

Ogden, Utah,

May 23, 1944

Mr. Lawrence Clayton,
Federal Reserve Board,
Washington, D.C.

Dear Larry:

I received your several letters, one of May 13th, two of May 16th and one of May 19th. I sent by air mail the letter to Senator Wagner, expressing the Board's views regarding the Home Loan Bank bill. I think the letter is an excellent one. It should not, however, be sent to Wagner until you are sure hearings are going to be held. You should make certain the letter is brought to the attention of Radclipp and all the members of the sub-committee, which will be holding the hearings. You might discuss this with Ransom when he returns next week. I am glad to know Wagner and Spence introduced the bill amending 13-B, in accordance with their understanding and in accordance with the agreement which I had with them before I left.

I expected the Treasury might be opposed to the legislation. I would suggest that you might ask Ransom to call Bell and defer their reply to the request, which they no doubt will receive from Wagner for their opinion, until I return. They will have plenty of time, as the hearings on the bill will not likely be held until this fall.

With reference as to what will likely be the Navy's attitude, on account of the position taken by Coolidge. I would suggest that they also be persuaded to defer their reply until I get back, or I would suggest that Ronald or Ernest, or both, discuss the matter with Captain Straus, formerly a Kuhn Loeb partner, who is very close to Forristall, and has had a lot to do with the financial section of the Navy.

I was interested in getting your report on the attitude of the Advisory Council, relative to Bank Holding Company and 13-B legislation. I disagree completely with their views and will be glad at the next meeting to have them bring up their suggestions again, when I am there.

Pack called me last night and Matt called me this morning, so I am fully up-to-date with happenings at the Federal Reserve Board.

I was shocked to hear from Pack last evening, of the distressing news you had received from the War Department relative to Larry.

Mr. Lawrence Clayton

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I do hope you have been able to get some favorable up-to-date information. I know what a terrible strain it must be on you and your family to be so far away and so helpless.

I do not know exactly when I will be back, but it will likely be around the middle of June.

With kind regards,

Sincerely yours,

MSE/M