

December 27, 1955

Dear Mr. Sproul:

Thanks very much for setting us straight on the matter of Miss McKinstry's salary and the proportion which the Committee will continue to be charged.

I am writing Brookings and quoting your letter so that there may be no further doubt. There will be no difficulty, and no embarrassment of any kind, in clearing this up. The confusion was mine, and due to a simple misunderstanding.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

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DEC 23 1955

December 23, 1955

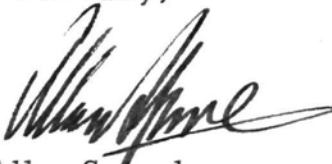
COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

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

Dear Miss Adams:

We have been misled by words. My intention with regard to Miss McKinstry was that the Bank would charge the Committee no more than it had in the past, despite the increased time which Miss McKinstry might temporarily be able to give the Committee during the period when you are running short-handed. The way this works out is that the Committee is charged for Miss McKinstry's time, up to one-third, but for nothing beyond that. Since the past average had been about one-third of her time, this seemed to me to be in accord with the idea of "freezing" our expenses until we had determined more definitely our future course. I am sorry that I was not more definite, and if this will cause you or Brookings any embarrassment we can call it a "loan" for November and December.

Yours faithfully,



Allan Sproul

December 22, 1955

Dear Mr. Sproul:

This is a problem in semantics.

The monthly bill which is sent by the Bank to Brookings for services rendered has just come in for the month of November. In checking it, I find that we are charged for Miss McKinstry's services in November, as we were charged in October, and I am wondering if this is correct.

You may remember that late in October (the 24th) you wrote me that we might be given help by the Bank for this period of the freeze in Committee funds, and the next day I understood that we were to be "loaned" Miss McKinstry for one month. Later you most kindly continued that loan for December, and for whatever portion of her time is free in January.

I took the word "loaned" at its face value, and assumed we would not be charged for Miss McKinstry's services. The Bank, however, has had a long habit of billing us for the days each month that she has been free to come to this office, and during November the accounting department simply carried on its usual procedure. I am reporting this on the assumption that knowledge of your kind offer did not reach down to them.

According to the Bank's record, Miss McKinstry worked for us 33% of her charged time in November, which, with proportional sums charged for retirement benefits etc., comes to about [REDACTED]. I am writing Brookings that this charge may be remitted, and would be most grateful if you would set us straight on this.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

December 16, 1955

Dear Mr. Sproul:

The enclosed agenda for the meeting of the Executive Committee on December 19th is in draft form. Mr. Woodward cannot give the final word on it until Monday morning, so there may be changes, but I thought you might want this early version before you.

Of the four requests made of me at the executive session on November 25th, one (the monograph classification) is fulfilled in the memorandum which Dr. Calkins and I prepared. The second, the volume of selected readings, is included in that memo, but I would like to report on it more fully at the meeting.

For the others, I will of course keep the office going until governing decisions are made; so far as that January 15th date is concerned, I will give the Committee all possible leeway. The last thing I want is to complicate existing difficulties. I have come to feel an extraordinary sense of proprietorship about this project, and you can be sure I will not run out on it so long as my presence seems to have any important value for it. But I shall need some rearrangement of office responsibilities when plans are better jelled.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

December 8, 1955

Dear Mr. Sproul:

Thanks so much for your quick help on the matter of important periods and episodes. I think we are finally beginning to get hold of this problem which has been so curiously elusive.

Gratefully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

33 LIBERTY STREET, NEW YORK 45, NEW YORK

TELEPHONE: RECTOR 2-5700, EXTENSION 286

ALLAN SPROUL, *Chairman*
W. RANDOLPH BURGESS
ROBERT D. CALKINS
F. CYRIL JAMES
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JOSEPH H. WILLITS
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MILDRED ADAMS, *Executive Director*

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DEC 6 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

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

December 6, 1955

Dear Miss Adams:

Responding to your call for help dated December 5, I find myself, as usual, unable to recall much about the past record without first examining the record, which I haven't had time to do. The following periods or episodes do ring a bell, however roughly:

1. 1917-1919. War Financing
2. 1921 depression. Congressional hearing Agricultural (?) Committee.
3. 1927-29 - Credit for business, but not for speculation.
4. 1929-33 - Banking holiday - "great depression".
5. 1930's. Cooperative attempt with European central banks to prevent currency and credit breakdown in Europe.
6. 1930's. Inflow of gold, excess reserves, declining interest rates, leading up to war financing pattern.
7. 1941-1945. War Financing.

I assume that in any list of selected readings you would want to consider including records of important Congressional hearings on Federal Reserve System and credit policy which are not always readily and conveniently available.

Yours faithfully,


Allan Sproul

November 22, 1955

Dear Mr. Sproul:

Thank you for your letter of November 21st. I will be glad to attend the luncheon on Friday, November 25th, and to bring up pending business. The enclosed agenda includes all items of which I know, both old and new, except the Calkins-Woodward report on their meeting with Dr. Buchanan, the resultant plans for future operation, the substance of my letter to you of November 17th. These you are reserving, as I understand it, for the executive session.

The only item which may sound "blind" is the report on recommended changes in Federal Reserve "destruction schedules." That goes back to the effort which you initiated toward coordinating information about historical material existing in the 12 Federal Reserve Banks. A series of steps has been taken leading toward (1) an attempt to define in terms of bank material what we meant by "material of historical importance," and (2) an attempt to guard against the further destruction of what was still extant by amending the terms of the Federal Reserve Manual on the Disposition of Records. Early in October the Sub-Committee on Destruction of Records (functioning under the Committee on Miscellaneous Operations of the Conference of Presidents) invited me to meet with them and explore the situation. On the basis of a list discussed previously with Mr. Felix Davis, Miss Dillistin and Miss Burnett of this Bank, we then developed jointly a list of records and other papers suggestive of the types of material which should be preserved for historical purposes. This will now be reported to the Committee on Miscellaneous Operations. I hope that it may temper the urge which exists in some of the other banks to throw out the older material. At least we now have this phase of the Committee's purpose where it will reach operating levels.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Enc.

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

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MILDRED ADAMS, *Executive Director*

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NOV 19 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

With cooperation of

THE BROOKINGS INSTITUTION

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WASHINGTON 6, D. C.

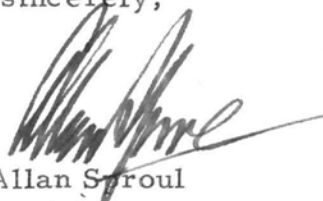
November 21, 1955

Dear Miss Adams:

In lining up an agenda for the meeting of the executive committee of the Committee on the History of the Federal Reserve System, on Friday, November 25, we shall need to have a regular session and an executive session, the latter to consider the Calkins-Woodward report on their meeting with Dr. Buchanan and your letter of November 17 to me. I hope that you can join us at luncheon on that day and that you will bring up at the luncheon (which will be the regular meeting) whatever old business there may be pending and whatever new business you wish to take up with the Committee. Then we shall ask you to retire while we go into executive session.

I hope that out of this meeting, will come something which will keep us all together.

Yours sincerely,


Allan Sproul

Miss Mildred Adams,
33 Liberty Street,
New York 45, N.Y.

