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Diary

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vol. 15.

aug 1. 1928 — Mar. 22. 1929

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Aug 1. 1928. Wed.

Dr Rubbin examined. Heart in very good condition but slightly irregular, to which he said he attributed little importance; blood pressure 160 Martolo, which he said was high so normal; he said the blood sugar test of Dr Hiden in January was 20 – all my tests for years except the one immediately preceding (20) were 25. He advised me to diminish red meats for a while as he showed rather strong the blood pressure slightly lower. I weighed, stripped about 175 and he said I must get down to about 166 lbs. which I could easily do. He said on the whole I was in very fine condition, and he took a sample of my urine, and of blood to see if I was anaemic.

I asked him about Gertrude Leigh and he said she was really in a dangerous condition; that the blood pressure was dangerously high and that while she might live many years, he feared

that a sudden paroxysm of C.S. under a mistaken impression might bring on a stroke similar to that of Walden; that she was a veritable bundle of nerves and had a clear case of Neurasthenia, i.e. a neurotic condition similar to but worse than that of Walden; that her whole family had this trouble; that she had consulted him about going abroad & he advised to go but on a short trip and then to return and make visits; that his stopping persuaded her to make her visits now and take the Carlsbad trip later in the summer; that he advised to take a "Secretary" with her in spite of the expense which this might cause.

Aug 2. Thursday

I wrote Rachel Hale a full account of the affair.

at lunch found a letter from Bertha saying Gertrude had telephoned she was coming to us Saturday with a friend for a week & I at once wrote Rachel another letter telling her of this.

Fine

Aug 1. Wed

Drived again with Delano.

Aug 3. Friday

left for Hdq via Wareham at 2.30 P.M.

Aug 4. Sat

Gertrude Hyde arrives 6 P.M.

Aug 7.

Take 10.54 for Boston via Wareham.

Stand waiting at Albany & lunch under curtain.

Take 3.10 train for Pittsburg, Pa

Aug 8. Wed.

In Pittsburg. Meet directors of Albany and examine two sites for a new building. The Young came in for Wash. also Mr. Sanders and met me there. Left at 3.10 P.M.

Aug 9 Thursday

arrived Hdq. for Pres. 11.30 am.

Aug 10. Friday

Gertrude Hyde leaves us.

Aug 11.

Geo Young calls up & says there is to be an Cohen Market meeting Monday. call

letter from he is getting over a slight attack of
Phenacetin poisoning and thinks he won't go in.
Mr Young said he saw no reason for coming in
as Mr. Platt, Miller, James and Comptr. would
be there, so Mr said he would not come in.
Mr Y said if any thing important came up
he would telephone during meeting.
Mr Stern called up Mr. Case who was not
at N Y Bank, was over Harlem. He finally
got Mr Burgess who said he would be
at the meeting, that the Comptr would
ask no authority or action at the present
time but they might have to in the near
fut future.

Mr wrote long letter to Rachel Hall
describing Kentucky visit.

Aug 14. Tuesday
Later Mr Farrah & wife came over from
Woods Hole & lunched with us.

Platt called me from Wash. says Pol in a mess
as to what Mr Comptr should submit. James & Miller
advise giving any discretionary authority to

Mr Young must not see.; that the Board is to meet
tomorrow morning to discuss it further. Mr
talked w. Platt and at 10 P M sent him the
following telegram :—

"answering your telephone message would say
that I know only in a general way as to what
Mr Comptr. I feel personally that Mr Comptr
should not be relaxed for some time, at
least. would, however, favor discretionary
authority to Comptr to buy acceptances as
usual, and, in case of sudden emergency
or of conditions under which continuance
present would injure credit running and
financial business more than it would
be of help in controlling existing tendencies,—
to purchase securities up to a fixed amount,
but. if reasonably possible, Comptr should
consult with Gov Young before buying
securities; if not possible, Comptr should
have discretionary ~~power~~ authority to act."

Aug 16. Thursday

Patterson Hamlin went to Cincinnati today and was detained in Cincinnati by absentees.
Charles Tyler called me up and said a N.Y. commercial man, high up in the concern, told me the other day that Adam Cornings resignation as Sec of N Y Cen. State Comm was not voluntary nor from ill health but that it was forced, growing out of some financial transactions in or around Troy, N.Y. He said he counsel this and more about it when he saw me.

Aug 14.

In the Herald told me he was present with Jay Cunningham when Jay strongly latechastened him for see Miller asking a postponement of the Chicago rate case until the next day; that it was before the Board sent the telegram to Chicago.

Aug 16

Board voted to send and sent letter to Harris:—
"The Board has received carefully the report of the Adm Mgt Inst Comm and its resolution of Aug. 13, and has also considered the verbal discussion which took place during Thursday, and it is in agreement with the Comm that the seasonal requirements of credit will probably develop a strain when the future credit situation which may read unfavorably when coincident and industry, and that if such a situation should develop, the system should take such action to relieve the strain.
The Board would not care to apply to the purchase of Int securities, except as a last resort; we understand from the discussion had with your Comm that you have carefully through the call market, of trouble, and through the Int security market only of unavoidable.
With this understanding, the Board authorizes the purchase of Int securities by the Comm but limits the amount to two million
If a situation should develop which

was required recommendation, the Board would be glad to meet the Com" at any time on that purpose.

R. A. Young. Sec

To Harrison
acting chairman
Open Mkt Inv. Com".

The vote on the above was 3 to 2.

aye. Gov Eccles. Platt. Crissinger

No Miller. ~~Comm~~ James.

Cunningham voted his absence & ~~cast~~ sent telegram as above.

At the meeting Aug 14, Miller presented a prepared letter to Mbers stating it was advisable a rate of bw 1/2 of 1% to 1% below the rate on other classes of paper for "seasonal crop marketing paper" which was defined as paper arising out of the movement and marketing of the current crop, - to continue only until the end of the normal crop moving season.

James submitted a memorandum on a preferential rate only on bankers acceptances and trade bills, regardless of their origin. Open Market

These were submitted to Com".

In afternoon, Comm rejected that preferential

rate would probably not accomplish what was desired; that the question whether the seasonal crop can be moved expeditiously and reasonably involves a bigger question of the whole credit structure and will have to be dealt with through open market operations rather than through preferential rates on commodity paper.

The Comm stressed fact that its recommendation on purchase of securities was intended only to cover an emergency situation and that securities would be purchased only as a last resort as a dangerous tight money situation should arise despite efforts to prevent such a situation through purchase of acceptances, exchange operations and otherwise; that to reduce bill rates would mean dumping of a vast volume of acceptances on the Mbanks which, although easing the credit situation would make the work of many years in developing a bill market.

Not believe this in the first place that purchase of acceptances has been favored by purchase of relieving the credit situation.

at the meeting above Miller & Jenner were unanimously opposed to giving any authority for purchase of Trust securities.

Aug. 18. Sat.

Receive letter from Cleveland for Gertrude Deyo. called with Codman at 50 Lincoln who said she had left Lodge & is at Cobley. Plays. called for us with Mott & agreed to call in her with the letter tomorrow.

She told me Mary Hale had written her that her daughter, Rachel Hale, had had a nervous breakdown & that she for even wanted by to have a trained nurse, so she had given up her visit to Rachel & had left Roms at the Marshall House, York Harbor for which place she would leave next Wednesday.

Got back his letter to Rachel has made clear to her the undoubtedly of her many Gertrude visit her this summer

Aug 19. Sunday

Left for Wash. via Boston.

Aug 19.

called on Gertrude Deyo at Cobley. Plays Boston to give her a letter of Cleveland sent to me by her. We had a long talk together. I asked her to give me a Mem. about her Nephew showing exactly what her experiences with him had been. She did not say that she would but rather implied she would. She said she did not love him, that he had filed & threatened to file a caveat against the probate of Walden's will; that he had enough money to live on; that he resented get 1/2 of her death from a bond debt by her sister of which she had a life interest; that she had arranged under her will (signed in March of this year) for a chapel to be built at the Cathedral in memory of Walden and herself and had left her property to the Cathedral to carry this out; that she could not afford to do this in her lifetime. She said she had little doubt but that her Nephew would give all the trouble he could if he survived her, that he might claim that she was insane.

I told her, if she feared this, she surely

urged to leave some item letting of her apprehensions with him & with his father. She shows lively of the bad character of her brother-the nephew's father.

I told her that I should hope to hear with her husband, her counsel, as to this and she hoped and to hear freely with him as this or any other matter concerning her or her affairs.

Aug 20 Monday

Arrived Wash & transac business - which ob a crowded train.

Gov Young said he called on a separate vote of the Board on the various transactions in Bds letter to Harris of Aug. 16.

He said the members were unanimous as to & that seasonal requirements were probably develop a strain when the business credit situation and that if such a situation should arise the system should take some action to relieve the strain

He said also no objection was raised to the & that the Bd was not ready to agree to purchase of Govt Secs except as a last resort.

He said Miller & James voted against giving comte any authority to purchase Govt Secs.

He said he was not prepared at this time to accept Miller's suggestion of a commodity rate or seasonal rate moving higher; that such a rate seemed likely to increase as well as to ameliorate; that he was not sure we might not use this idea in the future; that purchases of acceptances in increasing amounts would probably accomplish all Miller had in mind; that Gov Harding said Mr Burgess did easily minimize much of access.

I spoke of my telegram & Gov Young said the N.Y. Bank would certainly consult with him before buying any more Govt Secs so that it was unnecessary to put this in as a condition; that it is a crisis above requiring instant action, his course was given dissent just as did suggested.

Aug 20

Gov Seay writes when kept home of having broke that no Govt Secs be bought but that indication be taken by the member banks which have created the situation by inducing their speculative loans.

By "last resort" he says he means a condition in

which credit on American purchases can not be obtained except at rates materially higher than those which now prevail.

Aug 16

Geo Fancher writes Geo Young that existing rates are not hampering business.

Aug 20. Monday

Cox dined with Geo & Mrs Bright.

Mr Bright said that Geo Harvey in 1893 told leading financiers that he could bribe Sec Carlisle in matter of repealing silver purchase law, (I think he said) and was given 200000 for this purpose; that he had found out the traitor Carlisle was to take same day before, and then when Carlisle had shaken he put the money in his own pocket intending he had given it to Carlisle.

Aug 21. Tuesday

Cox & Clubbins lunched together. We discussed Gertrude Leyden's estate and Cox told him of Robbins charge given him recently. Clubbins said he had no doubt Gertrude was competent to make a will, altho he realized she was in a nervous condition. Cox said he felt the same.

Cox suggested Clubbins get Mr Gertrude a statement of her relations with her nephew & his father, - Gertrude's brother - and he fully assented to this & said he would see to it. Cox said he feared the nephew might contest her will & Clubbins said he believed he would.

C. said after Gertrude executed her own in March 1928 (she told Cox it was her third will) she wrote in it that she made no bequest to any of her family because they were already comfortably provided for, & that he had this witnessed by the same witnesses.

C. said Gertrude's gift to cathedral was not an outright gift but was specifically stated to be for crypt of a chapel in which Wolden & Gertrude were to be buried.

Aug 21

Met under see. Miller at Yacht club and we dined together. He said Dr Miller was the coward but he had call met; that he was intellectually dishonest; that he had a supreme contempt for him.

Aug 18. Wed

Charles Warren lectured with me over Reader to hear Gov Smith's acceptance speech.

Aug 24 Friday

Gertrude Berger called up Bertie from Boston and said she went to Peabody House York Harbor Wed. last night on Thursday; that they only under the knew there were Adam + Ann Brownson; that the food was poor; that there was nothing to do in the evenings; no movies as there were at Hot Springs; that she was made at Coldy Plaza Boston which she hated very much; that she was very lonely etc etc

She began to go into tears over the telephone + Bertie thought she was going to ask if she could not come back to Wtt= she anticipated this by telling her we had war ball.

Aug 25.

Left for Wtt. 2.30 PM via Worcester.

Aug 26. Sunday

Nelson Cummings came over + said Jim Stoddard wanted not less than $1500; that he felt that was a most liberal offer; that he did not consider the acres the road lot were worth water frontage could be sold today for over $500; that from the stable entirely to the beach might bring 3 or 4 thousand; that he thought a reduction for no shrubbery on lot across road for 50 feet, a reasonable one; that as to reduction on shore lot he advised 100 foot note as to all lot not stony bottom + boat house; that it should be limited to one dwelling + all commercial business excluded; that we should agree similarly to restrict our remaining property for 150 feet carting only those the same as the granted easements.

Aug 27. Monday

called up Cummings in Boston and asked as to terms, which he said would be

5% - the regular rate on country property.
I told him we would accept his & his stockholders property on the conditions & reservations mentioned above.

Aug 25. Sat.
We went to funeral of Roger Mattingly thinking it was at 2 P M but when we reached North Castine, found it was at noon!
Called up Gertrude Hagle at Cobby Place Bostic to get the address for letter.
She asked me if I had seen her husband. I told her yes and that he would talk the Turkish a mem. in subject of his ~~[illegible]~~ nephew when she returned. She said she was glad I had seen him - as she had asked me to, & that she would prepare the mem. when she returned.
She said she had heard nothing more from Rachel Hale but that Mrs Slater ("Carol") had written her saying that she had called in Rachel in Bar Harbor but that both she & Mr Clark were "too ill" to see her.

Aug. 28 Tuesday
We signed agreement to sell property on water front Mt. to Nancy B. Stoddard and her husband James K. Stoddard, of Wooton, Leslie County, Kentucky. The price was $15000 which I apportion as $14000 for close lot (1 1/3 acre) and $1000 for lot across road (1/2 acre). This is at rate of $10500 per acre for close lot and $2000 per acre for lot across road.
We put in the following restrictions:
1. Limited to one dwelling for 1 family with usual appurtenances such as garage, bath house, boat house etc.
2. Primary not to be used for commercial purposes.
3. No structure other than a one story boat house and (or) bath house to be erected within 100 feet of mean high water.
4. The grantor to similarly restrict her adjoining land for 150 feet on S. East side of said granted premises and on the 40 foot strip ext to the N. West. line of said 40 ft strip, in case any sale of this land should hereafter be made.
5. No sewage or other offensive matter shall be permitted to be drain into Mt. Harbor.
6. Same restrictions on lot across road, of Mt.:-
No building to be erected within 50 feet of

~~of land N. West & So. East~~
the N.W. East. line of Beacon St.
b) the grantor will interchange similar restriction on the adjoining 150 feet of land N West & So. East of said land on an equal depth on Beacon St.

Grantee agrees to assume $125 in addition on shares of taxes on property.

the Grantee hand $1000 down in signing of agreement and balance on delivery of deed.

Aug 28. Tuesday
Eustace Geyer called and told him Cabby Plaza Boston; said could not get rooms at the Hot Springs; went to Nahant but did not like Cape Ann houses; went to Marblehead to very attractive inn, but they did not hotel in their mind; met Rev Roland Carter Smith there.

Aug 29. Wed.
Mr James M. Metcalf, surveyor, called and marked the bounds of the said property. I called up Mr Brownell, Coast Pilot and asked him to draw the deed. I gave Metcalf the centbreak of title and the sales agreement to give to Brownell.

In afternoon Dr & Mrs Stoddard called and later I went over the property with him. I explained to him the deed as to the title to Beacon St, - that the Town owned 1/2 and we owned 1/2 - 1/32; that in the deed we would convey all of our right, title, & interest in the bed of the Road, between the lots, to him.

Aug 30. 28. Thursday
My 67th birthday.
Catherine Grant lunched with me and gave me 2 books, - 1. a velvety wine knife, by Gh Slem; 2. "He rather enjoyed it." by Woodhouse.
Made my 67th birthday. Born Aug 30, 1861

Sept 1. Sat.
Gertrude Keyes called me on telephone. She visits Lucy Anderson Tuesday for 2 days, then returns to Boston.

Sept 2. Sunday
Catherine Grant brings over the Misses Hawlands. She speaks of a raven of eggs in N. Bd. standard of this morning. I at once compared it. It is well done. (Such bos)

Sept 3. Mond. Labor day.
Sleep for Prov. on route to Washington

Sept 4. Tuesday
arrive Washington.
wrote Rachel Hall a letter. as to Gertrude Keyes.

Sept 4
Geo Y. says he and James went to N.Y. last week and talked with Young, Crowley, Keyes & Harrison & Crowley offered; that Harrison wanted to sell the lease but the others could not consent; that they coddled Harrison; that he thought if Geo S. died never they could never choose Harrison

in his place.; that Geo Y. said if ever the N.Y. officers complained the Bd did not hold him he could say it trusted him as much as did their directors who borrad any sober Tuesday citizen of Brit. C&Co or Prot Sec co and consent of Crowley, Young & Keyes.

Sept 7. Monday
Geo Young said Norman said he was going to close Tuesday Brit. C&Co & let some gold go C&Co to U.S. We are agreed to let this come without obbetting. Geo Y. said if it came this Mr Cox would simply take down this M directs. James claimed that as long as call loan rates were higher than discount rates the Cos could loan the amount on call rather than reduce their directs. Geo Young denied that they could be guided by theories in the matter & showed how some N.Y. Cos had sold bond holdings at a loss than reducing two thousand their M directs otherwise necessary.

James said he was satisfied that N.Y. was.

being well managed by its directors & was satisfied the credit demand of 2 or 300 millions for crop moving could be met. The Bd then gave permission to Mbers to buy bonds of Nd. Int. credit certificates under certain restrs. Gov Young said the Mbers would document reasons for such bonds, and the Board accepted for inter bank redisct at same rate as that in force at the directing Mbrs; the Mbr N Y Nd it would be glad to latch any such redisct. In this way Gov Y. believed the crisis could be moved successfully.

Gov Y. said Harrison said that Norman said he was going to stick to Monetary British Ex change and let some gold go to U.S.

Gov Y. then told the Unknown Board wholly in confidence of Florida that a differential ~~duty~~ rate by given to 15 day notes secured by Govt bonds. Bd. The Board disapproved this vigorously. See Miller wanted Gov Y. to sign it but he said it was advisable to show that the See. & the Bd were in harmony. Finally rather reluctantly See M. signed it on behalf

such a differential rate would have greatly helped the Treasury in its financial operations, but Sec Mellon never thought of letting such an advantage. This appears to be an answer to Dr Miller's claim that a Sec of Treas. must, even unconsciously, dominate the Board!

Sept 10. Monday

Wrote Manager of Hay Adams House that I would take lease of Rooms 422 & 424

Sept 11.

Received letter from Rachel Hall dated Sept 7. very appreciative

Sept 13.

Wrote Mrs McNeven that Bertie told me she said she wld like to buy a stick across Beaux St in front of her Property at Mt; that if she wished to look into it I would be glad to latch with Cecil Barnes about it. Barnes came over in afternoon and agreed that for $2000 the act was a bar thrill and in every respect Mrs McNeven would agree to buy it. I told him at least inferior of the 50 ft restriction.

Sept 16. Sunday

Has Dillwyn writes that I was in a very bad state and that it was agreed that this bond should be considered to be I acct for the purchase of salt, and that she wishes to buy this.

Wrote to Brownell to try and buy this 1/32 nd. in the under Beach & Co. see N.Y. Send him old correspondence as to this and the deed rel. purchase from other heirs of Abraham Payne.

