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The Academic McCarthyism at the University of Illinois: An Integration (Preliminary Draft)

It is with a deep sense of gratitude that
I dedicate this book to the University of Illinois.
Everything good that happened to me
In my life stems from the roots I planted
There as a youth
(Harold "Red" Grange in *Red Grange Story* by Ira Morton, 1953)

Introduction

In *Academic McCarthyism and Keynesian Economics: The Bowen Controversy at the University of Illinois* (Hope 1997, 55-81) Solberg and Tomilson (1997) document the «fierce» fight in the Economics Department between the old-guard and the young standing economists appointed by the new Dean Howard Bowen; the paper explained how academic hostilities and jealousies turned into ideological and political issues during the dramatic McCarthyism campaign. Thanks to this external context, six senior professors, elected members of the College Executive Committee (EC) of the Board of Trustees succeeded, in few months - from May to December 1950 -, in nullifying the ambitious project of the Dean Howard Bowen (carried out in complete agreement with the President of the Faculty Professor George D. Stoddard and the Provost C. R. Griffith)¹ of doing of the Economics Department, and the University of Illinois, one of the best in the country.

As Bowen recalls in his *Academic Recollections* (1988) The University of Illinois «was booming at the time ... It was saying ... that the University of Illinois had more operating funds than any university in the previous history of the world» (1988, 26). So, it was the ideal moment of «taking advantage of the unique post-war situation to raise by a quantum leap the stature of the university» (26).

The 'complicity' between the three men was, however, surrounded by the increasing frustrations of the "old guard". These frustrations found in the McCarthyism both the expedient «to attack liberals and intellectuals» and a sort of legitimacy of their own increasingly dissatisfactions.

In their reconstruction of the Illinois McCarthyism Solberg and Tomilson (S. and T., 1997) especially focused on the Board of Trustees Reports from 1943 to 1952, to Eden Papers, Kemmerer Papers ('anti-Bowen') and to Stoddard General Correspondence. Their chronicle is also largely based on the newspapers headings (*Campaign New Gazette, Campaign Urbana Courier, Chicago Tribune*).

Since the article mainly focuses on the external campaign against Bowen administration and on the actions set up by the 'anti-Bowen group', my paper would be partly an integration of their reconstruction, adopting the 'pro-Bowen' perspective and focusing on the internal dynamics of the controversy, using the numerous documents and letters the 'Bowen group' produced to

¹ About their appointment at the University of Illinois, see S. and T. (1997) and Bowen (1988).

support his 'leader'. Their counter-moves were several, not only as a reaction to a grave injustice, but also because they had clear from the beginning that Bowen's resignation would mean the dispersion of the entire community of new comers.

The focus on the 'pro-Bowen activism' could be interesting because indirectly highlights the enormous power of the alliance between the senior professors and the external political forces, since all efforts were unsuccessful². The 'Bowen-group' reacted, in fact, promptly - with the support of the Provost, the President of the Faculty and the Chairman of the College of Commerce - to the attacks against the Bowen administration. It produced several documents to confute both the charges of maladministration and that of 'indoctrination', and to denounce the illegal conduct of the elected members of the Executive Committee. On the anti-Bowen side, instead, no documents were produced, a part an intensive propaganda through the local newspapers, nonetheless it succeeded in its destructive plan³.

The material - in Modigliani Papers - includes: the correspondence between Bowen and the Provost C. R. Griffith (May 1950) asking for the appointment «of an ad hoc committee»⁴ to investigate the violation of the academic freedom in the Department of Economics with reference to the Blodgett case (see also Solberg and Tomilson); the *Report to the Board of Trustees on conditions of Academic Freedom in the Department of Economics and the College of Commerce and Business Administration*; the transcription of the «disgraceful» September 23rd Faculty meeting in which the «vote of confidence» on Bowen administration was discussed ...; correspondence between the six elected members of the EC, Bowen and Stoddard, and the Faculty's members, open letters from the 'Bowen group' to the President Stoddard to denounce the illegal conducts of the EC, documents which analyses the EC's strategies and evidences to support Bowen administration ... (see the *Appendix*).

The Bowen group's reply to the attacks moved by the 'old guard' went in two directions: to denounce to the President of the Faculty the illegal conduct and the abuse of power of the elected members of the EC; to make aware the external academic communities about the Bowen-controversy and asking for a support ...

Since the detailed chronicle of the 'Bowen controversy' has been already reconstructed by Solberg and Tomilson (S. and T.), I will refer to their paper as regards details about players and events.

I. *The Bowen group*

The re-organization of the Economics Department had been an intensive and exciting task for Bowen who spent much of time of the first two years - from 1947 to 1949 - on recruitment of faculty for economics, with the objective of making Illinois one of the leading centers for economics in the United States: «I recruited both junior and senior faculty. Recruitment meant at

² According to Bowen, «the *Chicago Tribune* and many local newspapers, including the *Champaign New-Gazette*, exerted a potently conservative influence. It happened also that the members of the University Board of Trustees were elected by popular vote, and it was alleged that some of them used their office to further their political ambition» (Bowen, 1988, 28).

³ In his *No Ivory Tower* (1986) Ellen W. Schrecker devoted a large part of her reconstruction of academic McCarthyism to that numerous cases in which faculty members were dismissed as a result of outside (governmental) pressure and public investigation. At the University of Illinois it was not necessary ... The dismissal of seventeen economists from 1951 to 1952 did not require political charges ... it represented one of the numerous «hidden» cases... (in her reconstruction of these cases (see Ch. IX) E. Schrecker did not refer to the 'Bowen controversy' ... see also S. and T.)...

