

FEDERAL RESERVE BANK
OF NEW YORK

Special Delivery

NEW YORK 45, N. Y.
December 31, 1953.

Mr. Donald B. Woodward,
205 West 54th Street,
New York 19, N.Y.

Dear Mr. Woodward:

I have looked over the draft for submission to the Rockefeller Foundation, which you sent to me under cover of your letter of December 30th, and it seems to me to be in good form.

I have noted one or two very minor changes as I read it thru. It seemed to me that the reference on page 3 to your association with the Federal Reserve should be to the System, rather than the Board. On page 4, I have suggested the insertion of "research" before "secretary" in two places, having in mind that if we are able to work out a plan to use our Miss McKinstry on this study, she will be a good deal more than an ordinary secretary. Finally, on page 5, it seemed to me a little less casual to say "one or two key biographies" than "a couple of key biographies".

With best wishes for the New Year, including the hope that this project will move forward,

Yours faithfully,


Allan Sproul.

Encl.

PROPOSAL

FOR AN EXPLORATORY PROJECT LOOKING TOWARD THE COLLECTION, APPRAISAL, EDITING AND USE OF HISTORICAL MATERIALS ON THE FEDERAL RESERVE SYSTEM.

The rapid changes which are now characteristic of the American economy make it difficult for useable records, much less readable history, to keep up with them. Yet it is more than ever vital that not only should results be known and understood, but that the path by which those results were reached be made clear. This truism is nowhere more important than in the case of the Federal Reserve.

The Federal Reserve System's functions are essential to efficient operation of the American economy, yet the System is less understood than the industrial, commercial and financial operations which it so much influences. The System has been built and rebuilt during the past four decades, but what happened has not yet been adequately recorded. Unless this work of examining what has been done and setting it down in readable form is begun soon, a vital section of financial and economic history in the United States will be lost.

The papers which would be needed as source material in writing an adequate history are scattered between government, banking and private files. It is not even known what exists, nor where some of what exists could be found. The men who have acted as architects and builders of the present Federal Reserve System are already beginning to disappear. Carter Glass and Governor Strong, for example, are dead. Others are reaching retirement. Those living, whose memories form a most valuable supplement to any papers which they may have, should be approached and asked to contribute personal knowledge and access to papers before it is too late.

Only exploration can reveal what can be made available. But a number of important possibilities exist. Governor Strong's papers have been worked to only a very limited degree, and can yield much more. There may exist at J.P. Morgan some papers of S. Parker Gilbert, and possibly others. E. A. Goldenweiser may have left an important collection. Charles Hamlin left a collection of diaries which have not been examined. Congressional hearings and debates can yield much material and probably important clues.

Among the living there are important memories and doubtless important collections of papers. Those who would certainly be included are Walter W. Stewart, George L. Harrison, Roy A. Young, Robert W. Fleming, Eugene Meyer, Marriner Eccles and Daniel W. Bell.

Investigation would go much farther.

The end product toward which this project is directed would be a comprehensive history of the Federal Reserve System, including the editing for publication of certain source materials, the writing of biographic sketches of some of the most important figures, the composing of books, monographs and articles on special facets of the structure which emerge as of particular interest, and perhaps a popular history or two designed for wide public reading. Obviously such a comprehensive design would be a considerable undertaking, to be carried on over time by experienced specialists in this field.

Meanwhile a great deal of preparatory work is needed before such a comprehensive study of the Federal Reserve System could be started. It is that preparatory work which is the subject of this proposal. Papers which will form the source material should be located, classified, and roughly analyzed. Important characters in the drama should be sought out, their cooperation asked, and their interest enlisted. The dimensions and

proportions of the comprehensive study should be sketched and its possibilities bulked out.

The exploratory study would at least hope to answer the basic questions, "What?", "Where?" and "Whom?".

Genesis of the project

An added factor which presses for a quick start is that such a project has, in one form or another, been quietly simmering in the minds of several persons. Its present active form began with Mr. Donald Woodward, recently Vice President of the Mutual Life Insurance Company, present Finance Chairman and Director of the Vick Chemical Company. Mr. Woodward, whose career includes work for and about the Federal Reserve ^{System} Board, discussed the idea with Mr. W. Randolph Burgess, Mr. Winfield Riefler, Mr. Wm. McC. Martin, Jr., Mr. Allan Sproul and Mr. S. Spencer Scott, president of Harcourt Brace & Co., all of whom strongly favored it. Mr. Woodward enlisted the interest of Miss Mildred Adams, a journalist trained in the handling of economic subjects who is now reporting matters at the United Nations for The Economist of London. Out of these and other discussions has come this proposal.

Work Plan

The work plan calls for a staff member, a bibliographer and a secretary to work with the advice and collaboration of a small committee of advisors. This advisory committee will be headed by Mr. Allan Sproul who has consented to serve as chairman. It includes Mr. W. Randolph Burgess, and Mr. Donald Woodward; the latter will act as Secretary-Treasurer. Other members will be added. The services of Miss Mildred Adams, whose schedule calls for more free time after January 1st, may be secured for the post of active staff member in charge of research.

The work will be done under the name of the Committee on the History of the Federal Reserve System. Arrangements for tax exemptions and the disbursement of funds are under way. It is hoped that a beginning may be possible as of January 15, 1954.

Time and Costs

For an exploratory project of this kind a period of six months should be sufficient. At the end of that time the staff member, working with the advisory committee, should have the major areas of the larger project blocked out, a biographic index of personalities prepared and tests made of their cooperative willingness, a bibliography of basic materials and a map of source papers ready. With those in hand, it will then be possible to attack the problems of the larger project.

A budget for this exploratory work should be simple but adequate. The plan includes the hiring of one staff member for six months, a bibliographer and a capable ^{research} secretary familiar with bibliographic methods. There should be a fund for necessary expenses incurred in travelling to interview key figures not in New York, and a fund to cover the cost of committee meetings. The following figures are proposed:

Compensation of staff member - 6 months at the rate of \$10,000 a year.....	\$ 5,000.
Salary of ^{Research} Secretary	2,500.
Salary of Bibliographer	3,500.
Expense Funds	5,000.
	<u>\$16,000.</u>

End Product - The Larger Design

This proposal concerns only the preparatory stages, during which materials needed for further study of the Federal Reserve System will be surveyed and the cooperation of key persons enlisted. But a pilot project of this type is pointed toward a far wider end product.

The Committee cannot at this time make more than a rough estimate as to how long the larger project may take or how much it might cost. The work toward which this pilot effort leads is of such great value and has such wide ramifications that any attempt to draw its limits now would be revised six months from now. Much more than pure history is involved. The Federal Reserve System is part of the governing structure of the country, and as such its functioning and its effects bear upon the continuing success of this democracy. They need study from many more angles than are ordinarily contemplated, and they demand far wider understanding than has hitherto been granted.

With this in mind it seems clear that at least five years' work would be involved in producing and publishing such works as a definitive history of the Federal Reserve System, an analysis of its place in the American economy, several volumes of pertinent papers to be collected and edited, ^{one or two} a ~~couple of~~ key biographies, at least one popular account useable in high school and freshman college courses, articles and monographs in periodicals. Such a comprehensive design might need funds not less in amount than \$500,000, and might well attract scholars from several disciplines. It would spur research and writing in a field rich in possibilities, inadequately covered by present publications, and of vital concern to the country.