November 17, 1955

Dear Mr. Sproul:

It will, I am sure, be no surprise to you that after spending almost two years in general research for this project and the preparation of research tools, I am now eager to move, if the Committee so desires, into the writing end.

Whether the Committee wants my services in that capacity I do not know, nor do I mean in any way to press them for a decision. What I would like to put before you now, in the hope that it may have place on the November 25th agenda, is a request to be relieved of executive duties on or about January 15th. By that time the monograph program should be clarified, the various files in order to hand on to a successor. Research work will, I would think, continue to be required, but the main lines have been laid down, and the contacts established, so that any competent person can carry on. I will be glad to be of all possible assistance in explaining the various elements of the job to the person whom the Committee selects.

Should the Committee not need my services as a writer, this request would necessarily become a resignation as of that date. Not only am I eager to return to writing as an occupation, but my own affairs are such as to make it impossible for me to continue with a full-time office schedule after January 15th.

You know, I hope, how thoroughly I have enjoyed helping to bring this project to its present stage. I would hate to think that I might lose touch with an undertaking in which I have such deep and enthusiastic interest, and I wish it the most complete success. No small part of the satisfaction of the job has been the relationship so pleasantly set up between Committee members and their executive director. I well know how much of that is owing to your own generous and considerate care. For that, among many other things, I am very grateful.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

November 16, 1955

Dear Mr. Sproul:

In preparing for the Executive Committee meeting scheduled for November 25th, I note that the previous meeting of that Committee was held May 4th. The interval between the two dates is so long that you may want recalled the dates of other meetings, not of the Executive Committee, which were held in the interval. They are as follows:

May 24th - a meeting of the full Committee was held at the Brookings Institution in Washington. Minutes of that meeting were distributed June 7th.

At the May 24th meeting a Sub-Committee on Monographs was appointed which included Dr. Galkins, Dr. Stewart and Mr. Woodward.

June 22nd - the Sub-Committee on Monographs met at Princeton. Ideals, in terms of skills and style, were discussed. A skeleton plan was discussed but tabled. Three names of possible writers were approved for further exploration.

July 21st - the Sub-Committee on Monographs held a second meeting at Princeton. Reports were made on four names, of which three were for various reasons unable to participate in this project at this time. A fourth was reported as temporarily out of reach of communication. As for the Committee's assignment to lay out a pattern of monographs, with suggested authors, a considerable list of suggestions was presented, some with recommended authors. No vote was taken on this list, but general approval was given some 16 possible monograph subjects.

At this July 21st meeting the program was outlined which took form in the report to the Rockefeller Foundation. (Mr. Woodward reported to you verbally after the second meeting. We can send you minutes of both meetings if you wish them.)

On September 2nd the report called Progress and Plans, having been approved in draft form by Dr. Calkins and Mr. Woodward (you and Mr. Burgess were both out of reach in August), was sent with a covering letter to the full Committee.

By October 10th approval had been expressed by most Committee members; clarifying corrections were received from Dr. Willits and yourself and were incorporated in the report.

On October 18th Dr. Calkins and Mr. Woodward took the report to the Rockefeller Foundation and discussed the Committee's recommendations with Dr. Norman Buchanan, who replaced Dr. Joseph Willits as Director of Social Sciences.

On November 14th I heard from Mr. Woodward that the Rockefeller Foundation had approved the Committee's plans.

Also, since the Executive Committee last met, two meetings were held with officials of Columbia University about setting up a center in that library for the papers of New York bankers.

On June 30th, you met with Dean Courtney Brown and Dr. Beckhart of the Business School, Dr. Logsdon and Dr. Baughman of the library, Mr. Woodward and myself at dinner. On July 5th you sent a letter relating the results of this meeting to the rest of this Committee.

On July 19th Dr. Logsdon, Mr. Woodward and I met at lunch, and I reported the details of this meeting to you in a letter of July 20th.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

c.c.- Mr. Donald Woodward

October 24, 1955

Dear Mr. Sproul:

Your letter of October 24th sheds exactly the light I needed, and I am exceedingly grateful for your care, your kindness and your expressed confidence.

If the "freeze" on salary funds for replacing Mrs. Singer is only a temporary matter until Dr. Buchanan renders his decision, I can understand it. We will do the best we can, which will be better if we can take advantage of your suggestion of a bit of help to be possibly borrowed from the Bank.

It was, as you saw, the incomprehensible possibility of having the work "frozen" for another two or three months that gave me nightmares and sent me to your door asking counsel. With your assurance that this will not be allowed, I can go ahead in reasonable peace of mind.

Thank you again for clearing that puzzle.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

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*
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WALTER W. STEWART
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MILDRED ADAMS, *Research Director*

FEDERAL RESERVE SYSTEM
OF THE
COMMITTEE ON THE HISTORY

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

October 24, 1955

Dear Miss Adams:

I was distressed by your letter of October 20, the more so since all of the undertakings of the Committee on the History of the Federal Reserve System have been carried forward with a high degree of mutual understanding and confidence, as between the Committee and its executive director. And I know that my distress is shared by Mr. Woodward, to whom you sent a copy of your letter to me and with whom I have discussed the whole matter.

First, let me say clearly and emphatically that the value of your contribution to our undertaking is not involved in the suggestion that the employment of additional staff be temporarily delayed. Our high regard for the work you have done, and which we hope you will be able to continue to do, is unabated.

What has been suggested, as I understand it, is that a decision on a replacement for Mrs. Singer, as a research assistant and executive secretary, be postponed until Dr. Buchanan has given us an answer to our recent report to the Rockefeller Foundation. It is hoped that such an answer will be forthcoming in two or three weeks and that it will be favorable to the broad continuance of our project. Whether or not this hope is realized, an immediate meeting of the Committee will be necessary, as soon as the answer is received, to decide our future course, including the staff assistance you are to have in the conduct of the work of the Committee, whether that work is to be continued as originally planned, or whether it is to be curtailed and completed by June 30, 1956. We would not want to waste some of the work we have already done by completing it inadequately, even if termination is decided upon by the Rockefeller Foundation.

What has been suggested, therefore, seems to me an appropriate freezing of our existing position, so far as expenditure of funds of the Rockefeller Foundation is concerned, until the decision of the Foundation is received. It is unfortunate from the standpoint of our work, as you point out, that this "freeze" should come at a time when we have an

important staff vacancy. If the period of delay is short enough, however, it can be endured and should be in fairness to the Foundation and to the person we might otherwise employ not knowing exactly what our future job is to be.

Meanwhile, it may be possible for the Bank to give you some temporary assistance. In any case, I hope that you will be reassured by my statement that the project will not be allowed to drag along at half pace for another two or three months, and that the value of your services is not in question.

If you want to talk to me further about this problem, please do not hesitate to do so.

Yours faithfully,



Allan Sproul

Miss Mildred Adams,
33 Liberty Street,
New York 45, N.Y.

c.c. Mr. Donald Woodward

October 20, 1955

Dear Mr. Sproul:

As I am sure you know, relations between the members of this Committee and their executive director have been so completely satisfactory that I have at no time felt it necessary to take an appeal to the Chairman. Now, however, a decision has been made which seems to me so unwise that I am constrained to ask that you review it.

