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THE WHITE HOUSE
WASHINGTON

March 9, 1936

MEMORANDUM FOR

GOVERNOR ECCLES

I think this is really
well worthwhile looking into. I
understand his bank record is good
and he comes close to fitting the
picture.

F. D. R.

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United States Senate

COMMITTEE ON
AGRICULTURE AND FORESTRY

March 4, 1936.

Honorable Franklin D. Roosevelt,
President of the United States,
The White House.

My dear Mr. President:

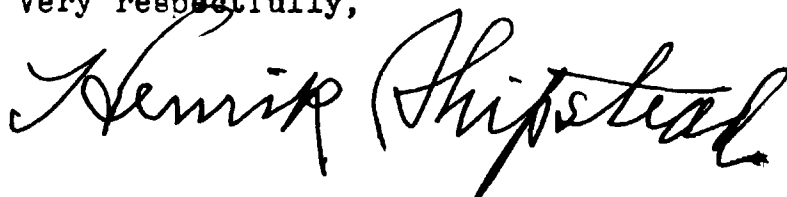
Complying with your request today, I am writing this letter regarding Oluf Gandrud, President of the Swift County State Bank at Benson, Minnesota, for appointment as a member of the Federal Reserve Board.

Mr. Gandrud is a fine, clean young man about forty-five years old. He is, and has been, a successful country banker. He has operated his bank successfully through the depression, although he was in the heart of the drought area where they had crop failures for four successive years.

Mr. Gandrud has been prominently active in organizing the Independent Bankers Association of Minnesota, with a membership of three hundred banks. He is also a member of the executive committee of the Minnesota Bankers Association.

He is independent and progressive, and possesses a strong character, and understands farm credits better than any other man I know. I think he would be a valuable man to voice the agricultural problems in meetings of the Board. Among his other qualifications he has a very pleasing personality, and is a gentlemen of the highest integrity.

Very respectfully,



*Keyten re Shipstead's man
Crawley was
also asked to
look up*

March 10, 1936.

Is a man, I would say, about 45 to 47 years old - maybe a little younger. Originally, I believe, a small town merchant. He and his brother ultimately went into the banking business. Brother runs bank at Glenwood. He was President of the Swift County State Bank of Benson. Norwegian and is certainly friendly with Shipstead. Very decent fellow. He is a fellow who has all the good qualities of a Norwegian and none of the bad qualities. Has practically no education, except his own education. Comes from old state Norwegian family. Still speaks a little brokenly. When he went into banking business he took over a bank reorganization and has done very well with it. Originally when the big battle between the group and independent bankers came on in Minnesota, he alligned himself with the independent group in quite vigorous style. Has always been very sane about it and much more fair and honorable in his dealings than group which went into it politically. Tried to arrive at reasonable conclusions. No malice. Over a period of time he could not get along with the more radical-minded of independent bankers. At one time was serving for them as member of the Executive Council of the independent bankers group and also secretary of the Minnesota Bankers Association. Because of bitterness of the independent group for the Minnesota Bankers Association he fitted in with the latter much better than the independents, and now is either first vice president or second vice president of the Minnesota Bankers Association. Is not a thing could be said against him from a personal point of view.

Deposits - approximately \$500,000 (or a little less)
Capital - \$50,000
Surplus - \$10,000
Undivided profits - \$11,000
Reserves - \$7,000

When the question came up of a bank commissioner for Minnesota, owing to the fact that he stood well with the Olsen Administration and due to the fact I thought he stood well with the Administration (Olsen), recommended him for commissioner of banking. Unfortunately recommendation did not carry; it moved along so fast that before recommendation was in, someone else had been selected.

The only question that would be involved in his appointment of a derogatory charater is his utter lack of background; point of view of his lack of knowledge of monetary conditions. He tries hard to advance himself, but question of whether he has advanced far enough to deal with the questions involved. Very meagre experience.

He is a very strong advocate of independent banking. He is a very advanced thinker along monetary lines and has a lot of ideas he would change very rapidly if he once got in Washington. Comes from strictly framing community.

I think quite highly of him; in fact, I think he is one of the best of his type of operators here. Is not the most competent independent banker of state, but certainly ranks up on the list ahead of men who are more prominent. Likes him personally. If on Board would be easy for me to deal with. I think the men on the Board would be quite startled at his monetary point of view. Would advance and adapt himself as well as a Norwegian could. Loves to play golf. I have a very high respect for him.

(Dictated over phone - b)