Called on Gertrude Hyde. She asked me to lunch w. her in Boston. I pleaded another engagement but said I would call on her at 3.30

Called on Catherine Grant and said I was thinking of inviting Gertrude to lunch at the Somerset Club tomorrow and asked if she would chaperone us. She at once said - why not have a lunch alone and the drive out to see the house? Then she said - I suppose that is selfish, and I will of course come. We left

it in that way, Catherine saying she would be there any way. I asked Bertie and she said there was no harm only I should not be invited, so I determined not to ask her & telephoned to Somerset Club to reserve a table for two Monday Sept 17

Sept 18th.

Called on Geo Hardy. W.H. Bennet.

The grimly relentless no more Grot. Shes sled be compelled to lend us the money asked, but that accep. rates sled be lowered & accepts compel; that the proceeds on sale of assets pilfer into the money mkt must slowly the purchase of Gr. Hes.

Called on Gertrude Hyde at Copley Plaza about 12.15. Ned Stone was also there & said nothing about asking me to lunch. Gertrude repeated I could not have accepted her invite to lunch given yesterday but she said he had another "important engagement".

At 1.30 she went into ladies rest hall of Som. club & met the San Andrew who said Gertrude was there lunching w. Mr & Mrs Codman! Then Catherine came in & I told her. She at first thought I had accepted Gertrudes

invitation & then got out of it by telling a very
unfortunate engagement. I told her, however,
that I decided not to ask her to lunch
today as I much preferred the society of
lunching alone, & that I had repelled Gertrude
from invite to lunch because of a very
unfortunate engagement.
We went in & had a very pleasant lunch.
Catherine looked very thunderous and distempered.
Finally Gertrude came in and with a smile
slightly suggestive of a leer, said - "Now I know
what your unfortunate engagement was!
I at once said to Catherine so Gertrude did
mean - Gertrude is very discreet." G. said
to me I will never like Bertie!"
She evidently thought we had made a
date unknown to Bertie, and we thought
it a good joke to let her think so.
I believe she thinks she now has a
hold on me!
We drove out to Catherine's new house
and I liked it very much.
I then drove to Forest Hills & then back
to the club.
Wrote Rachel Hale from the club.

Sept 18. Tuesday
In Washington
Signed lease - Hay - Adams House for 7 months
beginning Oct 1. Pd 1st month rent, $220 in advance.

Called Bertie on telephone. She said Catherine
Grant called in afternoon and they had a
good laugh over incident of our lunch and
Gertrude's hope.

Sept 19. ~~Tues~~. Thursday
Leave for Mt in Red. Cp here

Sept. 20. Friday.
Catherine Grant comes over and leaves me
a book to read. I told her I hoped she
would occasionally write me and tell
how she was getting along, and she said
she would.
While in Boston last Monday on way out
to her house I asked her to drop "Mr
Hamlin" and substitute "Charlie". She
laughingly said she would but that
her family would make all sorts of
fun of her. When I left her house she
called me "Charlie".
Today I told her I did not want her

to be embarrassed and suggested that if she wished she could call me "Uncle" when others were present or I was away, and that when we were alone together she did call me Charlie. She smilingly replied she would do this.

It pleases Bertie and myself close to have Catherine move to Boston, and especially as she says they will probably be in Oakland next summer. She has been most kind and devoted to us since Anna left us and her coming over with the children has meant so much to Bertie. We both love Catherine and love her almost as if she were our own child.

Sept 22. Sat.

Catherine Grant came over to bathe with the children. She loaned me "Chronicles of Clovis" by H H Munro. (Saki). yesterday.
She said again how sorry she was to leave Fairhaven and also said she would write me from time to time.

Sept 23. Sunday

Catherine Grant dined with us, also Mrs McCormick, and Mrs Riley and Mrs Parker, Mrs McCormick's guests. Alexander Grant had a cold and could not come.
On leaving Catherine asked me to write her some more of my delightful letters and I said I would and that in writing me she should begin with Dear "Grandbother" which she said she would. She shook with deep feeling of Bertie & said she hoped she would surely spend the day with her whenever she came up to Boston. She also said it was not beyond the bound of possibility that she might be back at Fairhaven or thereabouts next another year. I told her I would write her a birthday letter.

Sept. 25. Tuesday

Catherine Grant came to Boston
I go to Wash. by N.H. & Lyn

Sept 26. Wed.

I write Catherine sending back a book she loaned me and giving some recommendations

of Longwood.
Dined in evening at Met. club with Helena. We spent the evening together and listened to the radio.

Sept 27. Thursday
spent evening at Met. club with Helena – listened to Gen Smith's radio sermon at St Paul.
Met Dr. Rublee then. He said Gertrude Rogers was at the ~~Hot Springs~~ Carlton Hotel & that he had seen her friend; that she was very much startled when I my suggestion that she therefore a statement as to her relations with her husband that she said I evidently thought she would drop dead at any moment; that she was very angry because Mr Rogers had talked with him about her; that she knew I had also talked with him and at first he intimated that she was angry with me for doing this; later however, he said she was not angry with me. I told him she had given me full authority to talk with him at any time; that I could not imagine how she knew I had talked with he last summer. He said she did ~~know~~, however. He said in his opinion she was of sound and disturbing mind, altho she was neurotic

and intensely nervous. He said he absolutely agreed with me as to the desirability of her getting down her differences with her nephew.

Sept 28. Friday
Meeting of Fed. Adv. Council. Discussed the rate question. Gov J. said the Board might hardly serve have before it two requests: to increase rates at Chicago from 5 to 5 1/2; to reduce rates at Cleveland from 5 to 4 1/2 %; that the Bd would stultify itself to grant both.
The Council seemed generally to object both, laying ground that to lower Cleveland rate to 4 1/2 would be construed as a change of policy of the System wh. would start wh stock exchange speculation.
Mr Fowler of New City said that if local conditions warranted a lower rate at Cleveland it should be put in.
The consensus of opinion was that the 5% rate was not injuring business.
Mr Alexander said that the fact that business men tend to pay at least 6% was depressing.
He agreed with Mr Young that the discount rate at the present time was a National

question that said he believed all rates should go down to 4 1/2 %; that this would stimulate business. He said the general feeling was that the Fed System were trying to control stock exch. speculative rates and that in his judgment speculation could not be controlled by discount rates. He favored a 4 1/2% rate to show the country that the System was not trying to regulate the stock exchange.
He said he did not agree w. those who claimed that lowering rates from 4 to 3 1/2% in Aug. 1927, was a mistaken policy and that we might have gone back to the 4% rate a little sooner than we did.
He said he was extremely pleased at the speculation in N.Y., & felt we could not control it. He said liquidation a a break was certain to come but he could not say when we understand why it had not come before this; that even if a 4 1/2% rate might further increase speculation it would in the long run correct itself; that many of the borrowing clerks were not so overworked as the country seemed to think.
He was asked what would happen if the Comptroller etc suddenly withdrew say 500

millions of the money now in call. He said there would have to be a liquidation and that the Banks would not take over these loans.
Gov Y. said in such case we might have a panic. Later, Alexander questioned this statement & said the Banks would help as far as able. & the system also would do its part.
Mr Crissinger defended cheaper money from 4 1/2 to 5 against James attack & said the increasing loans of the Bank made the advance necessary.
James said Chicago was worried at the open market credit policy at which it was agreed to make no further advances but immediately broke the agreement, giving no reason.
Alexander said no rep. of a Reserve had any right to agree on discount rate action, that that was settled by the directors of the Bank. It was resented and that there was no such agreement
The council suggested making all the Reserve members of Open Mkt Cmte, but with an exec. committee having full powers.
Gov Y. said this appealed to him, but Miller

objected to giving the exec. comm any trouble
act.
Mr Y. asked if it would be advisable to call a
direction of other bonds whenever a rule
measure was asked for, but the council
did not seem friendly to this,
Finally Mr Y. suggested the feasibility of asking
the council to advise they would in any
note issued, and the council raised
no objection to this.

I started to write Rachel Hale about Gertrude Hayes
when suddenly something seemed to say to me that
she is here in Washington. I called up & found
she was but was resting. Later I called again
and she said she had returned unexpectedly
and would have called me up before (she
arrived on Tuesday) but her trunk was in
utter confusion. She begged me to come right
over, which I did, at 3.45 P.M. We had a
delightful talk of 1½ hours and I told her
everything Gertrude had said to me during the
summer. She said my letters were perfectly
phenomenal - she had never read such letters,
and that Mary also was entranced with
them, and would often read them at the

door in Bar Harbor and say - another "divinely
fine" came, & they would both run up to read
it. She said she told the Rodgers about my
letter describing Gertrude's visit, but they
finally destroyed it for fear some one
might see it. She talked at length about
Gertrude's mother and said he was a bad
lot.
She said Hayes Lemard told her Gertrude
had taken 30 and 40,000 this year. She said
she could not tell me exactly what her
income was - she was so secretive about
such matters, but she imagined it was
not as much as that. She said Gertrude
was amply able to take a house in the
summer, and not expect her friends to
entertain her for long visits.
She agreed with me that Gertrude really
was crazy to marry.
As I left I said I would call her up
when I returned Wednesday & she said
she might ask Gertrude & me to dinner.

Sept 23. Sunday.

While at dinner some one spoke of Trilby in the Maurier's novel and asked me to tell authorship of Sweet Alice Ben Bolt. Some one else said it was an old Scotch song. Old said if he memory served him right, it was written by a N. Jersey dem. member of Congress. All laughed at this and I bear Catherine Grant and the others thought my mind had weakened by old age.

The next morning, Monday, Sept 24. I called up Centre of the Mbers of Berto and asked him to find out. He also suddenly thought my memory was weakening.

In about an hour he called me and said that Sweet Alice Ben Bolt was written by Thomas Dunn English; - (born 1819, died 1902) when a very young man; that it was first published in Willis's N. Y. Magazine in 1843; that from 1891- 1895 English was in Congress for N. Jersey; that the music was written by Nelson Kneass, an American composer. When I got this message I nearly shouted with joy at this vindication of my memory, and I at once wrote Mr Stanley Lockwood and Catherine Grant

who were both at the dinner, vindicating my memory.

Sept 1. Monday

Left Mt for Wash.

Sept 2. Tuesday

Called up Rachel Hale and had a nice chat with her. She advised me to call up Gertrude saying she was most friendly to me both.

Called up Gertrude & she begged me to dine with her tonight at Carlton Hotel.

I then wrote Rachel that I invited Gertrude and invited her too to chaperone me as she told me went to dine in her "sitting room."

I said if she was not at dinner I would call on her tomorrow at 4.30.

Dined with Gertrude in her sitting room. She did not seem to want to mention the mem. about her nephew. She could not see the use of it as being of sound mind the nephew of course could not have the money. She said he would receive a large property when she died

left to her her life by her sister; that she
wished to leave her money to the cathedral
to found a memorial for her brother, in which
she would Rathbone as she would be buried
there; that her nephew would be very well
off and had no possible claim on her.
I wrote Rachel Hall saying I would drop in tomorrow
~~Oct 2.~~ at 4.30.

Oct 3. Wed.

Was with Rachel from 4.30 to 5.45. Had a long
talk about Gertrude. I told her she choke of
having destroyed my letter about Gertrude
visit with us and asked her if I had not
better destroy her letters to me about Gertrude.
She said she thought I had better and I
told her I would. She said she was so afraid
she might leave that Rathbone letter on her
desk & that Gertrude might sit down to the
desk & see it, so she destroyed it. I told
her it would be easier to write frankly
with the knowledge that her letters could
be destroyed and she agreed with me as to
this.
She said Gertrude said to ~~her~~ her & Gwendolen
not tell me you had a long letter wi

Charlie over the telephone the other day, and she
gave her a somewhat equivocal reply.
I said - as I said to her over that I called
you up to ascertain whether you had returned,-
absolutely nothing more. I told her that
Gertrude exaggerated so that you could not
believe anything she said; that if G. were to
quote her you to me as saying something I
would not believe a word of it, and would
simply tell you of it when I saw you. She
said she felt the same way.
She said she went to see Gertrude the other
day & that she looked wretched and down
in the dumps - very slopphy. I embarrassed
this. She hurry ahhreciates that the nephew
with a shelled lawyer could make out a
case of oddity and in some things of abnormality;
that she felt she & I were G's closest friends
& that it was our duty to watch over her
& guide her.
She said G did not want to purchase a
mem. as to her troubles with her nephew
& she felt that really there were very little
to hit & that the thing was only she did not
do it.
She loaned me the "Old Park House" to read.

She said she looked her dining room would be fine for paint next week when I returned and we did have dinner together, and asked me to call her up.

Oct 4. Thursday
called up Gertrude for Bost. club after dinner and asked if I could come over and maybe a dinner call. I spent 1/2 an hour with her.

Oct 5. Friday
I destroyed all of Rachel's letters, 3 in all, dated July 1.24. July 24.24 and Sept 7.24. They were so much about Gertrude that we both agreed it would be better to destroy them and it would make it easier to write in the future with perfect frankness on the subject. They were addressed - "From Charlie" I returned to Rachel the book "The Dark Frame" which she loaned me. Told her I had destroyed her letters. A long letter.
called on Mrs Rodgers and saw the Col., Raymond, and his two children.
I spoke casually of Gertrude but she said nothing. In my letter to Rachel I said I would be circumspect about speaking of Gertrude to Mrs Rodgers but that I hoped she would tell her sister as to our talks and letters.

Lunched with Edith Helen at Women's club.
Left for Bost. on Nor'eastern

Oct 6. Sat.
At 1 P.M. Bertie telephoned Catherine Grant asking her to come tomorrow with the children. She said she could not as she was nearly exhausted settling in the new house, and that they were all going to Wareham next Friday, Columbus day & would stay until Sunday evening, and that they wld surely take a meal with us. She told Bertie she had received my letter but had been so busy and wild sch that staying home was all she could do. She begged Bertie to go with me to Longwood Monday & for Bertie to spend the night. Bertie said I would not be in Boston as I did not get a berth on the Federal but could go to N.Y. and take the midnight to Washington. Bertie promised her to go to her in November.
I told Bertie not to say I wanted to talk with her over the telephone, although I was right there, - because she had not answered my letter, and I feel confident she must have misunderstood this, as never

when her letter reached me. How did Bertie send her my love. I think soon she will answer my letter!

Mon last week I sent copies of my mem. on Cobbed of 3 1/2% rates and also list purchases of Govt securities from Aug 4. 27 to Feb. 28 – on stock list speculation, – to all members of Bd & Fed. Adv. C., see Miller, Leyden Hills, Geo Strong and all Execs, Deb Geo Case, all Mt appointees, Burgess, Harrison, & some directors of Mfrs, George Roberts, Alex. Vogelstein &c.
See Miller wrote me a letter copy I had proved my case & that he was glad to have my mem. on Outlook me.

Oct 7.
Took out from our letters as to answer the letter of Rachel Hale written in the spring of 1925, so as to put it in my trunk with other letters.

Oct 5.
Paid Ned & George each 2175 being 1500 on note dated Jan 5. 1921 + interest at 5%.
I did not know date of note & computed it from 1919. However I put them on my share of Conn transfer taxes, so I said nothing about it.
Oct 6. Sat.
George gave me both Ned's & his note and said he did not want me to pay interest. I heartily insisted on doing this & he finally said or intimated that he would credit this interest payment to our tax account. I tore up George's note.
Ned's note had indorsed on it a part of interest of 350 being value of furniture bought of us. On this note were printed Harris's mem. as to value of the furniture. Ned is owed on $350 but this can be credited towards the tax account.

George said Hadyden who before the war claimed to represent a Belgian syndicate, was now working out plans for a huge steamship in England & the Conn Transport; that the scheme was already underwritten; that it was only awaiting some final bids as to details of the work; that the Gas Co. and the

Radiator Co had agreed to substitute to the initial cost of plans etc. Harp said he showed him most elaborate plans worked out, apparently, in most minute detail; that he said he had an option on land of E. Boston Land Co. on which he could that material dredged for the Cow Pasture channel; that it would require much more dredging than called for by War Dept; that the channel would have to be 40 ft deep & 1200 ft wide; that an enormous power plant would also be built; that the Co. when formed would pay cash for the Cow Pasture, and he only looked for & had said would be reasonable.

Harp said they really had origin to things there might be something in them.

Harp sd H. sd he was to have a back share in the common stock of the company; that he was willing to divide this with them if they wd see at a reasonable price.

Let us think it may come true.

Harp also said Charles Hellier told him that a company had been formed in Chicago called Metropolitan Industries, Inc. 4 million preferred stock, 2 millions common, and a large amt of stock w.o. par value; that the only property behind it were the common stock shares of Nat. Coal Co. Inc. sd this latter stock was paying no dividends nor had ever had it, as I understood him. He asked me to look it up in Moodys Manual for 1928.

Harp said he thought Bertie owned 1700 shares in the N.E. part of the Cow Pasture, each share representing 500 sq ft = 850 000 sq ft; in the South side he thought that was not sold & owned 1/6 th of 900 000 sq ft = 150000. Total 1 million feet.

Indexed to here

Oct 8. Monday

left for work. see Boston

see Mabel Delano asking him & Mrs Delano to come to us next Friday for week end or longer if they could, in order to embrace Catherine Grant who was to be in Fairhaven Friday.

Oct 9. Sunday

In Work.

Rachel Hale telephoned at 8.45 am asking me to dine with her at 7.30. She said Harold Washington was to be there and could not wear even a dinner jacket so she asked me not to.

Called on Robt Prings at Mayflower but he was not stopping there. Met Rachel Hale later calling on Miss Harper.

Dined 7.30 with Rachel Hale. Present Harold & Mrs Washington, Major and Allen Lemard.

Mr Washington came in a dinner jacket as did also Major Lemard. Rachel apologized to me for inviting I shd not wear evg dt It was a very hot evening & he felt like a polar bear in my heavy winter outawey I remember telling Washington to get a summer shirt in Egypt in 1894, at earnest request of Jack Wheelwright. When Ned & Helen went abd I gave Ned a letter to Washington of which he took no notice. We had a delightful dinner and I sat on Rachel's vis a vis. After dinner she asked me to sit in the corner with her & we had a nice talk about Gertrude

she repeatedly, as also Allen Lemard, called me "Charlie".

Oct 10. Wed

called on Gertrude Meyer. She asked me to come to dinner with Miss Day and herself. Dined with her. After dinner when I got up to go Gertrude also arose but suddenly said hard, wait. I am in agony. Mrs Day & I hurried after her. She had, she said appalling pain in her tummy. We made her walk up and down the length of the hall, and from the train seemed to subside. She said she had sat out on benches thro the morning services at the cathedral, & I think this cold sat on it.

Oct 11. Thursday

Wrote Rachel Hale body as to above.

at meeting of Bd James complained of Bd Stmt as to retail trade dated Oct 10.

He said the stmt 2 mail order houses had mend 24% in Sept '28 over Sept 27 was false and misleading as it gave the inference that retail trade had increased that amount whilst he knew as a business man that this was not true; that these 2 houses had bought out many

retail stores and had established others; that these new stores had of course added to their gross sales but the increase may have come from temporarily exciting stores; that this therefore ∴ did not represent additional buying by the public.

Goldenweiser explained that while this may be true, it was covered by that part of the statement that the figures of these firms reflect in part an increase in the number of retail outlets placed in operation each month.

James still objected and moved to decentralize the publication of retail trade.

CEA moved that the statement be amended by adding a sentence that this sentence, until the number of stores be ascertained & published shall not be taken as a measure of retail trade.

