

IN MEMORIAM

RAYMOND W. GOLDSMITH (1904-1988)

Raymond W. Goldsmith, one of the pioneers and patriarchs of income and wealth estimation, died of circulatory problems and heart failure on July 12, 1988, at the age of 83, at Hamden, Connecticut, U.S.A. He had for the previous several years been largely confined to his room and for the previous several months, to bed. Yet he lived to see the publication of *Pre-modern Financial Systems: A Historical Comparative Study* (1987) by the Cambridge University Press. It was the last in a series of fifteen or more sturdy research volumes which began with the famous three-volume *Study of Saving in the United States* (1953) and numerous articles on financial, structural, and wealth estimation in many countries—Russia, India, Brazil, even in ancient Rome (see, “Estimate of the size and structure of the national product of the early Roman Empire”, *The Review of Income and Wealth*, series 30, 1984). The corpus of his work over the last thirty-five years of his extraordinarily active scholarly and public life remains a monument not only to the man and his scholarship, but to the national income and wealth estimation enterprise, of which he, along with Simon Kuznets, was a principal founder and agent.

Born in 1904, Goldsmith received a thorough classical education in the Goethe Gymnasium in Frankfurt, followed by a year of apprenticeship at a Frankfurt banking firm in 1923 at the height of the German inflation. A move to Berlin that year completed his advanced training at the Handelshochschule in Berlin, followed by the *Doktorat* at the University of Berlin in 1928. The subject of the *Doktorarbeit* was one chapter of his life’s work: *Die neuere Entwicklung des deutschen Grossbankkapitals*. In positions in the German statistical office and the Institut für Finanzwesen, working often on studies of economic structure of Latin American and other countries between 1928 and 1933, he became familiar with banking structures in the Americas, England and the Continent. He enjoyed a year as a Brookings fellow in Washington, D.C., in 1930-31 and a year of post-doctoral training at the London School of Economics in 1933-34.

Goldsmith joined the swelling band of German-Jewish emigrés in the U.S. in 1934, and served through the late 1940’s in various technical and advisory jobs with the Securities Exchange Commission, the War Production Board and the Department of State. In the latter capacity he was important in the formulation of the Colm-Dodge-Goldsmith Plan for the German currency reform of 1946 and in 1947 in the financial settlements involved in the Austrian peace treaty. Finally in 1951 with an appointment at the National Bureau of Economic Research and a professorship at New York University, he joined the group of dedicated estimators of wealth and income. His appointment as Professor of Economics at

Yale (1962-1973), and his 15 years as an emeritus professor residing in New Haven, gave him the leisure and facilities to complete his great books.

In 1939 he married the economist, Selma Fine, a woman in every way his equal in capacity and accomplishment, to whom he was devoted. Three children were born to the union, and the couple looked forward to a life of scholarship together in New Haven. But this dream was cut short before it started by his wife's sudden and untimely death in 1962. The years in New Haven were years of lonely scholarly accomplishment, broken only by much travel to international conferences in all parts of the world.

From the earliest papers, Goldsmith's research was marked not only by endless care and exhaustive exploration of sources, but also by a boldness of scope, an often daring use of estimation and great ingenuity in developing proxies and projections from the data. No one was left with any doubt as to how the figures were arrived at or any sense that, with the data at hand better estimates could have been derived. The so-called "financial intermediary ratios" were his vehicle for the comparative historical study of the evolution of financial structures during the process of economic development. A most significant feature of his scholarship was the breadth of his knowledge of the bibliography of economic history. At meetings, he nearly always had something to say, and his comments, often helpful and illuminating, could be crushing when he felt that the literature on the speaker's subject had been neglected. Some remember an occasion on which a notable economic historian advanced an hypothesis of Western development which rested on the development of concepts of private property following on the growth of trade and the dissolution of feudal tenures in late medieval Europe. Everyone looked around when Goldsmith's large bulk arose in the rear of the room and his booming voice made itself heard in heavily German-accented English, "*What about Rome?* There was private property in Rome!" The speaker grew a little white, and replied bravely, "Well, we don't really know much about the Roman case." To which "Ray's" boom became a roar. "Not know about Rome? Not know about Max Weber's treatment in *Die Geschichte des Altertums?* Not know about . . ." And for what must have seemed to the speaker an hour, the references in German, Italian, French and English, interspersed with Latin citations continued to flow.

Goldsmith demanded much of himself and he often seemed to show little regard for the sensitivities or self-esteem of others. His conversation was about books and all his energies and attention, especially after his retirement, were devoted to his self-appointed task of compiling and writing them. He could be seen walking in considerable pain to his office or to the library in his late seventies. When that became impossible he carried on a bit longer through assistants. Without the loyalty of his devoted secretary, Mrs Anne Tassi, his life would have been unbearable. Her devotion was an indication of human qualities in the man that students and easily-offended colleagues sometimes missed. He could be seen, too, at musical concerts, at degree recitals of young singers, at opera rehearsals, and especially at an occasional German Lieder concert of his favorites Schumann and Hugo Wolf. But outside of such rare occasions, his was a life of intellectual activity, of endless grubbing for numbers, and their imaginative arrangement in the architecture of income measurement and the description of financial struc-

tures. Confinement to his room and to bed left him discouraged and restless, but his vigor of mind and the vitality of his interest in economics and economic history remained unabated to the end. Except for bouts of dizziness, he was not in physical pain, and he died sitting up in bed with a firm grip on the financial section of the day's *New York Times*.

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