The question concerns size of staff and consequent pace of work. As you know, this office has since November 1, 1954, employed two full-time clerical workers, Mrs. Singer who combined the skills of a research assistant and executive secretary, and Miss Burstein who did both research and secretarial work on a less experienced level.

Mrs. Singer's husband was transferred to Boston, and she resigned as of October 1st. That date coincided with my own return from vacation; I moved at once to replace Mrs. Singer. Employment negotiations were well under way, and the Bank's personnel division had turned up two excellent prospects, when Mr. Woodward asked me to stay my hand until he and Dr. Calkins had had a chance to present the Committee's report to the Rockefeller Foundation. That report was to have been made in September, but had been delayed until October 18th.

I now learn that Dr. Buchanan was very cordial on the 18th and promised a decision as soon as possible. Despite that encouragement, Mr. Woodward now asks further delay in replacing Mrs. Singer, not only until we have a reply from Dr. Buchanan, but perhaps for an additional two or three months on the ground that the staff may then need reorganizing.

The first request for delay disturbed me, the second seems to me a crippling error. Whether our monographic approach is approved by the Rockefeller Foundation, or we are told to shut up shop as of June 30, 1956, there is still research work which has been approved by the Committee and for which money has been appropriated. That work cannot be completed by a single young secretary, I am not asking an additional aide, but only the power to replace one who left on October 1st. Had she left earlier, there would have been no question raised as to her replacement, and I cannot see why the accident of timing should evoke this unfortunate decision.

I am therefore forced to face the possibility that the value of my work on this project is somehow involved. Either it is as good as the Committee has led me to believe, in which case it merits adequate staff assistance, or else some factor unknown to me has rendered it not worth continuing. In the latter case I would rather end my connection with it at once.

In any event, I cannot in good conscience undertake to let the project drag at half pace for a suppositious two or three months longer. Nor can I during that period, as was also suggested, content myself with outlining monographs on my own account which the Committee may or may not want me to write in a future which is far from clear.

Given these circumstances, I have no choice but to carry this sharp difference of opinion to the Chairman. I will be most grateful for your consideration of the problem and for your counsel.

Meanwhile, I am sure you know how deeply I regret the necessity for this letter.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

c.c.- Mr. Donald Woodward

October 11, 1955

Dear Mr. Sproul:

Mr. Woodward asks me to tell you, as a postscript to my note of yesterday that an appointment with Dr. Norman Buchanan of the Rockefeller Foundation has just been made for Tuesday of next week, October 18th. Mrs Woodward and Dr. Calkins will present the Committee report at that time.

May I also report a very satisfactory meeting last week with Mr. Felix Davis and the Sub-Committee on the Destruction of Records. They have agreed to recommend changes in the Manual which ought to work toward a greater degree of discrimination than now obtains. At least it is a further step, and a solid one, toward the ideal which you first expressed in your letter of March 29, 1954.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

October 10, 1955

Dear Mr. Sproul:

I am glad to be able to report that Mr. Woodward has at last heard from Dr. Willits in response to the report, "Progress and Plans."

Dr. Willits is in complete agreement with the rest of the Committee in approving the report. Mr. Woodward is therefore moving to arrange for an early appointment at which he and Dr. Calkins will confer with Dr. Norman Buchanan at the Rockefeller Foundation.

We are having a fresh copy of the report typed which will embody the editorial changes you suggest.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

October 3, 1955

Dear Mr. Sproul:

On my return after a September vacation I find waiting for me a note on an important anniversary, a letter from you to Mr. Woodward commenting on the "Progress and Plans" report, and a series of monetary comments from "Judge" of 1892.

I'm so sorry to have missed a chance to congratulate the System on having kept you so interested that you were willing to stay with it for 35 years. We are delighted to have the pictures and anecdotes in the FED of that date to add to our file. I hope copies have gone to the San Francisco Bank, which, as discovered last spring, still considers you proudly as "on loan" to New York.

It is good to know that the "Progress and Plans" report has your approval. It was mostly written during August while you were on vacation, and we could not ask for your steadying judgement on one or two points. Mr. Woodward tells me he has not yet had word from Dr. Willits, but will try to reach him this week.

As for the pages from "Judge," those are wonderful comments on the time as well as on the subjects of the cartoonists' wrath. Somehow they make us seem awfully "cribbed, cabined and confused" in modern criticism. Even Mr. Patman's inventiveness pales beside the concept of William Jennings Bryan as the devil and the American farmer as the young Jesus led up to a high place to see the silver plated cities of the world spread out before him.

Shall we send the pages back to you, or keep them here? Certainly they belong among source material on public opinion for the period and the subject.

Gratefully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

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MILDRED ADAMS, *Research Director*

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

SEP 7 1955
COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

September 7, 1955

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

Dear Don:

I returned from vacation yesterday and last night I read the report, "Progress and Plans", which you sent me with your letter of September 2. I think it fairly presents the successes and failures of our Committee on the History of the Federal Reserve System during its first full year in being. I am, therefore, quite willing to have the report presented to Dr. Buchanan of the Rockefeller Foundation in its present form. If you wish to make what seem to me to be some clarifying minor changes, I have written them in on the copy of the report which you sent me and which I am returning herewith.

I assume that when cleared with Joe Willits and presented to Dr. Buchanan, copies of the report (and of the other documents which you sent me) will go to all of the members of our Committee.

Thanks are due you and Miss Adams for these excellent presentations.

Sincerely



Allan Sproul

Enclosure

COPY OF THIS LETTER, and corrections on Progress and Plans sent to
Mr. Woodward 10/3/55

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 74 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. *in which otherwise homeless private papers might be placed for cataloguing and use.*

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 ^{the Federal Reserve} Banks and Board by personal visits of the ^{executive} director and by questionnaires which will make it possible to coordinate information as to what historical material is kept ^{System} 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 ^{were} ~~have been~~ discussed but ^{were} ~~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."

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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 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.

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Donald Woodward
Secretary

C O P Y

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

September 7, 1955

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

Dear Don:

I returned from vacation yesterday and last night I read the report, "Progress and Plans", which you sent me with your letter of September 2. I think it fairly presents the successes and failures of our Committee on the History of the Federal Reserve System during its first full year in being. I am, therefore, quite willing to have the report presented to Dr. Buchanan of the Rockefeller Foundation in its present form. If you wish to make what seem to me to be some clarifying minor changes, I have written them in on the copy of the report which you sent me and which I am returning herewith.

I assume that when cleared with Joe Willits and presented to Dr. Buchanan, copies of the report (and of the other documents which you sent me) will go to all of the members of our Committee.

Thanks are due you and Miss Adams for these excellent presentations.

Sincerely,

Enclosure

Allan Sproul

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. **in which otherwise homeless private papers might be placed for cataloguing and use.**

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 **the Federal Reserve** **executive** 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 **System** 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 ^{were} ~~have been~~ discussed but ~~were~~ ^{were}, by common consent, ~~have~~ 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."

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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.

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Donald Woodward
Secretary

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

RECTOR 2-5700

March 14, 1955

Miss Mildred Adams,
Committee on the History
of the Federal Reserve System.