Failed. CEA & James voting Aye.

Eccles, Miller, Platt, Cunningham No

It was finally agreed that the sentence should be published, but a note of explanation should be put in the Bulletin.

James said these CEs were trying out debentures & that one sentence could really decide the

public & avoid the CEs in relaying the debentures.

Bd Cont. with exp. auditor of St. Ll Exp

Fine Tony observed a resolution that hereafter the Managers be charged with this duty; that Chief Exam. Helm be given duty of seeing that the Managers perform this duty; that Mr. Avery shall no longer send reports of state examiners to Board (except in small cases - exclusion of banks); that examiner Dunn - Gulbert - shall be abolished.

Cunningham objected. That reports shall continue to be sent to Bd.

CEA suggested that if so they shall be sent to Helm & this seemed to satisfy Cunningham.

Miller asked that Helm be requested to report to Gov. Tony to which latter agreed.

Finally Bd agreed to print Gov Y's suggestion & to take this up when he returned from Texas.

Miller did not seem to have the time.

CEA believes it a bad solution.

At last meeting Bd voted a formal resolution that credit investigations shall no longer be used in lieu of examiners & cost of examiners must be assessed on bank examined, but

then not to take object matter discussed by Ned.

debt on Ned. Ned Gch.

Mr Delano wrote Bertie that Ned. had gone on a trip to Smoky mountains & they did not c. visit us now. In the letter she complained about "her daughter" saying she supposed she was well & felt well, but that she had telephoned only twice & had not written her for a long time. Catherine, as Ned knows is not a good correspondent.'

Oct 8.

Ned writes me giving correct amount of interest. also sends Nott & sends check of 468.73 as follows:

June 5. 1921. Note	1500
Int to Jan 5. 27.	450.
Int Jan 5 27-June 1.	29.98
	1979.98
credit. sale of Gen.	350.
Int June 1. 27	1629.98
Int June 1. 27 - Jan 1 28	57.50
Int Jan 1. 28 - Oct 1. 28	18.79
	1706.27
Oct check	2175.
amt due	1706.27
	468.73

Grasp also wrote Oct 8 beginning note and interest for 7 years & 9 mos. Total 2081.25

Oct check	2175.00
amt due	2081.25
	93.75

Grasp sent check for 93.75

Oct 12. Friday

Catherine Grant with aunt and Ned came down to Fairhaven to stay until Sunday afternoon. She dined with us at 7 and we all listened to radio speech of Franklin Roosevelt at Boston.

She said she really wanted me to go out to her house in Longwood Monday while waiting for the Federal Express.

Oct 13. Sat.

Catherine Grant brought Miss Abby Hemenway over to tea. She told me the reason she had not answered my letter was that it was so delightful and brilliant that she felt called on to write a long to write a similar letter in reply & that she had been so busy with the new house she had not written even to her Mother. She said if I would accept a short, uninteresting letter she

Sept 13. Sat.

Colette & Helen come to visit us.

would gladly write. I said this would all I wanted and if she did not write soon I would send her a letter combined of different statements & all she will have to do would be to check the statement she preferred; that I would then enclose an addressed envelope & lick and put a stamp on it. She laughed and said "if you don't hear from me within 2 weeks, send on such a letter."

Bertie and I took in Catherine as if she were our own daughter.

Before leaving I agreed to call at her house Monday after arrival of the N. Bed. train - 5 PM Monday - & she said she would try to get Judge Grant to meet me. She also begged Bertie to come with me & spend the night.

Oct 14 Sunday

Dined at Marion with the Stanley McCormicks.

Oct 15 Monday

Left Alt for Court.

Called on Catherine Grant at 5.15 PM.

(4 9 Worthington Road, Cor. Amory St, Longwood Brookline. Tel. Ashmont 2718).

Judge Grant and Alexander were there and

we spent a very agreeable hour. I drove Judge Grant home in my taxicab.

Catherine begged me - as did also Alex - to come out whenever I could, and said she would give me a quiet dinner the next time.

Judge Grant said he should vote for Hoover but realized that his election would bastion Prohibition in the country forever. He seemed very distrustful of democratic radicalism. I fear, in his heart, he distrusts the R.C. church.

Catherine told Bertie some time ago that he was going to vote for Gov Smith.

Oct 16. Tuesday

At Court.

Called with Rachel Hale but she had gone to Portland for 3 or 4 days.

Geo Strong died this morning in N Y at a hospital

Called on Gertrude Hayes.

Oct 17. Wed.

Col. Platt & comptroller attend dinner of Balto clearing house in honor of

burned opening of Balto Branch of Mbank of Richmond. I was not on list as a speaker but was called on at the end & made a short address. I sat next to Ned Delano.

Took midnight train to N.Y.

Oct 18 Thursday
attended meeting of directors of Mbank N.Y at 11.30. Lunched with at 12.30.

2 P M
attended funeral of Geo Sheing.
a splendid outpouring of Democrats.
He was a genius – a Hamilton among Democrats. His talent will be almost impossible to fill.

3. P M.
Took train to Providence & took 7.45 P M car from Providence to N as Bedford where I met Bertie & Colette Helen at N Bed hotel, they having attended a Hem. rally.

Oct 19. Friday
wrote Catherine Grant a kind & cheerful letter. asked her to come down some day next week.

Oct 22. Monday
wrote Lady Amer – Dunwood – and asked her to lunch with us.

Oct 23. Tuesday
Bertie called up Catherine Grant at 8 P M to see if she could come down to us this week but she said she could not as Alexander was off on a hunting trip & would probably return on Sat. She told me she had sent me a letter to the Common Club yesterday, thinking I was in Washington. She said she would surely come down when we left town.

Oct 24. Wed
attended directors meeting of Mbank. Bertie at noon we all went to the Walhalla Inn founded in 1806 and Rudolph Allen one of the directors gave us a lunch. after lunch Mr Allen drove us about 10 miles to his house in an old stage coach, owned by the Inn, drawn by four horses.

Oct 24. Wed. Anna Nance came to me bur-nyed

Oct 25. Thursday

Edith Helm who has been with us 10 days left today.

Anna Nance left today.

Oct 26. Friday

Dear Anna's birthday.

Catherine Grant sent us some beautiful chrysanthemums and Mary Hamlin & Harriet & Jane sent flowers.

Anna Nance gave Bertie a beautiful box.

I am hardly realize that Anna would be 28 years old today. She is still as near to me or nearer to me than when I heard. We are still stunned but will work away - believing fully it is our duty, and that she is with near us.

Received a letter from Catherine Grant dated Hend. Oct 22 and sent to Cosmos club. Reached here only today. She addressed it - "Dear Charlie." a very well written letter.

Oct 29. Monday

Called up Catherine Grant to see if she would be at home this P M - saying I would call out to see her. She said she would be at home and invited that I dine with them at 6.30. I said I would come out and asked if she would go with me to call on Lady Aberdeen. She said she would.

I called about 4.30 and then we walked over to Lady Aberdeen and had a delightful call - she gave us tea and kept us till an hour. Nellie Alexander & the children had supper at 6.30 and I left about 7.10 in ample time to catch the Red Cyclone at Buck Bay. While Catherine was dressing I had a good talk w. Alexander about brothers Jones; he first called me Mr Hamlin and I formally said Tom Potter has called me Charlie for 30 or 40 years; I called Tom Alexander for many years & went to Centre. Bertie and I look on Tom and Catherine as a younger brother & sister so pleasant, at least in the bosom of the family, call me Charlie. He seemed very much pleased & asked - will you consider it presumptuous? I said absolutely No, and when I left he so addressed me.

later I told Catherine of this and she was very much pleased. She told me, during our walk, how she loved Bertie and what a wonderful woman she was and said she too felt towards us as a sister to our elder sister & brother.
She bravely said I must send this report away a nice bread & butter letter.

Oct 30. Tuesday
Lawrence Evans was found dead in his car at the Country Club at 2 am this morning.
called on Rachel Hale & she asked me to tea tomorrow
called on Charles Warren & he asked me to dinner tomorrow.
called on Gertrude Leigh.
Telephoned Bertie & she told me of death of Grace Lyons Mechlem.
Mrs Henley called on & said Robert Lansing died at 4 P.M. today

Oct 31 Wed.
took tea with Rachel Hale. She asked me to promise that if Gertrude Leigh was quoted her to me as saying anything unpleasant about

Bertie or myself, to put it down as a deliberate lie and come & tell her about it. I gave this promise and she gave a similar one to me. She said Gertrude once quoted her falsely - after saying that the wife of Bishop Rhinelander was a dangerous woman - and that it embarrassed her very much.
she said if Gertrude was replied the intimate family relationship between herself, Bertie, and I, she would be horribly jealous and would try to break it up at any cost.

Dined w. Mr & Mrs Charles Warren.
Mrs Barrel and Mrs John W. Davis were there. Mrs Davis was asked about the election and said - frankly between ourselves, John Davis & Smith has no chance, and Col. Hanna told me a few days ago that on the first time he began to feel there was a chance of Al Smith's election.

Nov 1. Thursday
attended funeral of Lawrence Evans at 3.30 and of Mr. Lansing at 4. sent flowers to both and wrote Mrs Lansing a note of sympathy. Sent a long bread and butter letter to Catherine Grant.

Nov 2. Friday
left for Mtl & Fed. Exhibn.

Nov 3. Sat.
at Mtl.

Nov 4. Sunday
The Bost. Herald said Mr & Mrs Alexander Smith were to give a dinner at the Chilton Club and afterwards attend a Cohoon at which celebration, movie, dance etc at Roxbord given by Mr & Mrs Mann. Evidently Mrs is to be a Rebel. shrill. Catherine told me last week that Alexander would probably vote for Hoover. I believe, however, Catherine will be steadfast and vote for Mr Smith.
In afternoon called on Miss Hathaway in New Bedford and in the Haviland girls at Fairhaven. They talked constantly in high praise of Catherine Smith and almost in contemptuous tones of Alexander Smith. They said he was extremely selfish & did not appreciate his wife.
Anne Nourse when here 2 weeks ago said she saw a good deal of Alexander at

Vaharit this summer and thought him very disappointing & uninteresting.

Nov 6. Tuesday
We voted at 10 am
Dined w Mr & Mrs Pease, Fairhaven
Listened to returns at Mayor Ashleys office.
City Hall.
Austin a Democ switch for Hoover.
Mann went for Smith.
R. I. " " " .
Nattahanett vote was:

Hoover. 534.	Smith 131		Increase over 1924
Kennf. 467.	Walsh 146		Hoover. 19%. Smith 157%
Allen 505.	Cole 112		

Mann

Hoover. 519.	Smith 80	Incr. over 1924
Kennf. 450.	Walsh. 109	Hoover 34%. Smith 150%
Allen. 481	Cole 81	

Mt gave Mr Smith the largest vote ever given to a Dem. Presid. candidate.

Nov 9. Thursday
we celebrated Franklin Roosevelt's birth by opening the bottle of sherry given me by Catherine Grant. We called up Catherine at Longwood but she was out at dinner.
We also sent a letter to Franklin Roosevelt.

Nov 9. Friday
went to Boston
called up Catherine Grant. She said she wrote me yesterday and was coming down tomorrow; that Bertie had just telephoned w. her over telephone & she was to dine with us tomorrow night.
attended stockholders meeting of Plymouth Bank. Heard short address.
Gov Young also spoke.
Received very sweet note from Catherine dated Nov 8.

Nov 10, Sat.
Catherine came to dinner at 7. P.M.
she asked me to come out a week from Friday, my last visit to Hill for the season and said if I told telephone she told Bertie I was frankly if she had any evening engagement which

would prevent my staying for early dinner.
Bertie said she told ask her to call him "Bertie" but Catherine herself did this so Bertie did not speak of it. She also had called me "Charlie" before Bertie. She also said she wanted me to continue writing her altho she appreciated her letters in reply and not of worth reading.
We again whirled the bottle of sherry and drank toasts to Franklin Roosevelt and Gov Smith.

Nov 11, Sunday
In afternoon went to Boston.

Nov 12, ~~The~~ In Washington, Monday.
~~The~~ Dr Frankenweiler arrived with. to attend a Congress to talk him in his statistical work, w. relation to Russian statistical data, the work to be done in Wash. & the men actually now living there. Dr F. said he had tried in every way to get an American for this purpose but did not.
Dr Miller objected.
Called up the
asst. Gov F., asst Clerk
No Miller, James, Cunningham.
How narrow!
In evening Common Club had its 50th celebration

Nov 12. Monday

Mrs Pennington sent me check for $5.78 being 1/2 of royalties on Indian Chem. for Jan – July, 1928 which I at once forwarded to Mrs Cunningham, Sec of Wom. Dem. Club. called on Mrs Delano.

Meeting of M Agents.

Nov 13. Tuesday

Dined w Mrs Delano and listened in on Gov Smith's radio speech.

Mrs Delano seemed in fine shape. She said Catherine did not want to leave Fairhaven. ~~Dined with Sabra Helen at her apartment.~~

called on Rachel Hale but Mrs Hand said she was not at home. Then called on Gertrude Moyer who said Rachel Hale had not been well & had been ordered by her new Doctor to go to bed for 10 days; that he had also ordered her to go to Fairfield Hospital for another Gall Bladder test.

I at once wrote Rachel a note.

Nov 14. Wed

M agents meeting

Dined w. Sabra Helen at her apartment.

Nov 15. Thursday

Rachel Hale called me on telephone at the Common Club at 9 am. She said she had received my note and added, – "Well, I suppose the bad is in the bird!" – referring to Gertrude's statement to me as to her health. She asked me to drive in tomorrow – Friday – anytime and I said I thought I could come by 5.30 or Thursday a little later. She said anytime would be as right as Henry was giving a dinner and she would have to stand around and help.

At the Board meeting yesterday the Bd voted to have a stenographer at the Joint Comb. of Exec & Agents on Friday. Some time ago the Bd voted against having a stenog. & I opposed the idea. Yesterday, however, Dr. Miller said that the discussion over the when NEXT came would be the most unfortunate in the history of the System and he & James asked to have the stenog. take down what was said on the before & on no other. I accordingly voted for this, altho I believe the best that a stenog. what is being made

mine destroy all freedom of speech.
After today's meeting the Comm. came in.
& said Bro Young was terribly wheat over
this vote & felt it was a discourtesy to
him as he had always opposed being a
stenographer present; that Bro Y. thought
the vote was that a stenographer was to
take down all the proceedings at the
joint convention.
I went in to see Bro Young and he was
warily engaged on the resolution of Mulist
based on the erroneous assumption that
the vote required all proceedings to
be taken down. I explained to him the
narrow scope of the vote.
Later at the Bd meeting he read a
Resolution of Mulist claiming that the
Board had no right, or at least he
thought it had no right to direct
that his remarks be taken down by
a stenographer, as they were essentially
confidential & intended only for the
meeting and not for the public. He
also explained the tone that the vote
intended no discourtesy to him.
I at once explained my vote as above

and said that in our conf. meetings of a certain
order that his remarks on any specific matter
be not put into the record, his request was
always complied with & that I had no
doubt this would be the rule in this
hearing. Keech & James both agreed to this.

Bro Y. then put in another resolution that
no stenog. should be made except with
consent of the Comm & agents.

considerable discussion followed and finally
Cunningham after praising Bro Y's business
& courtesy, moved that no such record
be made except w. consent of Comm &
agents.
This was passed, Miller & James voting No.

Bro Y. really seemed to have a brain
storm. No discourtesy or reflection on
him was intended by anyone. The
resolution against having a stenog. record
plainly stated "except in exceptional
circumstances" and the Board merely
voted that this particular time. —
"Other Dept Invest. Com." was an exceptional

circumstance.

Miller seemed very much disturbed at Cunningham's motion requiring consent of the Govs & agents. It seemed not to be forgotten, however, that this was not a conference at which the Bd was considering the affairs of any trouser. It was in the nature, a discussion leading up to an agreement wit. the Board & the Govs & agents. The trousers of the Bd, under the law, were involved in grave doubt & it was considered better to enter into an agreement, wh. was clearly lawful. As it was a conference as to an agreement it was clearly improper to ask the Govs & agents to appear as to a stenographer.

Nov. 16. Friday

Had joint conference with Govs & Dk agents. Principal discussion was over recondition tentatively said before conference by Board as to new letter to be given when next comes. Just before the conference the Govs voted unanimously that no stenographer was advisable, so this, under the Cunningham resolution, killed the matter.

the Board & conference but discussed the when that comes change.

1. The conference voted to accept change in having a Gov from each Cent in Com^e.

Principal issue was whether the Board should create the Com^e of Govs or whether an Bd then recorded the various directors should appoint whomever they wanted on the Com^e - wh. Gov or Chairman.

Newton of Atlanta said the Gov & Chairman should alternate.

Gov. Harding said if the directors adopted the chairman he should immediately resign as Govr.

The conference overwhelming favored the Govs plan - the Govs to constitute the Com^e but each Bank to be represented

2. Exec. Com^e to be chosen by the 12 Govs.

Passed.

The Board draft provided for an Exec Com^e but did not state how it should be appointed.

3.

When next Com^e to purchase plans for purchase or sale of securities in open market.

Board draft subst. same.

4. Primarily w. view of accommodating commerce and business etc.
Same as Board Tele.
Passed.

5.
Passed, but "Exec. officer of Board" substituted for Sec. of Bd.

6. Substantially same as current procedure but for word "action by Board" were substituted "abstained, disabstained or modified action" by Board.
Mr Ranah voted No as he thought "action" was better.
Then an recommendation that was substituted "for such action as Board may deem proper."

Question then arose as to name of Comm
Curtis moved to adopt Boards suggestion - Policy Comm
Gov Seay & Mr Ranah objected as public may not understand it.
Gov Harding says Bd can get it any name it wants.
Change of name voted down

The chief controversy was as to whether the Gov shd constitute the Comm or whether the Boards of Function shd choose it.

Gov Young was asked by Curtis to define "securities" in § of Gov draft.
He defined word as including Bills as well as Govt Securities, to which no objection was raised.
Mr Miller answered Gov Hardings objections as to lack of power in Bd to reconsider any such thing. He said he did not want the Board to operate anymore than did Gov H; that there was doubt as to Boards power to act in any such thing, and that was why the Board was trying to obtain an agreement on the matter; that the Commercial Paper was the very heart of System Policy and that altho operated by our Bank chiefly, it vitally affected all the banks & that Policy shd be considered by all the banks and the Board.

To end it was apparent that a stenographer would have been of little help. The discussion was open, sensible & frank

called on Rachel Hale at 4.45.
We had a long and very satisfactory talk.
She said she had been badly watched by some time & had lost all the weight she had gained during the summer; that her regular doctor, Dr Shiner, was away & that the new doctor had ordered her to lay in bed every day up to lunch, which she had done; that he had also said she must go to Garfield Hospital and have another Gall Bladder test, - which she would not do, at least until her doctor returned. She did not seem at all disturbed at what Gertrude Moyer said to me.
She thanked me for my kind letter - it seemed to please her very much.
She also said she had bought a plot 3/4 of an hour distant from Wash. & near Ellen Leonard & had made a big payment of $1500 on it; that it required a court order which had only recently been issued. I asked if she had a lawyer & she said No except that the Ind. Trust Co were looking the letter. She said she was worried at the delay and said if she needed

any advice she wished to be able to say that before doing so & so, she must consult her adviser - Mr Hamlin. I said she could use my name in any way & she seemed very much pleased.
She said she wanted to drive Berta and my self out to see it as soon as Berta returned.
She asked me surely to come again and see her when I returned next week.
I had abholopped for my somewhat impertinent letter about her health, but she said it was a delightful letter.
Mr it I said that Berta and I looked on her as one of our most valued and closest personal friends.

