

## Office Correspondence

Date April 15, 1935To Governor EcclesSubject: Conversation with Mr. Vanderlip.From J. M. Daiger *JD*

a r o 16-832

*ML*

At the dinner on Thursday evening I was placed between Mr. Frank A. Vanderlip and Mr. George Blumenthal. Mr. Blumenthal is a retired senior partner of Lazard Freres. On the evening before Mr. Blumenthal had been at dinner with Mr. J.P. Morgan and Mr. Ogden L. Mills.

Mr. Blumenthal was asking me whether it was possible that the banking bill actually had the support of the Administration, and whether I thought it was possible that your appointment as Governor of the Federal Reserve Board could ever be confirmed. From the tenor of these inquiries, you can imagine the general nature of his conversation and the attitude he reflected.

Mr. Vanderlip, on the other hand, spoke of you in terms of very warm praise. He said that, prior to his meeting you on Sunday evening of last week his impression of you, gained largely from the newspapers, had been distinctly unfavorable. He had therefore been agreeably surprised to find you "a person of marked keen intellect and shrewd practical judgment, with a very comprehensive and public-minded grasp of banking and monetary problems."

Mr. Vanderlip expressed a special interest in your proposal for a governmental subsidy of residential and municipal construction. He said that he thought it offered greater possibilities of dealing effectively with the problem of the heavy industries than any other method he has heard of. He said with considerable emphasis that, if there were anything he could do to further your proposal either in New York or in Washington, he would certainly like you to call on him. He expressed a willingness—in fact an eagerness—to come down and work with you in furtherance of the proposal. He said that he was highly enthusiastic over it and thought it had enormous possibilities.