

Mr. WATKINS. Mr. President, the activities of the Reconstruction Finance Corporation have been under investigation for some time. A report which reflects on members of the board of the RFC has been made by a subcommittee of the Senate Banking and Currency Committee. Public hearings by this subcommittee are now in progress.

I do not rise today to discuss any of the charges which have been made or the findings of the committee. However, as a matter of simple justice to one of the new members of the board, a citizen of the State of Utah, Mr. Walter E. Cosgriff, I desire to make clear that he is in nowise involved in the activities of the RFC which were criticized in the subcommittee report.

Mr. Cosgriff was appointed by the President last summer to fill a vacancy on the board. He was not an applicant for the position. I have seen correspondence and memoranda relating to his appointment which demonstrate beyond doubt that the President in fact practically drafted Mr. Cosgriff.

When first offered the appointment, Mr. Cosgriff declined, stating that he was not interested. The President, however, was insistent to such an extent that he convinced Mr. Cosgriff that he should accept as a matter of patriotic service.

Let me repeat, Mr. President, that what I have just said is based on a personal examination of correspondence and other factual material.

The activities of RFC which were the subject of the report, and are now under investigation by the Senate subcommittee, all happened prior to Mr. Cosgriff's connection with the RFC. He is not implicated in any manner whatsoever with any of the matters under investigation.

Let me also say that Mr. Cosgriff is one of the younger bankers in the State of Utah, a man who before coming to Washington directed operations in several western States. As a young man, he succeeded to the management of a banking enterprise which had been built by his father. Since his father's death, Walter Cosgriff has operated and expanded this business and has made an outstanding success of it, so that today it is one of the largest and most successful banking enterprises in the intermountain West. He has an excellent reputation for integrity, ability, and efficiency, not only in Utah, but in every other State where he has operated.

The appointment was not political. It came to Mr. Cosgriff because of his ability, his independence, and his reputation as an able citizen who had made an excellent record in the business and banking field.

Mr. President, I am making this statement today to the Senate and to the people of the United States so there will be no misunderstanding with respect to Mr. Cosgriff and his relation to the RFC and the investigation which has been and is now being conducted.

Congressional Record

2/26/51