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Edwin Walter Kemmerer

1875-1945

Edwin Walter Kemmerer, past-president of the American Economic Association, died in Princeton, New Jersey, on December 16, 1945. He had been a member of the Association since 1903, had served from 1907 to 1910 as Managing Editor of the *Economic Bulletin* (predecessor journal of the *American Economic Review*) and was on the Board of Editors of the *Review* from 1911 to 1913. He was elected to the presidency of the Association for 1926.

Born in Scranton, Pennsylvania, on June 29, 1875, to Lorenzo D. and Martha H. Courtright Kemmerer, the future "Money Doctor" prepared for college at Keystone Academy, Factoryville, Pennsylvania, and then attended Wesleyan University where he received his A.B. degree, with honors and a Phi Beta Kappa key, in 1899. From Wesleyan he went on to Cornell University to pursue his studies for the doctorate. After two years in residence there, as a Fellow in Economics and Finance, he took his first teaching position as instructor in Economics and History at Purdue University. In 1903 he received his Ph.D. degree from Cornell, submitting a thesis entitled *Money and Credit Instruments in their Relation to General Prices*. This pioneering study in quantitative economics (presently brought out in book form) established the author as a rising authority in the field of money and led to his appointment, at 28, as Financial Adviser to the United States Philippine Commission. This was the beginning of a career in the application of economic doctrine to public affairs which, in geographical range as in other respects, has few if any parallels. He remained in the Far East till 1906 and, in his three years there, developed in detail the plan under which the monetary system of the Philippines was placed on the gold exchange standard, drafted the laws for the organization of the postal savings system and the Agricultural Bank of the Islands, and served as Chief of the Division of the Currency. *En route* to study the Agricultural Bank of Egypt, he visited the Straits Settlements and prepared a special report on their currency situation.

Returning to this country in 1906, he joined the faculty of Cornell University as assistant professor. Six years later, after attaining full rank at Cornell, he moved to Princeton University where he spent the remainder of his academic life. In 1928 he was made director of the newly established International Finance Section at Princeton and was the first incumbent of the specially endowed Walker professorship in international finance. He retired from active service in 1943.

Professor Kemmerer's long term at Princeton was marked by frequent calls to public service, in many countries, in the restoration of sick currency systems. His successful therapy led to the sobriquet "Money Doctor" by which he was internationally known. His work as financial adviser to foreign countries began in 1917 on his appointment, in that capacity, to the government of Mexico. It was continued in 1919 for the government of Guatemala. The

results attained in each successive project led to a cumulative enhancement of his prestige and of the demand for his services. Furthermore, there tended to be a broadening of the base of operations and an enlargement of the field of activity. Currency reforms can not be isolated from such problems as those relating to public budgets, systems of taxation, systems of banking, conditions in the markets for foreign exchange, the service of the public debt owned abroad. It therefore soon came to be Professor Kemmerer's practice, as his advisory services were requisitioned, to form a group or commission of experts, each member an outstanding specialist in his field. Such commissions were formed to serve Colombia in 1923 and 1930, Chile in 1925, Poland in 1926, Ecuador in 1926-1927, Bolivia in 1927, China in 1929, and Peru in 1931. In two cases Professor Kemmerer shared with another the leadership of such a commission. In 1924-1925 he was associated with Dr. Vissering, president of the Netherlands Bank, at the head of a commission formed at the request of the government of the Union of South Africa. Their task was to investigate and report upon the feasibility of a return to the gold standard by that government independently of the currency policy of Great Britain. Finally, in 1934, he was co-chairman of the so-called Hines-Kemmerer Commission established to make an economic survey of Turkey.

In 1922 Professor Kemmerer served as a United States Trade Commissioner in South America. In 1924-1925 he accompanied the Dawes Commission to Europe. As the Commission's Expert on Currency and Banking he drafted substantial parts of the plans then made for the reorganization of the German Reichsbank and for the stabilization of German currency.

This record of accomplishment in the field of public affairs brought Professor Kemmerer many honors. He was the recipient of seven honorary degrees. The degree of Doctor of Commercial Science of Oglethorpe University was conferred on him in 1933; that of Doctor of Science of Rutgers University, also in 1933. Three institutions gave him the honorary degree of Doctor of Laws: Wesleyan University in 1926; Occidental College in 1928; and Columbia University in 1935. In 1927 Professor Kemmerer received from the Central University of Ecuador and also from all the universities of Bolivia acting together an honorary degree of "Doctor," no field of knowledge being specified. Professor Kemmerer was the second person in the history of the Central University of Ecuador to be so designated.

As to non-academic honors and awards, Professor Kemmerer received in 1923 from the government of Colombia a special gold medal; from the government of Poland in 1926 the Commander's Star of the Order of Polonia Restituta; from the government of Ecuador in 1927 the Order of Merit of the First Class; and from the government of Belgium in 1937 the Order of the Crown.

Professor Kemmerer's excursions into public affairs did not preclude prolific literary activities and some of his books, such as the *A B C of the Federal Reserve System*, had an enormous vogue. He was an uncompromising protagonist of the gold standard and most of his later work, though broad in scope, was devoted to a defense of that system. His *Modern Currency*

Reforms, an analysis and description of certain gold exchange standard currencies, is of unique historical value and will, perhaps, outlive all the rest of his writings.

Professor Kemmerer's literary style was remarkable for its lucid simplicity and the same quality marked his oral exposition. Without the slightest display of ornamentation, except by charts, his lectures and preceptorial discussions were extraordinarily effective, and he left a deep impress on his students.

As a man he was singularly genial and unassuming. His strong convictions were always considerably expressed and he never suffered doctrinal differences to cloud his personal regard for his opponents. On many of his missions he was exuberantly lauded by those in high office but he himself never lost his simple charm. His disciples were legion and they will sorely miss him but, however highly his friends may rate him as a scholar, they will hold still more dearly the memory of the gentleman.

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