

Chairman
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January 7, 1936.

MEMORANDUM:

To - The President
From - Chairman Eccles

In connection with our conversation, I am, as a reminder, taking the liberty of suggesting that Senator Glass might be responsive to your suggestion that he refrain from renewing his fight against my confirmation. Doubtless it has occurred to you that he can perhaps be made to see how politically embarrassing such a fight would be, particularly at this time, and after I not only have served for a year, but you have already announced publicly your purpose to reappoint and designate me as Chairman—an announcement precipitated because a continuation of doubt as to my status and confirmation, in view of the Senator's hostility, seriously interfered with the discharge of important duties of the chairmanship prior to February 1. Presumably, the Senator will understand that if he were successful this time in encompassing my defeat, it could only be interpreted as a defeat for Administration policies with which I have been so closely identified in the public mind and, therefore, would be politically damaging. All this, of course, is wholly apart from personal considerations, and I shall not pretend that such a defeat would be a great personal blow to me.

It has occurred to me, also, that the Senator might be responsive to the view that the President should have as Chairman a man in whom he has confidence and who is representative of his general broad viewpoint and aspirations and that, therefore, a somewhat different situation applies to the chairmanship from that as to the other appointive members of the Board. While I am certain that the Senator has been misled as to my banking relationships and is under misapprehension as to my economic views, I despair of finding a ground of reasonable reconciliation with him, and I am, therefore, convinced that the only appeal to be made to him is on the basis of his being willing,

in deference to you and your Administration, to avoid an altogether unpleasant and, as it seems to me, needless and disruptive advertising of antagonism.

I am also taking the liberty of suggesting that you speak to the Senator with reference to his recommendation of Mr. Heimann, Executive Manager of the National Association of Credit Men, explaining to him that by reason of geographical provisions in the law, Mr. Heimann, whose home is in Flint, Michigan, and whose office is in New York City, cannot be appointed if Mr. Szymczak and Mr. Broderick are appointed, since they are respectively from the Chicago and New York districts, which are the only districts from which Mr. Heimann could be legally appointed.

The Senator will understand, I think, that Mr. Szymczak, who is young, industrious and able, has made an exceptionally good record and has excellent standing with the banking community, so that failure to reappoint him would work an injustice to him and deprive the Board of a highly competent member. Similarly, as you know, Mr. Broderick is outstanding by reputation, experience and exceptional qualifications. He outranks Mr. Heimann despite the fact that Mr. Heimann is an unusual, well qualified man, whose appointment would be desirable were it not for the legal restriction.

May I suggest, further, that you explain to Senator Glass that it has been your policy with reference to judicial appointments not to appoint men over sixty, and that by applying the same policy to the appointments to the Board of Governors, it will be possible to work no personal injury to the four present members, who are now sixty-seven or more, if they are not reappointed because of age. There will be no unjust discrimination, whereas, to retain one or more while rejecting the others, would not only do away with this impersonal reason and policy, but would appear to single out those not selected as the weak spots in the Board, which Congress desired to remove by its provision for appointment of a new Board.

Perhaps, also, it would not be amiss to suggest to the Senator that if he is to have a voice in the selec-

tion of some members, it would be unreasonable for him to insist upon determining the entire membership against your own preferences, and that aside from the great difficulties encountered in obtaining the services of some of the outstanding men who have been sounded out, there has been, as the Senator doubtless knows, political pressure on behalf of job-hunters and second-raters who have been rejected. The Senator might respond favorably to the view that in choosing a Board, you must consider all viewpoints and the country as a whole, rather than any individual preferences, however profound and sincere. It seems to me he would be interested to know, for example, that among the pressures there has been a considerable movement supported by the national farm organizations, in behalf of Congressman Goldsborough, among others, and that while you are desirous of deferring so far as possible to the Senator's views, he should be considerate as well of your own viewpoint and the difficulties and pressures under which you labor in connection with all these appointments.

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