

Vol 16.  
March 23.29 - Nov 1. 1929.

A  
B  
C  
D  
E  
F  
G  
H  
I  
J  
K  
L  
M  
N  
O  
P  
Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



A  
B  
C  
D  
E  
F  
G  
H  
I  
J  
K  
L  
M  
N  
O  
P  
Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



A  
B  
C  
D  
E  
F  
G  
H  
I  
J  
K  
L  
M  
N  
O  
P  
Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



A

B

C

D

E

F

G

H

I

J

K

L

M

N

O

P

Q

R

S

T

U

V

W

X

Y

Z



E  
F  
G  
H  
I  
J  
K  
L  
M  
N  
O  
P  
Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



G  
H  
I  
J  
K  
L  
M  
N  
O  
P  
Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



I  
J  
K  
L  
M  
N  
O  
P  
Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



K  
L  
M  
N  
O  
P  
Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



M

N

O

P

Q

R

S

T

U

V

W

X

Y

Z



M

N

O  
P  
Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



Q  
R  
S  
T  
U  
V  
W  
X  
Y  
Z



S  
T  
U  
V  
W  
X  
Y  
Z



S

T

U

V

W

X

Y

Z



W  
X  
Y  
Z



929

Dec 22 5th

The House took up the bill on the 22nd and passed it by a vote of 100 to 91. The bill is now in the hands of the President.

The bill is a bill to amend the act of March 3, 1879, relating to the collection of duties on imports.

The bill is a bill to amend the act of March 3, 1879, relating to the collection of duties on imports.

The bill is a bill to amend the act of March 3, 1879, relating to the collection of duties on imports.

The bill is a bill to amend the act of March 3, 1879, relating to the collection of duties on imports.

The bill is a bill to amend the act of March 3, 1879, relating to the collection of duties on imports.

The bill is a bill to amend the act of March 3, 1879, relating to the collection of duties on imports.

The bill is a bill to amend the act of March 3, 1879, relating to the collection of duties on imports.

Y  
Z

W  
X



1929

Nov 23. Sat.

Mr. Harrison talked with me for an hour in behalf of increased discount rates, but did not convince me.

Mr. McLaughlin sent Mr. Young a quotation from a letter of Kemp Reynolds simply advising calling loans at Chicago. He said in that "The banks seem to have lost their heads over stock gambling... It is a matter for each individual bank to fit into ten guine regions and do whatever is necessary to at least base a reduction in the amount of money that is borrowed against stock exchange securities".

Mr. C. said that the McBoard had never advocated calling of loans; that it simply insisted on prevention of decrease of credit and that its worry combined itself to balance rather than to call loans; that a bank could reduce its liab. to Mr. by selling securities or calling loans; that that was a matter for each bank to determine.

(In Serah book)



Nov 24. Sunday

Dr Hiden called, took blood pressure (178) & specimen of blood & urine.

Nov 25 Monday

Dr H checked blood sugar 20; no sugar in urine.

Nov 26. Tues.

Dr Harrison said the hemorrhage in my eye was healing very satisfactorily.

Dr Rubbin found blood pressure to be 193 - a decline of 5 mm had time to time as in P.M.

Ad advised application of Pluta on 6% rate accompanied by Harris - inc. direct rate out of line w. other rates etc.

Mr Young sd the major policy of direct action was succeeding & he sd to submit it as long as it did succeed, altho he still felt ultimately rates would have to be increased.

See Miller said that while he too felt ultimately it might be nec. to trust the rate, he felt that direct action was succeeding & he voted also to disapprove Pluta applictn.

Nov 27. Wed

Rate increased to 6%.

Ad took it under review

Mr de Young came before Board

argued on 6% rate - seemed to mildly direct action had failed. We pointed out that since Nov 15 total loss & spec had fallen on to while some rates had risen

from % to %.

We said this was very successful. He said it wd direct direct into other districts but we said we wd have to take care of that.