Dear Miss Adams:

I have now had a chance to read over the transcript of the second Princeton conference which you sent me with your memorandum of February 23.

There are three places where, in the interest of conveying a thought as expressed, I would like to indicate corrections in my comments.

Page 20, Line 4, should read "the attempts to bring the New York district to the smallest possible size".

Line 5 should read "beginning with the financial district etc."

Page 52, line 6, should read "to the Federal Open Market Committee" instead of "with the Federal Open Market Committee".

Page 65, line 10, should read "of the short term money market make their adjustments" instead of "of the short money market make their judgments".

As you will see, this is not an attempt to polish up phrases or to alter the conversational shape of sentences, but merely to clarify meaning.

Yours faithfully,



Allan Sproul

September 2, 1955

Dear Mr. Sproul:

I am sending with this letter a report for which I would ask your reading and comment. Entitled "Progress and Plans," it is designed as a report on work for the year 1954-55, made to go to the Committee and to the Rockefeller Foundation. You will find in it a statement of the situation which the Committee faces in view of the fact that at the end of the first year no historian has been selected.

The decision to present this problem to the Foundation and to ask their advice has the approval of Messrs. Calkins, Stewart, Burgess, you and myself, but has not heretofore been seen by others. May we have your comment at your early convenience - preferably by the 9th of September. Dr. Calkins and I hope to call on Dr. Buchanan of the Foundation about that time.

The second report enclosed is that of our executive director, Miss Adams. You may be interested in further details on some points which are merely summarized in my report. Appended to this, you will find her notes on visits to the twelve banks, with some account of what she found in their files and libraries. She also appends a study of Board and Bank officers and directors drawn from the staff's biographic files, and a report on collections of private papers discovered to date.

Very sincerely yours,

Donald Woodward
Secretary

(Signed at his request, M.A.)

P.S. I trust that this conforms to your understanding. If Willits should have a different view, we will of course reconsider the whole matter in that light. D.W.

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Enc.

July 25, 1955

Dear Mr. Sproul:

You may remember that last spring you very kindly wrote to the Presidents of the other Federal Reserve Banks asking them to appoint a liaison officer to work with this Committee in the matter of files, records and the Destruction Schedule.

Here in the New York Bank I have had fine cooperation from Miss Dillistin and Mr. Kibbler, but I now begin to detect a wish that there was a similar liaison officer here to whom certain questions might be referred. Mr. Felix Davis is a member of the System Committee on Record Disposal, and I had assumed he was thereby our liaison man here for these purposes, but apparently I'm wrong.

I hate to add one additional straw to your pre-vacation burdens, but if I can know about this before you leave, we may be able to get on with this sector of the work.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

July 15, 1955

Mr. Allan Sproul
33 Liberty Street
New York 45, New York

Dear Mr. Sproul:

Thanks for the word about your vacation plans.

The two activities about which you may want advance information concern the Columbia Library project and the Sub-Committee on Monographs.

Dr. Leghsdon and I are lunching with Mr. Woodward on Tuesday of next week (the 19th) to talk more specifically about possible collections which they might aspire to, if they had the money for handling. I don't know where we will get to, but this follows the dinner meeting last month, and will at least keep the subject alive.

The Sub-Committee on Monographs (Dr. Calkins, Dr. Stewart, Mr. Woodward) meets at Princeton on Thursday, the 21st, to consider a sizeable list of suggested people and suggested subjects. By that time Dr. Calkins will have talked with Mr. Saulnier and Dr. Howard Ellis, both of whom are on the list.

I am hoping that action may be recommended by that meeting. If so, Mr. Woodward will want to report to you before you leave.

One detail which has promise arose out of the lunch with Mr. Reyburn. We sent him a packet of yellow lined writing pads, and the first installment of his reminiscences is said to be headed our way.

I hope it will be a good vacation.

Faithfully yours,

Mildred Adams

Copy to Mr. Woodward

OFFICE CORRESPONDENCE

DATE July 15, 1955TO Miss Adams

SUBJECT: _____

FROM Allan Sproul

I am planning to be away on vacation during the month of August. If there is anything that needs my attention in connection with the work of the Committee on the History of the Federal Reserve System, at this time, it will have to be taken care of before the end of the month.

AS:EM

July 1, 1955

Dear Mr. Sproul:

I have just read your letter aloud over the telephone to Mr. Woodward, and we both agree that it is exactly what is needed. The names I have pencilled in are Dean Courtney Brown and Dr. Beckhart of the Business School, and Dr. Logsdon and Mr. Baughman of the library of Columbia University.

Otherwise, neither Mr. Woodward nor I know of any corrections or additions.

I take it from this that Dean Brown added no strictures as you drove to Scarsdale. He sounded really interested at dinner, and I do hope this can get on its way. If so, Columbia will have you to thank for it.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Enc.

From the office of
D. B. WOODWARD

This is being returned in
accordance with your request.

Lucilla McCoubrey
Secretary

DBW:lm

RECEIVED

JUL 6 1955

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

June 30, 1955

Dear Mr. Sproul:

To the best of my knowledge, there are no new developments in this affair of the Columbia University Library. You will remember the progress of events; I talked with Dean Brown early in the year about the desirability of having Columbia start a center for the collections of bankers' papers having to do with New York as a financial capital. Then, at their invitation, I went back and had lunch with Dr. Logsdon, the librarian of the university, Mr. Williamson, the librarian of the business school and Dr. Baughman, the archivist, known as head of Special Collections. We discussed the facilities which the Columbia Library has, and I came away with the realization that those facilities were not many. (You will remember the incident of the A. Barton Hepburn papers which stayed there in a trunk in the business school library until we began asking about them. The reason seems to go back to failure of communication between the business school and Dr. Baughman of the Special Collections.)

During this conversation we made an attempt to guess how many collections might be subject to gathering, and we arrived at a figure of 25. The figures 35 - 50 which they are now quoting came out of some blue sky with which I had nothing to do.

At that March meeting they showed no signs of expecting that we would furnish subsidies with these suppositious collections. There are indications that they may have changed their minds, though I offered no encouragement to any hopes of this kind.

When I left them, the next step was, as I wrote you on March 23rd, that they were to draft a memorandum which would be submitted to us and to Dean Brown and which would serve as a basis for Dean Brown's eventual conversation with you. That memorandum has never arrived.

On May 9th, having heard nothing, I wrote Dean Brown saying that you wanted me to find out what had been happening to the memorandum and the ideas. This dinner invitation seems to be the reply.

As for their estimate of \$35,000 which they are apparently going to present, you will remember that the Executive Committee earmarked \$11,000 for collection handling on the grounds that we might turn up 10 worthwhile collections which would need \$1,000 a-piece and smaller ones which could be handled much less expensively. This again was guesswork. I have no firm figures against which the estimate of \$35,000 for collecting and processing 35 collections could be tested.

The pertinent correspondence begins January 3, 1955. Your letter of February 21st to Dean Brown puts into words the original suggestion. As far as I can see at this moment, 2 p.m., I should be at the meeting and will have with me information on several potential collections which may be illustrative. If anything slips suddenly, I will get this to Donald Woodward.