Left for Ind.

Nov 17. Sat.
In Ind.
Quite warm. Thermometer 58°/

Nov 18. Sunday
Wrote Henry V. Cunningham as to deeding lot in which Mother is buried at Forest Hill, also as to a Mass.

a very comfortable day. Thermometer 58°.
Sat on rear piazza after lunch.
Had dinner alone in kitchen, Celia being out. Ate last drinks of the season. How I enjoyed it, altho we were both sad at the thought of leaving our dear old home.

Nov 19. Monday
To Boston en route for Washington.
Telephoned Catherine Grant to see if she would be at home if I called. She said yes & that she expected me surely to stay to supper.
Went to Tower & Co. & tried on dress suit.

4.30. Called on Catherine. She took me to call on her Harry Hawk. She was overjoyed to see me. Later Mr Hawk came in. We had tea and spent nearly an hour there.
We went back and at 6.30 had early dinner with the children, Alexander and a few friends. Catherine called me "Charlie" repeatedly before the whole table as did Alexander also. Left 7.15 for Wd. Express.
Catherine said her mother and Father had written and telegraphed her as to

some things they wanted to send us. Catherine said they were probably old Dutch and begged me to say to them that her house was now filled to overflowing, - which it literally is.
Catherine again showed of my letter and said she would surely answer them.
I feel that she really considers herself - as we have always felt her to, - as a member of our family, in the light of a younger sister.

Nov 20. Tuesday
Called on Mrs Delano but she was out. Later telephoned her that I had left Alexander and Catherine at 7.15 last evening. She seemed much pleased and said it was good for them & for me also.
I told her how quickly they had filled up their house - that it was now filled almost to repletion. She at once showed of their letter and telegram and said she had had no answer so she supposed they did not care for the things. She asked me if they had mentioned to me the letter and telegram and I saw a some curiosity why by asking what the things were. She shook of

some very old tiger skins, which, however, she said were not of great value as they had been obtained so often. She seemed very much pleased at my calling her up and asked as to my plans.

In evening at 7.30 the Carnegie Endowment gave a dinner at the Carlton Hotel to the Nat'l Grange. I succeeded & made use of my best speeches, which were received with great applause. After dinner almost all of the members came up and congratulated me. It was all radioed over one of the local radios. I broke Better sort of it at 10 where she had invited in some of the Grange to hear it. (See Sec. 24)
Under Sec of State Clark, Ex Gov of Md and Louis J Taber, Master of the Grange also spoke.

Nov 21. Wed.
Sent Catherine Grant a book, entitled Introduction to Drama, which some time ago she asked for on a birthday present. I wrote in it -
To Catherine.
With love and birthday greetings,
From Hubertyn and Charles. Nov 25. 1928

Nov 22. Thursday. Red Adv. Council meeting.
Sent Catherine a Emp birthday letter.
Called on Rachel Hale. Met Sen. Hale there.
Rachel showed me pictures of the place she has bought in Marlboro County: She said the other day Gertrude told her she was going to see the tablets owned by Walden; that she asked her what price she wanted for them and Gertrude said she could have them for $50 each. She went around to see them in a store, auction, and the man said the price was 100 each which she paid.
She said Gertrude made her very angry by saying "You can have them for $50 but I think no doubt you will later sell them at a handsome profit!"
I asked Rachel what reply she made to Gertrude and she said she only gave her a soft answer. I said you ought to have slapped her face, and Mary Hall enthusiastically agreed with me. Rachel asked me what I would have said and I replied that I would have said to Gertrude - "No woman who wears a wig can speak to me in that manner."
There was much laughter at this & Rachel said Gertrude once said to her - my hair under my wig is very white.

In evening attended dinner of currency Conference to the foreign editors. John Barton Payne made a splendid address Henry Wilson and the R. of N.
I met Ned Helms at the dinner.

Nov 23. Friday
Dined alone with Gertrude Hyde. She told me ~~was to go~~ she had reminded in the case that of the 3 executors, only Rachel Hall won to receive any compensation for services, it being expressly provided that Dean Beatenahl and Dr Rubbin were to serve without compensation. Learned this as she had told him to Dr Rubbin when she asked him to act as executor and she said No. I suggested that she ask her lawyer, Mr Clebhane, whether she ought not to tell Dr Rubbin this, or at least give him some honorarium in the case for so acting, however small. I fear that Mr R might decline to serve under these circumstances and if the Nephews should then contest the will on the ground of mental Dr R's testimony would be vital & his refusal to act as Executor might be very embarrassing.

Gertrude seemed not very friendly to Rachel Hall. She said that some little time ago she was walking around the Washington monument and sat down on a bench; that later Rachel said she also drove to the Monument and walked around; that she saw some one in the distance who looked like Gertrude just as she - Rachel - was leaving in her automobile, but that she was so tired she really did not have strength to ascertain wh. it was Gertrude and then came to lunch.
Gertrude did not say she had seen Rachel but said Rachel evidently had a guilty conscience & she seemed very angry about it, saying that tried as she was she had strength enough to drive her old friend Mr Appleton of N.Y that afternoon to her new house in Md. She said Mr Appleton altho a great admirer of Rachel for many years could not have ever proposed to her for one could not conceive her turning down Mr Appleton and accepting Chandler Hall. She added that Mr Appleton was a very fine looking man, tho not very brilliant, and had never married.
She also said that altho Rachel was a

very close friend, she truly believed that if she should die and Rachel had taken Teresa as a sister, she would not trust off Gary on her account. I vigorously dissented.

She also said her Father had many times said Rachel is most resentful and true in all things, but —. She gave me to understand that her Father felt there was something which Rachel lacked, in character.

To me this is nonsense - absurd. That Rachel could not rub with Gertrude nicenessness is proof enough, to me, of her loyalty and character.

G. also said that when Walden died & Rachel came down to see our Bar Harbor, Rachel told her she came down as much for Walden's sake as for his. This, however, did not seem to disturb Gertrude who said she had always hoped that Walden would fall in love with Rachel and that she would accept him, but that while Walden was a great friend of Rachel he never was in love with her, - which I think again is nonsense. I believe he was in love with her. I do not see how he could have helped it.

She also said that when young Eugene Hale was ill at St Paul's school with measles, Rachel called her up and asked whether she ought to go on to take care of him. She said Mary said she ought to but as it obviously a terrible case of measles she felt she would merely be in the way. Gertrude did not say what advice she gave but said Rachel did not go at well but that later Eugene had scarlet fever and she went at once to Concord, where he died.

I can not understand her reason for these vitriolic attacks. She seemed perfectly calm and said she merely wished to give me an inkling as to Rachel's character. I believe she is jealous and thinking that I admire Rachel greatly she is determined to break it up by slandering her.

Rachel has been a loyal friend to her and Gertrude's character is well warped and by such contemptable attacks. She has many times told me that she considered Rachel one of her dearest friends.

I called by appt on Mr Mabuchi, the new Japanese Ambassador and stayed 1 hour

and 10 minutes. also met Madame Debuchi, who speaks English very well and we all had tea together. Debuchi said that Prince Natmstata had given up his title and was now living as a commoner in a very small house, and that Clotilde was in badly embarrassed circumstances.

Nov 24. Sat.

Wrote Rachel a note telling her merely of my talk with Gertrude as to Mr Rubber's being an Executive.

A newspaper reporter called on C&H to give an interview on the abbointment of Harrison as Gen of Albany, N.Y. at about 11 am. C&H had not even heard of it altho he did not say so to the reporter.

Eddy saw the Friday evening papers & heard of it and the morning papers which C&H had not read, at least the N.Y papers & he did notice it in the Wash. Friday evening or the morning papers.

C&H now, Saturday, an obscure announcement came from the Albany

Mr Goldenweiser told C&H that the abbointment

was made at the directors meeting Thursday afternoon, at which Mr Miller was present; that Gen Young left for N Y Thursday night; that he was at his hotel on Friday am and was twitted with Harrison, who did not mention it; that he was first hited of it by Warburg at lunch on Friday; that later it was announced at the lunch

Mr G. said Gen Young felt he had been treated very discourteously and I believe he was as were the other members of the Board.

C&H as above stated first learned it on a reporter Sat. am and was really ashamed to admit he had not before heard of it. The abbointment were made Thursday and the Board first officially heard of it Saturday noon!

Action such as this is not calculated to bring about harmony with the Board and the Albany.

I hear that when Harrison's salary - whatever it may be - comes before the Board there may be trouble!

Nov 22. Thursday

Mr Fonaldson of Com. Nat Bk gave a dinner to 100 at Carlton Hotel Wash. in honor of the returning

comfort of cure. He latch. Mr Young, Platt and some of his adw connect were there. Lyatt, who was also there, told me that wines were openly served throughout the dinner, that the champagne glasses were kept filled with champagne all through the evening, and that the dinner was said to have cost $60 per plate.
The above is a fair sample of "Prohibition"!

Nov 24. Sat.

Dined w Charles Warren. He had me read the reviews of the last two volumes of Col. Hay's book. It was very well done. We agreed that the Greeks were much better than the first two volumes. Crit said he was not satisfied with Col Hay's explanation of the break between Lincoln & Lincoln, that there must have been and crit knows there were other facts not mentioned by Hay.
Warren said that it was generally believed in N Y that Mrs Lincoln did not like Col. Hay and that she was the cause of the break; that Hay telegraphed Mrs Lincoln asking if it would be agreeable to her to have him come in to the funeral, and that a reply was sent, w/ by Mrs L.

to Randolph he does not know, in the negative. Warren said Bishop Atwood told him this and Burton said that he had seen the telegram.

Nov. 25. Sunday

Catherine Prentis 39th birthday.

Nov 26. Monday

Bertie leaves Md. for ~~Albany~~ Boston en route to Albany.
Met Ned Delano at lunch. He said he either heard himself or some one told him that Dean Brattenbl spoke disgustingly about Ew Smith; that Dr Johnston and Roland Cotton Smith were also very bitter against him. He said he was disgusted with the attitude of the churchcoal church toward Ew. Smith.

I have conferred w the matter of notice of Ew Harrison's appointment and find that so far as notice to the Board at Washington was concerned the Mbrs of N Y were not discourteous. Eddy said that the Bank telephoned Ew. Platt a little before 11 am

on Friday Nov 23; that I had won just going to the train + barged to the Cunningham + Magill - the only Board member present. Eddy did not tell me. On Monday ~~Sat.~~ Nov 26, I received a ~~[illegible]~~ typed written notice dated Sat. Nov 24.
I got first hand of it from a reporter on Sat. morning about 11 am. On Sat. at noon came an official notice from the Albany.
This however does not explain the discovery to Geo Gump in N.Y.

Nov 28. Wed.
Went to Albany

Bertie said she took tea with Catherine Grant Monday afternoon; that Mrs Grant was there; that they had considered the matter of the liquor spree and could find no place for him.

Nov 29. Thursday. Thanksgiving
Called on Gov Smith with Walter Nick; had 20 minutes talk with him. He had no bitterness over the election. He said he was satisfied that his defeat was owing to his being a Roman catholic; that he thought Prohibition was only a minor cause & was used largely as a cloak to conceal religious bigotry.

He felt the way to do was for the democrats to help in working out the "noble experiment" of prohibition by putting in a law to unleash the courts and all machinery, involving an expense of hundreds of millions; also to put in an appropriation of hundreds of millions for enforcement. He seemed not to despair with my suggestion of amending the Volstead Act so as to make the purchaser as well as the seller a criminal. He does not believe Prohibition can ever be enforced but is willing to go to any extreme to have it enforced if possible, and he believes a further test will satisfy the people that it can not be enforced.
He spoke very quietly and reasonably about the Roman Catholic church, and said it was only comparatively recently that Roman catholics were nominated for any office, and that he believed public opinion would turn and take a more reasonable attitude. He made a profound impression on me by his breadth of mind and Christian charity.

Nov 30 Friday
En route to Washington

Dec 1. Sat.

called on Rachel Hall; met Ellen Lemaud there. We had a long talk about Gertrude. Rachel said she for many years had had Gertrude at Thanksgiving dinner but did not invite her this year until quite late as she was not sure she would be able to bearing anyone, with her own sister and family; that finally she asked her but Gertrude had invited Hagen & Ellen Lemaud to the house. She feared this would hurt her in Gertrudes black ~~[illegible]~~ list. She said that Friday morning, the day after Thanksgiving, while she was in bed, Gertrude called her up and said her Thanksgiving dinner was cold through the fault of the cook. The cook had been embittered by Rachel for some years before. She said Gertrude almost cried and said Why didn't you tell me about the cook before I took her! Rachel said her patience was almost exhausted, and I felt the same way.

Dec 2. Sunday

Dined with Gertrude. I asked her about her Thanksgiving dinner expecting she would throw out her rage on Rachel, but, to my surprise she was sweet as honey & explained why Rachel could not invite her to Thanksgiving dinner before she did, in the sweetest way. Talked of Rachel as her dearest friend etc etc.

Dec 3. Monday

Wrote Rachel telling her how affectionate Gertrude was to her.

Bertie arrived from Albany 9.50 P.M. went to Hay Adams House.

Dec. 4. Tuesday

Bertie had a room at Hay Adams House for Monday & Tuesday. We moved into our apartment Wednesday am.

Dec 5. Wed.

To N Y to caucus-meeting

On train I met Henry W. Anderson and Col. Cure of Richmond. Col. Cure said he looked Hoover would put Anderson into the cabinet. He said there was bound in counting the vote and that Hoover carried Va by a much larger vote than he was credited with; that Henry Tucker really was defeated but was counted in. Anderson said there was a good chance

that he would become Republican or at least abstention permanently. He cited the objects to Smith rested on: 1. a Tammany man: a wet man; a Roman catholic: a man not of Presidential size as to language manner etc. He said Carter Glass had asked Critten that he had no chance of succeeding himself.

Dec 6 Monday

at carnegie meeting all day

Mr Sherman, one of Trustees, told me that Dr Butler first persuaded Briand to drop outlawry of war and substitute renunciation of war as a Nat'l policy; that Butler was entitled to the credit for the anti-war treaty.

Dr Butler referred above, and said that Briand was terribly chagrined at the little notice taken in the US of his peace offer; that he - Dr B - went west advocating the 3 or 4 sheets acceptance of the offer; that he tried to interest the State Dept but Kellogg said it was a Pacifist movement; that he and Stresemann drew up a treaty but State Dept. could not have it up but suggested that

Dr Butler then put it on an individual: that Butler boiled down the treaty into 2 clauses and showed it to Briand who in a speech advocated it as his own; that the State Dept took it up & now are vigorously urging it as if it were originally its own.

Dr Butler took me to century club to lunch. He was very bitter at Coolidge's anniversary address saying it had the country back years.

He said Hoover was a man of no intelligence and that his course as food administrator in permitting shipments of food to Belgium since knowing that it was en route to Germany made him doubt his patriotism and his honesty; that he had said to a friend of his that he would like throw damned N.Y. wax St. Bankers when to get off.

Dr B said Hoover was devious and indirect - could do nothing frankly or directly.

He also said that Vare of Pa was rushed over to Hoover in the convention by Sen. Glass who was on call on checkers & was said to have intimated to Vare that if he wished to hold

in seat he had better come over to Hoover; that Sec. Mellon's political career was gone; that Gov Nelson and he the Butler ban of Pa; that Coolidge was not very friendly with Hoover; that Coolidge was firm that neither Dawes nor Lowden shld be nominated

Dr B said he voted for Gov Smith and hardly knew most item of Republ. of his club friends, who voted for Hoover; that Gov S. probably had no political future; that Tammany, outside of Manhattan, was treacherous to Smith; that they got little or nothing for Smith as Gov and felt would get less for him as President; that the jews were also against him

In very dined w. Dr Butler; took out Mrs Shebbield, wife of Germ amb. to Mexico. Drove to RR with Delano.

Dec 7. Friday

Back in Wash.

Dec 8. Sat

Lunched over from Cosmos club

Dec 6. Thursday

At the cosmos meeting, Dr Barrows gave a very interesting talk about his trip to So. Amer. for the Foundation. He said that James M. Beck wrote Amb. Morgan at Rio Janeiro asking him to find some Professor who would translate his book on the Constn into Spanish for the benefit of the Brazilian people!

Dec 9. Sunday

Lunched with the Delanos.

Delano said he had talked in N.Y. with Warburg and other bankers about Dr Miller as possible Sec. of the Treasury and that it was the consensus of opinion that Hoover wld not be such a fool as to appoint him, that he was not fitted for such a place. Delano said the Economists laughed in derision at Miller as decidedly not of the first rank.

Dec 10. Monday

Bertie had a lunch party at Wom. N.A. Club to hear Norman Davis on the Anti War Treaty. She had Mr Delano, Mr & Mrs Dean (introduced by the Lebbunjewsk and then

Walter & Heather.

her mother was there. Bertie said she was very cordial and asked how "Charlie" was. I was late at the lunch but afterwards went up & shook hands with her. She greeted me most politely, but acted just as she would have had she been walking at the White House at a large reception. It made me very indignant and she will have no reason to complain of any attention I may pay her in the future. It seemed to me she was embarrassed, but her embarrassment evidently detracted from and did not add to her cordiality. So far as I am concerned our relations are now at an end.

Norman Davis talked almost an hour after lunch was Platitudinous, praising the Mayor but never mentioning the subject of nominations, - the only important question. I was disappointed in him.

Dined w. Jim Pepper.

Received long letter from Catherine Grant, dated Dec 8. Thanking me for her birthday remembrance.

Dec. 11 Tuesday

Edith Helm dined with us.

At 7 P.M. Rachel Hale called me up and said, - "Charlie, I have told a lie! She then explained that Gertrude Hays had just had tea with her and chose of a bee for Mr Rubber for acting as executor; that she told Gertrude he should have at least $50; that Gertrude said that regard what Charlie said, have you been talking with him? Rachel said she was completely unnerved and said NO! I told her I had written her about it but we had not talked, so she literally told the truth; that I would take care of her as regards Gertrude chose to me about it.

This morning Rachel called up Bertie and asked me to lunch to meet Miss Molly Cowles of Phila or to dinner next Sunday but we were engaged. She then asked me to the action Sat. or Sunday.

Dec 14. Friday

Went to Balto to examine Dr Crouch Comp. Gov Tuney, James & Cunningham also went. Dr Lindsay gave us a lunch at the Maryland Club.

At 3 P.M. called on Gov Austin Peabody at

John Hopkins Hospital. He is to be operated on for removal of prostate on Monday.

called on Sally Fisher (Mrs Atty. Nelson) after telephoning to see if she was to be at home. Spent a very pleasant hour with her and Mr. N. talking over old times. She drove me to N.H. station.

~~July~~ Dec 15. Sat

called on Rachel Hale and her guest Miss Coles.

Dined w Gertrude Meyer.

She asked me to see her atty Mr Clekhane with a view to inducing him to name some one in whom he had confidence to watch after her estate as she did not feel able to do this personally.

She also said Clekhane had advised her to see Dr Rubbin and tell him as to her will and ask if he would accept an honorarium of $500 in full compensation altho he seemed to feel that I was might be better.