He said business demands were now increasing & business was undoubtedly being affected by the spec. loans on securities. Told us he did not say that if rates were raised they could steadily be put down. Admitted a 6 or 7% rate if continued would seriously affect family operation (was now affected) and small business men.

The only argt on increase was that rates were out of line offering an inducement to rediscount on the market in the spread.

We pointed out that since Nov 15



he had controlled the situation very satisfactorily.

Mar 28.

N Y passed 6% rate. Ad voted at dawn 7 to 1.

Platt was the 1.

See Mellon said he was in accord with  
 Gov Young; that he thought ultimately  
 we would have to increase rates but the  
 majority plan of direct increase  
 appeared to be working well and he was  
 willing to go with the majority until  
 it was shown to have failed.

Chicago reported no change.

Dr Keller telephoned that the N Y bankers  
 were very angry at the interview of  
 C. Mitchell (see sketch on); that they did  
 not object to his giving assistance to  
 avoid a bin. panic but his remarks  
 overthrew the control of the situation  
 & started up circulation anew

Gov Young was asked to call up Mellon  
 and ask him to tell Board in writing  
 exactly what he said.

See Elm called. He said he could write me obliquely  
 and ask to visit our records to see the inter-  
 cepted cable from San Clement being to Wash DC.

He spoke of Randolph Bulling's connection w.  
 Wash DC and said he knew all  
 about it. I said I looked the name over  
 but he brought into the matter and he  
 said it would not if he could help it.

He said there was another disreputable  
 matter with wh. Bulling was concerned;  
 that a Chicago man named Hines had  
 a shrewd way & audacious at Chicago and  
 that he sold it at an extravagant price  
 to the Gov later on a consular; that  
 Pres. Wilson's brother at Balto and  
 Randolph Bulling were behind the sale  
 & talked just as through; that he had  
 recently killed a bulletin abstract of  
 5000 in the Senate on the same purchase;  
 that the abstract was named the consular  
 or Hines in who died and had had  
 never in active service.

He said he did not claim that Bulling  
 was absolutely dishonest but he was  
 certainly a damned foul.



Catherine Brent arrived yesterday on Berta  
w. young Alexander. Berta called me  
up this am and at 4.30 she came to  
tea. She asked if I was very angry with  
her. She had not written in answer to  
my letter of Jan 21 and revealed that she  
was so busy she had neglected it. She id  
they had taken a house at Nahant for the  
summer but had tried to get the Battelle  
house at Mt. O. She said Alexander was  
not affected by Mitch waiting on to land  
but his house is idle. She finally said  
she loved to have my letters and wanted  
me to continue writing. I said whenever she  
wanted a letter on me she must write  
and ask for it; - that a very short letter  
would be sufficient.

Friday  
Mar 29.

Called on Catherine & Alex. went on am and  
took them over the Massery.

Dr Miller reported his talk with NY Board  
and N.Y. directors.

He found some of them, Alexander, Potter of  
Rice & Co also sympathetic w. Ad. Tuley

of direct action and other cases. Washburn  
bitterly opposed.

He told NY directors that real reason for  
wanting a rate increase was to test the  
stock market altho they could not  
officially say so; that they were bound  
by the law to fix rates for the accommodation  
of commerce and business; that if they  
refused to Ad that the existing speculation  
was threatening business and that better  
direct action was unless we did necessary  
rates, he would take it up on his  
angle; that he had respect for judgment  
of the directors and that it was entirely  
encompassable that he might defer to  
their judgment but in such case he  
must have an official record made by  
them, when which the Board could  
act.

He said Mitchell was very intrepid and  
irritable; that he told him he was in  
a calligent mood; that the Mitch  
must be changed to take away the  
trouble of the Ad.

Miller said the sentiment in NY was  
against Mitchell as heavy given and



an interview on the selfish interests of  
the Union at the expense of the country.  
-tion; that often it is hard done as  
much or more than Mitchell to allow  
his own views.

Miller finally suggested calling the Trade  
Council together to review the whole  
matter & advise the Board.