PROPOSAL

FOR AN EXPLANATORY PROJECT LOOKING TOWARD THE COLLECTION, APPRAISAL, EDITING AND USE OF HISTORICAL MATERIALS ON THE FEDERAL RESERVE SYSTEM

The rapid changes which are now characteristic of the American economy make it difficult for useable records, much less readable history, to keep up with them. Yet it is more than ever vital that not only should results be known and understood, but that the path by which those results were reached be made clear. This truism is nowhere more important than in central banking.

The Federal Reserve System's functions are essential to efficient operation of the American economy, yet the System is less understood than the industrial commercial and financial operations which it so much influences. The system has been built and rebuilt during the past four decades, but what happened has not yet been adequately recorded. Unless this work of examining what has been done and setting it down in readable form is begun soon, a vital section of financial and economic history in the United States will be lost.

The papers which would be needed as source material in writing an adequate history are scattered between government, banking and private files. It is not even known what exists, nor where some of what exists could be found. The men who have acted as architects and builders of the present Federal Reserve System are already beginning to disappear. Carter Glass and Governor Strong, for example, are dead. Others are reaching retirement. Those living, whose memories form a most valuable supplement to any papers which they may have, should be approached and asked to contribute personal knowledge and access to papers before it is too late.

Only exploration can reveal what can be made available. But a number of important possibilities exist. Governor Strong's papers have been worked to only a very limited degree, and can yield much more. There may exist at J. P. Morgan some papers of S. Parker Gilbert, and possibly others. E. A. Goldenweiser may have left an important collection. Charles Hamlin left a collection of diaries which have not been examined. Congressional hearings and debates can yield much material and probably important clues.

Among the living there are important memories and doubtless important collections of papers. Those who would certainly be included are Walter W. Stewart, W. Randolph Burgess, George L. Harrison, Roy A. Young, Robert V. Fleming, Eugene Meyer, Marriner Eccles, Daniel W. Bell.

Investigation would go much farther.

The end product toward which this project is directed would be a comprehensive history of the Federal Reserve System, including the editing for publication of certain source materials, the writing of biographic sketches of some of the most important figures, the composing of books, monographs and articles on special facets of the structure which emerge as of particular interest, and perhaps a popular history or two designs for wide public reading. Obviously such a comprehensive design would be a considerable undertaking, to be ^{done} ~~on~~ over time by experienced specialists in this field.

Meanwhile a great deal of preparatory work is needed before such a comprehensive study of the Federal Reserve System could be started. It is that preparatory work which is the subject of this proposal. Papers which will form the source material should be located, classified, and roughly analyzed. Important characters in the drama should be sought out, their cooperation asked, and their interest enlisted. The dimensions and proportions of the comprehensive study should be sketched and its possibilities bulked out.

The exploratory study would at least hope to answer the basic questions, "What?" "Where?" and "Whom?"

Genesis of the project

An added factor which presses for a quick start is that such a project has, in one form or another, been quietly simmering in the minds of several persons. Its present active form began with Mr. Donald Woodward, recently Vice President of the Mutual Life Insurance Company, present Finance Chairman and Director of the Vick Chemical Company. Mr. Woodward, whose career includes work for and about the Federal Reserve Board, discussed the idea with Dr. Joseph Willetts of the Rockefeller Foundation, Dr. Randolph Burgess, and Mr. S. Spencer Scott, President of

Harcourt Brace & Co., all of whom strongly favored it. Mr. Woodward enlisted the interest of Miss Mildred Adams, a journalist trained in the handling of economic subjects who is now reporting matters at the United Nations for THE ECONOMIST of London. Together, and with the advice of Mr. Burgess, they prepared this proposal.

Meanwhile, the Federal Reserve Bank of New York has been interested for a number of years in one aspect of the problem which would fit into the broader whole. It has wished to develop archives, as distinguished from files, which might become a self-perpetuating history of the bank, and which would form the basis for the work of economic historians interested in writing in this field. After consultation with Walter Stewart, W. Randolph Burgess, George L. Harrison, and Benjamin Strong, Jr., a start was made, under the direction of Robert Warren, with the papers of Governor Strong, the first Governor of the bank. The death of Mr. Warren halted this project, but the bank is interested in carrying it forward and, therefore, is interested in the present proposal.

Work Plan

The work plan calls for a staff member, a bibliographer and a secretary to work with the advice and collaboration of a small committee of advisors, composed of such men as Mr. Burgess, Mr. Alan Sproul, Dr. Walter Stewart, Mr. William MrMartin and Mr. Woodward. The services of Miss Adams, whose present schedule calls for more free time after January 1, might be secured for the post of active staff member. It is hoped that desk space might be provided without cost in the quarters and near the library of the Federal Reserve Bank of New York.

Time and Costs

For an exploratory project of this kind a period of six months should be sufficient. At the end of that time the staff member, working with the advisory committee, should have the major areas of the larger project blocked out, a biographic index of personalities prepared and tests made of their cooperative

willingness, a bibliography of basic materials and a map of source papers ready. With these in hand, it will then be possible to attack the problems of the larger project.

A budget for this exploratory work should be simple but adequate. The plan includes the hiring of one staff member for six months, a bibliographer and a capable secretary familiar with bibliographic methods. There should be a fund for necessary expenses incurred in travelling to interview key figures not in New York, and a fund to cover the cost of committee meetings. The following figures are proposed:

Compensation of staff member - 6 months at the rate of \$10,000	
a year	\$5,000.
Salary of Secretary	2,500.
Salary of Bibliographer	3,500.
Expense Funds	<u>5,000.</u>
	\$16,000.

Proposal for an exploratory project looking toward the collection, appraisal, editing and use of historical materials on the Federal Reserve System.

The rapid changes which are now characteristic of the American economy make it difficult for useable records, much less readable history, to keep up with them. Yet it is more than ever vital that not only should results be known and understood, but that the path by which those results were reached be made clear. This truism is nowhere more important than in central banking.

The Federal Reserve System's functions are essential to efficient operation of the American economy, yet the System is less understood than the industrial commercial and financial operations which it so much influences. The System has been built and rebuilt during the past four decades, but what happened has not yet been adequately recorded. Unless this work of examining what has been done and setting it down in readable form is begun soon, a vital section of financial and economic history in the United States will be lost.

The papers which would be needed in source material in writing an adequate history are scattered between government, banking and private files. It is not even known what exists, nor where some of what exists could be found. The men who have acted as architects and builders of the present Federal Reserve System are already beginning to disappear. Carter Glass and Governor Strong, for example, are dead. Others are reaching retirement. Those living, whose memories form a most valuable supplement to any papers which they may have, should be approached and asked to contribute personal knowledge and access to papers before it is too late.

Only exploration can reveal what can be made available. But a number of important possibilities exist. Governor Strong's papers have been worked to only a very limited degree, and can yield much more. There may exist at J.P.Morgan some papers of S. Parker Gilbert, and possibly others. E. A. Goldenweiser may have left an important collection. Charles Hamlin left a collection of diaries which have not been examined. Congressional hearings and debates can yield much material and probably important clues.

