

August 2, 1954

Internal Memorandum

Visit to the Federal Reserve Bank of St. Louis, July 20th through July 22nd.

The technique of handling a visitor from this Committee, which the St. Louis Bank used, was so satisfactory from my point of view that it is worth noting. There is about that bank an atmosphere of Southern courtesy which is very soothing. I had understood that I was going to see Mr. Deming, Vice President in charge of Research, but when I arrived and telephoned at 9:15 I was told that Mr. Deming was on vacation and that Mr. Dale Lewis, also a Vice President, would look after me. Mr. Lewis not only sent a bank car for me to the hotel, but asked Mr. Clarence M. Stewart, Manager of the Little Rock Branch and an old time employee of the Federal Reserve System, to take me in hand. Mr. Stewart came to work at the bank on November 5, 1914. A tall, white-haired, cigar smoking, lean and amiable person, he was full of small reminiscences of older days. His memory was keenest in regard to people and the mere sight of a photographed face would remind him of a string of events. He was not so good when asked for events or for periods, and it must be confessed that some time was wasted with him while he tried to find small bits of memoranda and memorabilia which might have been what I was looking for according to his idea of that. Nevertheless, the process of having someone who dates back to very early days and who can be appealed to for memory of this and that is very useful.

Arriving at the bank I was welcomed with Mr. Lewis and introduced to Mr. Johns the President. I was then taken to an officers' meeting which convened at 10 a.m., seated at the President's right, and introduced to the officers there present. After a short explanation of what Mr. Johns understood the project to be about he asked me to speak to them and tell them in more detail. I talked for about five minutes.

This technique was very useful in that it gave the officers the same understanding of what the Committee was trying to do. It saved a great deal of time as the three days went on for I did not again have to repeat what the project was about. Also from the point of view of the officers they all heard and presumably understood the same thing which should also have been useful.

After the officers' meeting, Mr. Stewart telephoned to former Chairman William McChesney Martin, Sr., whose assistant he had been, and invited him to come to the bank for luncheon. The degree of warm personal affection and pride which played a part in this operation was very nice to see. It was obvious that the two men had known each other well and for many years and that there was mutual affection between them.

It should be noted, although perhaps this is not the place, that this is one of the few banks in which the first Chairman rather than the first Governor played the important part. The reason and more detail will be explained in the interview with Mr. Martin.

The Federal Reserve Bank of St. Louis has a good research department. The head of that department under Mr. Deming is Mr. William Abbott. The librarian is a young woman, Constance Pfaff, who has come in rather recently and who is very quick and eager to understand the purposes of this Committee. They gave me a better picture of the research function of this bank than I have gotten of any bank. I took with me a questionnaire which was designed to find out what the bank had, (this questionnaire will have to be revised in October when Miss Burnett comes into the Committee's work) and a list of what was in the archival vault of the New York Bank. These were simply for a trial run and they did little more than to indicate what our present idea of archives is. Nevertheless, they were useful in stirring up interest and questions.

I found that, as in so many banks, the filing system is under question. Things do not seem to be clearly organized and Mr. Stewart was constantly going

here and there to try to ruffle through old files in order to find out what was wanted. Nevertheless, Miss Peple had come down from the Board while Chester Davis was head of the St. Louis bank to modernize the filing system and put it in the subject file type.

Most of my time, outside of that spent with Mr. Stewart, was spent with Mr. Abbott, Miss Pfaff and other members of the research department. On the last day I still had so much to learn that I asked if a working luncheon might be held of the chief research people. This was done and we talked at length about the problems of this Committee and the problem of writing a history of the Federal Reserve Bank. Various names were brought forward, the most hopeful of which was Ross Robertson who is on the staff of the St. Louis Bank in the research department. Robertson is about to publish an Economic History of the United States from 1914 to the present time. The publisher is Harcourt, Brace. Further inquiry should be made about this.

The last item on the St. Louis program was an interview with President Johns. (See separate memorandum.)

This way of handling made a far more rounded visit than that in Chicago where nobody seemed to have very much idea whom I wanted to see and where I was allowed to drift from one elderly employee to another, all of whom had small memories, but not important detail. In the future I think it might be well if some form of outline could be sent politely to a bank before I go there so that there will be a better preparation.

The only thing one can say, and this was said very much earlier in the game, is that these introductory visits do give me a picture of the bank and the bank a picture of the Committee's project far better than writing letters can do. Each visit leaves me with a desire to go back and pick up loose threads. Each time I have tried to establish sufficiently good relations with officers in the bank so that a return visit would be welcomed.

It should also be noted that more preparation on my part is valuable. Thus far I have not been able to read all the annual reports of all the banks. Nevertheless, a closer attention to the main lines of growth and development within the region as well as to the individuals whom I should probably like to see would be helpful. It is a close question how much one can ask for in advance and there are times when it is well not to seem to know too much. An interview which starts out of apparent ignorance sometimes goes better than one which starts well primed with background information. Nevertheless, I continue to recommend background information to myself or to anybody else doing this particular kind of job.

MA:lk