Miller said everything was going well under  
Mitchell's shape & we did not want  
say who the interview had benefited  
direct action or not. (Privately he told me  
he heard it had)

We spent afternoon in framing a letter to  
Mitchell asking if he had been correctly  
quoted. We finally agreed on one & ordered  
it sent.

Two young at first objected saying Mitchell  
would treat us in a hall; later he dictated  
a letter so short that we all agreed to  
it.

James said Mitchell should be removed  
as Glass demanded in yesterday's  
papers.

We thought we would send the letter

to Mitchell & later decide what further to do.

I think Dr Miller is hesitating and may  
later yield on vote question. The majority,  
including Miller, want however a further  
test.

Name of the Bd criticized what Mitchell  
did - it was merely what he said.

We dined at the Bellevue with Catherine Grant,  
Alex. Grant and her & her children first.

She again spoke of her difficulty in getting time  
to write letters. I am inclined to think she  
will never write me again.

Mon 20. Sat.

Bertie and Catherine Grant some miles of the  
valley with us two cards.

Mon 21. Sunday, Easter

Dr Haden took blood samples & urine.

Blood tension 170. Blood sugar 19.5. Urine. No sugar.

Catherine Grant called on us to thank us for  
the flowers. I said I hoped we should have



been here occasionally and she gave a, to my, rather warm  
answer. She said "don't be too hard on the clock work,"  
and added justifying - "just not an occasional tick," I  
said w. equal humor, how can I if I never hear  
from you!

Called on Mr & Mrs Robert Perry at Mayflower Hotel.

Called on Catherine Grant.

Mr Delano was most cordial. Catherine held us  
waiting about 15 minutes & said she had been  
travelling. She looked tired and did not seem  
particularly glad to see us. We stayed only a very  
few minutes. I believe Catherine was bored.

Mr Delano, sitting beside Bertie, took his hand and  
held it for some little time. We trusted it as a  
joke but I saw Catherine was quite disgusted at  
her father. When we went away, as I remembered,  
Catherine made no effort to kiss Bertie, as  
she always did, and I think did not even  
shake hands with her. When Bertie was just  
going out of the front door, she called out  
"Good bye, Catherine" and C. responded very  
casually. When I said good bye to her she  
quietly responded good bye but without another  
word. I said then in really good bye; You  
are now sober for the day. She said you  
must come again after a time! I do not

think she meant anything implied by then. However she  
was plainly worried, and nervous.  
Perhaps she had had some disturbance with her  
father or Mother before we arrived. I told Bertie  
I would write 10 to me that we would never  
hear from her again. Perhaps I am ludicrously  
wrong as to this - Bertie says I am senseless idiot. -  
Time only will tell. - I shall await its revelation  
with interest.

Bertie reminded me of Catherine saying to me  
the other day when I asked her to remember me to  
Lady Ames - Yes. You asked me to do that yesterday.  
She also asked me to throw down <sup>my</sup> ~~my~~  
& trap which I was holding and not to let as  
if I were at a funeral!

I am sorry to say that Catherine was champed  
very much, she was given up theatrically, as  
she told me she had other things to do, while  
at Fairhaven there was nothing else to do;  
she has evidently taken up with a <sup>bashful</sup> ~~bashful~~  
smart set Boston crowd. At dinner the other  
evening Bertie said she <sup>was much blushed,</sup> ~~was~~ and her  
hair was very elaborately dressed with long  
furrows; it made her look <sup>much older</sup> ~~much older~~.  
When she came down to day she did not  
wear any shawl of the hills of the valley



we gave her.

I do not believe she will ever want to spend a summer at Danbaron again.

Taking all her actions into account, the sinister thought creeps into my mind that she has a feeling that she will leave me and her own folks home at Mt. Airy soon, and that she feels no longer under any obligation to carry me along, but will quietly but of course kindly drop me.