Among the living there are important memories and doubtless important collections of papers. Among those who could certainly be covered are Walter W. Stewart, W. Randolph Burgess, George L. Harrison, Roy A. Young, Robert V. Fleming, Eugene Meyer, Daniel W. Bell.

Investigation would go much farther.

The end product toward which this project is directed would be a comprehensive history of the Federal Reserve System, including the editing for publication of certain source materials, the writing of biographic sketches of some of the most important figures, the composing of books or monographs on special facets of the structure which emerge as of particular interest, and perhaps a popular history or two designed for wide public reading. Obviously such a comprehensive design would be a considerable undertaking, to be carried on under the direction of and with the active participation of an experienced specialist in this field. There are reasons to believe that Mr. Randolph Burgess, who has already contributed important volumes to the basic bibliography of central banking, might be persuaded to undertake this role when he relinquishes his present post in the Treasury.

Meanwhile a great deal of preparatory work is needed before such a comprehensive study of the Federal Reserve System could be started. It is that preparatory work which is the subject of this proposal. Papers which will form the source material should be located, classified, and roughly analyzed. Important characters in the drama should be sought out, their cooperation asked, and their interest enlisted. The dimensions and proportions of the comprehensive study should be sketched and its possibilities bulked out.

The exploratory study would at least hope to answer the basic questions, "what?" "where?" and "whom?"

Genesis of the project

An added factor which presses for a quick start is that such a project has, in one form or another, been quietly bubbling in the minds of several persons. Its present active form began with Mr. Donald Woodward, recently Vice President of the

Mutual Life Insurance Company, present Finance Chairman and Director of the Vick Chemical Company. Mr. Woodward, whose career includes work for and about the Federal Reserve Board, discussed the idea with Dr. Joseph Willetts of the Rockefeller Foundation, Dr. Randolph Burgess, and Mr. S. Spencer Scott, president of Harcourt Brace & Co., all of whom strongly favored it. Mr. Woodward enlisted the interest of Miss Mildred Adams, a journalist trained in the handling of economic subjects who is now reporting matters at the United Nations for The Economist of London. Together, and with the advice of Mr. Burgess, they prepared this proposal.

Work Plan

The work plan calls for a staff member and a secretary to work with the advice and collaboration of a small committee of experts, composed of such men as Mr. Burgess, Mr. Alan Sproul, Dr. Walter Stewart, Mr. William McMartin and Mr. Woodward. The services of Miss Adams, whose present schedule calls for more free time after January 1, might be secured for the post of active staff member. It is hoped that desk space might be provided without cost in the quarters and near the library of the Federal Reserve Bank of New York, or at Columbia University, or at the Board of Governors in Washington.

Time and Costs

For an exploratory project of this kind a period of six months should be sufficient. At the end of that time the staff member, working with the advisory committee, should have the major areas of the larger project blocked out, a biographic index of personalities prepared and tests made of their cooperative willingness, a bibliography of basic materials and a map of source papers ready. With those in hand, it will then be possible to attack the problems of the larger project.

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Expense funds	<u>2,500</u>
	\$10,000

PROPOSAL

FOR AN EXPLORATORY PROJECT LOOKING TOWARD
THE COLLECTION, APPRAISAL, EDITING AND USE
OF HISTORICAL MATERIALS ON THE FEDERAL
RESERVE SYSTEM

SUBMITTED BY THE COMMITTEE ON THE HISTORY OF THE FEDERAL RESERVE SYSTEM

Allan Sproul, Chairman
Donald Woodward, Secretary

PROPOSAL

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Genesis of the project

An added factor which presses for a quick start is that such a project has, in one form or another, been quietly simmering in the minds of several persons. Its present active form grows from discussions which have involved Mr. Wm. McC. Martin, Jr., Mr. Allan Sproul, Mr. W. Randolph Burgess, Mr. Walter W. Stewart, Dr. Robert Calkins, Mr. S. Spencer Scott, president of Harcourt Brace & Co., Mr. Donald B. Woodward, and Miss Mildred Adams.

Work Plan

The work plan calls for a staff member, a bibliographer and a secretary to work with the advice and collaboration of a small committee of advisers. This advisory committee will be headed by Mr. Allan Sproul who has consented to serve as chairman. It includes Mr. W. Randolph Burgess, and Mr. Donald Woodward; the latter will act as Secretary. Other members will be added. The services of Miss Mildred Adams, whose schedule calls for more free time after January 1st, may be secured for the post of active staff member in charge of research. Miss Adams is a journalist trained in the handling of economic subjects who is now reporting matters at the United Nations for The Economist of London.

The work will be done under the name of the Committee on the History of the Federal Reserve System. Arrangements for tax exemption and the disbursement of funds are under way. It is hoped that a beginning may be possible as of January 15, 1954. Desk space will be provided without cost in the quarters and near the library of the New York Federal Reserve Bank.

Time and Costs

For an exploratory project of this kind a period of six months should be sufficient. At the end of that time the staff member, working with the advisory committee, should have the major areas of the larger project blocked out, a biographic index of personalities prepared and tests made of their cooperative willingness, a bibliography of basic materials and a map of source papers ready. With these in hand, it will then be possible to attack the problems of the larger project.

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With this in mind it seems clear that at least five years' work would be involved in producing and publishing such works as a definitive history of the Federal Reserve System, an analysis of its place in the American economy, several volumes of pertinent papers to be collected and edited, one or two key biographies, at least one popular account useable in high school and freshman college courses, articles and monographs in periodicals. Such a comprehensive design might need funds not less in amount than \$300,000, and might well attract scholars from several disciplines. It would spur research and writing in a field rich in possibilities, inadequately covered by present publications, and of vital concern to the country.

340 EAST 72ND STREET

New York 21, N.Y.
December 31, 1953

Dear Don:

I talked yesterday with Dr. Willetts' Secretary, Miss Ingraham, who referred me to Miss Harris in charge of matters of format. She tells me that the Proposal need have no extra cover, but I would think that a title page such as I am enclosing might be a good idea. She also said that, as we know, there should be a covering letter summarizing the Proposal and including the following points:

1. To whom would the grant be made.
2. For how much.
3. When would the project start.
4. What is the amount asked?

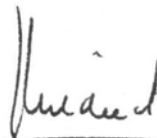
This letter would be addressed to Dr. Willetts at the Foundation.

On reading the admirable copy which Mrs. Williams sent me I have only one suggestion, and that is that on Page 4 there should be inserted after the first sentence a sentence which was omitted from the draft she copied. It would read as follows: Desk space will be provided without cost in the quarters and near the Library of the New York Federal Reserve Bank.

So far as I can see, and always ~~excepting~~ the editorial desires of other people, this ought to do what we meant.

My New Year wish is, of course, for the success of the project. *In the time set.*

Best, as always,



Mildred Adams

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

December 30, 1953

Mr. W. W. Riefler
Federal Reserve Board
Washington, D. C.