⁴ The Committee was immediately set up by the Provost and consisted of senior faculty members from various departments of the University: Dean Albert Harno (college of Law), Chairman (on the Faculty since 1921); Professor F. Wheeler Loomis, Head of the Department of Physics (on the Faculty since 1929); director Fredrick S. Siebert, School of journalism and Communications (on the Faculty since 1926). The President of the Faculty G. D. Stoddard presented the Report of the Harno-Committee to the Board of Trustees in June 22, 1950.

that time persuasion because economists were in short supply. It also meant being competitive in salary and prerequisites, finding housing, providing research funds, and getting job for wives» (Bowen 1988, 29).

In this effort Bowen was greatly influenced by professor Theodore Schultz of the University of Chicago: «Shultz was extremely helpful to me in identifying suitable people and in encouraging them to come to Urbana-Champaign» (ibid). Many of the new economists that joined the University of Illinois from 1948 to 1950 were the higher expression of the new frontier of economic research: mathematicians, statisticians and econometricians such as Hurwicz, Modigliani and Patinkin (all closed to the Cowles Commission...)⁵.

Patinkin was one of the first young economists to join the University of Illinois. He was appointed associate professor in September 1948. However, he accepted the position under the condition of leaving, as soon as the Hebrew University would call him to building up a Department of Economics in Jerusalem. For this reason he left Illinois already at the end of the first semester: in December 1948 «with considerable regret» Patinkin sent to Bowen his resignation, «to be effective February 1949» (Patinkin to Bowen December 22, 1948)⁶.

Bowen and Patinkin maintained, however, close relationships, comparing their respective experiences in the organization of their departments. Their correspondence shows Bowen's increasingly satisfaction for the new shape his Department was assuming: «The Economic Department has been fully reorganized on a chairmanship basis with a new and highly effective executive committee... We are still negotiating with your friend Hurwicz and hope that he will be with us... We also are bringing in several younger men from Harvard and California. We missed a couple of good boys from Chicago by a narrow margin» (Bowen to Patinkin, May, 5, 1949).

His enthusiasm – as well as his inexperience (in Bowen 1988) – led him to underestimate the hostility of the old guard:

I shall try to bring you up to date on events here. Franco Modigliani and Leo Hurwicz have joined our group and are splendid additions. We have also added three young men from California and two from Harvard who promise to be first-class...*Leo Hurwicz has begun his work by starting an informal non-credit class in mathematics as applied to economics. Some sixty persons have been going regularly to this class including many older members of the staff, as well as younger members and graduate students.* We have also changed the plan of the seminar this years, having eliminated the presentation of doctor' and masters' thesis and substituted a seminar using the papers of staff members and of outsiders who are brought here for the purpose. We were looked ... by Norman Buchanan of the Rockefeller Foundation, and he left with what he expressed as an extremely favorable impression, of the quality of our staff and of the amount of active work in progress ... and ... we should not hesitate to ask for help at any time ... *On the other side of the ledger, we have still not convinced many persons on the business side that a research-minded economics department is an asset ... However, I think that tensions and differences of opinion over these questions may be dying down and that we shall all be able to settle in and work together as a team* (Bowen to Patinkin, November 22, 1949, italics added).

Modigliani joined the University of Illinois in December 1, 1948 as Research Associate Professor in the Bureau and Business Research, beginning November 15, 1948 and continuing through August 31, 1949. He accepted the position of director of the two years project *Expectations and Business Fluctuations* sponsored by the Merrill Foundation⁷. According to Modigliani, this project represented the starting point of his innovative ideas on saving and expectations: «All of these contributions over the 1950s - represented, to some extent, the coming to fruition of seeds

⁵ Modigliani was research consultant for the CC from September 1948 to 1954 ... Patinkin ... attended regularly the CC seminars over his period at the University of Chicago (1947-49); Hurwicz was research associate for the CC from 1942 to 1946. Hurwicz was the referee of Modigliani's 1944 *Econometrica* article.

⁶ Patinkin left the University before the Bowen controversy and can't be considered among the distinguished economists that left Illinois in reply to Bowen's resignation, as Solberg and Tomilson wrote (1997, 80).

⁷ «A few months after my arrival at Chicago [In fall 1948 Modigliani left New York, having been awarded the prestigious Political Economy Fellowship of the University of Chicago, and to join the Cowles Commission ...] I was contacted by Howard Bowen, who had just been appointed dean ... Bowen asked me to come and work at his University on the project ... the conditions offered were excellent, and the university was prestigious, full of brilliant young economists. I accepted ...

started during my research on "Expectations and Business Fluctuations"⁸. At Illinois Modigliani met Brumberg: «My fundamental experience at the University of Illinois was the friendship (and academic collaboration) I embarked on with a brilliant and pleasant man, Richard Brumberg, a first year graduate student ... » (2001, 57, 59) with whom Modigliani wrote the two seminal papers on the Life Cycle Hypothesis (*Utility Analysis and the Consumption Function: An Interpretation of Cross Section Data*, 1954; *Utility Analysis and Aggregate Consumption Functions: An Attempt at Integration*, 1979).

In the Department set up by Bowen, Modigliani had the opportunity to share his interests in saving and consumption functions also with Margaret Reid's «highly imaginative» studies on income and to benefit of «many unrecorded comments of Dorothy Brady» (Modigliani CP, II, 1980, 129). Both Margaret Reid and Dorothy Brady were also «new appointees» of Bowen's Department⁹.