This, <sup>probably is</sup> ~~may be~~ grossly unjust and at present is not my belief. Her mail may tell. (It did tell me exactly what such a thought was.) What somewhat irritates me is that she asked me several times last fall to continue my letters to her and that she would answer them, which she never answered by letter of Jan 21, thus leaving me in a rather ridiculous position. It is a matter I never will be pleased to again remember.

While at our apartment she wrote in the book "Harmes" which she gave me for Christmas, - "To Charles & Bertie" with affection <sup>to</sup> regard to Catherine's hand.

The letter to her friend she subscribed to Charles S. Hamlin, with Christmas greetings to another friend - C. F. J.

I asked her to write "to Charles" but she did not want to. The copy "Harmes" she wrote after the Hamlin's.

April 1. Monday

And Mr. Bump, not returned from abroad, when he went to talk Cleven & Young of Reston Comm., addressed Board in work of Reston Comm. He described the new world new system. Bump. He said our system could not be asked to do anything except attend the cause, if basically created, as its counterpart.

Apr 2.

Have just read ~~about~~ Curtin's report on working of direct business in N.E. He says conditions are now worse than when the business began and that there are evidences of commodity speculation in cotton and sheep. Says directors are unanimous for increase in disc. rates.

Sen. Glass sent me a reply to a pamphlet being sent out by Cleven & Muller & Co., which seemed to claim that they were the author of the Mt. Airy. Glass's pamphlet annihilated them. He brought out also the court reference to Muller & Co. trust. conduct in a certain case.

I write to Mr. Young the article



but rather denigrating the personal attacks  
in interchanges.

at Board meeting today, James wanted the  
discussion w. the Gov as to credit policy  
laid down by a stenographer, ~~made~~ and  
so moved.

Ed moved as substitute that Ed could  
lead to have a stenographer unless the  
Gov objected.

Miller said he would vote on Ed's substitute  
and if <sup>defeated</sup> Gov objected, he ~~would~~ could  
then vote on James motion.

Ed's motion was unan. passed.

Ed said if Gov objected he would not  
vote to insist on a stenographer as it  
would result either in stalling the discussion  
or in having the Gov call head craps,  
wh. would defeat result of an open,  
free discussion.

Later, Platt told me the Gov did  
object.

Am 3. Wed

Harry Wheeler of Chicago sent Board a very forceful  
telegram urging us to protect commercial and  
business and not increase discount rates.

(See Sec. 64).

Am 4. Thursday

Board met with Governor at U.S. Ch. of Commerce.  
We were in session from 10-1.45 and from 2.45 to  
8.15 P.M.

The Governor presented what they called a  
formula upon which they all were in  
agreement; - No Board to have a lower  
rate than 5%; the principal motive in  
business centres to increase to 6%.

after all day discussion it developed  
that Cleveland and many of the smaller  
banks e.g. Atlanta, Dallas, Minn. and Kas  
city accepted the decision of Port. NY and  
Chicago on a 6% rate and on this account  
favoured not less than 5% on all other  
banks. It was not a resolution, and not  
even a vote of approval of opinion  
(For notes of true debate see Sec. 64.)

during the conference, Port. NY and Chicago



established a 6% rate which the Board declined to approve.

Platt moved to call in the Fed. Adv. Council, but it was agreed to postpone a vote until after the conference.

am 5. Friday

Mr. Tunny said N.Y. had sent in a letter giving reasons for increasing rates.

Mr. Tunny said N.Y. had sent in a letter giving reasons for increasing rates.

Mr. Tunny said N.Y. had sent in a letter giving reasons for increasing rates.

He said he had finished his letter at Johns Hopkins Hospital; that his letter was badly subjected and that he had full strength. He said he was in a very strained nervous condition and Dr. Barber said he must spend a month in the hospital. He was very depressed.

He still feels that we have no right to demand flexible rates for a bank having collect. loans, but he was not quite as positive as before. He said Subsequent had written saying that in choosing rate increases he had changed his mind as in 1919 he had cast the deciding vote for higher rates.

