

Bank of America
NATIONAL ^{TRUST & SAVINGS} ASSOCIATION
LOS ANGELES

A. P. GIANNINI
CHAIRMAN OF THE BOARD OF DIRECTORS

October 14, 1938

Honorable Lawrence Clayton
Executive Assistant to Governor
Federal Reserve Board
Washington, D. C.

Dear Mr. Clayton:


The Directors Committee of Nine is meeting in San Francisco today for a final check up on the letter, exhibits, figures, etc. The letter will go forward by airmail tomorrow.

The reason a copy is not being sent to you at the same time as it is sent to the Comptroller, is because the directors felt that perhaps Secretary Morgenthau and General Counsel Oliphant, who are now running the Comptroller's Office, would perhaps resent our doing so. However, I have instructed San Francisco to see that a copy is prepared, which will be delivered to you by our Washington attorney, Charles W. Collins, in about a week or so with the idea that same would be available to the Governor and other members of the Board for their perusal.

Of course, after the Governor is through with it, I should like very much to have it sent to your chief examiner, Mr. Cagle, for his information and files.

Warmest personal regards to you and Governor Eccles.

Sincerely yours,



A. P. Giannini
Chairman of the Board

Bank of America
NATIONAL ~~RESERVE~~ ASSOCIATION
LOS ANGELES

A. P. GIANNINI
CHAIRMAN OF THE BOARD OF DIRECTORS

October 15, 1938.

Personal

Honorable Lawrence Clayton,
Executive Assistant to Governor,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Clayton:

Congressman Ford, a member of the Banking and Currency Committee of the House of Representatives, just dropped in, and I had occasion to talk with him about the Patman Bill, which, as you know, provides for the Federal Reserve System being taken over by the Government.

He volunteered that he is opposed to this Bill, and upon my asking him if he did not think the time had come for a merger of the F.D.I.C., F.R.S. and the Comptroller's Examining systems into one, he agreed that this should be done. He also agreed with me that the Federal Reserve System should be in full charge of all examinations.

I asked him if he would give me permission to so inform Governor Eccles, and he told me to go ahead and do so.

I am passing this information on to you for whatever it may be worth.

Warmest regards!

Sincerely yours,



October 19, 1958

PERSONAL

Mr. A. P. Giannini
Chairman of the Board
Bank of America, N. T. & S. A.
San Francisco, California

Dear Mr. Giannini:

This will acknowledge your brief letters of October 14 and 15 respectively and thank you for them.

In your letter of October 15 you referred to a discussion you had with Congressman Ford of California respecting the Patman bill and related matters, and particularly the question of a consolidation of the Federal bank supervisory agencies, at least insofar as the examining function is concerned.

You state that Congressman Ford agreed with you that the Federal Reserve System should be in full charge of all examinations. While this could only be interpreted as complimentary to the Federal Reserve System, my Chief has espoused the consolidation program on the broad principle that there should not be overlapping, duplicating, and sometimes conflicting functions with reference to bank supervision and regulation exercised by several Federal agencies. He feels that it is essential to the proper regulation of the banking structure of the country that there be one Federal agency in charge. As to what that agency shall be either in name or in personnel, whether one of the existing agencies or some other agency, he is less concerned. The essential point is that there should be one agency with the necessary power and jurisdiction to properly carry out the responsibility which the public assumes rests now upon the combined agencies, and in particular upon the Board of Governors of the Federal Reserve System.

While it would not be human for my Chief to be displeased by expressions of the kind contained in your letter, he rather feels that any campaign either within the Board itself or by its friends on the outside to prefer this organization over either of the others, is calculated to prejudice the general case for consolidation, which is much more important than the question which of the agencies is to absorb or be absorbed by the others.

With warmest regards, I am

Yours sincerely,

Bank of America
NATIONAL TRUST & ASSOCIATION
LOS ANGELES

A. P. GIANNINI
CHAIRMAN OF THE BOARD OF DIRECTORS

10/19/38

Dear Mr. Clayton -

Your letter & enclosed have
reached the Comptroller's office
on Monday.