Faithfully yours,

Mildred Adams
(Dictated by Miss Adams
but signed in her absence)

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

June 28, 1955

Dear Mr. Sproul:

At Mr. Woodward's request, I called Dr. Heckhart to ask what kind of an agenda they had in mind for the dinner meeting on Thursday evening; this on the ground that I wanted to know what information might be needed from our files.

Dr. Beckhart tells me that Dr. Logsdon, the Librarian of Columbia University, and Dr. Baughman, the archivist, will also be present. They have been doing some figuring on the basis of a possible 35 - 50 collections of bankers' papers to be gathered, processed, housed and maintained for student use, and would like to discuss the problem from that angle. They would like more detail on what we know about specific collections which might be available to them.

They have arrived at a figure of \$35,000 which would be needed, and there was more than a suggestion that they would hope to discuss possible sources for obtaining such a sum.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

c.c. - Mr. Donald Woodward

June 2, 1955

Dear Mr. Sproul:

I am sending up a draft of the Minutes of the meeting on May 24th. If it is possible to indicate by Monday changes which you would like made, we would be ever so grateful, as I would like to get these out before going to Kansas City and Minneapolis on Tuesday, the 7th. Thanks ever so much.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Enc.

Similar letter to Dr. Willits

Copies sent to Dr. Burgess

Mr. Calkins

Mr. Martin

Mr. Woodward

Miss Adams ✓

RECEIVED

MAY 27 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

May 27, 1955

Dr. Cyril James,
1200 Pine Avenue,
Montreal 2, Canada.

Dear Cyril:

At a meeting of the Committee on the History of the Federal Reserve System earlier this week (which unfortunately you were unable to attend) we decided to abandon immediate search for "the historian", and to develop a program looking toward the preparation of a series of studies or monographs which could be collateral to a history and which might lead to the discovery of "the historian". At the meeting we also received word from Don Woodward that he could not accept the full time job of executive editor, to develop and administer such a program, which we had pressed upon him.

The only alternative method of getting our project off the ground seemed to us to be the appointment of a committee of our members who would set up the framework of the monograph approach and look to its development. It was decided that Bob Calkins and Don Woodward should be members of this committee, for obvious reasons, and it was the unanimous opinion of the committee that Walter Stewart should be the third member. I have since talked with Walter Stewart, who was not at the meeting, and he has said that he would be glad to serve on the committee.

We hope that this procedure will recommend itself to you.

Yours sincerely,

ALLAN SPROUL
Allan Sproul,
Chairman.

AS:em

Miss Adams

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

May 23, 1955

Mr. Allan Sproul
33 Liberty Street
New York 45, New York

Dear Mr. Sproul:

This agenda is tentative and may be slightly revised by tomorrow noon.

Preparation of a budget has not, of course, been possible until we knew what plans were to be made. Mr. Woodward and I will try to work out a possible one on the train going to Washington this afternoon.

Faithfully,

Mildred Adams

May 23, 1955

Mr. Allan Sproul
33 Liberty Street
New York 45, New York

Dear Mr. Sproul:

This agenda is tentative and may be slightly revised by tomorrow noon.

Preparation of a budget has not, of course, been possible until we knew what plans were to be made. Mr. Woodward and I will try to work out a possible one on the train going to Washington this afternoon.

Faithfully,

Mildred Adams

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

33 LIBERTY STREET, NEW YORK 45, NEW YORK

TELEPHONE: RECTOR 2-5700, EXTENSION 286

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

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

May 19, 1955

Dear Miss Adams:

I understand and like the suggestion
in your letter of May 18 and will have it in
mind at our meeting on the 24th.

Yours faithfully,



Allan Sproul.

Miss Mildred Adams,
Executive Director,
Committee on the History of the
Federal Reserve System.

May 18, 1955

Dear Mr. Sproul:

In the course of working on the report for the Rockefeller people, I have been thinking about the future of Committee work if Mr. Woodward cannot accept the post of executive editor and no one else is immediately available. I would like to make a suggestion for your consideration.

This office has greatly profited from the fact that Dr. Chandler has been here since February, working regularly on the Strong papers and asking for bits and pieces of assorted information as he went along. We have used him as a guinea pig, testing our files in the light of his requests, measuring against his needs the research tools and information we have been amassing. He is the type of active scholar in this field toward whom this research paraphernalia has been accumulated.

In the light of this testing period it is apparent that we have now reached the stage where we ought to be serving more scholars than Dr. Chandler. He tells me that his study of the Strong papers is coming to an end, and I think he will not be here as steadily this summer as he has been during the spring. We would therefore have space to take on another.

More important, however, is the fact that the staff work itself has reached the stage where our own processes of accumulation need the spur of a scholar's use in order not to lag. There is plenty more to be done, more people to be interviewed, more papers to be processed, more files to be improved, but this will go better and faster if it has a specific purpose. Even I find myself threatened with staleness if I must face months more of doing preparatory research in a vacuum.

Under those circumstances, may I suggest that if no executive editor appears at the May 24th meeting you appoint an editorial committee of three (maybe Calkins, Stewart and Woodward?) to decide on the monograph framework and within it to commission two or three monographs on which work can start at once.

Enough work has been done, enough suggestions made so that this ought not to be difficult. On the basis of the Princeton conferences a skeleton can be set up and areas of immediate interest can be designated.

The decisions can be partial, they can be tentative in the sense that the Committee may hope to replace its editorial sub-committee with an executive editor when such a bird is snared. But they will restore that sense of forward progress which was injured as weeks ran into months while Dr. James was making up his mind to say "no." And they will make it possible to get ahead with research processes which do best under the spur of immediate need.

In other words, grass is threatening to grow under the feet, and the feet are protesting!

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

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

*File
both under
Sprout*

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

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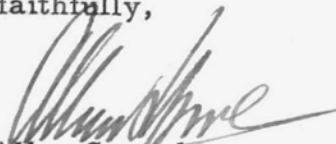
April 25, 1955

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

Dear Miss Adams:

Enclosed is a copy of a letter which I have sent today to the members of the Committee on the History of the Federal Reserve System. (A somewhat different letter has gone to Cyril James.) Will you please see what you can do about getting the group together.

Yours faithfully,


Allan Sproul

Similar letter to Messrs. Calkins, Martin,
Stewart and Willits

April 25, 1955

Dr. W. Randolph Burgess,
Treasury Department,
Washington 25, D. C.

Dear Randy:

We have been borne along until now by the hope that Cyril James would finally accept our invitation to become "the historian" of the Federal Reserve System. He has had to say "no".

It is imperative, therefore, that we have an early meeting of the full committee to decide upon our next step. Shall we again seek to select and obtain the services of an historian who will be the core of the whole five year project? Or shall we try an alternative approach, selecting a number of men who, for a shorter period, could be enlisted to work on various aspects of the history of the Federal Reserve System or on appropriate chronological sections of that history? I am asking Mr. Woodward and Miss Adams to canvass the members of the committee to try to arrange a convenient time and place for an early meeting. I hope that you can bend your schedule so as to give such a meeting some priority.

Yours faithfully,

ALLAN

Allan Sproul

April 22, 1955

Dear Mr. Sproul:

I understand from Donald Woodward that after three months' consideration Dr. James has felt impelled to say, "No."

