

Paul M. O’Leary

November 29, 1901 — December 25, 1997

Paul Martin O’Leary died on Christmas Day, 1997, at the age of 96.

A native of Lawrenceville, Kansas, he earned his Bachelor’s degree in 1922 from the University of Kansas, where his father was a professor of English for 40 years. Paul was a classmate of former Cornell President, Deane W. Malott, beginning a friendship that spanned more than 70 years.

Along with election to Phi Beta Kappa, he was a star on the university track team – 440-yard champion of the Missouri Valley Conference, setting the university record of 50 seconds. The latter information would not have been surprising even to someone who saw him for the first time at 96, taking his prescribed regular “walk” along the corridors of the Kendal at Ithaca retirement community, performing calisthenics by raising his walker rhythmically over his head; or was a witness to his devoted playing of golf, until his very late years, beginning each year as soon as the snows had melted.

After earning an M.A. degree from Harvard, he came to Cornell in 1924 as an Instructor and graduate student – and, naturally, as an assistant to the university track coach, Jack Moakley. Upon receiving his Ph.D. degree from Cornell in 1929, he became an Assistant Professor, was promoted to full Professor in 1936, Chairman of the Department of Economics in 1944-49 and the Ernest I. White Chair in 1959.

Professor O’Leary’s national prominence resulted from four tours of public service. He was Advisor to the Consumer Advisory Board of the National Recovery Administration, early in the Roosevelt administration. In 1939, he was Chief Economic Analyst with the Commerce Department. Then, beginning in 1941, he was with the predecessor agency of the Office of Price Administration and OPA itself, in which he held positions, successively, as Price Executive for Textiles, Leather and Apparel, Assistant Director of its Price Division, and finally, Deputy Administrator in charge of the wartime rationing programs, an appointment memorialized in an editorial in the *Ithaca Journal*:

*Remember the plainspoken teacher of economics? The man a great many of us who are still here had for Eco one and two?
Well, that’s the man.*

And finally in 1949, he served as a member of the Dodge Commission, appointed by President Truman, to advise General Douglas MacArthur on the restructuring of the Japanese monetary and banking systems. The Commission

played an important role in bringing about monetary and financial stabilization—substituting a fixed exchange rate for the previous hodgepodge of rates, liberalizing financial markets and stopping inflation—which laid the basis for the startling resurgence of the Japanese economy in the ensuing decades.

He left the OPA, along with Professor J.K. Galbraith, evidently because of disagreements with its new administrator, Prentiss M. Brown, who reportedly wanted to appoint “administrators more likely to be popular and sympathetic with the public and business” (according to a contemporaneous account in the *Ithaca Journal*), and he was critical of what he regarded as the overly hasty abandonment of price controls immediately after the war, which was indeed followed by an outburst of inflation and the recession of 1948-49.

After his service with the OPA and a brief interim stint with Leon Henderson’s Research Institute of America, he returned to his years of major service to Cornell, first in a five-year term as Chairman of the Department of Economics (1944-49). He then served as chairman of the university-wide committee, constituted by President Day, which recommended the establishment of what became the Graduate School of Business and Public Administration (now the Johnson Graduate School of Management). The logic that led to joining business and public administration, as he explained it, was that:

“Relations between government and business are now so close as to require little comment,”

and

“they will continue to be close in years to come. My own experience as an economist and administrator in business and in government has convinced me that both business and government have a desperate need for men and women trained in economics, business operations and practices, and in the processes of government,”

He was the natural choice as the School’s first Dean, in which position he served from 1946-52. During that period, he helped recruit the distinguished faculty that laid the foundation for B&PA’s future achievements. Two of the first appointments (1946) were John G.B. Hutchins (business history) and William H. Shannon (accounting). They were joined in 1949 by Melvin de Chazeau (economics) and Arthur E. Nilsson (finance), all of whom finished their distinguished careers at Cornell and were widely respected throughout the university. They were joined in 1951 by Edward H. Litchfield, (administration) who later served as the School’s Dean, before going on to the Presidency of the University of Pittsburgh. The total faculty consisted of nine professors in 1952, at which point President Malott appointed Paul, Dean of the College of Arts and Sciences. He served from 1952-57, the only person at Cornell to have served as dean of two major colleges in this way. In 1957, he returned to full time teaching in the Department of Economics until his retirement in 1967.

A specialist in American financial history and corporate finance, Paul published several books and articles in that field, the most prominent of which were his *Corporate Enterprise in Modern Economic Life*, in 1933; and *An Introduction to Money, Banking and Corporations*, in collaboration with John H. Patterson, in 1937. Articles included: "Coinage Legislation of 1834," in the *Journal of Political Economy*, in 1937; "The Role of Banking Groups in Corporate Reorganizations," in the *American Economic Review*, in 1939; "Wartime Rationing and Governmental Organization," in the *American Political Science Review*, in 1945; and a note, "The Scene of the Crime of 1873 Revisited," in the *Journal of Political Economy*, in 1960.

He also served as member of the Board of Directors of the prestigious National Bureau of Economic Research, then housed at Columbia University.

In consideration of those academic interests, as well as his broad experience in public life, he was invited to membership on the Board of Directors of the Tompkins County Trust Company, a position he held from 1949 until his retirement, wherefore he remained as advisor to the Board. He was a familiar, respected figure in the Ithaca community. His many friends on the hill and downtown will remember also with great affection his wife of 57 years, Hattie, daughter of Colonel Frank Barton (for many years head of the ROTC program at Cornell), who died in 1986.

Harold Bierman, Seymour Smidt, Alfred E. Kahn