

## Early-Career Scholars Research Fund Application

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In an article in the *Financial History Review*, I detailed the role of U.S. economists in reorganizing German central banking after the First World War.<sup>1</sup> Through reports and correspondence, these advisers conveyed a sense of geopolitical urgency to their reforms, thereby justifying their proposals for a new Reichsbank that was globally integrated into the world economy. I plan to extend this research to my dissertation-in-progress to demonstrate how economists were vital to the transformation of central banking throughout the Great Depression.

Recent research on the topic has dealt with economists as “money doctors” engaged in financial advising abroad,<sup>2</sup> and as economists contributing to ongoing debates in the discipline.<sup>3</sup> Yet relatively few histories have focused on their specific role in reforming the Federal Reserve System. With funding from the History of Economics Society, I plan to focus this chapter of my dissertation on three economists: Arthur Bloomfield, Lauchlin Currie, and Emanuel Goldenweiser. I argue that these economists, by employing economic theories and writing new statistical reports, directly shaped monetary policies during the Great Depression. They regularly exchanged correspondence, attended international conferences, and worked together to understand the global economic depression as it was happening. Goldenweiser brought statistics to the forefront of economic policy while Director of Research and Statistics. Tables, graphs, and charts aggregated previously disparate information on the “volume of production, distribution, and employment, price movements, about discount and interest rates... and about foreign exchange rates in the New York market.”<sup>4</sup> Similarly, Currie, along with Treasury officials, played an instrumental role in drafting the 1935 Banking Act that helped institutionalize the Federal Reserve’s independence.<sup>5</sup> Thus, economists at the FRBNY shaped central banking through their policy and legislative proposals.

The Early-Career Scholars Research Fund will allow me to visit the David M. Rubenstein Rare Book & Manuscript Library at Duke University for 2 weeks. I plan to consult the correspondence, articles, notes, and reports in the Bloomfield and Currie collections. I will then go to the Library of Congress in Washington D.C. for the Goldenweiser Papers. The projected costs of this research trip are \$300 (roundtrip airfare) and \$1200 (accommodation), for a total of \$1,500.

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<sup>1</sup> Robert Yee, “Reparations Revisited: The Role of Economic Advisers in Reforming German Central Banking and Public Finance,” *Financial History Review* (2019).

<sup>2</sup> Michele Alacevich and Pier Francesco Asso, “Money Doctoring after World War II: Arthur I. Bloomfield and the Federal Reserve Missions to South Korea,” *History of Political Economy* 41, no. 2 (2009): 249–270; *Money Doctors: The Experience of International Financial Advising 1850–2000*, ed. Marc Flandreau (London and New York: Routledge, 2003).

<sup>3</sup> Ronnie J. Phillips, “The Chicago Plan and the Reserve Requirement Increase of 1936–37,” *History of Economic Ideas* 5, no. 2 (1997): 53–67.

<sup>4</sup> E.A. Goldenweiser, *Federal Reserve System in Operation* (New York: McGraw-Hill, 1925), 157.

<sup>5</sup> Allan H. Meltzer, *A History of the Federal Reserve, vol. 1, 1931–1951* (Chicago: The University of Chicago Press, 2003), 470.