In view of this reply, and the questions it raises, you may be interested in a suggestion which Dr. Stewart made when I saw him in Washington yesterday. Talking of what was then the impending crisis in the long negotiation with Dr. James, and anticipating the possibility of a negative reply, Dr. Stewart suggested that the refusal (if it should come) be taken as a challenge which first, put an end to the hunt for *The Historian* as it had been pursued and second, called for the creation of a new plan of attack which he labelled "Plan B."

In Dr. Stewart's concept, "Plan B" would call for the approach to Federal Reserve System history by way of a series of monographs. If, in the process of commissioning and writing, the genius we seek should emerge, so much the better. If not, we would still be pursuing our main object and getting valuable studies made, but in this different way.

In practical terms, this multi-monograph approach to the history calls for a certain amount of re-organization, but not too much. We would then be needing an editor, constructive and imaginative, with proper competence and authority. Editors may well prove easier to find than historians. We

would also need to re-organize the budget to provide for the changed plan. But none of that is insuperable. The ground-work already done would continue to serve.

Whether the Rockefeller Foundation would accept this changed approach remains to be seen, but I can see many reasons for urging it. It might even exorcise the bugaboo of the "too big, too unwieldy" which kept haunting our three consultants at Princeton.

Dr. Stewart was particularly emphatic in repeating that his proposal should in no way be considered a retreat, but rather a re-assessment of circumstances and a revised attack on the major problem which has concerned the Committee from the start. The objective remains the same, even though the Committee sees fit to change its manner of approach.

This is the merest sketch of Dr. Stewart's idea, but it can easily be developed at length if you find you want more detail, either for your own consideration or for discussion in Committee.

I hope you found San Francisco as enchanting and refreshing as it was to me.

Faithfully,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

c.c. - Dr. Joseph Willits
Mr. Donald Woodward

COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

April 27, 1955

Dear Mr. Sproul:

The net result of canvassing by telephone is that we have set up an executive committee meeting for Wednesday, May 4th, at 3 p.m. in your office. Those attending will be Dr. Calkins, Mr. Woodward and Dr. Willits, with Mr. Burgess hopeful but not sure.

Mr. Riefler is very sorry that he has engagements which make it impossible for him to come to New York that day.

Dr. Stewart deeply regrets his inability to come. He says Max is pushed to the limit of his strength and he dares add no meeting in New York.

As for the 24th, and your generous offer to go to Princeton, he sends you his love and his appreciation of the offer, but says that that day marks his 70th birthday and he has made plans far ahead which he cannot break. I told him you felt you wanted his thinking on this problem, and he said he would be glad to talk with you by phone at your convenience.

Meanwhile Mr. Woodward, also feeling that Dr. Stewart's counsel was valuable, asked me to offer his services to go to Princeton on Saturday to talk with Dr. Stewart, but to that the latter returned a similar reply - he could not see Mr. Woodward this week-end but would be glad to talk to him by phone.

In my conversation with him, Dr. Stewart said he had just received your letter, and suggested a third course of action - namely, that we proceed at once with the suggested plan of getting monographs under way, under an editorial committee which would include Mr. Woodward and use me as "executive editor." Such a plan would, I assume, be a temporary expedient which would enable us to get on with our work, while taking time to find the distinguished and inspiring scholar we need. (Edgar A. J. Johnson, whom Dr. Stewart once suggested as The Historian, is to be at the University of Maryland. William Heaton of the University of Minnesota is a more recent Stewart suggestion. Is there any chance that Dr. John Williams might be induced to take on the editorship?)

It may be of service if I work out an advance memorandum on the various points already suggested, the names that have been brought forward, the material we have which could form a basis for decisions.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

c.c. - Mr. Donald Woodward

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

RECTOR 2-5700

March 23, 1955

Dear Miss Adams:

The "black books" full of notes on the 1933 banking crisis, mentioned by Governor Harrison and referred to in your letter of March 18, are probably discussion notes covering meetings of directors and officers of the Federal Reserve Bank of New York which I kept at that time. They are not, in any sense, a complete record of the period, but they do contain material which would help to "fill in" the record.

Bound volumes of these discussion notes are kept in the office of the Secretary of this bank and you can list them in your records. Their use, of course, would be subject to decision by the bank at the time, and in light of the purpose, with the right reserved to the bank to withhold material from publication.

Yours faithfully,



Allan Sproul

Miss Mildred Adams,
Executive Director,
Committee on the History of the
Federal Reserve System.

March 23, 1955

Dear Mr. Sproul:

Thanks so much for your note of March 23rd, with its account of the "black books" which Governor Harrison remembered. I will try to find out from Mr. Willis how many there are and what dates they cover so we can list the fact of their existence.

You know, I think, that Mr. Woodward will be on vacation until March 31st. He left word that his office would know where to reach him if he was needed.

My own schedule takes me to Dallas on March 29th for a three-day visit at the Federal Reserve Bank there, then to San Francisco on April 4th, where I hope to see the men you suggested. Also, I have written Chester Davis at Berkeley in the hope of an interview, and I'd like to do a bit of checking in the Herbert Hoover Library at Stanford. I expect to be staying with Mrs. Harley Stevens at 1641 Green Street until I fly back on April 12th. If there is any change, I'll tell both Mrs. Singer and the San Francisco Bank.

So far as I know, nothing is pending in this office which Mrs. Singer cannot handle, but in Mr. Woodward's absence, Miss Regan may want to note these dates and places.

Sincerely yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

March 18, 1955

Dear Mr. Sproul:

Thanks for your letter citing changes to be made in the text of the 2nd Princeton conference. Mr. Riefler also has a list, and I will jog the elbows of the other Committee members so we can get them all in hand.

In going back over old notes to repair sins of omission, I find that Mr. Goerge Harrison, in talking about the 1933 banking crisis, said things had moved so fast that he had kept no memoranda which were worth anything, but that he had asked you to keep memoranda, and there were several "black books" full of your notes which would be of great value.

Obviously, these would be a wonderful aid in helping to reconstruct the 1933 period, and I would like to be able to list them in our records. Do you happen to know where they are? Or could Miss Regan track them down for us?

Several people have talked about having memoranda of that period, including Walter Wyatt and Gloyd Awalt, but when we pressed for details, they somehow failed to materialize. I am hoping that Mr. Harrison's memory of your notes may yield us a more substantial harvest.

I have made a note to see Mr. Sam Reyburn in June, and I'll write him suggesting a framework for the process of his remembering.

Sincerely yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

March 14, 1955

Dear Mr. Sproul:

I think your draft of the letter to Dean Brown is perfect, and it will be interesting to see what happens next on this.

About Edgar A. J. Johnson, I will see that the career data is sent out to the Executive Committee immediately. For this purpose, would you send back to us the career material which Dr. Stewart sent us and we forwarded to you. We can then have extra copies made.

Mr. Woodward has probably told you that he is leaving on Friday of this week for a short vacation which brings him back to town on the 31st. I am planning to go to Dallas and San Francisco, leaving here on the 29th and getting back probably on the 12th of April. That means that there will be a 3-day overlap when neither Mr. Woodward nor I will be here. So far as I know, there is nothing pending which will cause difficulties.