In a letter to Patinkin Margaret Reid described the lively situation in the Department:

We have a whole crop of new staff members this past fall so that Dorothy and I feel more like oldtimers with new staff to call on. The feeling of being oldtimers is increased somewhat now that Everett [Hagen] has been made chairman of the department. His official appointment was announced only last week. Unofficially word has been around for some time. *We are wishing him luck since the department is still far from being unified.* Perhaps the seminars will help do the unifying. There is now an official economics seminar that meets once a week. There have been several meetings already. *I think that we had the largest crowd when Dorothy presented the preliminary findings of her project on saving. She got some very interesting and consistent relation out of the family data which includes all the studies that have been made between 1889 and 1947. That is quite a stretch»* (January 15, 1950, italics added).

Modigliani went to Illinois after rejected offers from the New School for Social Research, the NBER, and Harvard University (Modigliani to Stoddard, October 26th, 1950; about Harvard's offer see Modigliani Papers). He couldn't imagine that this latter refusal, officially motivated by the «difficult in finding a house» (Modigliani to Burbank, April, 29, 1946), but really due to the anti-Semitic reputation of the Dean Burbank¹⁰, will lead him into «one of the most violent and dirtiest fights I have ever seen in my life» (Modigliani to Patinkin November 1, 1950).

II. The Events

The new dynamism introduced by Bowen progressive program, was not welcome in a Department where the 81% of the staff was from Illinois (see Solberg and Tomilton; the data are also in the Harno Committee's Report p. 12)¹¹.

Thanks to the external contingencies - «McCarthyism was at his zenith and the tide of McCarthyism seemed unstoppable» (Modigliani 2001, 66)- the academic conflict became rapidly

⁸ http://nobelprize.org/nobel_prizes/economics/laureates/1985/modigliani-autobio.html.

⁹ Thanks, probably to Shultz's influence, the Economics Department became one of the most important center of research on national income (see later, Hart to Stoddard, October 7, 1950).

¹⁰ Modigliani rejected the offer in April 29, 1946 (letter to Burbank). In his interview by Solow and Barnett (2005?) remind that Burbank «- whom I later found out had a reputation of being xenophobic and anti-Semitic - worked very hard and successfully to persuade me to turn down the offer, which the Faculty had instructed him to make me. ... I have never regretted my decision ... My career progressed much faster than it would have, if I accepted the offer» (2000, 227).

¹¹ «The percentage of staff members of the rank of assistant professor or above who have had their terminal degrees from the University of Illinois: Accountancy 93%, Marketing 62%, Management 75%, secretarial training 50%, Business Law 100%; all divisions 81% What we have had is a near monopoly enjoyed by Illinois professors and their students. Dean Bowen's statement to me in regard to this reassuring: "if the best man is now on the staff or if he holds degrees from Illinois, he should not be discriminated against merely because of Illinois connection. If anything, this should be an argument in his favor in the sense that we would prefer a member of the family and a person we know to an outsider"» (in Harno Committee, p.).

.... data: Fellowship Applications, Year 1949 – University 756 – Department Economics 20; 1950 University 1172 (55% increase) Department of Economics 78 (290% increase) (in Harno Committee, p.).

political, providing the power at the six elected members of the Executive Committee of the Faculty, of dismissing, quite rapidly, Bowen's ambitious project: «the faculty Bowen had set up dispersed, to a man» (Modigliani 2001, 67)¹²: Margaret Reid went to the University of Chicago, Dorothy S. Brady to the University of Pennsylvania, Everett Hagen to the MIT, Robert Eisner to the Northwestern University, Hurwicz to ... , Modigliani to Carnegie Institute...

They were part of the «Bowen group», that during the controversy wrote numerous letters and documents trying to contrast the attack of the 'old guard' and avoid Bowen resignation...

As explained in S. e T.'s paper the «spark that initiated the explosion» was the resignation in May 1950 of Ralph H. Blodgett (at the University of Illinois from 1937) – who accepted an offer from the University of Florida. Under Bowen's new standards, his teaching activities were limited and his textbook replaced by Samuelson's *Economics* (see S. and T., pp. 61-62).

Blodgett (with the economic historian Donald L. Kemmerer) began a campaign through the press (Blodgett and Kemmerer were close friends of the managing editor of Champaign-Urbana *New Gazette* Edward N. Jacquin) accusing the 'new department' to be full of «new dealers who expounded welfare-state and deficit spending theories...» (in S. e T., p. 63). Blodgett also accused Bowen of impingement of his academic freedom (asking him «to use new tools of analysis» (63)). Bowen's reply to the «unsavory allegations in the press» (Bowen to Griffith May 17, 1950) consisted in the request to the Provost of the appointment of an ad hoc committee, to investigate the violation of the academic freedom in Blodgett case (*ibid*).

The Committee was immediately set up by the Provost and consisted of senior faculty members from various departments of the University: Dean Albert Harno (college of Law), Chairman (on the Faculty since 1921); Professor F. Wheeler Loomis, Head of the Department of Physics (on the Faculty since 1929); director Fredrick S. Siebert, School of journalism and Communications (on the Faculty since 1926). The President of the Faculty G. D. Stoddard presented the Harno-Committee Report to the Board of Trustees in June 22, 1950.