I told her I thought it better to carefully name the Executor and not mention compensation, thus giving him compensation; that Dean Beatrice had told me did not want compensation and he could formally waive it after adkt. Gertrude said he or his "successor" was admitted; that she feared the successor if admitted might want compensation; that she also feared Dean B. if admitted wld say - I told her I wanted no compensation but notwithstanding she has provided it so I shall accept it.

She said Clekhane said he did not know that when asking Dr Rubbin she did not tell him she wanted to serve without compensation, and, accordingly he gave her the above advice.

She seemed bitter at my suggestion that Dr R might refuse to serve if no compensation were provided but I told her he would have a clear moral and legal right to say that he never had agreed to serve without compensation & accordingly would not qualify.

I said I had no interest in Dr R and if it were any one else I would say - tell him frankly he is to have no compensation & if he does not appl.

then appoint another executor; but in this case it was very desirable to have a prominent physician as one of her executors, and if he should refuse to gratify her nephew if he contested her will, might claim that Dr R refused to gratify Grace he doubted her sanity; that while I knew he did not have any such doubt it might give her nephew a chance to later.

I said if she wished I would speak of this to Dr Clebhand when I mentioned the other matter to him. At first she thought I had better not, as he had already advised her, and she had not told him I had suggested the matter to her.

later, however, in Bertie Russell, she asked me to talk w. Clebhand about it, saying perhaps I would be willing to speak to Dr R. about it rather than herself.

She also said that she had put my name in the papers giving authority to Rachel Hale & Dr R. in case of her serious illness to step in and protect her

against any possible annoyance from her nephew.

She also said that Rachel had said she did not want any fuss and that she had agreed with her that she should take them and devote any part towards paying any one she wished when she believed worthy of compensation, in connection w. her estate.

She told me her total property, including her home & real estate amounted to about $50 000. I assume this excludes her life interest in her sister's property. She said the Rexx Bank held all her securities, cut coupons etc. She said she had no safety deposit box but that the Bank merely kept the securities for her.

She said she had sold her wash property to Wardman for $7500; that some of the officers persuaded her to buy about $7500 of stock in a sand and gravel Co. in which they were interested but that the value of the stock had so fallen that she feared she would never get back the principal altho it

was still paying 8% dividends. She felt they ought not to have threatened her to do this.

Catherine Hunt sends in a large package not to be opened until Christmas.

Dec 16. Sunday

Attended funeral of Mr Elliott, former council of the YMBoard. The crowd was there but no other members of YMBoard. Mrs Wilkes was also there. Lunched w Mr McCarg. Tried w. Judge & Mrs Brandon.

Dec 17. Monday

I called up Clebhane but he was out of town to be back tomorrow.

Gertrude called me up in afternoon and said Dr Rubbin was coming to see her and what shld she say to him about his fees. I said did not Clebhane advise you to cheat to him and suggest $500 as an equitable or possibly $1000? She said yes. I said then follow his advice; all I can say is – Clebhane being away – I see no reason why you shld not suggest $500 and if he does not appear to like it, increase it to $1000 as Clebhane suggested.

At 5.30 she called me up again said he had called and at first said he saw no

reason for paying any honorarium; that she said she wanted to do this and he asked what she wanted to make it; that she asked if $500 wld be satisfactory and he said yes; that he did not pay much attention to this matter as he seemed to have something else on his mind. I told her to report this to Clebhane.

Dec 18. Tuesday

Met Clebhane by appt at lunch. Told him about Dr Rubbin. He said he unfortunately hated Gertrude the better way wld be to say nothing about exception fees, but to allow Brahmstedt and Dr Rubbin to waive them if they saw fit. I told him I said this same to Gertrude but she wld not think of it. He agreed with me that shld Dr. Rubbin withdraw as executor it might injure Gertrude.

He also said he would advise Gertrude, without assuming any responsibility, to unbelay the young man of the Riff band who now, from time to time, was helping her.

We called on Mrs Lanning at 5 PM.

Gertrude called up at 6.45 and I told her about Clebhane & asked her to see him.

she said she would be glad to arrange to have
stephens daughter, who is a lawyer, act
for her. I suggested that she consult
stephens about this.

Bertie and catherine found for a christmas
present for us both a dressing gown
blanket robe.

Motion to approve an agreement between Bd of Directors
of Albany N.Y, recommended by a Resolution
to pay Geo Sleep salary for balance of
year 1928, on consideration that he withholds
his resignation; carried by a tie vote.
aye Geo Gray. Platt. Cox
No. Miller, James. Cummyngs

wyatt gave an opinion that, while not
free from doubt, the Board of the N Y
bank could not legally make this
payment and MKBd :: could not
approve the payment.
Cox justified his vote by construing the
agreement to be for a lump sum -
$2500, but payable by installments
for 2 months.

Miller bumped it violently and said that ag all
further suggestion in his opinion that the Bd
could get a statement from Sec. Mellon that
the Treasury would not object bec. of
its effect on acct of Namahine tax, was
in effect collusion & would involve a
scandal similar to the Hardy oil
scandal. He said this dibbend from the
Miller case as there the payment had
been made.

Dec 19. Wed.
Board after long debate voted to notify
N Y of failure to advance of funds
to Sleep estate, but to say the opinion
of the atty Gen. might be asked.
Cox during the debate showed of his
letter with Geo Harrison. Miller objected
bitterly to any member talking of the
matter with the N.Y. bank.
Cox reminded him that a question of
law was involved & that as a
member of the Law Committee he was
entitled to act for any information
he desired, and said the Finance
might write Board of Mayor meet

but by the actual agreement with Strong being merely the Emirah called out to us and said the resolution of his Board started essentially all the facts and that he merely would add that Gen Strong made certain commitments by virtue of the agreement he otherwise could not have made & continued commitments from which he would have been released if he had resigned. CCC wrote letter to the Board.

Mrs Sen. Bruce called. She said Charles R. Crane told her he disliked Hoover and also Smith but he will vote for Smith; that Rich. Henry Butler told him that when Belgian relief abroad were wounded, there were 2 millions left over, which the Red Cross asked for to continue the Relief work there then; that Hoover had never returned them or accounted for it; that he had used it to pay secretaries to work up propaganda for him; that when Judge Payne was away he asked Hoover to take charge of the Red Cross relief and when he came back the letter heads

were changed to "Hoover" relief; that Crane said he introduced Hoover to Wilson and asked for his aid as good conservator; that later Hoover sd there was room in Wash. for an indep. newspaper; that he could buy one for 200 000; that he asked him to contribute and he gave him 25000; that he, Crane, sent his Secretary to Wash. to see the operation of the Paper; that he stayed a month and reported that it was being used to boom Hoover; that he wrote Hoover as to this and Hoover told the money; that Frank Kent had always been a strong Democrat (Balto Sun), but that at first he began to side w. Sen Caraway against Sec. Mellon and later did all he could to kick Hoover; that everyone believes he was paid by Caraway & Hoover.

The rumor in Washington is that the reason the Republicans want a scintilla inquiry is to head off the Ku Klux claim which they feared could demand a place in the inaugural parade.

while considering the casting vote cast said that while he could vote and had voted for the 2500 yet he agreed w. Dr Beddle that, involving as it did a question of law, in which our counsel was adverse, it would be unfortunate to determine the argument by a small majority – that there should be at least a substantial majority, and ∴ he was prepared to vote to inform the board of counsel's decision, and let that, if it wishes, the opinion of atty Gen. might be obtained.

On motion, such a vote was passed unanimously upon that Gov Young was regarded as not voting.

Dec 20. Thursday

Went with Delano to menu club of Unitarian church for supper and afterwards Delano gave a good talk on Austin. Quakers –

Dec 21. Friday

Gertrude Meyer called me up and said her maid had written her that she should appeal to her nephew to fetch her yet jewelers. G. had hired her for 1/2 month and added 2 days.

the said Clephane was away but she had sent the letter to his partner. She asked if she could not get an injunction on the ground it said [illegible] that she must await Clephane's return.

Mrs Delano told me yesterday the Smithsonian trustees had consulted the nephew and he objected to their leaving to Gertrude the nature of her duties.

I forgot to mention this to her but am glad I did forget it.

Dec 22. Sat

The Delanos invited us to Christmas dinner but we go to Mrs Beddle.

Mrs Delano told Bertie Catherine was worried about Maddie and was going to take him to a celebrated Dr in N.Y. and then might come down to Washington.

I wrote Catherine a long letter thanking her for her Christmas present of two books. She also sent us a card.

I wrote Rachel Hale telling her about Gertrude's latest troubles.

Dec 23. Sunday

Lunched with Delanoe.

Received a Christmas card from Mrs Cochran on which was written on her card,- "With the warmest wish for all that the holy season brings.", It was addressed to Hon. & Mrs Charles S. Hamlin. Bertie had sent me a Christmas card last Thursday marked "With love".

Dec 24. Monday

Dined w. Mrs Gordon Cumming.

Dec 25. Christmas day. Tuesday.

Had dinner at 1.30 with Mrs Biddle

Dec 26. Wed.

After Board meeting Mr Miller said the two outstanding events in FR history for 1928 were: 1. Bds refusal to accept stabilization of prices. 2. Bds grasping away from market speculation and leaving banks to settle credit problems by rediscounting. He also said see Miller made himself ridiculous by saying that the System Board had not direct power to check speculation; that see he had predicted conditions but his advice was overlooked as a

prediction of higher money.

Unquestionably the Bd in advancing higher rates was actuated by a desire to curb speculation. Miller said long ago the only way to curb speculation was through discount rates and we advanced higher rates with this object in view. Only the other day he had in a resolution favoring higher acceptance rates specifically for purpose of drawing money out of the call loan market, although strictly speaking the reference to the call loan rate. This failed, two Miller, Crit & Platt voted for it. Mr Young had on record an answer to object that money was now flowing away from the call loan market.

Crit asked Miller how much less FR credit would now be outstanding if there had been no undue speculation on Wall St. and he promptly replied - 500 millions less.

Dec 28 Friday

At Board meeting Mr Young read Mem. on matter of calling in N.Y. Cl. notes showing that it will entail Mr. Cl borrowing of over 600 millions. (See Sec Bk).

Miller said it would be a sad day for country if

Nat. Bk. circulation were worked out as before gold scarcity was early need them, while of NN Nats were issued on their reserve at wd increase reserve requirement from 5% (Nat Bk. Notes) to 40%. He also said he favored taking away the gold reserve behind the greenbacks and have them similar as an unsecured obligation of the Govt. This is sinking every from a debtstand.

Cat bond dollars are equally good way wld be for Govt. to keep the gold behind the gold certs - as Meadow wanted to do during the war. (Sarcastic).
All this is in road to money an irredeemable paper greenback currency!
I think Miller is not sleeping on Hoover.

Mr C. C. Crobley, clerk of U.S. Supr Ct called at request of Justice Brandeis. He said he was carrying dispatch (not time) to a Washington bar - that the alternate was inactive - altho send check was drawn cash year & that he was selling 3%.; that J. Brandeis wanted to know if this was reasonable or wh. he should try to get a higher rate. Cat took his

to Gov Young who said he thought this, in the whole, was a reasonable rate to pay, altho he might get a little more from some bankr, but he said no reasonable man could criticize this return.

L. of N non Part. League gave a dinner at Wom. Club on birthday of Wilson. Orlando presided and Bishop Nelson said Grace. Prof. Todd was the speaker and he spoke well of the 3 great liberals, Jefferson, Lincoln and Wilson. He pointed out that Jefferson battled as to wrong of slavery, that Lincoln was renominated in emg. election of 1862 following his election in 1860; and that Wilson battled as to L. of N. at home and abroad. He also criticized Wilson commission.
Orlando also called on me and I gave a short address which received great applause.
Mrs Wilson went to the N.Y. celebration and Mrs Robbe Bolling and Bertha Bolling were there. They both congratulated me very warmly and Bertha said - "In the name of my sister and myself I thank you for this wonderful tribute!"
Afterwards, Bertha Bolling told Bertie she was glad her sister was not there to hear

Prof. Dodd asserts that Wilson bailed at Paris. He did undoubtedly say this and failed to clear it up – what was evidently in his mind – by showing that his bailing was only a bailing to get all he was after, but that he did succeed in making the L of N live & save civilization in Europe – which was a marvellous achievement.

Dec 29. Sat

Dined w. Jeanny Rigg

Dec 30. Sunday

Lunched w. Sen & Mrs Bruce. In room Geo McClellan also there.

Edith Helen dined w. us in evening.

Dec 31. Monday

Mr Miller got Board to increase the salary of one of the messengers, – Carter – who is assigned to him as a clerk in order to give him higher pay. All this he is making more than a messenger he gets now 1600 while the highest messenger is 1380. No other member has this privilege and altho legally it is connected w. rule of Board that calls members continue a Sec & Stenographer, it

by this rule grossly abused.

Miller always objects to increases in salary and if done by any other member he would denounce the action as criminal!

Miller got in a Resolution to object that the current shared Ass. JR. and stock mkt cash loan and other shared. loans limits to limit R. Ass into purchasing JRendit into stk exch. mkt, and asking the banks what they are going to do to collect them in 1929.

Geo Young vigorously objected saying that Resolution meant that Ass having call loans should be refused rediscounts.

On vote:

Ayes. Miller; Crit. Fann. Cunningham. Platt

No. Geo Y.

Not voting. Comptroller

Crit said he voted aye on the interpretation that Resolution was not intended to mean that the Bd believed that shared. loans were rec. illegal; nor that a bank should be refused rediscounts to make good reserves when the deficiency was in part due to shareholder loans, but that it merely pointed out a danger & asked Ass how they proposed to meet it in 1929.

Received a letter from young Alexander Grant thanking me for the album of facsimiles of U.S. Postage stamps which I gave Catherine last summer & which she gave Alexander.

1929. Jan 1.
Dined w Gertrude Leger.

Jan. 2. Wed.
Bertie received a letter from Catherine Grant dated Dec 29. 28 thanking him for our present of a Bryson glass bowl, and saying she would write me soon. She began it, - spoke of Bertie
Joseph Hamlin to call on way home from South.
Bertie went to N Y to meeting of Nat. Civic Fedn.

Jan 3. Thursday
Bertie returned 10 P M
called on Rachel Hale. speaking of Cuban woman Phillip Stokes, she said years ago he told Gertrude Leger that her (Rachel's) father and mother did then sent to catch him on her — "literally her old man". Rachel said this was grotesquely absurd; that Stokes was a most unpaintly fellow — that no girl would fall in love with him — he was a somewhat uncouth fellow with almost no chin, but the son of wealthy parents; that her parents, when she told them, treated

it as a tragic joke.

Jan 4. Friday
Platt told me that yesterday at 4.30 Gov Y called a special meeting of the Bd to take action on N Y's increase in accep. rates, just rejected; that Gov Y was furious at not having been admitted to Gov approval; that he wanted to order the rate suspended; that Platt said that would seem like a slap in the face; that Gov Y. sd that was what he wanted; that Miller finally supported that we ask the Bd not to announce it until Bd did consider it; that then was finally agreed to, Gov Y. assenting very reluctantly; that Gov Y. used almost violent language to Gov. Harrison.
This morning matter was taken up at full Bd meeting Sec. Miller being present. After fine discussion most of the members agreed that N.Y. was not feared to secure their approval as the minimum rate only had been approved by Bd. and that while the going rate was always reported the Board had always approved the actual rates as a matter of course.
Then sd we ought to insert a resolution that

unobtrusive are accep. rates must be abolished by Board before being effective; that such a regulation be drawn and discussed at other Bkrs Comm on Monday; that Wyckoff be asked to come down tomorrow and discuss it w. Bd.

A letter from Gov Harrison of Phila. that Director had kept in current rate under crash money & cyclone was practically punished; that new rates in other mkts were high & unfairly & if N Y did not put up its rate it would be obviated as accepts & the money cold and the stock market.

It was voted to publish a draft as above.

Crit sd he thought Gov Y had not been treated courteously as he had told Gov H the Bd cold consider accep. rates at other mkt meeting Monday. He finally admitted that Gov H had said the Bd might have to act before then.

It was found that the Bd had notified the other Bks Wednesday so the rate was in effect & could not well be suspended. About all appeal to the other Governors sd the rate shld not long be so maintained.

Gov Y. finally sd he did not claim that Gov H treated him discourteously, but evidently he thought unnecessarily felt so, for he gave notice that in a week he would introduce a resolution that no F Res Bk could hold more than a certain percentage of its capital in govt securities - for wh. there could be no other reason than haste and anger.

At first, during the prolonged regulation Gov Y wanted to give Bkrs attention to a regulation of 1926 as to notice of rate changes. Plan pointed out that this related only to discount rates rather.

Miller sd we ought to meet a slender regulation as to purchase of accep to wh. it applied, if any action was to be taken.

Crit sd he looked it wld be drawn so that it related merely to the future and not to imply that N Y was being punished, but in this column N Y was within its legal rights in doing what it did, having of course any question of courtesy.

Jan. 5. Sat.

Warburg was with Board from 10 to 2. P.M. He said:

1. He believed the Bd should not undertake to raise or reduc. rates when they became effective; that to exercise the power of increasing a minimum & maximum rate was suggested.
2. He rather approved action of N.Y. bank in increasing reduc. rates; that it wld make credit more attractive to purchasers and that while the greater demand might go to foreign cent. banks who would invest in them, he felt it would undoubtedly broaden the market for domestic bonds, certifs etc.
3. He said the increase might be an increase in discount rates, wh. increase he believed justified
4. He agreed w Gov Young that proceeds of acceptances seeped into call loan market much more slowly than C.S Purch. of Gov Sec's.

Dr Miller said this of course would induce him to object the reduc. increase for there was no justification for it & he felt it wld tend to divert money from the call loan market.

5. He believed we should continue to use steady pressure by incr. in acceptance and discount rate.
6. He believed, wholly apart from any question of inflation that the N.Y. bank had the right to protect itself from a flood of acceptances by increasing rates.
7. He said the acceptance cost today, adding the Com'n was higher than the discount rate.

Gov asked him why the strong send of Miller's suggestion in Dec 1924 that reduc. rates shld be just above the direct rate (3%) - was ridiculous.

Warburg said it was ridiculous as reduc was better than Com. Paper.

Miller denied he ever made such a claim and Gov wrote him quoting from his diary and showing that he did.

(See Sec Bd)

Warburg reiterated that we should lead rather than follow speculation by increasing discount rates.

Agreed w Mr Adam Richmond

Favored discount rate as the best cure. Rates fixed by first bonds.

Jan 6. Sunday
We late entertained Mr. Charles & Nancy Warren – their silver wedding anniversary.

Jan 7. Monday
Meeting with Comm. Nat Investment Comm & discussed situation but they asked for no advice of any policy.
Gov Harrison said Comm. Best it should be given discretion, that otherwise there was no use in having such a Comm.

Jan 8. Tuesday to Jan 10. Thursday
Had mild form of influenza.

Some days ago Edith Helen said that on Nov 16 Mrs Wilson changed her telephone number; that she had it but had promised to give it to no one.

Jan 11. Friday
Bd took up salaries. James objected to increase of 2000 to Paddock, in Boston. Bd finally voted this & also incr. of 5000 to Gov Hardy.
Voted to defer action on W. A. salaries until others were settled.
Then Bd allowed all N York increases incl. 5000 to Gov Harrison and 2000 to Burgess. Voted to defer on Snyder (Cleve mgr) & manager of Buffalo branch until later.
Bd voted all changes at Chicago except Allen.