Dear Win:

Subsequent to our telephone conversation last Wednesday morning I did talk with Governor Martin in New York and have his approval for the procedure outlined in the attached letter to him. Probably all of this will go across your desk but in the event the procedure is different I am putting the material in different envelopes.

Governor Martin said he did understand the need for clearance next Monday and would be able to do it.

Cordially,

DEW:lw
Enclosure

December 30, 1953

Governor William H. Martin
Board of Governors
Federal Reserve System
19th & Constitution Ave.
Washington, D. C.

Dear Governor:

I submit herewith a copy of the proposal to be submitted to the Rockefeller Foundation for the Federal Reserve History project and with it a copy of a letter sent to Mr. Allan Spraul which provides further explanation.

In accord with our telephone conversation Wednesday afternoon and in order to meet the Rockefeller Foundation deadline I hope that you can let me have any corrections not later than Monday morning.

As I said on the telephone the procedure must always be agreeable to you.

It ~~will~~ be a great pleasure to be associated with you in this endeavor and I hope that it can materialize.

With greetings of the season.

Cordially,

Donald B. Woodward

P.S. I certainly don't want to suggest that you work over the New Year's weekend! But if you should happen to wish to talk about this before Monday I expect to be at home in New York and my telephone number is COLUMBUS 5-7532.

December 30, 1953

Mr. W. Randolph Burgess
Deputy to the Secretary
Treasury Department
Washington, D. C.

Dear Randy:

I think the attached letter and draft to Mr. Sproul are self-explanatory. May I have your alterations not later than Monday, January 4? If there are any questions I shall of course be glad to try to answer them.

Cordially,

P.S. I certainly don't want to suggest that you work over the New Year's weekend! But if you should happen to wish to talk about this before Monday I expect to be at home in New York and my telephone number is COLUMBUS 5-7532.

December 30, 1953

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

Dear Mr. Sproul:

Enclosed is a draft for submission to the Rockefeller Foundation on Monday, January 4 of our project. As you will see this leaves open the question of expansion of the committee and arrangements for disbursing tax exempt institutions; both of these points are agreeable to Dr. Willits.

Could you let me have any corrections to this draft not later than Monday morning, January 4? I am sending the draft and making the same request to Randolph Burgess, Governor Martin and to Walter Stewart. Both Messrs Martin and Stewart feel they should not formally appear to the Rockefeller Foundation as applicants though their endorsement of the project can be stated orally. When the grant is made Mr. Stewart will become a member of the committee if the Chairman wishes. Mr. Martin will also become a member at that time if desired unless there should be some question by his Board which seems unlikely. The Brookings Institution is considering our suggestion that it act as recipient of the Grant and disbursing agent. I think that it will conclude to do so.

The submission will need to be accompanied by a letter signed by the Chairman and the Secretary. I will have a letter to you for signature some time Monday. If there are major proposed alterations in this draft from others than yourself some discussion on the telephone might be needed.

If you have any questions about any of this I will be glad to try to answer them.

Cordially,

Donald B. Woodward

P.S. I certainly don't want to suggest that you work over the New Years' weekend! But if you should happen to wish to talk about this before Monday I expect to be at home in New York and my telephone number is Columbus 5-7532.

December 30, 1953

Mr. Walter Stewart
Council of Economic Advisers
Washington, D. C.

Dear Walter:

There is attached a draft of the proposal we expect to make to the Rockefeller Foundation Monday, January 4 and a letter to Mr. Sproul which provides additional information about the procedure. I hope that the statement about you is accurate and that the draft for the proposal will be agreeable.

If you have any corrections could you possibly let me have them not later than next Monday morning, January 4.

With warmest regards.

Cordially,

P.S. I certainly don't want to suggest that you work over the New Years' weekend! But if you should happen to wish to talk about this before Monday I expect to be at home in New York any my telephone number is Columbus 5-7532.



TREASURY DEPARTMENT
WASHINGTON

December 19, 1953

Dear Don:

Responding to yours of December 11th,
I should be glad to arrange to come up to
Radio City for luncheon on December 28th.

Sincerely yours,

W. Randolph Burgess
Deputy to the Secretary

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

RBW
e 9/1
Co 5-5700
Engstrom
12/22



TREASURY DEPARTMENT
WASHINGTON

December 14, 1953

Dear Mr. Woodward:

I am taking the liberty of writing to acknowledge your letter of the 11th and to let you know that Mr. Burgess is out of the country but is expected back the end of this week. I am sure he will write you as soon as possible after he returns.

Sincerely yours,

Mae Alexander

Secretary to
Mr. W. Randolph Burgess

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

December 11, 1953

Dear Randy:

We have a date for lunch with Dr. Willits on Monday, December 28 in New York as you suggested. He would rather strongly prefer it if luncheon could be with him in Radio City. How strong is your preference for luncheon downtown?

Cordially,

Mr. W. Randolph Burgess
Deputy to the Secretary
Treasury Department
Washington, D. C.

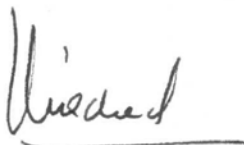
340 EAST 72ND STREET New York 21, N.Y.

Dear Don:

Here is the draft of our proposal as modified by Mr. Sproul and Mr. Burgess. You will not find as many changes as I anticipated when we talked on Friday, and unless you call me I will assume that you are in agreement with its present form.

They did not add anything about setting up a Disbursing Agent to handle funds when they were granted. I would assume that this would be one of the things that Dr. Willetts might like to know about. It is my understanding that the present draft may be modified after one or both of you talks with him. I understand I am to be hearing from you on this next week.

Best as always,



Mildred Adams

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

Enclosure

cc: Miss Mildred Adams

December 16, 1953

Dr. Walter W. Stewart
Council of Economic Advisors
Executive Office of The President
Washington, D. C.

Dear Walter:

For a long time, thanks to stimulus from you and Bob and others, I have been much interested in the history and development of the Federal Reserve System. This interest has for some time taken the form of concern that the passage of time may rob present and future students of a great deal of information that could otherwise be made available by a little work now. There are, I think we need not doubt, important collections of papers and important facts in the memory of living people, all of which may disappear over the next few years.

In more recent past this interest and concern has been shown by others in a series of conversations; including Randolph Burgess, Allen Sproul, Spencer Scott, Joe Willits. Discussion has reached the point where an exploratory project for six or nine months to try to find out what is available and get some indexing done derives important support.

Miss Mildred Adams, an associate on the London Economist and otherwise possessing extensive experience is interested and would be available to do some work.

You would be a very important figure in this endeavor. Could you possibly see Miss Adams for a little while on Friday of this week in Washington. She will be in town to see Winn Riefler who is representing Governor Martin in the discussion.

It is especially important to have the matter laid before you if at all possible prior to Monday, December 28 when there will be some more formalized discussion between Dr. Burgess, Dr. Willits and perhaps others who will be here in New York.

With warmest regards.

Cordially,

DEW:lw

December 11, 1953

Dear Win:

Many thanks for your letter of December 9. You will hear shortly from Miss Mildred Adams whom I believe you have met with Helen Hill Miller. She will be prepared to go over the whole series of discussions which have occurred thus far.