Then, the events succeed very rapidly (see S. and T.'s paper):

- The Harno Committee Report was followed by the June (28th) EC's resolution asking for a «vote of confidence» on Bowen deanship;
- Bowen's «day in court» at the September 23rd Faculty meeting;
- The denunciation of the illegal conduct of the EC to President Stoddard by the Bowen group, followed by Stoddard's rejection of the EC proposed poll and his search for an agreement between the two groups;
- The EC's rejection of any alternative measure and the mailing to the faculty members of the ballots for the vote of confidence¹³;
- The October's vote of confidence and the intervention of the Board of Trustees which led to Bowen's resignation (October – December 1950).

¹² The six elected member of the EC were voted in September 1949 and was formed by: H. T. Scovill, P. D. Converse, E. R. Dillavou, P. M. Van Arsdell, E. B. McNatt (Secretary), Russ Nolen.

¹³ McNatt (segretary of the EC) to Stoddard, October ? 1950: «In light of the poll concerning the Deanship of the College of Commerce and Business Administration ... it is our opinion that the best interests of the College require that it is be made clear immediately that Dean Bowen will not accept reappointment as Dean at the close of his present term... With reference to the recent lengthy discussion of the Provost, the Dean, and the EC, in which there was complete failure to reach an agreement upon a satisfactory program for interim operations of the College ... the proposal adopted to date by the EC involve long-range college objectives and by no means represent a solution to the problem of college operations for the current year. In our judgment, the reason for these failures stems exclusively from the overshadowing question of the Deanship itself...». The decision was «drafted by a sub-committee of the College EC consisting of H. T. Scovill, E. R. Dillavou, P. D. Converse, P. M. Van Arsdell and E. B. McNatt. It was approved by the EC with four affirmative votes and one negative. (*Dean Bowen and Professors Converse were out of town when this action was taken*)... italics added. About the poll see also S. and T. p. 70.

APPENDIX

III. Analysis of the EC's strategy by the Bowen group

It referred both, to the external anti Bowen campaign carried out by the press, and the internal tactics adopted by the EC:

- In *The Ideology of Business* the Bowen group distinguished the EC's strategy in two distinct phases: in a first one Prof. Dillavou, Prof. Neiswanger (see S. and T.), and the elected members of the EC «used ideological issues in their charges» to capture «newspapers headlines in the shot gun attack on Dean Bowen. The shot pattern was broad in the hopes that something would hit and hurt. The second phase started when chips were down, and charges had to be supported. Then the ideological issue was dropped, no longer being useful as a red herring and incapable of substantiation» (p. 1). The document analyses many singles newspaper clips, starting with the ideological propaganda that followed Blodgett's resignation (in the *New Gazette* in May 1950) until the October 15 press release of the EC stated that «“academic freedom and economic ideology are not issues to be resolved, although a balanced position on ideological questions is ...desired”, [i.e.:] The insinuation campaign of three months was followed by clear-cut and repeated denials that ideology played any part in this fight» (p. 3).

- Open letter to the colleagues of the Faculty (September 16, 1950) in reply to the ideological propaganda. It focuses on the distortion and misinterpretation of facts that characterized the anti-Bowen campaign, through a confutation of the charges of indoctrination, Keynesianism ... «... One piece of evidence is the supposed “facts” presented to the public concerning the replacement of Blodgett's text by Samuelson's *Element of Economic* ... [giving] the impression that the course, as changed, is dominated by “national income analysis” that is no longer teaches the “economic of free enterprise” and that it tends to indoctrinate students with belief in a controlled economy... Last summer Professor Hagen sent an inquiry to the members of three major groups of American Universities – the members of the Big Ten in the Midwest, of the Ivy League in the east, and the members of the Pacific coast athletic association in the west. The replies show that of the 27 universities ... in these three leagues, only five teach no national income analysis ... Eleven of these major school use Samuelson's text in their introductory course –... only one of these twenty seven major school, the University of Iowa, uses the Blodgett's text in any course, and even in this case, not in the main introductory course, but in a special course for pharmacy and engineering students. These facts demonstrate that the change made was indeed overdue, to make our course comprehensive and to bring it up to the standard in this respect of other major American universities ...

A second example of misrepresentation which tended to produce outside pressures designed to control freedom of teaching, was the charge specifically made that graduates of California, Chicago, Harvard, and Columbia, brought here in the postwar expansion of the faculty, are a selected group who believe in “Keynesian” and dangerous ideas and could therefore be expected to indoctrinate students with these ideas ... any university faculty member would know that this charge is nonsensical on its face. These schools are four of the most distinguished in the country – and therefore natural places to recruit able young faculty members. ... it simply happens to be a fact, which could have been ascertained, that the young faculty members in question have various liberal and conservative social and economic viewpoints ...

One other example ... is the charge that many “bureaucrats” were brought into the faculty ... [while] only two appointments were of persons working permanent ... »

- *Analysis of the actions of the EC*: it divided the Bowen's controversy into five periods: «Election of 1949-1950 EC»; «from September 1949 to the outbreak of the Blodgett affairs»; from the outbreak of the Blodgett affairs to the EC Resolution of June 28th; from June 28th to the “meeting of people” of September 23rd; from September 23rd to the Election of the new EC.