Bd voted increase to Gov Norris Phila to 3.000.

Bd then took up Curtis salary as JH asked it was moved by Platt to increase to 2x000.
Voted down; aye. Platt. Cott. No Gov Terry. Cunningham. James.
Then moved to buy salary as at present at 20000.
aye. Gov T. Cunningham. James
No. Platt. Cott.

Bd then took up Newton, Atlanta
James moved incr. to 2x000.
Cott said this would leave Gov. Hardings salary 50% above Curtis, while nearly Newton same as Gov. of Atlanta Bank.
Defeated
aye. James
No. Gov Terry. Cott. Platt. Cunningham
Platt moved to incr. to 22500.
aye. Platt. James
No. all rest.

not needed to buy at 20000 same as now
carried unanimously.

Received nice letter from Catherine Grant dated
Jan 9. 29. She enclosed clipping from B. News.
of Washburn, already in my scrap book.

Jan 14. Sunday
Joh. Amb. & Redmond Debenchi called &
stayed nearly an hour.

Jan. 15. Mond
Joh Amb invites us to lunch Sat.

Violent discussion but Gw Young, Hunter &
Cunningham are to which Gw. the Prophet
said as to direct revelation in Chur. last
week when I was ill.
He read from a statement & Board
today asked him to forward it
to Bd.

Jan 19. Sat.
Bd meeting. U.G. said must increase accts. rates
Monday, Hand thus would make increase in
discount rates necessary and felt that in
justice, at a time when business men were
making their commitments for coming year
would psychologically react in business.
Bd however took no action as Prohibition men.
in accts. This will make accts. rate in many
instances equal disc. rate, but seemed to be
necessary to rush blood of accts. into
Mbanq. It was hoped recent increase
would result in better distribution of accts
but it has not been, of higher thought for
East Lands & East loans.
Dr Miller said F. R. System has been drifting,—
mistake that was first taking; that now
money was getting tighter & that to take to
ease shoulder-rates must increase;
that the really courageous way would be
to announce that in future credit would be
avail. at reasn. rates for agcy & Commun
but that Bd will positively watch the
dev of discounts & prevent seepage into
wall St.
Gw Young did not agree.
Felt hamstrung but that Bd could not

issue a statement in favor of direct action & restraint of broker loans – stamper letter letter recommendations of Fed. Adv. Council on NW 22.26. These recommendations were then read. They advised direct action but distinguished between loans to brokers who were customers and others. COT quoted what Alexander said in 1926 and corrected it out and sent it to Miller. COT had to leave at 12.45.

COT & HH H have family lunch w. Johnson ambassador
COT called on Rachel Hall.

Jan 20. Sunday
Dine w. Gertrude Hyde.

Jan 21. Monday
Cunningham int. results on audit of MBest providing that M. bor having speculative loans can not redisc. on more than 3 days without approval affirmatively of 5 members of Bd.

Miller, Olson draft of letter to Mbers as to direct action, each member to submit criticism or suggestions in writing

Send long letter to Catherine Grant.

Jan 24. Monday
Prof. & Mrs Hawtrey of London come to Hay-Adams Hotel. I got them rooms at suggestion of Prof. Taussig.
Prof. H. lunches w. COT and comes in to tea at 5 PM.
Gov Young shows COT his draft of changes in Miller's draft in direct pressure & speculation. COT suggested adding phrase to show Bd did not call for radical deflation of speculative loans but merely conservative liquidation.
COT also suggested adding that some Fed Banks had exercised direct pressure successfully but Gov Y said the present time was not so, whereupon James & Cunningham suggested that Prof Hawtrey felt our direct rate was too high & approved Miller's method to stop speculative activity as he said it would not stop it and would injure business.

Gov Young said he had doubts as to urging Mbers as to direct pressure & speculative credit but he wanted to put Miller's draft in the least objectionable form

Ch sent suggestion as to Miller draft to each member of Bd. suggested saying Bd did not can on radical deflation of Chem. loans but merely conservative liquidation & that the letter looked primarily to Eastern.
also suggested adding that some Members had expressed direct purpose satisfactorily.

Jan 22. Tues.

Bd applied Rolla Wells Mo at St Louis.
some discussion arose as to his qualities. Sec Miller asked what Party he belonged to. Gov G said he did not know. Ch said he was a Democrat & was Mayor of the N at Louis. 8 or 12 years ago. He was Asst Gov of Mbank St Louis. It was explained by Gov. Young that he reluctantly accepted Chairmanship until another could be chosen. & that James had another in mind namely Gov. Gentlemen, & he supposed he was a Democrat.
Ch had nothing to do w. this appt & did not know of it until James reported in favor.

Jan 2 4th Thursday

Bd considered Miller proposed letter to Mbks and voted tentatively to approve it for further discussion. Ch moved to add clause to effect that it was not intended to indicate a desire or to be an order for drastic liquidation of Chem. loans but all voted against it on ground that there was no need of this as it could not be construed as an order of even as a wish to that effect.

See Sec. bks for Ch suggestion

Miller said Amb. Hanna was very alarmed minded and one day when to town but did not find his letter; that the train people knew him and told him to go right thro the gate; that Hanna said he had forgotten where he was going.

Jan 25. Friday

Mr Hanna came down about Schendelbeyer salary as Manager of Buff. Branch
He told us his directors wanted to issue a public statement warning customers who were making "loans on collat" that they were injuring the M System &. that it was for this ans intended to shock the. Treasury.

Mr Farrah said the Board also wanted to know what an intimation that the collateral on time loans might be bound not to be liquid.

The whole Bd wanted was that such an intimation of lack of liquidity, if it had any effect at all, might come near and uncertainty & was result in harm.
See Miller at first thought a statement as above, without the reference to liquidity, might do no harm & possibly some good.
Gov Young, however, objected any such statement as likely to cause trouble.
No definite conclusion was reached
In the afternoon the Board had Mr Y. the proposed Miller resolution as to stimulation loans. Mr Y was very much opposed to it & feared it would be construed as an attack on the stock market & cause trouble.
See Miller then changed his mind and thought it better not to publish any statement.

after Mr Farrah left Miller, voluntarily said he would eliminate from the resolution the word define what were "proper" rediscounts.

not is objected at this as he had criticized the as not correctly defining the law as good banking practice. See old Minute Book.

Mr & Mrs Hawtrey took tea with us, also Mr & Mrs Karolik (Martha Codman)

We dined with Mr & Mrs Helmus.

Hoff Miller called. He thought the M Syndicate had gone to Mexico but did not say just how. He said we should cease trying to disturb the assistance market & adhered to his usual measure of rates; that rates on acceps should be based exactly on discount rates – established by Bank & submitted to Board for approval; that we should put in a discriminatory rate against St. Loan notes secured by foreign collateral.
and asked him if the law prevented a Wide discounting policy on purchase of wholesaling reserve when debased in part was caused by stg exchange loans.
Miller said No, that if a bank not a borrower or continuous borrower wanted to make for this purpose it should be

discounted; that it was merely a matter of good banking policy; that the credit of the Mass did not warrant such discounts. Gibson said Mr Band & Oberlin were degenerating; that the action of Harrison at N.Y. was a severe disaster to the system altho he lessened his personality; that the Exc. at Minn. was banker P. result of an incoherent board; that John Mitchell, altho he lessened his personality, was not bid on his job.
Ect asked him if he thought discount rates should be increased. He gave an evasive answer, saying it made very little difference now what was done. He asked me if I did not agree with him in his pessimistic opinions and I said No; that the M system had developed along some different lines but what the bankers asked ex heated largely owing to amendt authorizing redist of the exp coll. Notes secured by Govt bonds which was really bankers paper, but that I was not prepared to say it was wrong altho I felt probably there was need of some correction, e.g. a diff. rate on such collateral notes.

Jan 27. Sunday
Edith Helm dined w. us.
Mr & Mrs Hawtrey left today.

Jan 28. Monday
On reading of minutes of last meeting the Sec read only the part that the Board said the directors were considering issuing a statement that the "others" in having an Stk Ex Ch. were working in their own best interests and threatening business. He said nothing of the G.'s statement that the directors were considering the advisability of including in the statement an intimation that the collateral behind the call loans might prove to be inadequate.
Ect called attention to this. At first there was some objection but finally Miller agreed w Ect and all agreed it should be inserted and this was added to the record
Similarly, in reading the afternoon meeting the minutes merely stated that Re-Eccles combined w. the Board on to its proposed letter,
Ect asked that the G's criticism that the letter might be construed as an

attack on N Y Stk Exchange & also that in the Herald as it was a bad.
After much discussion Miller suggested that Mr F was giving only his individual opinion, at best blunt, & that it would be better not to quote his exact words.
Finally agreed merely to say Mr F. thanked and certain objections to the letter.

Board then voted to letter, Mr F that, embodying its objections stated informally on Sat.
The Bd expressed opinion that if the N Y Exch published any statement it should be so phrased as to exclude possibility of Trubee's construing it as speaking for Bd or for Mbrs.

In afternoon Eno Y. said Mr Sarah had telephoned him that the Bd could give out no statement; that Mr F. asked whether Bd could not issue a statement as to loans by "others"; that he told him Bd contemplated no statement; that Mr F seemed very much disturbed at this & said Bd shld do something.

5.30
Mr Burpee & C. Warren called to talk over W. Barton's statement & any subsequent memorial in club to Hoover, Jackson, Cleveland and Wilson. Mr Burpee suggested that a statement of club's condition be first made by an Accountant.

Jan 26. Sat
Dr Jordan wrote me that he wanted to dedicate a new book or a 2nd edition of an old one on Diabetes to Clemenceau; that he wished to put in the Preface & dedicate the book to "the most beloved Diabetic living" or something to that effect; that he wrote this only to Clemenceau and received back a card say "With many thanks" or words to that effect; that he wanted my advice on whether this wld authorize his going ahead.
I wrote at once, that in his opinion this card wld not authorize going ahead.

Jan 28. Wed.
I told Burpee & Warren of above and they concurred absolutely in his opinion.

Jan 29. Tuesday

Gov Y said Harriman asked Bd to go to N Y to meet N Y directors Thursday. Gov Y. thought it unnecessary & said he could go on alone did Platt. Odell said Gov. Norman arrives in N Y today & he thought he could be at Director meeting & that personally he did not want to embarrass Gov Norman in N.Y but should rather to have him come to Wash. if he wished to confer w Bd. Miller took same view.

Jan 30. Wed.

Dined with Mr & Mrs Graff. Present Sec. Root, Mr. Dudley, Mr Corbin, Lady Litter-Hays. ass. 1811

Mr Graff told me after dinner that some years ago two Englishmen, one an artist, spent some t[illegible] in Washington and being young saw much of the society girls; that they asked them when they considered the prettiest and most attractive girl in Washington; that they said they had chosen of them to vote another the day before; that, all things considered, they believed that Anna Hamlin was the most beautiful girl they had

met in America; that her brother was absolutely perfect.

Gov. Young goes to N. Y. today on a conference with Mr. N Y director tomorrow.

Eddy told me that M A. Heath who was here testing, said he also was going on to the conference to meet Gov. Norman

I believe this means that in to be a hard conference tomorrow, often M Evans and agents to be present, similar to that held in 1907.

I firmly believe no such general conference should be held at any other place than Washington and am glad I did not go on.

Jan 31. Thursday

We dine w. Harry St George Tucker at the Powhatan Hotel, - a family dinner. Present, Mr & Mrs Albert Tucker, Gov & Mrs Montague, Mr & Mrs Dudley, Mr Houghton, Mr Hyde, Mr & Mrs Wade Allen, Beverly St Geo Tucker & wife, Mr & Mrs Johnson, Mr & Mrs Barbour, Mr & Mrs Hunter Marquand from whom Party was given and others.

Feb 1. Monday

We dine with Mrs Bowditch. Present, Judge & Mrs Sanford, Sam & Mrs Bruce, Mr Pirsle Hatley of Boston, Sam Cabot and John Benton Paxon.

Mrs Hatley said Sam Bothwell had got into trouble with other women; that his wife a daughter of Miss Warren was getting a divorce; that Nellie Lyman, daughter of Temple Lyman & wife of Mr Lowery had been divorced; that for years she had been the mistress of Hugh Scott who married Helen Sanders a Phila girl; that Mrs Scott wrote Mr that she knew all about the affair, that Hugh was devoted to her and that Mr Lowery was merely an incident & finally ended up by asking him to lunch, which she did not accept; that Mr Lowery was now working in Commandl church.

Mrs Hatley also said that Tom Edwards had been black balled & resigned at the Union & Racquet club altho that club was ordinarily very liberal as to its membership; that Tom Edwards manner towards women was very offensive.

Mrs Hatley also said that Ned Primes was going between & Castle to be appointed amb. to Paris. This must be a joke!

Feb 2. Saturday

Geo Gray related that Geo. Hardy, Geo Adams & Geo Lee Dangel and for a short time Wm Heath were at N Y directors meeting; that Geo. Norman was not present at the meeting; that the Cpce. officers held an increase in disc. rates was absol. necessary; that many of the Directors opposed this; that Geo Hardy said the increase in discts at Boston the seconds being inverted in N Y call loans made an increase to 6% absolutely necessary; that Chicago also wanted to increase Geo Y. said he had several embroiles with Norman, at which, I understood him to say, Geo Hardy & Adams were present; that Norman said All of England would shortly must up its rates by 1% (from 4 1/2 to 5 1/2); that he would be down in Wash. Wednesday

Board the book with Miller letter. Yesterday

Cox, Cunnyham & Miller had a conference & Miller accepted Cunnyhams amendment and said he would change his letter to include a reference to exclude any intention of drastic action to cure Cox's suspicions, to which Cox finally agreed.

Then Mr Miller read his draft but it did not contain said reference but Miller had an alternative § which did mention it.

Miller moved the draft & Cox moved to substitute for one § the § as to no desire for drastic action.

Cox's motion was lost.

Aye. Cox. Cunnyham

No. Geo Y. Miller, James & Platt

On Miller main motion all voted aye except Geo Young who voted No.

Cox asked to have same explanation of his vote as was recorded when original draft was first tentatively adhered

Cox then suggested a minute that the members voted down Cox's subst. motion

not because they did not approve the idea but because they felt it was practically covered in draft as voted. a similar minute was voted when original draft was tentatively adopted.

To Cox's great surprise Platt said he looked the Public wld construe it as a recommendation for drastic action as to existing shareholders, and James & Miller agreed with him.

Evidently there is an oblivious or reckless of the dangerous consequences which might result if the letter were so construed!

Gertrude Meyer called. The gist of a long chat was whether it would be advisable to have her property run to the next side of same & at length to be managed for her.

Cox favored this but would give no opinion as to what bank to choose, whether in Wash. or Buffalo, and suggested that she ask her counsel her clergyman as to which this would not be a good move.

Cox said then his clergyman would do

over the accounts from time to time.
Gertrude said she had 17000 ~~more~~ deposited in Nat'l Bank and they had made no suggestion to her as to annuity a balance of about 7000 & it had lain idle drawing no interest for 7 months.
Gertrude said I once advised her not to put her property in trust, but I said she misunderstood me; that I must have meant there was no reason for a mental point of view why she should do so.
She said Ellen Leonard suggested that Ben Thorn, the son, and Henry Leonard her husband could advise her if she would go to Kimball & Co (where Ben was) or Nat'l Nat. Bank (of which Henry was a director.
CHH said a good bank, which wd have the responsibility would be better than any individual, however bright and honest, and reminded her that Chief Justice White had so advised her.

In morning Sen & Mrs Ashurst called – for 2 1/2 hours

Feb. 3. Sunday
Anniversary of William's death. We left a wreath at Beth. Chapel. The attendant asked for our card but Bertie declined saying Mr. William would know of our leaving the wreath.
<u>Indexed Mrs Lane</u>

Feb 4. Monday
At Bd meeting letter from Geo Harding was read in wh. he complained of heavy rebates of Gas all over N.C. the proceeds loaded on Stk Exch. Calculated He intimated that direct pressure was not possible & Bd Directors wanted to put up rates to 6% Thursday.
Geo Young sd he best Geo Harvey had applied him as to incr. rates so as to pay expense to N Y to bullaw.
Bd finally wrote Harding that our letter had moved him & that we hoped he could do something by direct pressure w out nec. of putting up rates & auth. him to call his men off the backs of the Board.
Later Geo H sd he might decide not to call

the directors together this week. Gov H in letter told that no one bank was borrowing excessively but that the total was very large - about 80 millions.

Gov Young signed the letter to Gov H. but said he did not believe direct pressure could accomplish reduction of sheml. loans & he also believed that not even increase of disc. rates would do it either.

He read a circular sent out by Chm Geo Miller of Richm. in 1919 strongly urging direct pressure, but that it accomplished nothing

The Board repeated the story of Gov Norman as it would look as if we were acting to help him. Fortunately our letter to the banks was written long before we knew he was coming & was actually sent on Sat.

James said he thought Norman wanted Harrison to increase rates to break the stk mkt & enable him not to hurt sh the rates.

Gov Y however told us Norman last week told him he should certainly hurt sh. rates & was believes Norman

wants N Y to hurt sh its rates to prot him — Norman - an excuse for letting sh lie.

I think Gov Y. thinks Norman has great influence over Harrison, who wants to protect rates & is coaxing Gov Harding on to resist it easy & well. to hurt sh N.Y rates - which the N Y directors, the Governor says, do not want to do.

Rachel Hale called & stayed nearly an hour.

Mon 5. Tuesday

Gov Harrison came before Bd to tell our attitude of N Y directors as to disc. rates. He said that no measure was justified from and of reducts or bus volume which was high, 80%. He said, however that sheml. activity was steadily increasing; that in last year sheml. loans of all bks increased 8 billions and com. loans only 2 billions; that while the bks gave preferential rate to commer. customers the sheml. bkr. st & speculative loans was decreasing & might disappear; that they had done all they could along lines of direct pressure, urging them to change sh. even out of line with the

man of banks and he referred specifically to Alexander Nat Bk of Com, the Guar. Tr Co & Nat City Bks. He said the directors did not want to increase rates but did see nothing else ahead. He said Norman said his bank - Bk of Eng - would increase 1% - to 5½% in a few days; that Eng. Belgium & Netherlands exchange was below point where exports of gold will be practicable and Bk of England must increase; that if any increase made at N Y should be 1%, i.e. from 5 to 6%.

Gov asked Harrison if the N.Y. Reserve Banks by their frequent rediscounting were not in effect obtaining capital from the Members and he agreed to this.
Gov asked if a 6% rate will not be injurious to small Manufacturing and he somewhat doubtfully agreed
Gov asked if a 6% rate will not interfere w. Building operations & he agreed it might.
Gov H said direct pressure had failed & only thing left = rise. disc., and that if 6% will not control speculation, higher rates must be resorted to.

Gov asked if, assuming Bk of Eng. rate was not increased, whether there would be less necessity for an increase at N.Y. Gov H said No, there would be the same necessity.
Mr Miller thought Gov Bell that we should be guided as to our rates by Bk of Eng. rate.

Gov said Miller misstated his position; that in 1927 we lowered disc. rates, in fact to help Bk of Eng. altho also it helped our business & the agric. & trade; but that here in this condition he believed we should decide as to our rates wholly about for what Bk of Eng. might do.