I would very much appreciate a chance to talk to you about people to see in San Francisco as soon as your schedule permits.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

RECTOR 2-5700

March 14, 1955

Miss Mildred Adams,
Committee on the History of the
Federal Reserve System.

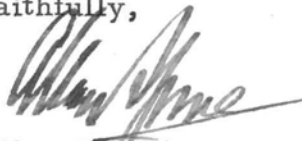
Dear Miss Adams:

I am sending along today to Dean Brown of Columbia the letter which you approved in draft form.

Attached is the career data on Edgar A. J. Johnson which you asked me to return to you so that you can send copies to the members of the Executive Committee. I suppose that there is nothing which the Executive Committee can do about the historian until we have more definite word on Cyril James. I shall try to get in touch with Mr. Woodward before he leaves Friday to see where this matter now stands.

Next Monday I shall get in touch with you so that we can talk about people you might want to see in San Francisco when you visit there early in April.

Yours faithfully,



Allan Sproul

March 9, 1955

Dear Mr. Sproul:

Thanks for sending down Courtney Brown's reply to your letter of February 23rd. I continue to be puzzled at their slowness in picking up what should be a very attractive ball to run with. Three possible explanations occur to me: (a) that new deans must be cautious, especially in making commitments for other officers not immediately under them (Dr. Loghsdon is in charge of all the Columbia libraries); (b) that they may want to know more about what we have in mind before throwing doors wide open; (c) that this may be a play for funds to support a good idea.

I had hoped that your letter would inspire them to action without any more work on our part, but apparently there are still difficulties. Under those circumstances, may I suggest the following procedure:

(1) That in reply to Dean Brown, you reaffirm your interest in the idea that Columbia set up a Library of American Finance, and indicate your willingness to accept the Dean's invitation (if and when your schedule permits) after Messrs. Loghsdon or Baughman have held preliminary conversations with me.

(2) That in anticipation of their call, I draw up a memo outlining in more detail (a) what we have in mind, (b) what the possibilities in the way of papers might be, (c) what kind of servicing they might need, (d) what dimensions such a library might aspire to.

(3) That with this memo as a base, I try to find out (a) what the difficulties are from their point of view, and (b) what resolution of those difficulties might be possible if and when they could talk with you about them. This ought to get at budget woes if they exist.

(4) That when we have all this in hand, an appointment for a lunch or dinner conference between you and Dean Brown might be reconsidered.

I still think that we are offering a suggestion which would greatly redound to Columbia's credit if it were carried out. It would also be useful to this project, but it is not indispensable to us. If the steps outlined above do not get Columbia off dead center, I think we could look elsewhere for our New York depository.

Would you let me know how this strikes you? I am returning Dean Brown's letter with this.

Faithfully yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Enc.

March 2, 1955

Dear Mr. Sproul:

You may remember that among the various people suggested as historians was Edgar A. J. Johnson, whose name Dr. Stewart produced.

I saw Dr. Stewart in Washington yesterday. By a coincidence, he had just received a letter from Dr. Johnson indicating that the latter was finishing his work in Yugoslavia and looking about for a new connection.

Dr. Stewart is, as you know, enthusiastic about the possibility of getting Dr. James, but he also says he would be happier if the Committee had a second string to its bow. He asked me to forward the enclosed letter and career data for Dr. Johnson to you with the suggestion that this man might be worth considering if Dr. James finds he can not accept the post.

Sincerely yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Enc.

February 10, 1955

Dear Mr. Sproul:

Miss Burnett and I are agreed that this letter will do exactly what is needed for the next step. We can then move ahead much faster. May we have a carbon?

Much gratitude from both of us,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Enc. Mr. Sproul's draft of letter to Presidents of banks about preservation of material.

February 7, 1955

Dear Mr. Sproul:

Last Monday, January 31st, you asked that Miss Burnett draft a letter for you to send to the "Board and the banks, politely pointing out the difference between archives and records, and expressing the hope that correspondence, memoranda and papers which might contribute to a history of the Federal Reserve System be spared when old records are listed for destruction."

The request moved Miss Burnett to wonder, out of her experience in this Bank, whether it might be well to recommend moving in two steps, first, underlining the possible conflict between destruction of records and preservation of archives, next, suggesting that an officer be appointed to act as liaison man with this Committee to work out a way of avoiding conflict and saving what has historical value.

The latter process would include framing a rather detailed statement as to what records constitute archives in our meaning of the term. This we have been preparing to do, but if you like Miss Burnett's suggestion, you may prefer that discussion of such detail be left to the recommended officer and this staff.

I am enclosing Miss Burnett's suggested draft, which is, in fact, a memorandum of her recommendation.

Very sincerely yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Enc.

February 7, 1955

Dear Mr. Sproul:

Thanks so much for wielding Solomon's sword in the matter of honoraria. Mr. Woodward, to whom I reported your suggestion by telephone, is entirely content with it, and so am I. The appropriate checks, two one-hundred dollar fees for Dr. Wood and one each for Drs. Chandler and Bopp, will be prepared and sent out.

Also, I will see that the question of policy for the future goes on the agenda for the next meeting of the Executive Committee.

Sincerely yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

RECTOR 2-5700

February 4, 1955

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

Dear Miss Adams:

Answering your letter of February 2, can we divide the child in half, so far as the November-January conferences at Princeton are concerned - two one hundred dollar fees for Dr. Wood and one each for Drs. Chandler and Bopp? There would seem to be some basis for this in terms of time and effort. If Mr. Woodward has reason to believe that Chandler and Bopp expect to receive \$100 for each conference, however, we had better pay it.

I think the question of policy for the future should be decided by the Executive Committee.

Sincerely,



Allan Sproul

February 2, 1955

Dear Mr. Sproul:

Mr. Woodward asks that I check with you the matter of the honorarium to consultants on which he and I seem to have developed a difference of understanding.

The original idea, based on the assumption that there would be a single three-day conference in Princeton, was that honoraria of \$100.00 would be provided for each consultant. This was mostly arranged in conversation with Dr. Bopp and Mr. Woodward. In notes of a conference held October 19, 1954 I find the following sentences.

"The matter of a possible honorarium was suggested. Dr. Bopp thought this might be important in the case of Dr. Wood because University of Missouri's salaries are very low. He felt that an honorarium of \$100 was amply sufficient. (Question - If an honorarium is provided for Dr. Wood, should one be provided for the other two men?)"

On October 29, 1954 I wrote you as follows.

"In discussing procedures with Mr. Woodward, two points arose on which we would appreciate word from you. The first is the matter of honoraria. Dr. Bopp tells me that he thinks a fee of \$100 might well be provided for Dr. Wood. If one expert is to be paid, wouldn't it seem better that the other two should also be paid? Mr.

Woodward agrees that \$100 for each of the three would be in order. If this meets your approval, we will go ahead on that basis."

On November 1, 1954 you approved that plan.

The matter in question now is whether, in view of the fact that two conferences, not one, have been held, the consultants are each to be paid \$100.00 for the November conference and \$100.00 for the January conference (which is Mr. Woodward's understanding), or \$100.00 for the entire undertaking (which was my assumption). Thus far, no checks have been sent.