Callin will get in touch
with you next Monday or Tuesday
and leave a copy for the Gov.
and will also deliver a copy to
each of the other members of the Board
if desired.

As Callin's pay in with the
Directors in San Francisco on this
matter you are free to assist him any
questions.

Now may I say to you that I think
our case, if brought to the attention
of the next session of Congress, which I'm
very anxious to do, ought to keep
in placing the merged planning forces
somewhere else but the Comptroller's office.

Cordial regards,
Sincerely,
A. P. Giannini

Bank of America
NATIONAL SAVINGS ASSOCIATION
LOS ANGELES

20

A. P. GIANNINI
CHAIRMAN OF THE BOARD OF DIRECTORS

10/20-38

Dear Mr. Clayton

It was nice of you

to write me

Judging from the Kiplinger letter
of the 15th that Morganthau was
backing down on his drastic
unwarranted and desecrating tactics -
after he did his very utmost to destroy
~~us~~ but thanks to our Directors and
the people of California. but no effect
we have gained over 25 million in
deposits since he got busy but his
plan to take control - no doubt but the
idea of taking the First National Institution
into ours - thereby saving their faces - so
that they could go into retirement with some
prestige left - and of course if he could
get control he had apparently planned
to attempt our destruction. This note
Kiplinger's letter does now refer to the
big California Bank as it had previously
and I'm wondering if the American Bank
which had also been backing us - was now
let down on us.
Notified Director McAdoo yesterday to take steps
to have meeting before next session. Congress for thorough
Carter regard further A.P.

Bank of America
NATIONAL ~~RESERVE~~ ASSOCIATION
LOS ANGELES

A. P. GIANNINI
CHAIRMAN OF THE BOARD OF DIRECTORS

October 26, 1938.

Hon. Lawrence Clayton, Chairman,
Board of Governors,
Federal Reserve System,
Washington, D. C.


Dear Mr. Clayton:

This is to acknowledge your
letter of October 19, the contents of
which I have carefully noted.

May I have your permission to
show this letter to Congressman Ford?
I will not do so until I hear from you
again.

Kindest personal regards!

Sincerely yours,

A handwritten signature in black ink, appearing to be 'A. P. Giannini', written in a cursive style. The signature is positioned to the right of the typed name 'Sincerely yours,'.

Bank of America
NATIONAL ^{TRUST & SAVINGS} ASSOCIATION
LOS ANGELES

A. P. GIANNINI
CHAIRMAN OF THE BOARD OF DIRECTORS

10/28 38.

Dear Mr. Clayton: I got notes from the
Press here that our resigned
Director G. M. Schenck - was
in Washington to call on the
President - and that he was
named, while there the Vice Chairman
of the National Committee having
in charge the Presidents Birthday
Day.

This is probably a reward
for his friendship and loyalty
to the Morgenthau family.

Thought that this item
had, perhaps escaped your attention
hence my writing you.

Kindest regards

Sincerely,
A. P. Giannini

November 1, 1938.

Mr. A. P. Giannini,
Chairman of the Board of Directors,
Bank of America, N. T. & S. A.,
Los Angeles, California.

Dear Mr. Giannini:

Replying to yours of October 26, I see no reason why you should not show my letter of October 19 to Congressman Ford. In doing so, however, I trust that you will caution him that it is for his own information, as it is not intended that the matters discussed therein be circulated even among our friends on the Hill. Not that there is anything that we would have to apologize for but that the matter is a delicate one and the Chairman's viewpoint might easily be misunderstood. In due course, if any legislation develops, the Chairman's position will be fully and clearly set forth at the appropriate hearing.

With best wishes, I am

Sincerely yours,

Lawrence Clayton,
Assistant to the Chairman.

LC:le'