In the afternoon the Bd took up the proposed statement, based on Miller resolution, to be sent into Members.
In discussing its effect Miller said he did not think it would cause any drastic liquidation of speculat. loans, that nothing we did do would have that effect; that he, personally would hope to see a sudden liquidation and crash.
Miller also said it was a mistake for Pres Bank to go so suddenly when the Gov

standard; that it wld have been better to have gone more slowly and contented ourselves w. stabilization as did France & Belgium.

The proposed insertion in Bulletin was the letter ab.
Dr Goldenweiser who hankered to be there, said he wld not be true to himself if he did not say that it would be a great mistake to include in the Bulletin a copy of one letter to the Chairman; that it wld reveal a difference of opinion bet. the Bd & the Comptr and wld be washing dirty linen; that everyone wld at once ask what reply the directors made etc etc
Miller finally cld he would be willing merely to include in the Bulletin the first page of the letter and this was accordingly voted.
Gov. Young alone voted against the publication in of the Bulletin, tho he said the sentiments were sound tho of the Phila. address.
It was finally voted to give out the article tomorrow - Wed - at 3 PM & by

cleared on the Thursday am papers.
The reason given by some of the members for speedy publication was that it implied appeal - as was the fact - that it was prepared & fully decided when before Gov Norman arrived in Wash.

Crampton said he believed Norman did not want to raise his rate but felt he had to to protect his gold, and wanted N Y to unwind so as to give him an excuse for ballooning.

Gov. Young said that he was getting more & more convinced that a central bank in U S was necessary. Miller agreed.

Cld also asked Gov H. whether direct pressure did not mean ultimately rationing of credit. He sd No as did also Miller; that rationing of credit meant a restriction of indiscr. loans & not a mere restriction of amount of credit.
Cld believes a restriction of amount of credit is in effect rationing at least in some degree.

Gov Ast commented on Gov H's stmt that they used direct pressure only in bkg out of line & not in bankg generally. Gov Y. admitted this but said he knew the N.Y. bank had also exercised general pressure.

Ast said he had a vague belief that if a man like Dr Schacht had been Gov of N.Y. Bk he would have accomplished something. Gov Y. sd this was not bec to N.Y. Bk as Schacht had greater powers, e.g. power to raise.

Ast however is not quite convinced.

a clear issue seems to be being: either we must find some method of direct pressure or we must enter into a radical increase of discount rate 6, 7, or perhaps 8% which would be surely detrimental to business

Ast asked if request made to inc. to 6% what wld be effect if Bd advanced 6% on the ba collat. note but told commns. Policy down to 5%.

Gov H sd while this bks had in fact plenty of com. paper, it might put them to inconvenience but did not think they wld object should. bowns.

Gov H. seemed to want to have Boston increase brit but Ast believes this was merely to have an excuse on N.Y. memory.

Ast felt that Gov H. may be quite unconsciously influenced by a desire to help Norman & that Norman may want to use him to pull the chestnuts out of the fire.

Cunningham said he feared the release of our letter to the chairm & publicat in the Bulletin would be a simultaneous demand by the Mbrs to increase disc. rates.

Miller sd it would be construed just the other wt.

It was clearly understood that no member was bound to approve or increase bec. of the letter or publicat in the Bulletin & advance release.

Feb 4. Monday

Wash. Post had article stating that there was no relinquishment to Cuba's claim yesterday, that there were only a few vessels and but one wreath. The wreath was ours, but Berta says that the Nat Parkers & W & N sent one wh. she saw being put up in a cupboard in the Ambulatory at 3.30 PM – evidently the attendants had forgotten it.

Feb 6. Wed.

Gov Norman came to Board, (He was with Gov Young from 10 to 1 and never called in any other Bd member – a surprising discourtesy.) at 1 we got him a lunch at Washington Hotel, when I first met him.

after lunch Miller put him some very interesting questions about the gold standard in Canada.

Gov Norman said the gold standard was in considerable peril in the new Britain; that the purpose of a gold standard originally was to protect a country's exchanges & settle adverse balances; that recently brokers and so. amer. countries had obtained gold for capital purposes e.g. France, Brazil, Argentina; that we were obtaining it to peck up cent. banks where was a strain on gold; that while he believed a much lower ratio would be safe, the trouble e.g. of Gt Britain did not feel so and any appreciable falling off in gold reserves was reflected at once in the country's exchanges & the country did only increase direct rates – altho no increase rec. for commercial standpoint – to protect its gold. He feared trouble for the gold standard, if it continued to be used for other than its real purpose – settling balances between countries.

He said prices were now adjusted in an international world level and any premature fall would cause great damage.

Not a word was spoken about discount rates nor were proposals known of N.Y. Steel's speculation discussed.

He said his principal plan for comg over was to pay his respects to Gov Harrison.

He left on Eng. limited for N.Y and sails on Friday.

During the morning Walter Stuart came in for just a moment but we indulged in only

desultory conversation – nothing about discs.
later on stk speculation
Geo Harrison also came in for a minute.
He said Geo G. had told him about our
P.O. release of Bds stock in London and he
felt very sorry it came to be issued just
at this time when Geo Norman was in
town, as the charge could be made that
the Bd was trying to break the stock
market to help Norman and at his
suggestion
... did assure him there was no truth in
this – that the Bd stood ready
to do w Norman & could have been
invited in any event – even if he had
not come to U.S.; that the Bd had had
it under consideration for at least 3 weeks.
[This suggested by Miller on Jan. 19, See Index
p. 129]
Geo Harrison also said they had done all that
could be done in way of direct pressure;
how could they refuse to direct dep. funds
for a bk to replenish its reserves'
did ad he felt that the N Y Bank
could call the Bank President with

and that the sheet. loans must be reduced;
that while on Bk could properly say it
could not refuse a loan to a customer who
kept a good balance, for if it did that
customer might remove his account to a
more tolerant bank, yet that if all the
bks took this position it would be impossible to
reduce the growing speculative loans; that
whether such an agreement would violate the
Sherman act, did not had not considered.

Geo Norman inquired particularly for Bertie and asked
to be remembered to her.

Geo Norman stayed w. See Miller, who was not
present at lunch.

We 7. Thursday

The stock exchange had a quite violent reaction
as result of Bds letter but recovered fairly
often rumors of a Morgan strike, not
however repeated, evidently designed to
minimize the effect of our letter.
Geo G. got a call and said See Miller send
that while he received the newspaper
men this morning he said nothing for

publication, evidently, however, he said something and the statement probably quoted gives a less accurately what he said. See M. thought no hard in the hesitation or discussion of the Bd statement nor was he present when it was voted.
as Gov Y voted against it, however, I am sure See M did not abstain of it.

Gov. Harrison called up and said his directors were considering advancing the disc. rate.
Gov Y. told him it would be better not to act today.
If it raises the rate, I think every member of Bd Gov Y & Treasury Plant will refuse to abstain it.

Dallas in afternoon said stately they wished to increase to 5% to stop the borrowing in Europe and lending in cash, also to correct relation of disc. rate to accept. rate wh. was higher the discount rate.
We Bd believed the first were the real reason & would ask if the telegram was equivalent to a statement that discount

action had failed and as a response to our letter.

Gov Y sd Gov. McAdoo seemed pleased w the Bds statement.

Miller sd that Coolidge intended to abstain William of Leland Stanford Univ. but by some error, the telegr. w the letter went to his brother who accepted; also that Wilson intended to abstain a Judge Garver but letter was misdirected to Lindley Garrison who accepted.

Feb 8 Friday
Bd considered Dallas letter and letter from Gov. Talley was read showing 18 out of the total the loss were borrowing on sheet. Europe and that to be admonished the they asked they had as much right to do this as the Chic. & N Y Bks. do.
He ended by saying there were two courses only:—
1. Bd act. 2 Incr disc rates
Adt sd this was an admirable description of the situation but not an answer to our letter asking what the Bank had done and proposed to do in the matter.
Adt moved the abbreviation lay on table

at least until Bd sent a cheerfuller answer.
Passed:
Aye: Platt voted aye. Platt voted No.

The Bd then felt against Platt that to approve increase now would shatter Bd & would act to a conclusion that what sits meant in its letter was similar to increased rates - while the obstruct was the basis as to most of the Bd.

Platt moved that a copy of Gov Hardings circular, unless Gov H. objected on ground of its confidential nature, be sent without comment to each Mbr.
Miller moved as subst. that Talley be advised to consult Gov H. as to what steps he was taking.
Platt ed he could accept this and it was passed, by
Later it was felt that it was ill advised to ask one Gov to consult another.
Platt moved to reconsider. Unan. passed.
Platt then moved to send Gov H. circular, as above, to each Mbr.
Platt then asked that this leg. on the latter until we knew more definitely as to conditions.
Miller wanted to call Chf. of Gov Lind most of Bd felt this would prove to be another "Jan. 1920" convention and might cause doubt and trouble.

Miller sd he did not favor deflation but looked merely to business. A day or so ago he heard obstructive wind. See subsec p. 145.

During the discussion Miller sharpe of Hoover as one who could back up the Bd, that he knew Wall St well, and he seemed to act as if Hoover knew & approved of Bds action, and that if Bd weakened, he bantly intimated, Hoover might take a position in the matter.
Gov Young asked if this was a threat.
Miller, evidently abashed, said No. Not at all!

I have forgotten to put down that Gov Young was not dismissed w. Bd this talk w Gov Norman (lasting from 10 to 12.30 m) when he was here.
Before Gov N arrived in Wash. Gov Young

said Bd he had talked w Gov N. Norman in NY and he could not quote him verbatim to have him tell the Bd terrified what he had to say. He did say however that Gov N. ed Bk of Eng. would increase its rate very shortly. This is all the Bd knows of Gov N's views!

At the meeting, Miller said Gov. would be entitled to a lower rate were it not for Stk Exch. speculation; that he would never vote for higher disc. rates unless it were clearly demonstrated that direct action were a failure and that Wkpe letter emanated w could not approve it. He said the Bd in 1927 approved lower rates to help Bk of England and that the best aps entitled to relief now from domestic considerations.

Nov 9. Sat.

We called on Delano to meet the Houghtaling, Fama Delano.

Nov 10. Sunday

Mr & Mrs Samuel C. Rohr, Bonnie Corner of Sat Rev. called. He said he heard the Adds was not doing very well. Wasting time in Wash.; that the chief cloud was the Union the Public Utilities mess; not shade of the Adds's belated interview for Smith & said it had cured him; that he should have said nothing or stood there cross and calm for Smith & w. some decent appearance of enthusiasm & regard for the Party.
Rohr sd Hoover won his views exactly and that Wilson one day asked him what the triumph of the interviews and that he almost repeated Eck's words; that Wilson then said – I made Meadow do this; that he asked why & Wilson said Meadow is my counsel and I made him put out this interview so he could reach the influence in the Dem. Party & then talk me!
Rohr added that Wilson was a very pronounced Republican!

Nov 10. Sunday

We called on Mrs Graef who said that some time ago the Mackle of Rome. Ga wanted a monument to the bird

Mr Cochran and wrote inviting each of his daughters but that not one of them even acknowledged the invitation!

Feb 11. Monday

Miller reminded me that Gov. Norman at an lunch said his husband in coming over was to pay his respects to Gov. Harrison of Phila & N.Y. – never mentioning Gov Young or the F Board!

I stood at desk till 5.20 trying to reach Gov Phila & N.Y. whose directors were meeting to answer our letter. Coddy told me he had heard indirectly that they had adjourned w. out taking any action on discount rate.

Feb 12. Tues.

We dined w Edith Helm.

Feb 14. ~~Wed~~ Thursday

Bd met 2.30 P.M.

At about 3 P.M. Gov Harrison intimated that his directors had unanimously established a 6% rate only to review and determine of F Bd.

Crot moved to table pending receipt from N.Y. directors of an answer to Bd's letter given out a week ago. Miller seconded.

Passed.

Cunningham moved N.Y. be asked to give reasons for its estab. of 6% rate

Then a long discussion arose and finally we rescinded all previous action and directed Gov Young to tel. Gov H. that the Bd could take the matter under review and could not take any action on it today.

Gov H. was greatly disturbed by Gov Y. told him this rate was a national matter, that it would bring every Phila cost of loans, now also to increase its rates; that the Bd, or

Gov Young votes aye in every case when voted No. Gov Y. "to confirm" the Bd actions not against to rate increase

a majority board this wild unpaid business
& wished to look into the matter carefully;
that it had had no answer to our letter
and no office, stint of reason for the
removal received; that it wished to know
the reasons of the Boston Office acting;
that Boston had decided to withdraw any
recommendation until it heard from its Office
in response to the circular.
There was much tel. discussion along these
lines and Gov H then send the application as
established by him did not state the full
application; that the application was expressly
made conditional on Bd acting today.

This was duly considered was established.
Gov H. & directors did not leave until
matter decided.
Bd. decided to hold it in abeyance but will
agree to take no definite action one way
or the other until next Thursday - the
regular meeting day for the N Y directors,
unless before then they should receive
application for mined, decision
~~I don't know~~
This was not agreable to N Y and Mr Farnam

and C. C. Mitchell talked over telephone.
apparently they thought it best to have the
matter hanging in the air liable to be
decided at any moment.
Then Gov Harrison & his directors were going to
give out a public statement of the action of
the Bd. Gov Y read the regulation X 4140,
Aug 22, 24 of Board forbidding this and
saying if the directors did this they need
do it on their own responsibility. This
apparently killed the resolution.
While discussing this we saw a newsboy
shout that the N.Y. directors had raised
a 6% rate; but whether this was now
published I don't know.

Finally Gov Y. suggested that we decide the
application at once. The members did
not want to do this on Gov's & Y's and no
right to try to induce a condition of
immediate decision.
Finally at about 6.45 P.M. the Bd
voted to disapprove action and stated that
the existing 5% rate were to remain in
force. are voted Aye. ~~[illegible]~~.
I but that N.Y. directors felt they were bigger

Conference must be fixed earlier
on Friday N.Y. and C. and Chicago
N of Washington
Pittsburgh to remain, consider per

men than old "Hunt" and triumphed they did blubb the Bd into a humiliating decision. The Bd therefore called them blubb and triumphed then a lesson they never will forget.
The N.Y. directors have never answered our letter nor given any reasons for wanting to increase rates, notwithstanding that the Bd on [illegible] sent a letter respectfully call Gov to give the reasons in any application for change in rates.
It is interesting to remember that on May 21, 28 the N.Y. directors told Bd by letter that it was not practicable to give shareholders reasons for any desired change in rates.

Then, without ans. our letter and without giving us any reasons the N.Y. directors, in effect, demanded that the Bd shld approve their action! How could we review any application under such conditions!

The issue raised was easy to meet and the Bd unanimously disapproved the application.

If our Board had yielded, it would have

surrendered a law of nature wh. it did never have received!
We adjd at 6.45 P.M.
Next were present, Jno Jay, Platt, Cox, Compton and Miller.

At 7.30 we dined w. Hd. Adv. Council at Mayflower Hotel.
Before we went in I told Jno J we wished to see the Council what happened in N.Y. He thought not.
During the dinner Mr Heard asked me what had happened & I asked him not to press the question, informing him however, that the Council thro it President, the Chairman had the report to put this question personally to Jno Jay.
After the dinner Mr Goldenweiser spoke of the present condition. He said they were a menace to the System; that Ann. rates had increased at least 1% and that they must increase further unless present rates declined; that further increase of the rates stimulated industrial conditions in U.S. and would go on to demand the gold standard abroad as they would draw more gold from Europe

which would be very undesirable for the U.S.

The Council then discussed the Bds letter to the Mbanks and were practically unanimous in opinion that the letter was necessary well timed. Mr Potter, of Chas. & Co said Mess N Y had not tried to get the principal N Y Bks together & ask their cooperation; that they had never spoken to the Bank; that while the Bank was not a bugbear to contin. borrowers, the Mess should get all the Banks together, obbending and non obbending & that the situation could be viewed out by this method.
All this talk went without the knowledge of what took place in N.Y. in the oblivion

Feb. 15. Friday
The N Y Times stated, in a long news statement, that the N Y directors after a five hours meeting "decided last evening to leave the Bankps discount rate unchanged at 5% --- that there was a disappointment among the directors over the advisability of a rate advance was plainly indicated as they

left the meeting ..."
There is a more smooth section explaining the real facts, and I believe it was inspired by the Directors, and very cleverly inspired.

At 10.30 Bd met as Fedo Council in sess down at Wash. Hotel.
Before the meeting I told Gov. Y that it the Council did not ask us to what happened in N.Y I deemed it my duty to inform it that if they had any questions to ask as to discount rates in any Fd district, I felt sure the Bd would give them any information they desired. Miller said the same.
Mr. Calhoun asked Gov Y, and he, in absolute confidence, gave a brief resume of what had happened.
The Council then gave the Board a lighter matter stuff as follows:
Sec Seal Bd.
The crux of it was that the Council approved the Bds letter to the Mbanks, approved their resolution on discount action taken in N.Y. 28 and said it believed it did solve the trouble.
The Council went further than the Bds

letter in 1924 recommended but it shows of time and to be remedied as embracing stock security loans, & c loans to customers as well as call loans to brokers.
The attention of the Council was called to this but Wetmore said they used the words advisedly

Wetmore then asked Gov. Young as to the proceedings in N.Y. yesterday, and said he felt sure the Bd would give the Council all the information it had in reference to any question wh. might be asked.
Gov Young then said, in absolute confidence, the story but in a very condensed form. He spoke nothing about Harrison threat to inform the public of the attitude of the N.Y. directors.
Wetmore then said he was glad the Council did not know of the wire it mentioned its recom., but that was knowing it he was sure the con. announced that it was repeat and all the members of the Council expressed the same opinion & Wetmore said the Bd did publish it is it to

decided, to which all concurred.

At 2.30 Bd went and agreed on a statement as to Council's action to be given to Press at 3 P.M. Present, Gov Y, Comptr of Cur, Mess Cunningham & Miller. Platt was not there. Motion to publish all voted aye except Gov Y. who asked to be recorded as "Not voting".

In connection w. N Y's action it should not be forgotten that some days ago Gov Y. told Harrison that if any abbreviation on an increased rate came in, he and the Bd would vote to leave it "under Review". This shows clearly the N Y directors understood the situation and deliberately tried to force the Bd into action, thereby clearly the Bd if there were men that to the ground stone would not dare to rebuke the abbreviator!

I forgot to state that the Ind Adv C. gave the Bd another warn, at the meeting to the effect that mer. of rates should not be resorted to until every alternate at direct action should have been exhausted. This, of course, was not an indication

The reason we broadly got a unanimous vote against adjournment was that we wished it - ~~not~~ to disappoint the action of the Bd, meaning by this not only the vote proposed but also the phraseology of the resolution - condemned in determination today.

Feb 16. Sat

HPH lunched w Mrs Delano to meet Mrs Franklin Roosevelt & Mrs Hoover. Mrs Franklin R did not come on owing to illness of self of her children.
On the way in HPH met Mr Gilman who waved to her and later chaffed to her in the most cordial manner. She said - "Go sure and tell "Charlie" how grateful ~~the~~ I am was for what he said about Mr Gilman at the birthday dinner at Cum A Dun club. After the lunch she repeated this. Her manner was almost affectionate - exactly as if nothing had happened.

Feb 17. Sunday
We called on Rachel Hall.