I do hope that if either you or the Chairman wish to do so thereafter that you will not hesitate to call me or to talk with Randolph Burgess.

With warmest regards.

Cordially,

Dr. W. W. Riefler
Assistant to the Chairman
Board of Governors
Federal Reserve System
Washington, D. C.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

December 9, 1953.

Mr. Donald B. Woodward,
Chairman, Finance Committee,
Vick Chemical Company,
Chanin Building,
122 East 42nd Street,
New York, New York.

Dear Don:

Chairman Martin has just shown me your letter of December 4, suggesting that Mildred Adams might be available to take the initiative in gathering together important information on the growth of the Federal Reserve System before it is lost.

I recall many, many conversations with you and others on the general subject but nothing on this specific formulation of a project. The Chairman would like me to look into it for him. Consequently, I will be glad to see Miss Adams when she comes.

My best to you.

Sincerely,

Winfield W. Riefler,
Assistant to the Chairman.

December 10, 1953

Dear Mrs. Scott:

Thank you for your interest in the project for development of Federal Reserve historical material. Discussions toward that end have been proceeding fairly continuously - though the development of such things is necessarily slow. Definite interest exists in important Federal Reserve, Treasury and other circles. Some preliminary conversation has been held with an important Foundation and discussion is to proceed further in that direction in the near future. I think there is a fair possibility that we shall evolve a project. I have taken the liberty of using your name as one of those who thought it a good idea.

With warmest regards.

Cordially,

Mr. S. Spencer Scott
Harcourt, Brace & Co., Inc.
383 Madison Ave.
New York 17, N.Y.

HARCOURT, BRACE AND COMPANY, INC
PUBLISHERS

383 MADISON AVENUE, NEW YORK 17, N.Y.



December 9, 1953

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

Dear Mr. Woodward:

How nice of you to think of me in connection with the Vick Chemical Company products. I couldn't do anything about it this year, but perhaps another year I can.

What happened to your nice friend who lunched with us and her plans for the book?

With all best wishes for a good Christmas to you and your family,

Sincerely,



S. Spencer Scott

SSS:mc

FEDERAL RESERVE BANK
OF NEW YORK

NEW YORK 45, N. Y.

December 8, 1953

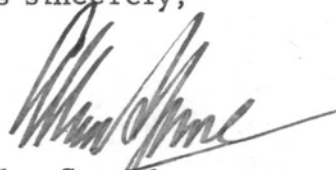
Mr. Donald B. Woodward,
122 East 42nd Street,
New York 17, N. Y.

Dear Mr. Woodward:

Far from thinking that you were intruding, I was delighted when I heard that you had interested yourself in the development of historical material concerning the Federal Reserve System. As you probably know, we at this Bank made a start on something of this sort a few years ago and Bob Warren was enthusiastic about pursuing it. His illness and death halted the project and it has lain fallow until now. I hope the present broader project will go forward and bring it to life.

With personal regards,

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Allan Spruill', with a long horizontal flourish extending to the right.

Allan Spruill

cc: Miss Mildred Adams
Mr. W. Randolph Burgess

December 7, 1953

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

Dear Mr. Sproul:

I am very happy to learn from Miss Mildred Adams that you think well of the idea of an exploratory project to see what can be done about making more Federal Reserve historical material available. This is a matter which has been of concern to me for a very long time and, happening to find several people of the same frame of mind I tried to give the project a boost.

I do hope you won't think I am trying to intrude myself into your affairs nor be presumptuous in any way. I just hope that a way can be found to prevent time and uninterested people from robbing present and future students of the Federal Reserve System of materials that could otherwise be made available with a little effort.

With personal regards.

Very truly yours,

Donald B. Woodward

DBW:lw

December 4, 1953

Governor William M. Martin
Board of Governors
Federal Reserve System
19th & Constitution Ave.
Washington, D. C.

Dear Governor:

As you may or may not know I have been a most interested observer of the Federal Reserve System for nearly a quarter of a century. It started when I was assigned to "cover" the Board in 1929 for the Wall Street Journal and has continued from one desk or another almost continuously since then, including a desk for about three months in late 1939 in working on "Banking Studies."

I have felt a frequent concern that much historical material pertaining to the System has never been assembled and published. It has seemed to me especially important for students both present and future to have access to the greatest amount of information about how the system grew and how it got to be what it is. Among papers I believe to exist but which have never been organized and made available are those of Roy Young, Robert Fleming, Walter Stewart, Parker Gilbert, Charles Hamlin, Randolph Burgess; and I believe that there are a number of others that a search would reveal. Also in the minds of a good many living people there is information that could be drawn out by interview; unless this is done soon much of this information will become unavailable. And the collections of papers will be lost as they go to uninterested persons.

During recent months as for some reason this concern has grown I have talked with Randolph Burgess and Joseph Willits about it and found them most interested in the subject. The discussion has broadened to include Allen Sproul, S. Spencer Scott, the President of Harcourt Brace & Co., and Miss Mildred Adams a frequent contributor to the London Economist who might be available to do some work on the subject if desired. I believe that Dr. Willits has had some discussion with Win Riefler and perhaps others of your staff.

Certainly I do not and certainly none of the others wish to intrude ourselves in your affairs nor in any fashion to try to preempt any work you have under way. On the other hand if you feel that this idea merits pursuit I think there are enough people interested in it to push through at least some exploration of what might be available and what the potentialities are.

Perhaps you would care to have the matter laid before you more fully and in that case Miss Adams who has been involved in all the conversations will come to see you at your convenience in Washington. Or perhaps you would prefer to indicate your wishes or to carry on discussions in some other manner.

My only hope and that of others is that time not be permitted to rob present and future students of historical materials which might be very valuable.

With best regards.

Very truly yours,

DBW:lw

340 EAST 72ND STREET

New York 21
Nov. 28, 1953

Dear Don-

This is a progress report on our Federal Reserve project.

I called Friday morning on Alan Sproul of the Fed. Reserve of New York, and found Burgess with him. Burgess had already talked to Sproul about the plan (which he has definitely taken under his wing, if I know definiteness when I see it) but Sproul said he wanted to hear more. I had sent Burgess a copy of the draft proposal, but had not sent one to Sproul, as it seemed to you, and me, that we ought to have Burgess' approval first. So I said that the sum of where we had got to was in the report, and after Burgess said he thought it very good, I handed Sproul a copy. He glanced it through, and then the conversation proceeded.

Sproul says that at one time they had a project for the Fed. Reserve of New York which was rather similar. They had expected Bob Warren of Princeton (Robert B. I judge from the latest Who's Who on my shelves) to carry it through, but he died before it was more than a sketch. They have a good library, and a lot of files. What Sproul wants is to turn the files into archives. He had discussed the matter with Warren, who hoped to write a history of the Fed. of New York, and with Benj. Strong Jr. who had given his father's files to Princeton. (I may be wrong about this - maybe the elder Strong deposited them there.) Since Warren's death the plan has lain in abeyance, but its existence was apparently the spring board from which Sproul's interest in our project was enlisted. (You may have known that Warren did some work on Strong's papers, never finished.) Sproul has apparently been hoping to enlist the interest of another economic historian in the problem, but I judge that he has done nothing positive about it.

