

5/22/29

2005
May
Bureau of
Economic
29263
Research

It was recommended that a conditional appropriation of \$375,000 be made toward the general budget of the National Bureau of Economic Research.

NATIONAL
BUREAU OF
ECONOMIC
RESEARCH

1. The National Bureau of Economic Research is one of the most important agencies for the development of social science in this country. The Bureau's studies of the distribution of wealth and income, of business cycles, of unemployment, and of interest rates are authoritative. On two different occasions the Bureau has conducted investigations for the President's Conference on Unemployment and in connection with this work has issued reports of exceptional significance. The more recent of these reports was issued only within the past few days, but has already received widespread public notice. No organization operating in the field of social research has established a higher reputation for penetrating analysis and scientific objectivity. The growing prestige of the Bureau is a tribute to both the administrative leadership which the Bureau has enjoyed and the unusual competence of its technical staff.
2. The Bureau has a unique form of organization. A member of the Board of Directors is appointed from each of the following organizations and universities: American Economic Association, American Statistical Association, American Bankers Association, American Federation of Labor, National Publishers' Association, American Farm Bureau Federation, American Management Association, American Engineering Council, Yale University, University of Wisconsin, Harvard University, Columbia University, University of Chicago and University of Pennsylvania. All manuscripts prepared in the Bureau are submitted to each member of the Board for criticism and comment and no manuscript is published until it has either been approved by each member of the Board or accompanied by such reservations as the Board member wishes to insert as an expression of his own views. With this set-up the Bureau has succeeded in conducting investigations and publishing findings on subjects which are commonly regarded as controversial. In this direction the Bureau has made a notable contribution to the development of social science.
3. From the outset the Bureau has been handicapped by lack of funds. Work of the sort the Bureau has been carrying on does not yet make an effective appeal in quarters from which research funds are ordinarily forthcoming. The Bureau has had to utilize unsatisfactory quarters; has not been able to develop proper laboratory equipment; and has had to work with inadequate staff. The usefulness of the Bureau might be substantially increased if

better facilities were provided for its work and appointments arranged under which men might be temporarily drawn from their university posts to participate in the Bureau's research program.

NATIONAL
BUREAU OF
ECONOMIC
RESEARCH
(Continued)

4. The Bureau has made an application for a grant of \$150,000 a year for five years to enable it to develop a satisfactory research laboratory; to provide for the appointment of a limited number of research associates; and to undertake two or three important research projects which fall within the Bureau's established program. The Bureau is now operating on a continuing budget of \$75,000 a year, of which the Memorial contributed one third. In view of the record of the organization, a substantial contribution to the enlarged budget which the Bureau has in mind is clearly desirable. A contribution up to a maximum of \$75,000 a year on condition that the funds be matched dollar for dollar with money secured from other sources for the same purpose is proposed.

Whereupon it was, on motion,

RESOLVED
RF 29073

that the sum of Three hundred seventy-five thousand dollars (\$375,000) be, and it is hereby, appropriated, of which so much as may be necessary shall be paid to the NATIONAL BUREAU OF ECONOMIC RESEARCH toward its GENERAL BUDGET over the five-year period beginning July 1, 1929, and ending June 30, 1934, with the understanding that payments shall be made \$1 for each \$1 secured from other sources and applied to the same purposes, and with the further understanding that not more than \$75,000 shall be available in any year.