A new factor which you may want to take into account is the expressed desire of Committee members that other conferences of a similar type be held later. Under those circumstances, we would appreciate not only a decision on the matter of honoraria in recognition of work done, but also an indication of policy for the future.

Very sincerely yours,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

c.c. - Mr. Woodward

February 1, 1955

Dear Mr. Sproul:

Thanks for your note of things to be done. I will see that all four points are covered.

I'm so glad you approved of Saturday's meeting. You certainly put them through a heavy dual program with wonderful skill.

The discussion was even better than I had dared to dream it could be, and the verbatim will be as valuable as it is interesting. I do hope we can repeat the experiment, perhaps on the basis of trying to go deeper into a specified period.

Yours with both fingers crossed for luck in the next ten days -

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

RECTOR 2-5700

RECEIVED

JAN 31 1955

COMMITTEE ON THE HISTORY
OF THE
FEDERAL RESERVE SYSTEM

January 31, 1955

Dear Miss Adams:

I have one or two notes, made at our excellent meeting on Saturday, which I would like to get into your hands so that something will be done about them.

- ✓ 1. We shall hear in ten days from the man we tapped to be "the historian". If he accepts, or if he accepts subject to definition of terms, we shall have to get ready to fix the stipend and the expense allowance. Could you and Mr. Calkins and Mr. Woodward, get up a current balance sheet and prospective budget, so that we shall have something to go on.
2. Dr. Willits mentioned what we already had in mind, a report to the Rockefeller Foundation on our progress. If "the historian" accepts, this would seem to be a most appropriate occasion for such a report.
- ✓ 3. There was mention of the need for giving some attention to the "destruction schedule" of papers held by the Board of Governors and the Federal Reserve Banks. Perhaps, Miss Burnett could draft a letter for me to send to the Board and the banks, politely pointing out the difference between archives and records, and expressing the hope that correspondence, memoranda and papers which might contribute to a history of the Federal Reserve System be spared when old records are listed for destruction.

I also have your letter of January 28 telling me of your talk with Courtney Brown at Columbia. Would you prepare the concrete recommendation? If you do, and if it is forwarded on the letterhead of the committee, showing its full membership and is signed specifically in behalf of the Executive Committee by names, I should think it would be of good quality.

Yours faithfully,


Allan Sproul

Copy for
Mr. Sprout

January 28, 1955

Dear Mr. Sprout:

You may remember that at the last Executive Committee meeting it was suggested that I talk with Dean Courtney Brown of the Columbia University Graduate School of Business Administration, with a view to finding out whether Columbia would like to have us recommend their library as a depository for certain collections of papers that touched on the Federal Reserve history project.

I went up to see Dean Brown on Monday of this week, January 24th. He had asked Dr. Haggott Beckhart to join us, and for half an hour I told those two of the progress of this project, with special reference to the location of papers and the problem of making them available for the use of qualified students.

Their attitude was somewhat skeptical in the beginning, but as it became apparent that there were gaps still unassigned (the Parker Willis papers, for example), they grew more receptive to the idea that it might be a good thing for Columbia to pay more attention to finance in its so-called "Special Collections" division.

Incidentally, that division is the place where the fruits of Dr. Nevins' Oral History Project are deposited. You probably know that the late James F. Curtis, one-time General Counsel of this Bank, is one of the very few bankers who have taken part in that program. They

have been negotiating with Shepard Morgan, but thus far without result.

At the end of the interview Dean Brown asked me to tell you that Columbia would be very glad to have us recommend them for the type of collections of financial papers which we had in mind. Obviously this must be followed up with a concrete recommendation, and preferably of good quality, but at least the door is open.

Most sincerely,



Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

c.c. - W. Randolph Burgess ✓
Robert D. Calkins
Donald E. Woodward

January 26, 1955

Dear Mr. Sproul:

As I understand the meeting on Saturday at Princeton, it is to be divided between a discussion of the consultants' outline-memo, which was distributed by mail on January 17th, and a Committee meeting to discuss the Executive Committee's list of proposed historians and decide as to action.

To that end, I think you wanted the Committee meeting scheduled after luncheon, and before the afternoon resumption of discussion with the consultants. I have therefore set up a skeleton agenda in two parts, one for the discussion with consultants, and the other for the Committee meeting.

One difference in the physical set-up between this meeting and the earlier one is the fact that we have been assigned the Hunt Room both for meeting and for lunch - hence, the twenty-minute recess noted between adjournment of the meeting and luncheon. The hotel has set aside a living room for our use between 12:00 noon and 3:00 p.m. so that the Committee can proceed immediately from luncheon to this room for their own meeting. At the end of the Committee meeting, discussion can be resumed with the consultants in the Hunt Room.

If you want changes in the agenda, they can be made as late as Friday morning. I did not go into much detail on the report of the Executive Committee because I was quite sure you would want to spend most of the time discussing the problem of the historian. I shall go to Princeton Friday afternoon at the request of the three consultants to attend their preliminary meeting. Mr. Woodward is in Carolina, but will arrive in Princeton Saturday morning.

Faithfully,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

January 10, 1955

Dear Mr. Sproul:

Thanks so much for sending us a copy of your letter of January 7th to Mr. Shepard Morgan, and doubly so for writing him as you did. He told me last spring that he meant to spend the summer writing about the Bank for International Settlements. Thus far, I have been unable to gather any hope of memoirs or papers about his work here, though he did consent to come down and reminisce for a couple of hours. He is so articulate and analytical a person, active at so interesting a time, that I am sure he could be enormously helpful if he would.

I'm hoping skilled pressure like that note from you will turn the tide.

Gratefully,

Mildred Adams

Mr. Allan Sproul
33 Liberty Street
New York 45, N. Y.

Copy for Miss Adams

Copy

January 7, 1955

Dear Shep:

It was good to hear from you, even though you couldn't come to our dinner for alumni and officers. We shall continue to hope that sometime you will be here when we gather the clan together. Meanwhile, I cannot repress some envy of the life you are making for yourself in these contemplative years.

Our project looking toward a history of the Federal Reserve System, and collateral studies, essays, and monographs is making progress. I hope you have it in mind to keep your recollections alive and your papers available.

With best regards,

Sincerely,

/s/ Allan

Allan Sproul

Mr. Shepard Morgan,
Casa Tamaro,
Ascona,
Switzerland.

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK 45, N.Y.

RECTOR 2-5700

January 3, 1955

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

Dear Miss Adams:

I have gone over the various names submitted to the Executive Committee of the Committee on the History of the Federal Reserve System as possible authors of "the history", and picked out five which seem promising to me. The only one of these men I know personally is Lester Chandler, and he heads the list both alphabetically and in other ways, so far as I am concerned. The others listed alphabetically on the basis of the recommendations of members of the Committee and the written records of the men, are

Thomas C. Cochran - University of Pennsylvania
Earl J. Hamilton - University of Chicago
Edward S. Shaw - Brookings Institution
Leonard L. Watkins - University of Michigan.

If I thought Neil Jacoby was at all available, I would add him to the list.

Yours faithfully,



Allan Sproul