He said he had referred to him saying he had so voted but he felt it was a mistake; that the reserves then were at a very low point; that the crash of 1920 would have caused any amount of the healthy side of rates enabled demagogues to charge Fed w. responsibility for the crisis.

am 6. Sat

Yesterday the paper published another "Board warning", it was really the monthly review. Goldensweiser said this ordinarily appears in the Bulletin, but Mr. Tunny decided to treat it as news, but that the Board had not voted on this and had not seen it. The reference to the possibility of using "other methods" of control has caused considerable excitement. G. said this really referred to increased discount rates as the following sentence would have shown, but the following sentence was struck out at insistence of Dr. Little.

not told G. the words were generally construed as a threat of drastic action along other lines than increased discount rates, and so the Fed should have been



consulted, & I agreed it was a mistake to have sent it out w. out consent of Board.

(Mr. Pomeroy dined with us.

April 7, Sunday

Dr. Hilden came. Blood pressure 165; - about normal.

Blood sugar 1017      Sugar in urine. None

We lunched w. Mr. & Mrs. Robert Preyer.

Missie Harrison dined w. us.  
Apr 8. Monday

Prof. A. J. Bullard of Harvard, called. He said we did not succeed in direct action as gold will come in and negate it and that by request we would have to buy bills to take care of hot movement. He thought that an increase to 6% on day Mitchell spoke will have smashed the stock market.

I told him that was not what we were after; that we wanted a gradual decrease.

- dates of Mitchell - that some time ago many and now a relatively smaller number of banks were borrowing so frequently from W. Banks that they were in effect securing capital on collateral loans and that the Fed. Res. Bd. should gradually reduce their borrowing from W. Banks.

He did not favor at present time holding

a debenture against the Gov call notes held by Govt bonds, as it would be another blow at Govt bonds, but that later it might be wise as it would make banks more cautious in making checks. Loans knowing they would have to reduce collat. Notes at a deb. rate.

not asked him what more could have been accomplished by putting in a 6% rate when the market was close to a panic under direct pressure and 5% rate. He said it would have about. As for the aspect of speculation, e.g. he evidently wanted a crash.

Estlinde Meyer dined with us.

Apr 10<sup>th</sup> Wed.

Bullard called again. Said if we are to return credit we must act in acceptance as we do on discounts; that he was not in sympathy with Mr. Harding on this. He said we might succeed in direct action until aspect when we would have to buy bills or put money into other market.



Apr 11. Thursday

Mr Perinpton sends check for 2.10 by 1/2 of  
 Wilson Chem, royalties July 1.24 - Jan 1.29.

Renounced it + sent check to Mr Andrew  
 Jones.

We took 3.10 P.M. to Richmond to visit Mr + Mrs  
 W. W. Hoxton.

Apr 12 Friday

attended meeting of stockholders of Mount  
 of Richmond and made two addresses.

Later the bumper car lunched at the  
 Commonwealth Club.

In evening the Hoxtons had some friends to  
 dinner to meet us; Mr Hill, Dr + Mrs Wisker  
 and Mrs Clark.

Apr 13 Sat

We drove to Westover in the James + called  
 on Mr + Mrs Richard Crane who showed  
 us over the beautiful house and grounds.

Then we drove to Williamsburg and were  
 shown over the college and town by Dr  
 Pollack whom Hoxton said would probably  
 be the next Gov of Va. We also visited the  
 various houses and buildings now  
 being restored by Rockefeller. On the drive

to Dumfries and then back to Richmond arriving  
 about 7.30 P.M.

Apr 14 Sunday

We drove at 11.30 to the Middlesex  
 country club where I gave a lunch to all  
 of us; then we went to Alexandria where  
 the Hoxtons called on their married daughter;  
 then we went to Washington arriving  
 about 5.30 P.M. We had a delightful visit.