He wants to be very sure (a) that the Fed. of New York is not mixed with other Federal Reserve Banks, but preserves its institutional identity. He wants the right to censor anything written about it. I explained that writing was a long way off, but for some reason he kept coming back to that. (b) He seems to foresee a step from this plan to his dream of setting up proper archives for the New York Fed. (c) He is very particular that the interests of the Rockefeller and the Fed. of NY be quite carefully delineated. He kept talking about "Whatever the Rockefeller people hope to get out of this", whereas in my innocence I assumed that the money was given to get the job done, with no arrière pensée on the part of the Fund giving it. However. He seemed to have some obscure doubt about gearing in the institutional interests so as to preserve the rights of the NY Fed.

Burgess, who kept acting as interested salesman of our project in a most beguiling way, had two suggestions about the presentation. (a) He wants his name deleted as possible writer, though he is willing to have that verbally understood. He does not want to have it seem as though he was getting out of the Treasury soon, says he isn't. (b) He

thinks the budget is too low. Says there is a lot of interviewing which should be entered on as soon as possible, and there is also the bibliographic job, and the work should be done professionally and looking toward archives. I said I could do the interviewing, and indicated I intended to, but that I was not a bibliographic expert. So he said he thought we ought to have one.

Both men thought there should be a carefully outlined procedure of handling the funds provided. Who does the money go to, who disburses it? Burgess said he had used the City Farmers ~~for~~ for the Falk Foundation in that capacity. Sproul said it might be a better idea to use the U.S. Trust, as Benj. Strong Jr. is connected with it and his interest should be gained.

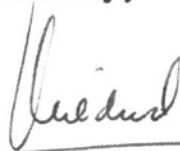
Both men then said they thought the draft needed to be worked over, the ground rules worked out more fully, the institutional lines cleared. So I suggested that they each take home a copy and do some home work over the week-end, me to call their secretaries on Wednesday, gather up the two, and coordinate them. They laughed and agreed.

They also said they thought I should ~~like~~ talk to Bill Martin and make sure there was no Washington resistance to the work being done in connection with (locale and interest) the New York Fed. Also to Willetts to make sure what other information he might need than that set forth.

At one point Sproul said the NY Fed. could pay for the work in their own archives, and seemed almost ready to pay for the whole thing, but didn't. He did, however, indicate that space and a library worker could probably be supplied, and should be to safeguard the NY Fed's interests.

It is a great and wonderful world, and I'll be eager to get your comments on ~~all~~ all this. Why not phone me when you get a chance on Monday?

Hurriedly,



Mildred Adams

Mr. Donald Woodward
Vick Chemical
122 East 42nd st.
New York City

340 EAST 72ND STREET

New York 21
November 21st, 1953

Dear Don-

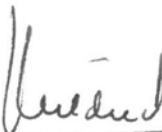
I found your letter, and the draft copies of ~~our~~ proposal, when I get back yesterday. You were most kind to get it ready to go out, and I am sending it straight off to Burgess in the hope that he may be able to go over it before we ~~meet~~ in Sproul's office the 27th. An appointment had been made, but had to be cancelled when I was called West. When I got back, I found a note saying that Sproul's secretary had made another, so I shall hope to have more news later in the week.

I'm glad you liked the short form, and I think that the changes you made gave it more solidity. Had I had time, I probably should have felt impelled to add more detail, but I am hoping that the weight of names, and the obvious importance of the idea, will take the place of more extensive preparation on ~~my~~ part.

Also I am going to ask another favor, and that of a more personal kind. This Colorado funeral has left me in immediate need of financial and economic judgement of the kind you and I have discussed earlier. I didn't expect the need to come so soon, or in these particular dimensions, but one ~~isn't~~ consulted ahead of time. If we could persuade you and Jean to come up to dinner perhaps you'd let me lay the problem on the table, and help me thresh it out. I'll be phoning you about that.

Meanwhile thanks again for help on the draft, and I will certainly do everything possible to speed the matter.

Best as always,



Mildred Adams

Mr. Donald Woodward
Vick Chemical
122 East 42nd st
New York City

November 17, 1953

Dear Mildred:

Your draft seemed to me to be really excellent. I have made a few changes in ~~working~~ and have added a couple of paragraphs of elaboration - and I've also added a thousand dollars for expense funds! All this makes no considerable change at all.

Mrs. Williams has retyped it and we are keeping one carbon and sending you the original and several other carbons together with your draft with my pencilled changes on it so you can see what has happened.

I suggest that you proceed as rapidly as possible.

My warmest sympathies to you in your loss. These things are always very painful I know.

Yours,

Miss Mildred Adams
340 East 72nd St.
New York, N. Y.

340 EAST 72ND STREET
NEW YORK 21

Nov. 15, 1953

Dear Don-

I meant to have a clean and more extensive version of this for you, but I'm suddenly called West to a funeral, and can't do the added work I meant to. Would you be an angel and look it over most critically? It may be too long, or too short, or too cryptic. It may need more names, or ~~more~~ persuasion. Do put them in. This is my only copy, except for a pencilled version, but that only means I couldn't send you a carbon too.

Sproul had asked me to come in Monday when Burgess will be in town, and I had hoped to talk about this with you before then, but your secretary said you had all day conferences, and hence this note. I'll not be sorry to postpone the Sproul interview until the next time Burgess comes to town, but I'll follow it up, and Sproul or Burgess may phone you on Monday. I'm going to suggest it to Sproul's secretary.

I expect to be back here the latter part of next week - I hope by Thursday. This is an aged and beloved aunt who did her best to leave things in shape so as to make her survivors the least possible work.

Tell Jean I'll call her about the Women's City Club as soon as I get back. *Adrian* -

Hurriedly -

November 9, 1953

Dear Mildred:

Last Friday in the course of much conversation on many research subjects I discussed your Federal Reserve project with Robert Calkins, the new Brookings President and he thought it an excellent idea. As you probably know he was for some time head of the General Education Board which is one of the Rockefeller creatures and there new the Rockefeller Foundation procedures quite well. He suggested that the project be formed and presented to Dr. Willetts just as soon as possible. Dr. Willetts retires early next spring and there should be adequate time for him to consider the project and obtain action on it before his retirement. Unless that is done there might be an extremely long delay and also the problem of dealing with new personnel.

I thought you would like to have this piece of advice passed on to you.

Cordially,

Miss Mildred Adams
340 E. 72nd St.
New York 21, N. Y.



TREASURY DEPARTMENT
WASHINGTON

October 27, 1953

Dear Don,

Thanks for your note
of October 21st. I enjoyed the
meeting thoroughly myself.

The Federal Reserve idea,
I am sure, is a good one and
I shall be glad to discuss it
further with you.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Burgess", is written above the typed name.

W. Randolph Burgess

Mr. Donald B. Woodward
Chairman, Finance Committee
Vick Chemical Company
Chanin Building
122 East 42nd Street
New York, New York

October 21, 1953

Mr. W. Randolph Burgess
Deputy to the Secretary of the Treasury
Treasury Department
Washington, D.C.

