations
- d) General Credit Controls
- e) Selective Credit Controls
- f) Function of Central bank
- g)
- h) ~~the~~ Federal Reserve System as an Instrument of Government.

3. The Art and Politics of Central Banking - a study of central decisions - the setting, the role of Board and of Banks (?).

4. The Role of Personalities in the Federal Reserve System

- a) Biographic essays on personalities and how they clashed on policy.
- b) Biography of Benjamin Strong.
- c)

April 1, 1954

Dear Dr. Calkins:

When I sent you a typed copy of the skeleton list which you had proposed, I forgot to include a reminder about an extension of the Rockefeller funds. You will remember that we discussed the fact that according to the terms of the grant those funds end May 1. The system has been that charges for expenses do not go in until the end of the month in which they are charged. This means that we would not be able to recover money spent in April unless some request is made to the Rockefeller Foundation for extension of the right to employ unused funds until material and labor contracted for is paid and all bills are in.

As Brookings has been so kind about acting as disbursing agent for this Committee, I take it that a request for the extended use of funds already granted should go from you.

You may also be interested in knowing that Mr. Sproul's reaction to the skeleton list is that we are going "too far too fast" in meeting the deadline set for the pilot study. He says: "Now as I look over what has been done, impressive as it is, and see what remains to be done, I think we may well be deceiving ourself and the Foundation if we try to lay out the future program in too much detail on what is still an inadequate base."

He then proposes that the next stage "should be a further development of what you have already so successfully begun".

I have no idea what reaction this may get from other members of the Committee. I have not circulated it, but in view of our conversation on Monday I thought you would like to know about it.

As for the date of meeting, Mr. Burgess' secretary, Miss Alexander, will have telephoned your secretary and I understand that the effort to find a date acceptable by everyone is still going on. You will have been told, I hope, by this time that the fifth which you and I spoke of is not possible. I hope that while I am writing this Miss Alexander may have found a possible date and that it may be on your calendar.

Sincerely yours,

Mildred Adams  
Research Director

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

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**The Brookings Institution**

Washington 6, D. C.

722 JACKSON PLACE, N. W.

March 11, 1954

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*Executive Manager*

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

Dear Miss Adams:

Thank you very much for your report which I shall read today or tomorrow and then wait for further word from you regarding the conference which you contemplate.

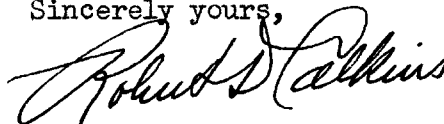
I also have your other letter regarding the Adolph Miller papers. The Institution will be very glad to receive them on condition we are authorized to re-deposit them where they would be most effectively preserved on a permanent basis. I suggest this condition chiefly for the reason that Brookings might not prove to be the most desirable depository in the long run and I feel certain that Mrs. Mitchell and Mrs. Miller would want them preserved in an ideal location. I have talked with Mr. Akers and he has agreed to provide porter service for picking up the material, Saturday, March 20th. If you will communicate with him regarding the time and the volume of material he can make more definite arrangements.

I am delighted that these materials have been found and I am sure they will prove to be important in conjunction with the study.

You will be glad to know that I have just arranged to have Edward S. Shaw of Stanford join our staff next year to carry on a study of the structure of private banking. This will be in some ways parallel and related to the Federal Reserve project. I am sure he will be helpful in giving advice with respect to the Federal Reserve project and likewise the people on that project will be helpful to Mr. Shaw.

With very best wishes,

Sincerely yours,



President

March 9, 1954

Dear Dr. Calkins:

I am enclosing with this a first draft of the proposal put together with the expectation that it will be heavily revised and perhaps greatly amplified.

Donald Woodward is on jury duty so that we will have to when he will be free for a conference. As I understood it, you were planning to be in Washington this week and next. I will be calling you about the conference as soon as I hear from Don.

Cordially yours,

Mildred Adams

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

enc.

~~M.A.~~

P. S. This is a first step. If the three of us can get started, then a second draft can go to the other members of the Committee.

M. A.

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722 JACKSON PLACE, N. W.