The document presents various interesting points:

1- it dated the existence of a «concerted action on the part of a group of the faculty and its leaders to foment trouble and hinder the administration of the College» before the ‘explosion’ of the Blodgett case, as revealed by the changes in the Economics representation through the election of the members of the new EC in September 1949. Professors Brown and Neiswanger were replaced by Nolen and MacNatt: «The changes ... were ... quite significant ... Brown and Neiswanger had in fact record of successful cooperation with [Bowen] administration. By and large they were the only two ranking old-time members of the Economic Department who had supported the Bowen policy of improvement in the Dept., who had welcome the new members ...»¹⁴. In particular, the election of Russ Nolen was significant in two respects: «in the first place it was a clear move designed to make for trouble and hinder the Bowen administration [thanks to his personally animosity against the Dean ...]»¹⁵ also he could be exploited to pull other people's chestnuts out of the fire. In the second place because he was an insignificant figure in the College life ... his election ... could only have occurred as a result of a well-prepared election campaign. A few months later Prof. H. K. Allen in substance admitted publicly that ... the election ... of a man who might have been expected to have personal animosity against the Dean, was the result of an organized act of hostility against the College administration. On June 25th the News Gazette quoted him as saying, in a spirit of obvious self-satisfaction: “all six members of the staff whom we elected were here before Bowen became Dean. That was certainly a reprimand vote”» (p. 2).

2. The document also pointed out the strategic relevance of the Harno Committee Report in the EC's tactic.

In spite of its ‘good intentions’ the Report supplied a fundamental argument in favor of the anti Bowen group. In fact, the Harno Committee Report - trying to balance the positions of accusing and accused – from one hand denied both, the charges of infringement of academic freedom and of indoctrination on behalf of the young economists; on the other hand, it recognized a problem in «human relations and in administration» to explain Blodgett's resignation (p.; see also in S. e T., 67).

As a result, the EC's strategy became double: to foment the ideological issues on the newspapers to obtain political support and to insist, within the faculty, on Bowen's administrative inabilities, to ask for a vote of confidence.

3. The document finally, denounced the pressure exercised by the EC upon the faculty members: «Repeated attempts [over the summer] were made to induce faculty members close to Bowen to suggest to him that he resign by using a mixture of reassurances and threats; reassurance that new people were indeed very much liked and esteemed, especially the Chairman Hagen, and the only trouble was Bowen personally; threats of deer (?) consequences if Bowen would not resign before the fall meeting *especially threats of outside pressures and legislative investigation*» (p. 15, italics added).

- *The Role of Democracy in University Administration*. The document discusses the proper relations between the Administration and the Faculty, and denounces the violation of any democratic principles by the EC: «Publicity was used to create the impression that a real emergency existed.

¹⁴ The situation entirely changed today in the case of Neiswanger, who became one of the most active anti-Bowen, after his ambition to become head of the Economics Dept. was frustrated as the result of the appointment of Everett Hagen (see also S. and T. 1997, 61).

¹⁵ Bowen denied his candidature to full professor...

Political intervention was threatened. Old grudges were reheated. Personal positions were used to claim the support of subordinates regardless of the facts ... The form of a vote of confidence was deliberately made ambiguous to give freest play to all external forces and motivations.

An interesting sidelight on the situation concerns the attempts of this group to pose as idealists and upholders of democracy, while proceeding to attack in the most unconscionable manner... They consistently worked to defeat the true functioning of democracy and showed no inclination to accept the results of democratic action when they were unfavorable. *The election of the EC that attacked Dean Bowen was itself the result of caucusing, and it was clearly not a democratic result, for the majority of the Department of Economics had no representation on the Committee ... Thus, Professor Kemmerer proposed that professor Hagen be retained as Chairman only if two-thirds of the Department voted in his favor, and Professor Allen suggested that even a considerable minority against Dean Bowen would make necessary his departure.*

The group used dictatorial methods to prevent the functioning of democratic processes at the September 23 meeting at which they made a pretense of meeting President Stoddard's request for a full presentation of the facts. Almost half an hour passed before there was any assurance that Dean Bowen or his supporters would be allowed to speak. Later professor Allen stated that there was no need for facts as a basis for the vote, because he felt that every one was satisfied with the statements of the executive committee...

They support the notion that Dean Bowen had brought the college to a sorry state. By create a false impression of the situation, trough their own statements and by 'friendly' publicity, they induce legislators and members of the Board of Trustees to threaten action. By inducing their friends to withdraw Dean Bowen's invitation to serve on the Board of the State Chamber of Commerce, they were able to cite "outside" evidence that he was unacceptable to the people of the State... (italics added).

- *A Case Study of the Executive Committee's Tactics: An Analysis of the Press Release of October 15, 1950 ...*

IV. Letter of support to Bowen administration

Letter of denunciation of the EC's conduct (to the President Stoddard, signed by Modigliani, Donal W. Padden and Joseph L. McConnell, September 26th, 1950):

«... this letter is an analysis and complaint relative to the events of this meeting [September 23th]. At this meeting serious charges were made. Dean Howard R. Bowen was charged with "duplicity", "unethical conduct", administrative incapacity and a number of other offenses. ...not only was the meeting inadequate for determining by due process the merit in the charges against the Dean, but in addition, relative newcomers to the staff were the object of attack by a group of older members ... the pattern was identical to that in any community where an out-group competes with a well-established group who get there first. The alarming fact is that the older group of college professors attacked the newer group ... with the same spirit ...».