Dear Randy:

I want to thank you again and most warmly, both for myself and on behalf of the Conference, for giving us of your time and counsel at our meeting last Friday evening. Your time and energies are in very great demand, and it was generous and kind indeed for you to let us have such a generous portion. I know that I speak for every member in saying that if we can ever be of any help to you, I hope that you will not hesitate to call on us.

Cordially yours,

DBW

Donald B. Woodward

DEW/bam

cc: Miss Mildred Adams

October 26, 1953

Dear Randy:

At the lunch table at the Conference of Business Economists session, I raised the question of the collection and development of historical materials pertaining to the Federal Reserve System and you were very much interested in the idea. You thought that a job of exploration of availability of collections of papers and of the contents of those papers would be worth getting under way as soon as possible probably under the auspices of a small committee of interested persons with one or more staff members and with funds from a foundation. At a later time you thought you would be interested in working on materials yourself.

I may have told you that in the summer I talked of the desirability of a project to collect and develop federal reserve historical materials with Joe Willits at the Rockefeller Foundation and that he was much interested. He had talked with Ralph Young and Wynn Riefler and reported them as feeling strongly favorable.

I have on a couple of occasions talked with Miss Mildred Adams, an associate in contribution to the London Economist and found her much interested in doing some work in this direction. She and I not long ago had lunch with Spencer Scott whom you will remember as the President of Harcourt, Brace & Co. and he was enthusiastic.

Miss Adams will be in Washington Thursday and Friday of this week (October 29 and 30) and I have suggested that she call you. If your time would permit, some exploratory conversation might conceivably be productive. I believe that Miss Adams could ably handle the job of developing a proposal for an exploratory project for be presented to a foundation. And I think that if foundation funds were obtained for an exploratory project she could, in cooperation with an advisory committee and perhaps with an assistant or two carry out the job.

It does seem to me as I think it did to you that the sooner a start can be made the better. These matters take a lot of time at best. If you were satisfied that Miss Adams could do the job then the wheels could be started very soon in view of her availability.

With warmest regards.

Cordially,

Mr. Randolph Burgess
Treasury Department
Washington, D. C.

October 21, 1953

Miss Mildred Adams
340 East 72nd Street
New York, 21, N.Y.

Dear Mildred:

Down in the city of our masters, I had the opportunity for a conversation with Randolph Burgess about the project we have discussed, and the reaction was, I thought, rather interesting.

He thinks that it is an excellent idea and became enthusiastic about it. He had suggestions for some additional papers, particularly those of Governor Strong, which he says have not been adequately worked, and he also thought that Russell Leffingwell at Morgan's might have some papers of his own and also perhaps some of those of Herker Gilbert. He suspected that there might be still other smaller pieces covering different periods.

But Mr. Burgess would like to be the major architect of this job himself. I had not, by the way, mentioned any other names or ideas as I was simply seeking his reaction. He does not expect to stay at the Treasury forever, and he is already retired from the National City Bank, so that this job appealed to him as something to do and something he would very much like to do.

I asked him if there was work to be done now, and he said it would be desirable if work could start soon in exploring availability, the condition of papers, and some kind of organization, indexing, summary and evaluation. If this were undertaken, and carried on during the next year or two, while Mr. Burgess is in public service, it could lead, depending on the relationships established, to major collaboration with Mr. Burgess and as well to the use of materials gathered for writings other than those as a part of this project. I should add that he feels that in addition to the collection of papers and the more technical material, that an attempt at popularization would also be desirable.

He advanced the idea of an advisory committee as he thought about procedure. Thus, there could be an advisory committee, and one or more full-time jobs for a period of time after which the same set-up would continue but with him joining the group.

Miss Mildred Adams

-2-

October 21, 1953

All this came out without my making any suggestions at all. I'm not quite sure what you will think about it, but it certainly is some more of the facts to be considered, for I am sure that Dr. Willetts or the representative in any other foundation would want to know Dr. Burgess's views and would seriously consider his suggestions, inasmuch as he has spent most of a lifetime in this field and has written considerably of it.

Perhaps a major question is whether you would be interested in thinking of being an assistant to, and probably eventually collaborator with, Mr. Burgess, or whether you want to think of formulating a project for a foundation within the area, but which would be non competitive with what Mr. Burgess may wish to do, and therefore have his approbation.

I made no suggestion to him, nor any comment on names, procedure, or any further discussion. The meeting at which we both were present interrupted our conversation, and it was never resumed.

I hasten to lay this matter before you. Perhaps when you have considered it, you may wish to have some discussion about it.

Cordially yours,

DEW/bam

Donald B. Woodward

September 16, 1953

Dear Mildred:

Thanks for your postcard and your letter. I think you are doing extremely well since if you adhered to your schedule you must have returned from Cape Cod in the midst of the heat wave. Whether or not we are any good in economics, Jean and I scored a perfect one in weather forecasting by being away for the entire heatwave.

I certainly agree with your thought about the need for better understanding on the role of money itself. However, in thinking about your idea I would suggest that it be approached tangentially so far as a foundation proposal is concerned. Most Foundations that I know want to see a fairly specific project design that has a good chance of producing a definite product after a specified period of time and expenditure. The collection, editing and publication of papers that might not otherwise ever become available would, I think, seem fairly clear. The production of a good history of the federal reserve giving consideration to its new importance and utilizing considerable fresh and hitherto unavailable material would seem to me to go in that direction. But a long list of people over a long time have been trying to explain the function of money and this is a little like the continuing desire to write the great American novel; my suspicion is that unless there were specific reasons almost to assure a different and quite unusual product, the Foundation committees would not be too responsive. However, if it were noted not too prominently as a possible end product after the other specific and unusual possibilities it might be included in an exploratory study. Perhaps I am excessively dubious but it is at least one possibility that you may care to consider in devising your proposal.

More power in money as well as otherwise to you.

Cordially,

Miss Mildred Adams
Compo Parkway
Westport, Conn.

Copy sent to 340 E. 72nd St., N.Y. City.

COMPO PARKWAY

WESTPORT

CONNECTICUT

September 10, 1953

Dear Don:

It is really unpardonable of me to have sent you no sensible word since our very good luncheon with Mr. Scott, but having missed the first day or so and gone into further consideration, that inevitably begot still more consideration, and by now I have built up a whole mountain of possibilities and pertinent objections

I agree with you entirely that a single book on the matter of the Federal Reserve and the men in it is not enough to warrant being called a project. You may be right that a history and accompanying biographies are the way to handle it. I find myself thinking that behind this immediate history was the problem of the position of money in the American economy. We have had plenty of talk about the importance of industry and although economic illiteracy still flourishes, I would assume that a fair proportion of our people are sold on the fact that our prosperity depends on keeping the factories running.

I think in contrast that very few of them know what role money plays in all this or how well our whole system of handling it keys in with other characteristics of our economy. The farmer's wife from whom I buy my vegetables was moaning over the fact that the State is going to build a highway through her house, and when,

by way of comfort, I observed that they were probably paying her enough to build a new one she said, "Oh, yes, but what's money?" The answer is characteristic of a great deal that one hears in these days of a punctured dollar. I am not sure that I can make a case for the importance of more reverence for money, but I do think that some understanding of it is a factor in better understanding of our whole economy.