February 4, 1954

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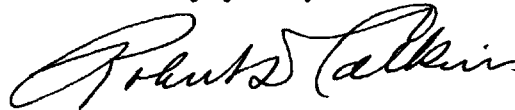
Miss Mildred Adams  
Committee on the History  
of the Federal Reserve System  
33 Liberty Street  
New York 45, New York

Dear Miss Adams:

I am very glad to advise you of your appointment on the staff of the Brookings Institution for the period January 15 to May 1, 1954, at a monthly salary of [REDACTED]. It is understood that during this period you will serve as Research Director on the project to develop a research program on the history of the Federal Reserve System, under the general guidance of the Committee on the History of the Federal Reserve System and the officials of the Brookings Institution.

It is our understanding that a plan for research in this field will be prepared for submission to the Rockefeller Foundation by approximately April 20.

Sincerely yours,



President



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722 JACKSON PLACE, N. W.

January 21, 1954

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*Executive Manager*

Miss Mildred Adams  
Research Director  
Committee to Study the History  
of the Federal Reserve System  
Federal Reserve Bank of New York  
33 Liberty Street  
New York 45, New York

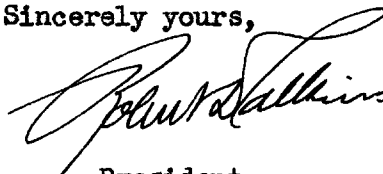
Dear Miss Adams:

Thank you for your letter of January 20. There will be an office available to you here next week. If you will check with Mr. Akers when you arrive he would be glad to show you to the room. I shall be away from Monday through Thursday, but I expect to be back on Friday.

As soon as we hear from the Rockefeller Foundation I shall be glad to tidy up our arrangements more formally.

With very best wishes,

Sincerely yours,



President

cc: Mr. Akers

January 20, 1954

Dr. Robert Calkins  
Brookings Institute  
722 Jackson Place, N. W.  
Washington, D. C.

Dear Dr. Calkins:

I talked yesterday with Miss Patricia Harris of the Rockefeller Foundation and was told that a slight technical delay had held up the grant. She expected that the final paper would be signed yesterday or today and that the grant would be in your hands this week. She said she would get word to you about it.

Meanwhile, The Federal Reserve Bank of New York has most kindly provided me with a generous office, an able secretary, and necessary supplies. A progress report which should have reached you by this time sets forth the details.

I expect to come to Washington next week arriving on Tuesday and staying at least through Thursday. I take it from our conversation the last time I was there that a desk will be ready for me at Brookings. Most of the time will probably be spent at the Federal Reserve Board Building, but I shall be wanting to do some work at my Brookings desk. This will probably include use of the Ediphone which is in prospect; I assume that that office has the necessary electric connections.

Things are moving with cheerful speed, but I expect to have time breathing down my neck at least until May 1st.

My grateful greetings to you.

Cordially yours,

MA:ez

Mildred Adams,  
Research Director  
Committee to Study the History of the Federal  
Reserve System

Telephone: Rhineland 4-0120.

December 28, 1953

Dear Mr. Calkins:

*see Pilot Project Proposal -  
Drafts & Comments*

The enclosed memorandum is that which Mr. Donald Woodward discussed with you by telephone this evening. It was prepared for the small ad hoc committee and its wording has been approved by them. Nevertheless, it may not in every respect meet the requirements you would set, and I would suggest that you indicate any changes you think desirable.

You will find that under the heading "Work Plan" I have suggested the need of a section setting forth the relationship which such a committee may have to Brookings if you approve of the association of the Committee with the Institution which you discussed with Mr. Woodward. From the Rockefeller point of view, I believe that such matters as tax exemption should be included in this section.

You will, I hope, pardon this very hasty note. As Mr. Woodward told you, Dr. Willits has asked that this proposal be in his office on Monday, or even by Saturday, If you can have it back to me by Thursday, with whatever changes you find vital, I will see that it reaches him by the prescribed date.

Thank you so much for your courtesy in this.

Very sincerely yours,

S/ Mildred Adams

Mildred Adams

Dr. Robert Calkins  
Brookings Institution  
Jackson Place  
Washington, D.C.

P.S. I assume Mr. Woodward told you that a letter of transmittal would also come from you.

M.A.