The EC acted in illegal ways under many respects: 1. Manner of calling the meeting (the EC has not the authority to do it), 2. Manner of conducting the meeting (the entire meeting ... was not conducted according to the rules customary in faculty meeting, or in accord with Robert's Rules of Order which govern all meetings except possibly political rallies») 3. Lack of due process in handling charges («definite, detailed written charges were not presented to the Dean before or during the meeting ... The persons present at the meeting were unable to view documents, examine witnesses, or have the benefit of fair judicial processes ... *An additional illusion was cast over the meeting by the claim of the EC that the Harno Committee report provided sufficient evidence of mal-administration to justify casting a vote against the Dean. Yet the Harno Committee report did not claim to have reviewed evidence of mal-administration ... Furthermore it's report characterized Dean Bowen as "a man of high intelligence, high standards...* » 4. Arbitrary selection of persons entitled to vote in the poll («we want to protest the plans for selecting those entitled to vote reported on Saturday meeting ... the 1949-50 faculty members [which] includes twelve people who have no connection whatever with

the University of Illinois...» (see also S. and T., p. 70) 5. Intolerant attitude of Bowen's accusers («we charge the Bowen's accusers with showing a spirit of intolerance and divisiveness inconsistent with fair play, academic decorum, and the spirit of intellectual fraternity which are expected of members of the community of learned professors ... »).

On the basis of this evidence we charge the group led by the elected members of last year's EC with denial of the civil liberties of the Dean Bowen and those members of the staff who dared to raise voices on behalf of civilized, democratic processes. They might charge that we are trying to obstruct a vote ... Quite to the contrary, *we urge an investigation by a body which is judicial in its nature of the charge against the Dean and of the related actions of the EC. We urge such an investigation even were the elected members of last year's EC to withdraw their charges tomorrow* ... (italics added)

Letter from Modigliani to Stoddard (October 2, 1950) with which he returns the ballot (at least 24 ballots were sent to Stoddard rather than to the official counters, in S. and T., p. 70):

«... On September 26th in a letter signed jointly with two others colleagues, I have expressed to you my sincere indignation at the conduct of the selected members of the EC in the period lapsed since last 1st June, and especially at the disgraceful meeting of Sept 23. ... I had already expressed my conviction that the conducting of a pool ... is devoid of legal foundation and is stacked so as to produce meaningless results. This conviction has only been reinforced by the clear cut and impartial stand you have taken in your communication to the EC on September 26, as well as by the wording the ballot ... I do not feel I could give an intelligent and honest "yes" or "no" answer to the loaded double question asked in that document, even if I wanted. I have therefore decided that the only consistent course of action is to ignore the request ... and to enclose the countersigned ballot herewith as a renewed taken of protest.

I would like to take this opportunity to express to you my unqualified support to Dean Bowen. ... *I joined the College ... two years ago after rejecting simultaneous offers from Harvard Un, The New School, and the NBER because of my high regard for H. Bowen as an economist and a man, and my interest in his sound program, two years of close association with him have in no way changed this high opinion...*

The remarkable group that he has assembled ... can certainly not be held together for any length of time should Bowen be forced to resign or to stay with powers so curtailed and to seriously impair his program. In this case obviously many of us will feel duty bound ... to put the entire controversy before the Academic World and the Profession. Principles and human decency are involved and conscience would not permit many of us to let the matter rest until the true nature of the attack on Bowen's ability and integrity have been fully exposed ... (italics added)

Letter from Hurwicz to Stoddard (October 8, 1950) with which he returns the ballot:

«... Like others members of the 1949/50 faculty of the college I have received a ballot form by the six elected members of the EC. Mr. Bowen policies has been "responsible for raising the college to a level comparable with the best in the country, giving it a first rate reputation among other universities, and attracting the cream of the crop both on faculty and students side. *I am equally certain that the team already assembled under Bowen's leadership is bound to disintegrate rapidly if he were to be removed from his position of leadership.* The ridiculous nature of the accusations ... their libelous characters implicitly admitted by the accusers, the resort of 'kangaroo court' tactics, as well as the use of outside pressures, clearly prove how good Dean Bowen's record is. Hence the campaign against him can only be regarded against his educational program. He must remain in his present position of leadership for this program to survive.

As for the poll now being conducted, I consider it to be illegally called and unfair in its arbitrary selection of those polled. ... The organizer of the poll have exceeded their statutory authority... For these reasons I would feel guilty if of complicity in an illegal and unfair action, were I to participate the poll". I returned the ballot form to the organizers...» (italics added).

Letter from Modigliani to Hart (October 3, 1950)

Dear Al,

I have been meaning to write to you for months always on pressing things, but somehow never quite around it. I intended to keep you informed of what was going on with the survey of Illinois firms ...¹⁶ and finally to tell you something about the mess that has been developing here in connection with a dirty fight of the old guard against Bowen, of which probably word has already reach you ... I have been so intensely absorbed by the local fight that I have hardly had time to think seriously of anything else. In fact what actually got me to sit at the typewriter is primarily the desire to acquaint you a but with this affair, or I should say, dirty affair.

As you probably know, the whole thing started last spring when Ralph Blodgett had the good idea of accepting an offer from Florida University The old guard of the Department of Economic took this occasion to stage a revolt against Everett This ... was accompanied and followed by a vicious press campaign ... accusing Howard and Everett of being Keynesian pinks, of having brought in a group of Keynesian-Washington bureaucrats, Easterners, Californians, Government Interventionists ... and of infringing academic freedom ...

These accusations in turn lead to an investigation by a specially appointed committee ... it found non infringement of academic freedom ... but in its endeavor to satisfy everybody it found [not evidence of "failures in administration and human relations" while at the same time praising the qualities of Howard. Note that the Committee had not been asked to investigate administrative aspects and none of the people supporting Howard were asked to testify on this point. Upon the release of these finding, Don Kemmerer, the then leader of the anti-Bowen fight, requested the EC to conduct a poll of the faculty ...