Feb 18. Monday
Husband told me at Common Club that he had broadly agreed to look after Gertrude Myers investments and check them up as to returns etc but that he should have to charge more than wanted an ordinary accountant.
At 6.55 P M called up Rachel Hall to tell her this. I began to tell her when suddenly she said - Gertrude is here with me! I at once said Baxter was calling on the telephone and asked me to ask her - Rachel - up to ask how she was, as he had heard she had not been very well.
Rachel instantly "caught on" and entered into a long statement as to how her Doctor had ordered her to stay in bed every day until 3 P M and that she was in bed now, but was all right.
I asked her to tell Gertrude I hoped to see her soon - but that I was overwhelmed with business now.
A few minutes later Rachel called me up and I said - I fear I spilled the beans! She said - No, you managed it wonderfully & Gertrude would off allegedly laughing

I then told her about Clephane, and she said Gertrude went with Clem demand then an to see a Nat. Bank officer but that she was almost rude to him.

Dined with Bishop & the Blumlunder.
Present Chas Stover and Mr Eliddon.

Feb 19. Tuesday
Worked with Platt & Cunningham preparing a letter to Wilson as to resolution of Ind Affs C for embezzlement of bonds. Wrote speech on a strict to be cut in shape by McClellan.

Feb 20. Wed.
Gen Young back from N.Y. Said N Y directors had letter to say about rules, & relied that C C Dutcher did not seem to understand why Bd did not accept N Y resignation. I asked him as to Dillon's attitude and he said he had kept him informed from day to day of what transpired; that Mr Sec Al- did not approve Bd's letter in trouble announcement but that he told him this vote would be 6 to 1 against him and

he decided not to go into the meeting.
Sec Al, however, has in no way interfered with the Members - in reversing contrary to what Mr Adams wld have done had he been Sec. of Treasury today.

Feb 21. Thursday
Dined w. Ex Sen & Mrs Thomas.

Feb 22 Friday. Washington birthday

Bd met to reply to Mr Faddens question as to what the Comm should do about the resolution of Cong. Black as to Gen Navarro vest. Gen G. bravely intimated that the Board wld have no hesitation about answering this Resolution were it not for the threatened it wld create, and for fear that it wld operate to prevent heads of Comm. and Offs coming out here from being as troublesome etc etc.
Dined with Gertrude Meyer. Present, the Minister from Ireland & his other Lady Gentlemen.

Feb 23 Sat.
HR defeated Black resolution without a roll call.

Feb 24. Sunday

Lunched w George McCullen.

He told Bertie that when Hoover was in China he was asked by head of a Brit. syndicate to submit an certain mining land. He made the report in 3 sections A B & C. A was the best, B was fair & C no good. The Co bought the A lands. Hoover then arg. a Co & bought the B lands which turned out to be much richer than the A lands. The Brit syndt was very angry & brought suit in Hoover in England; that he was later blackballed at several London clubs thru the influence of the syndicate

Feb 26. Monday

Wash Post has article saying McCullen has not been asked by Hoover to remain on Bd of Mgt. altho McCullen wld like to remain. Cox asked McCullen who said this did not surprise him; that he wld say - not for Hoover - that he thought McCullen wld stay over for a short time & then his successor wld be appointed. I do not believe Sec M. would think of such a thing. Unless, it

had he has voluntarily submitted to accept resignation after it was offered by Hoover without any string tied to it.

Feb 27. Wed.

Mrs Ledyard dined w. us

Feb 28. Thursday

Gov Harding wrote Gov Young suggesting possibility of incr. rates on 15 day call notes secured by Govt bonds to 6%, making other rates at 5%. In letter Gov H said are to hope outside of Boston - that they were using these 15 d notes to make good reserves depleted by loans on securities.

Gov Young today received a mem. from Bds recommending discontinuing N Y's application for 6% rate, wh. Bd adopted. He said to Cox he did not remember telling Hoover that if N Y advanced the rate the Bd wld stop it under Woods. He certainly did say so. See previous entries.

Gov Young said the Bd was upset so low and N Y wrong on to disc. rate deductn.

Gov Y said confidentially Sec Mellon told him a month ago that he was to continue as sec. of Treasury.

Henry Cunningham called. He said that had already said nearly for my Mother and that when he returned from Rome he would be most thankfully to go out and clean the grave.

March 1.
~~Wed~~ Friday

Gov Young said Harrison called him up and said the N Y directors were still anxious to increase rates but they made no recommendation as they knew the Bd would turn it down. He also said that C. C. Rutchell, now in South, had left a mem. obtaining any increase in disc. rates. At the meeting favoring an increase he favored an increase.
He said Legden Miller thought that rates were not to be increased now - and he saw no reason for an increase, the Bd is terrible will not increase until some time after his new mind was placed as it might lay Mar. open to a charge of bad faith.

Gov Harrison told Gov Young if N Y did not increase now it did not for some weeks bec. of Sen Manning visit & Gov Y. sd he agreed with him, which made Gov H miserable.
Gov Young said the N Y directors were independent in attacking to their cables recently for an increase a condition that it was to be acted on immediately, for this meant action that some crisis was inevitable - which everyone knew was not a fact, as that the directors were acting like children & if they did not trust all are what they wished - they did not want anything.
Gov Y sd Miller told him Gov Case was opposed to a rate increase.
Gov Young sd he told Harrison that if the directors had recom'd an increase the Bd would have voted it down 7 to 1 and that he would not be the 1. & suggested he talked to Sec Mellon.

Mr. Bernard Baruch called.
He said he was satisfied Hoover beyond debated Gov Smith. He said he wanted Cowen & Young as Chairm of Res. Comm.
He said he talked Gov S. on Tuesday Sunday

and said he advised him to say that bec. of
abter war conditions, nothing new could be done
to change tariff. He sd Senator Penrose
did this.

~~Heard~~
Board transp. wh letter to Wilson asking calling
in grounds of Rampes.
Gov Y said most of the bumps had already
covered this satisfactorily at Chicago &
Mohonk N.Y.
Miller suggested not to send out letter and
mohonk next week to take up the
matter w. those bns wh. had not satisfactorily
satisfactorily, which was determined when

a mad crazy in N y State next today

Bd voted to advance 5% on Fallen.

Had delightful call on Rachel Hall

Nina Hobbes arrived.

Mar 3. Sunday
Gov Young called me up. Said had had a
letter w. Gov Harmon who sd his directors
earnestly desired incr. in direct rates
as they feared a run away next tomorrow
Gov Y. asked if I was willing to revise my
conclusions and now recommend an increase.
I said - absolutely No, I would never
vote to authorize increased rates and until
the figures showed the necessity or
desirability.
The N y directors are in a blue funk. They
seem to have utterly lost their heads!
"still working in my daughter!"

Mar 4. Monday
Inauguration Day.
Opened cloudy. about noon a heavy rain
set in lasting all day and shading the
ceremonies. We sat out on the Heavy
seats for 1/2 hour but finally gave it up.
considering the methods employed in the
election, I am almost tempted to say, -
"the end of a wicked day"! but I of course
sympathize with the disappointment
of thousands of people who came here.

Mar 5. Tuesday

Bd sheet on hand on P M concerning a letter from Gov Harris urging advisability of a rate of 6% the directors were to meet on Tomorrow. He admitted that direct action was a failure, that drafts were heavy and res. ratio had fallen to about 55%. The Bd felt that there was really a National situation as an increase would be followed probably at every Mbrship cash of this, never at least. The Bd had almost decided to refuse it when Gov Harris told us over telephone that quite a large amount of drafts had just been paid off and the directors w. would not ask for an increase! These directors seem about as weak as the N.Y. directors!

Later Gov Kyong came in and I said I thought the N.Y. directors were very weak. He did not appeal and said in confidence that the trouble was with Gov Harrison and the boys - Rogers et al; that he felt Gov H loved and breathed for Gov Norman. He also said Sec Mellon & Miller looked that the Bd, if it did not now increase rates, w.d do all it could not to increase rates for some time after the meeting that

that and the new issue of Mar certificates, as it w.d lay it then to a charge of bad faith; that they had no objection to increasing rates if the Bd so desired; that Sec M. said he would stand by the Bd in whatever action it took; that he had doubts wh. a rate increase did cure the existing situation.

I told I would do all my power to avoid a rate increase for a reasonable time after the issue, but added that some crisis might suddenly arise wh. w.d necessitate an increase. Gov Y said there was a most reasonable position to take.

Mr Miller had vote passed to ask Wyatt what, if any power the Bd had to enforce its position that speculative loans must be curbed. Vote was unanimous.

Mar 7. Thursday

Gov McFadden sent. said his directors all wanted to incr. rates. Gov Y said would be voted down 7 to 1.

Gov Y. said Sec Mellon believed incr. rates would not help situation and he was pleased to stand by the Board.

Gov Y said Case was here yesterday and said he should lose to lay about 25 million on all of Mar crops maturing in 7 days to Feb dealers. He said they owned under taxes were interested in the new issue of 4 3/4 Mar certs.

Farmer, who also saw Case with Gov Y. Governor gave him general discussion. Seemed astonished as it seemed inconsistent with our theory of rapid contraction of Mendist. We finally let it go over until Case called on us again.

Gov Young said Sec Mellon did not want to come into the meeting as the Treasury's interest might not be exactly the same as that of the Bd, and he wanted the Board to use its own untrammeled judgment.

We all thought this was a fine attitude for Sec Mellon to take, and Gov Y said it was Coolidge's attitude also.

Mellon said it was very different when Harding was under Sec.

Mar 8. Friday

Warburg in addition to Inter. Accep. Bank bitterly attacks FR System saying it had lost control of credit situation and that the speculation were in control. He said the blame partly on defects of system - instead specifically pointing them out - and also on failure to increase direct rates. He said it was disgraceful to have a 4 1/2 or 5% rate, when Accep. was 5%.

See scrap book

Dr Julian Curtiss (Herrick called him - Clemenceau says No. been

Dr. Harrison found my cycle in completed audits. Advised less work.

Mar 9. Sat

Dr Mellon said Gov Y. told him he met Warburg in N.Y. & that he was most contemptuous over Bd's credit policy; that he was so contemptuous and blatting to Gov Y. that he finally had to tell him he was not in accord with Board.

Yet in all his diatribe against the FR System yesterday he never once

mentioned the Bonds warning!
I bear the knowledge that Lu G. was opposed to it troubled Warburg to approve it also!

Dr Hiden (Dr Rubbins office) found my blood pressure 190. Last August (1926) it was 160.

Mar 10 Sunday
Dr Hiden called & took samples of my blood & urine. Blood pressure 180.

Mar 12. Tuesday
Admitted to Dr Rubbins at 6 P.M.
Blood sugar test of Sunday was 1028.
Urine less than $\frac{5}{100}$ of 1 %.
My blood pressure were just under 200. 198

Dr R said on Aug 1. 28 there were no sugars in urine & blood sugar was 1015.
Blood pressure 167 wh. he considered normal.
Dr R said he did not consider my condition serious. He sd it shd reduce except ben say 170 stabilized to 160.
He sd he was sure the blood pressure

would come down & there was no occasion for worry.
He said my lungs & liver were in fine shape.
He advised cutting down a little in starches and sweets for the blood sugar.
In blood pressure he advised a slow schedule, – no swimming, or going thro deep snow or against a very heavy wind. a leisurely 2 mile walk each day under favorable conditions would be desirable. Limit red meats – beef, mutton, veal, pork, and take as little salt as possible. Rest bowels OK.
Dr R said he strongly suspected there was some source of infection wh. was responsible for my trouble & advised having my teeth X rayed at once. Told me to come again in 2 weeks.

Mar 13. Wed
Had teeth X rayed. Report to be sent to Dr Harrison. Accepted.

Mar 14. X Ray report showed one infected tooth one slightly infected and one not enough infected to warrant attention.

Mar. 15 Thur Friday.
Dr Harrison sent the state in lieu of my

eyes were healing nicely rapidly & satisfactorily. He said it was possible & fairly likely that my inherited tooth and blood sugar would assist in my eye trouble & as well - blood pressure.

Mar 17 Sunday
Lunched w. Mr & Mrs Langdon Wilkes at Woodmere Park Hotel. Called on Rachel Hale. Edith Helm dined w. us.
Dr Hiden taken blood, blood pressure etc.

Mar 18. Monday
Dr Hiden reported: Blood pressure 180; blood sugar 20; no sugar in urine. He said this was a remarkably good showing for one week.
Thus ate I weighed 167 lbs a bodily loss of about 4 lbs in one week.
Dined w. Mrs Paul Revere Nottingham

Mar 19. Tuesday
Bd voted to send letter of inquiry to Phys. Sec 7. as to why it had not been more successful in inducing Bd credit warning.
Dr Young & James objected it on ground that time must be shown circumstances wh. could explain the matter. Dr 7. felt

it should be given more time, since as it had not varied or sought to raise the dec. rate. Dr Bd after sending letter to Chicago we clearly urged to write me to Chicago. James finally voted for it.
Miller then presented a letter to each M. apt to object that the Bd wished their suggestions as to drawing a reputation the present M credit division.
Cox suggested that we ask them as to advisability of drawing such a reputation. Miller approved this.
Lynch was called in and said Bd did run a reputation County reports.
Cunningham objected to sending out such a letter at this time.
Cox sd he should vote for the letter, preferably with advisability added but he could vote for it as it was in distinct understanding that Bd would issue a reputation. Miller sd could not be rec. to wind up as the most intimate wld in all trouble. have this denied effect; that he was not prepared now to say he wld vote for a reputation; that if he were so disposed he wld

have drawn the letter differently.
Crot said he feared it might be construed as a threat or bluff which might be carried & that no letter should go out unless Bd was now prepared to issue a repudiation; that he was ready now to vote on it & felt that Bd could make good.
Mitchell said a responsible banker had told him that the Stk Exchange could settle the matter instantly by letting the brokers quietly that the credit they were now getting was to be the maximum, and he thought the Stk Exchange could do this if the Board asked it.
Other members did not believe this.
Crot reminded Bd of the Money Cons adopted by Mbs N.Y. during the war which brought most satisfactory.
Crot said before consenting to increasing disc rates to 6, 7, 8 & 9% he had also come to the conclusion, or at any rate was willing to consider the question of some form of credit rationing thro a Repoth attributable to all banks alike.

Miller said such an increase in disc. rates would mean ruin to business and a confession that the M System had failed.
Geo F. Baker said the belief that a rate increase must eventually come and was the proper remedy. Baker thought it should come at once but Geo F. was willing to wait altho he felt sure it must come.
Crot had to leave at 5 P.M. while Bd were still in session.

Dined w. Mr & Mrs Jas Anderson. Bishop Millman was there and Bertie saw him drink champagne freely during the dinner!!

Mar 20. Wed.

Dr McClenahan pulled out my second decayed tooth which the X ray showed was badly infected.

Mar. 18. Monday

Sunday afternoon Rachel Hale told me her son Donald had been promoted in the Fidelity Trust Co. N.Y. I said I would write and congratulate him, and this pleased her very much. I wrote him a letter and sent him some pamphlets on the M System to read.

I wrote Rachel Hale and sent her a copy of the letter to Donald. I also enclosed a short draft for her to use at a public hearing as to embroidering a road going by her newly acquired property in Md, – "Her Sandelph's Kindness".

Mar 21. Thursday

Bd asked Gov Y. to call up Gov Harrison & say Bd would like to have a conference w N Y directors either in Wash. or N.Y. Gov H. said directors were to meet at 2 P M and they wanted to increase rates. Gov H's only reason given was that the large N Y bks said it would be much easier to cooperate in reducing speculation loans if they had a 6% disc. rate.

In afternoon, Gov Harrison telephoned his directors and established a 6% discount, conditioned on Bds action today.

CBA said the N Y directors had never given any official reason for an increase of disc. rates; that the bigger acceptance discounts, dollar exchange acceptances and U.S. securities all tumbled

rates to lower than higher rates; that the reason given by Gov H – easier to cooperate if disc. rates were increased – was just another way of saying that increased disc rates would accomplish an object without cooperation – that it was in effect a declaration that direct action and cooperation had failed and that the only weapon left was incr. discount rates.

CBA moved to disapprove abolition and buy rates at 5% as now.

Platt moved as substitute to approve 6% rate.

Vote on Platt motion.

Aye. Platt

No. Gov Y. Comptr. James, Cunningham + CBA

Gov Y. said altho he believed rates eventually must be increased the cold vote No.

Vote on CBA motion.

Same as above, but reversed.

Gov H on going on the resolution said his directors wld be glad to confer w. Bd but bill rate must be increased first.

CBA thanked and that then would be

in that case nothing to consult about.
Dr Miller talked with Crowley who said
he wld come to Wash. tomorrow.

Cunningham then moved that Boyd
draw a resolution to be submitted to
Board along lines of his address, — not
to bind in advance any members of
Board.
Passed unanimously.
Brokers loans increased thru week abt
180 millions!

Met Nay Stammond Baker at Commerce club.
He in sympathy w. this crisis
He sd his Dummy had turned over all of
Dummy memo — including many notes
made by Pres't Wilson — almost priceless.
He sd he wanted to call on me & Benton
arranged this w. his Dummy for tomorrow.
He said he had read his death auto-
-matic entry of Wilson and, while she
was doubtless sincere, there was nothing
in the book to the supposition of Wilson.
He asked me if I would read his advance
sheets of the FR System & I said I would.

from the general manner, I doubt wh. the crisis
has lated thru of our debate.

Mar 22. Monday
Gov Harrison and Mr Crowley came before Board.
Gov H admitted that the figures as to disch
Res. ratios etc did not cast too increased
ratio but sd they wld talk N Y Bankers in
cooperating w the Bd.
Ctl asked him if the 135 million increase
in Brokers loans since Feb 7 — date of Bd
warning — was caused by use of Wendel.
He gave an equivocal answer.
Ctl pointed out that, while Brokers loans
had increased 125 millions since Feb 7, the
total N Y deposits had fallen abt 70 millions
& the reserve ratio had increased from 76 to
83%. The ctl said showed that direct
pressure was working.
Ctl asked him if an increase to 6% wld
hold down loans for others — the red
herrings & he answered again equivocally.
Gov H. sd much more cld be done — the Bd
could be patienced, w the Bd cld ask the
Stock Exchange to arbitrarily limit credit to
brokers. He was against both at present time.

Wanley said the existing 5% rate was seriously interfering w. his business. but he wanted a rate increase. His theory was that a rate increase might affect the demand for credit in the hands of the small speculators. He gave no satisfactory answer to what will happen to business if a 6 or 7% rate were put in & remained for 6 or 7 months.

We left no doubt in Geo H's mind the policy of direct action without any increase of discount rate must go on for the present at least.

Geo Young hounded and that we had advanced the rev. to 6% it wld have put disc. rates above accep. rates & wld have left an opening thro which NY credit wld step o'law.

Col Crowley said if a 6% rate would not check loans for others there was no harm, in his mind for a rate increase.

Madame Van Rooyen called.

Dear 21 Thursday

We gave dinner to Mr & Mrs Langdon Wilkes

Mr Fullen had a talk over telephone with Mr Simpson, director of Mkt. Chicago, who said that the efforts in Chicago to reduce speculative loans were not brought about by any order of M Board but by voluntary cooperation of the member banks, and other large business interests, under the leadership of Frank Reynolds a director of M Bank; that these efforts were to be carried out in a cautious careful manner and any violent break were to be guarded against. He favored an increase in rates, however.