I write you this principally to indicate that the interest is still high. I shall hope within the next day or so to get something resembling a project outline in shape. Meanwhile, thanks again for your suggestions.

Best as always,

MAK:AR

Mr. Donald Woodward,
The Vick Chemical Company,
122 East 42nd St.,
New York, N.Y.

Mrs. M. Houston Kenyon
Compo Parkway
Westport, Conn.

Copy to: Barn House
Chilmack, Mass.

August 20, 1953

Dear Mildred:

Your Federal Reserve project has been repeatedly on my mind and I felt a nagging disfaction about it in Maine and on return and through most of the evening yesterday. At that point I got an answer.

Unusual as the charge is I believe that you have not been sufficiently ambitious at least at the discussions we have had together. The sights should be raised somewhat higher. What bothered me was the problem of how to do a Federal Reserve history and in the same book treat adequately with some of the personalities involved. The insufficiency now seems to be in thinking of only one book.

Would it not be more manageable even if more lengthy, to consider the possibility of perhaps several publications. One might be a biography and papers of Roy Young. Another the biography and papers of Walter Stewart. Another the biography and papers of Robert Fleming. There might be still other biographies and papers including, subject to the availability covered by the Library of Congress agreement, the papers of Charles Hamlin. ~~Randolph~~ Burgess is perhaps a sufficient figure to warrant inclusion: he certainly has had long experience from several different vantagepoints and my guess - though I am not sure of this - is that he has a considerable collection of papers. There might be a book of briefer accounts of significant figures still living who were prominent on the stage for important parts of the time: e.g., Eugene Meyer, Mr. McCabe.

As these individual stories were being done the opus itself could be constructed and elaborated. It could be the final volume of a considerable series.

If this approach seems appropriate to you there is all the more reason for proceeding with an exploratory study. Such study determines more specifically the names to be covered, the availability of papers, arrangements for publication, etc., etc. This certainly seems clearly a job for a foundation to finance.

Warmest regards.

Cordially,

August 3, 1953

Dear Mildred:

The house in Maine is even better than anticipated. If you and Houston do find it possible to look in we would love to have you and I think you might enjoy a little of the rockbound coast.

I will look forward to seeing you on August 13.

Cordially,

Mrs. W. Houston Kenyon
Compo Parkway
Westport, Conn.

COMPO PARKWAY

• WESTPORT •

CONNECTICUT

July 31, 1953

Mr. Donald Woodward,
Vick Chemical Co.,
122 East 42nd St.,
New York 17, N.Y.

Dear Don:

Thanks so much for your note of the 24th with its enclosure about lunch with Spencer Scott. I will expect to be at your office at 12:30 on August 13th unless I hear from you to the contrary. I will phone you that morning to confirm it.

I hope the Maine house is all that you and Jeannie anticipated.

Best as always,

MAK:AR



July 24, 1953

Dear Mildred:

The attached is explanatory and I hope we have the session in August.

I happened to be talking to Joe Willits of the Rockefeller Foundation and told him that I feel the job on the personalities still alive from Federal Reserve should be done. He reacted immediately and vigorously in agreement.

Yours,

Mrs. W. Houston Kenyon
Compo Parkway
Westport, Conn.

cc: Mildred Adams Kenyon

July 24, 1953

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

Dear Mr. Scott:

Let's say Thursday, August 13, but on the understanding that your taking a week off has priority. If the time you can take off happens to include Thursday, August 13, then we can simply make another date after Labor Day.

With best regards.

Cordially,

DEW:lw

HARCOURT, BRACE AND COMPANY, INC.
PUBLISHERS
383 MADISON AVENUE, NEW YORK 17, N.Y



July 23, 1953

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

Dear Mr. Woodward:

Thanks for your letter of July 22nd and your very kind invitation to lunch. I would like to say August 13th would be just right - and I can, tentatively - but I am going to take a week off in August and it might very well be that week. I will be glad to accept if I am here, but if you want to make it a firm date, let's name a time after Labor Day.

I am looking forward to seeing you.
So much has happened since we talked to each other.

With all good wishes,

Sincerely,

S. Spencer Scott

SSS:mc

July 22, 1953

Mr. S. Spencer Scott, President
Harcourt, Brace & Co.
385 Madison Ave.
New York, N.Y.

Dear Mr. Scott:

A former associate on the American staff of the London Economist and I have an idea for a possible book combining biography and economic and political history. We would like to have an opportunity to present it to you for your frank reaction if you have any interest. Would it be perchance possible for you to let us buy you a lunch on Thursday, August 13? Whatever the outcome it would be an opportunity for some discussion of current and recent events - and I have found discussions with you to be very stimulating indeed. If we can't make it on August 13 perhaps some time soon after Labor Day might be possible.

With regards.

Cordially,

DEW:lw

PROPOSED RELATION BETWEEN THE COMMITTEE ON
THE HISTORY OF THE FEDERAL RESERVE SYSTEM AND
THE BROOKINGS INSTITUTION

1. The Committee on the History of the Federal Reserve System and the Brookings Institution will assume joint responsibility for the administration of the proposed project on the History of the Federal Reserve System and the expenditure of funds that may be granted by the Rockefeller Foundation for this activity. The proposed grant will be made to the Brookings Institution for administration jointly by the Committee and the Institution.
2. The Committee will enlarge its present membership and provide for the replacement of members as agreed upon by the Committee and the Brookings Institution.
3. To facilitate the administration of the project, the Committee will designate an Executive Committee with power to make administrative decisions jointly with the Brookings Institution on matters that may require action, and a member of this Executive Committee will be designated and empowered to act for the Committee in accordance with general policies established jointly by the Committee and the Brookings Institution.
4. The Committee, directly or through its designated representatives, and the Brookings Institution, through the President, will jointly determine the research and related activities to be undertaken, the allocation of funds, the manner in which these activities shall be pursued, the personnel to be engaged, the contracts, grants, or other commitments that may be made.
5. The administrative arrangements and the payment of funds will be handled by the Institution on the authorization of the President in accordance with procedures approved by the Committee and the Institution.

6. Employees engaged for work on the project shall be appointed by the President of the Institution in consultation with a designated representative of the Committee, and they shall be joint employees of the Committee and the Institution for specified periods, and not regular employees of the Brookings Institution.

7. Contracts or grants for writing, research, or other services shall be arranged by the President of the Institution in consultation with a designated representative of the Committee. These contracts or grants, as the circumstances may require, shall specify the obligations of the parties, the amount and manner of payment, the responsibility for supervision, and the responsibilities respecting reading and criticism of manuscript, editorial work, approval for publication, and publication arrangements. Such contracts or grants may be entered into with the Brookings Institution itself for portions of the work on terms that comply with the Institution's usual operating practices.

8. The Institution will keep a record of its overhead and other expenses incurred in administering the project, and render an accounting to the Committee annually. Such expenditures up to \$3,000 per year (as provided in the request) shall be charged against the funds for the project. Any expenditures beyond \$3,000 per year shall be subject to reimbursement with the approval of the Committee.

9. These arrangements shall apply for the duration of the project over the next five years, unless altered with the approval of the Committee and the Brookings Institution.