The EC elected last year happens to consist of six people, all oldtimers, and at least five of them viciously against Bowen as well as the new era inaugurated by the Stoddard administration ... We have been later bitterly regretted to have allowed this committee to be voted in ...

[The Executive Committee handled] the entire [23rd September] meeting in the disgraceful way that is described in the enclosed document, a copy of the letter which I sent to the President together with two other colleagues, shortly after the meeting. *I think this document speaks for itself; I can assure you that I have seldom felt as furious and as disgusted with humanity as after that meeting* ... in the following Tuesday [the President] wrote a blistering letter to the EC, which was released to the press, in which in substance he condemned their whole procedure ... and finally invited everybody to cease and desist and go back to work ...

In spite of this the EC decided to proceed on its predetermined path ...

... One point that has been made in my latest letter to him [Stoddard] as well as in the communication of other colleagues is that the group of economists that Howard has brought over could certainly not be held together for any length of time should Howard be forced to resign in the present circumstances, or should be forced to stay with power so curtailed that he would no longer be in a position to foster his educational and research program. As a matter of fact you may already have heard of the pretty sad news that Dorothy Brady and Margaret Reid have already tended their resignations ... this has been quite a shock to me for I consider them just about as fine a pair as I have ever met; and obviously if they and Howard should be liquidated, people like myself, Everett, Hurwicz, etc. would not stay much longer. This argument, I feel, is an important weapon in the hand of the President, especially with respect to the Board of Trustees, and this is perhaps the point where letters to the President from you and other top people in the profession might be of real help ...

Furthermore what might be even more useful is to stress the rapid growth in the reputation of the College of Commerce since Howard took over, and the qualities of the group that he has

¹⁶ This inquiry was part of the project on «Expectations and Business Fluctuations», a first result of it was presented at the Cowles Commission in April, 11, 1952: *Some Considerations on The Expectations and Planning Horizon Relevant to Entrepreneurial Decisions*, Cowles Commission paper, economics n. 2038.

been building up. *Should you decide to do anything in this connection, it would have to be done as early as possible, if possible before the 10th of October, the day on which the ballots in the EC poll will be counted. If you feel there is any sense in it you might also pass this letter around to a few other people in your group like Shoup, Angel, etc...* (italics added).

Letter from Albert Gailord Hart – Columbia University - to Stoddard (October 7, 1950)

«... Reports which have reached me through colleagues at the University of Illinois suggest that you and the Trustees of the University may be on the verge of crucial decisions about the future of the College of Commerce ... my collection of documents is very incomplete, and *in particular I have not seen any document stating and supporting the various charges of maladministration against Dean Bowen and Professor Hagen.* But I am in a position to make a reasonably accurate evaluation of the effect of Dean Bowen's administration on the University's standing as a center of teaching and research in economics. To begin with, Dean Bowen himself is an economist of standing ... in second place, the stature of Illinois as a center of economics has risen rapidly during his administration. A few years ago, it would never occurred to me to advise any young man to pursue graduate studies at Urbana ... today Illinois is high. ... *Among state universities, I should rank Illinois in the top three (with California and Michigan) as a center of economics* ... The economists who have joined the Illinois Faculty during these years are excellent standing. Margaret Reid and Dorothy Brady stand at the top ... Franco Modigliani and Leonid Hurwicz are among the leaders in the rising specialty of econometrics... E. Hagen has done pioneer work on the application of national income techniques to policy problems ... I gather several of the other new appointments have been of comparable caliber, but I am restricting my comments to people whose work I know reasonably well ... *Illinois has become an important center of economic research. The June meeting of the Conference on Research in National Income and Wealth at your conference center is a testimonial: previously, this conference has met only in New York and Washington, for the obvious reason that there was no focal concentration of workers in the field elsewhere. Dean Bowen's Merrill Foundation Project on research in business expectations is widely regarded as a crucial pioneer job* ... you cannot afford to resolve the conflict by methods which will lose you Dean Bowen and the strong economists he has added to the faculty. In a narrow sense, no issue of academic freedom is involved: these people are all so much in demand that all you have to do to remove them from the scene is to make it plain that the University has lost interest in being a first-rate center in economics. But in a broader sense, you can contribute to academic freedom by continuing to move ahead...» (italics added).

Letter from Albert G. Hart to Senator Paul Douglas (October 7, 1950)

«... This is to cover a letter of President Stoddard of the University of Illinois about the crisis in his Economics Department. The unavoidable tension between the "old guard" and the strong group of new economists brought in to build up the Department seems to have taken a very ugly form, with members of the "old-guard" attacking Dean Howard Bowen through the press, and efforts to exert political pressure to get rid Bowen. *I gather that this affair is linked with the recent attacks on the University of Chicago* ... my file on the matter is somewhat incomplete. The "document stating and supporting the various charges of maladministration ..." to which I refer seems not to exist ... Letters from members of the pro-Bowen faction indicate that a lot mischief has been done by unfair tactics on the part of an old guard executive committee ... [he also quoted two precedents at the University of Iowa State College ... and California...] ... *I understand that two members of the Department of Economics have already submitted resignations [Brady and Reid], which if not reconsidered might disrupt the group seriously ... I presume attempts will be made ... to influence the Trustees to bring about a change of Dean. If it happens, the rapidly rising Illinois Department of Economics will undoubtedly collapse ...*» (italics added).

Letter from Albert G. Hart to Modigliani (October 19/07/50)

«... this is to cover a letter to President Stoddard, of which I have also sent a copy to Chairman Williamson of the Board of Trustee, Senator Douglas, to Dean Bowen, and to Orris Herfindhal (who raised the question several weeks ago as to whether I should write in). *I enclose also a copy of my covering letter to Senator Douglas, which I have so far sent to no one else.*

... I look forward to the progress report on expectations... » (italics added).

Letter from Jean Bronfenbrenner (Maryland) to Stoddard (of Oct 5, 1950) to protest the poll:

« ... Because of its dubious legality and because of the biased and prejudiced manner of selecting the faculty members including in the poll. I have held the position of Research Associate in the Bureau of Economics and Business Research since October 1949, and I have every reason to believe that I am entitled to a ballot. However I have not received one. *I would like to take this opportunity to express to you my high regard for Dean Bowen and for the progressive program which he has initiated in the College of Commerce. If this program were jeopardized as a result of the present attacks upon the Dean, I should feel impelled ... to discontinue my association with the College of Commerce. I have no doubt that many of the most able of my colleagues would react in a similar way.*

It follows a handwrite note to Modigliani: «I'll be very glad to do anything else I can to further Bowen's cause» (italics added).

Letter of Kisselgoff (New York, National Bureau of Economic Research) to Stoddard (October 9, 1950): He asks the restoration of his right as a voting members of the faculty.

Letter signed by: F. M. Boddy, G.H. Brownlee, W. H. Heller, C. L. Nelson (prof of accounting), A. R. Upgren (Economics and finance) - University of Minnesota, school of Business Administration- to Stoddard (October 10, 1950):

«... Because of the nature of the attack to Mr. Bowen ... we feel compelled to record our high regard for him and his work. We understand that, beyond this, the attacks on him have brought into question 1- his judgment in the selection of new staff members; 2- his integrity and ethics, and 3- his professional competence ... First, with respect to the caliber of the staff recruited during his leadership ... we feel that Dean Bowen has brought together an unusually competent group of economists, statisticians and specialists in business administration – several of them top men in their respective fields – in a remarkably short span of time.

Second whit respect to ethical standards, we have known Dean Bowen personally ... nothing in his previous record is consistent with such charges as “duplicity’ and ‘unethical conduct’.

Third, with respect to his professional competence, we regard Bowen as an outstanding economist ... »

Letter from V. L. Bassie, D. S. Brady, E. C. Budd, R. Campbell, W. M. Capron, O. C. Herfindhal, L. Hurwicz, G. Kleiner, J. L. McConnell, F. Modigliani, D. W. Paden, M. G. Reid, D. B. Smith, P. N. Vukasin, E. T. Weiler to the Editor of the News Gazette in reply to Professor Kemmerer' s insinuations published in the newspaper in October 13th

....

Letter from Modigliani to Patinkin (November 1, 1950)

... we have been having a grand time here with one of the most violent and dirtiest fights I have ever seen in my life. I wouldn't be surprised if rumor of this has already reached you ... in view

of your knowledge of this place I believe you might be interested in looking over the enclosed documents relating to this fights ...

There hasn't been much developments since the events described in the letter to Hart. ... If you find that you will still have some interest for this kind of stuff at such great distance in time and space, let me know and I will keep you acquainted with major developments...

Letter of Modigliani's resignation, August, 29, 1952 (4 pages: it contained a denunciation of the abuse of power also after Bowen resignation)

«... *Mine is the seventeenth resignation in the Department of Economics since H. Bowen was forced out ... I believe that the University Administration and others in the Academic Community should be reminded of the reasons that lead me to join proudly a most distinguished group of economist in its exodus from the College of Commerce... during the past year and half ... a clique of faculty members interested not in scholarship but in personal power, not in the welfare of the University but in the gratification of their vindictive impulses, has followed a policy calculated to wreck the Department of Economics. The success of this policy is clearly evidence by seventeen resignations ... the University may be pleased over the fact that it has almost succeeded in bringing peace to the strife-torn Department of Economics – but let us be clear about it, it is the peace of death.*

.... I feel compelled to speak out for the few economists who are still left behind from that outstanding group assembled here under the deanship of H. Bowen. Those few are not free to speak out as I am now finally in a position to do. They have much to contribute to research and teaching, and they are entitled to academic freedom and to the exercise of the rights and privileges granted to them by the statutes. *These rights are being constantly disregarded by the Administration of the Department of Economics ...*

The University of Illinois is an outstanding institution... If the University Administration and the University Senate want to sustain this reputation, it their urgent duty to investigate the circumstances which I have described and to put an end to these practices ... (italics added).

From April 1952 Modigliani had began a negotiation with the Carnegie Institute that he joins in September 1952.

In his autobiography he recalls his departure from Illinois: «There were only two ways for the dean to send me packing: either by showing there was no course I could teach at that university, or by proving me academically incompetent ... One day I was summoned by the dean, who greeted me with the following speech: “Dear Modigliani in the past you taught two subjects. One was macroeconomics, but you are evidently quite incompetent in that subject. There are plenty of professors here who can teach it better than you. The other subject ... is mathematical economics ... But, you know ... this subject ... can no longer be taught because it doesn't agree with the trustees ...”. This political threat, indirect as it was, remind me of Fascist times ... » (2001, 68).

A note of November 4, 1950 entitled *General point of view* in which an attempt to find an explanation of what was happening in Department was carried out, concluded: «*summary: appraisal of the forces leading the fight and their relation to the large majority of the faculty ... anti-Semitism, anti-foreignism, anti-feminism – who is responsible for difficulties of College? – analysis of the harm done to the college and the university by the actions of this group. Fixing the responsibility ...*» (italics added, p. 6).

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