Apr 16 Tuesday

called on Rachel Hale

found W. Ken Lanning. She said she had  
 many letters from Mr Wilson to see Lanning  
 which she would lend Ray St. Baker when  
 we came to Wash. again.

Apr 17 Wed

I wrote papers as to above.

William of Va. adv. c. called me Platt  
 and said the Bull Council wanted a  
 meeting with the Board on Friday to which  
 the Board by unanimous vote agreed.



Apr 18. Thursday.

Meeting of Board: Present, See Mullen, Platt, east, James, Cunningham, Comptroller.

N.Y. established again a 6% rate start of season.

See Mr. East the transport rates should be raised to that level in relation to other rates but that he was not sure of advisability of doing this in view of situation in Europe as it might create trouble. He said at a meeting of Refs last night the leaders thought they could pull off the Reed resolution - at any rate they would try. He said he checked rates and then just when they had been agreed on conditions could not be deferred to any extent from what they are now, that an increased rate could not decrease speculation.

East said the reason of the N.Y. bump; the dump of gold markets, difficulty of placing Gov. loans in U.S., consequent fall in one of parts etc etc were just an indirect reason for lowering rates, in fact more potent than the increasing rates; that N.Y. thought higher direct rates would bring the call loan rates, but he did not see why; that N.Y. sd in its reasons for

2 were also that if 6% did not correct the situation higher advances must be made; that in his opinion business, already injured by special loan under the 5% rate would be more injured by any continuance of a 6.7. or 8% rate. East sd he was not convinced but that he should consider the advice of Ad. Adv. C with great respect and would go over the matter again if they favored an increase. Finally Platt moved to approve.

Repealed.

Aye Platt

No East, Compt. James, Cunningham

Not voting, See Mullen

Finally See Mullen decided to vote Aye with Platt, altho he said if he had had the deciding vote he would have been very much embarrassed and he was really glad the Ad had voted No, until at least we could hear from the Ad Adv. Council.

Cunningham introduced a resolution which prohibited the use of any bank carrying a speculative loan except with consent of Ad. Adv.

James moved that this be forwarded to Ad Adv Council for suggestion, before the



Board voted on it. Passed unanimously, see Miller not needed.

CSA said that such a resolution made the Board an operative Board and would not be legal, but that the Board could claim general regulation as a rule on M&B; that he had no objection, however to referring it to the N.Y. Adv. Council or the Exec. & M&B's.

CSA followed Sec. Miller out of room and said on a question of banking policies, to put up rates now would cause a political issue and could surely cause an investigation by Congress; that the Exec. & Prof. Nicks would insist on an investigation & that Hoover could not control the Party and could suffer a decisive defeat at beginning of the administration; that the real issue was to allow the resolution to pass, as the Fed did not bear it.

Sec. Miller said he was inclined to agree to CSA.

Sec. H. seemed disturbed at the start that what N.Y. wanted was to break the stock market. He said it could not be broken; that large interests would support it.

Mr. Harren said that Cunningham said, Mr. Norman told him we ought to go up to any extent, say 10 or 12% to break it.

CSA feels a great vehemence as the vote is the deciding vote between Sec. H., Mr. Young, Comptroller, <sup>and Platt</sup> on one hand, and Miller, Harren and Cunningham on the other. His adverse vote will tie the situation.

Bester lunched with the three normally, then Wilson was there and most abjectly. She inquired on "Charlie" and told the story of the Eve of St. Nicholas when we cut the white lilac string - which turned out not to be a white lilac at all.

Apr. 19. Monday

The N.Y. Adv. Council met with Board at noon. Westmore said the Exec. Council had met in N.Y. two days ago and had conferred with Mr. Harren who gave him the picture as to the N.Y. situation; that the Council this morning had reached a tentative conclusion that while there had been great cooperation between the Member Banks and the M&B's following the Board's warning, no tangible



results had followed and no best way worth while had been accomplished and no decision in Member Bank loans had been brought about; that the M. G. had met with great resistance on individual borrowers; that the banks had not had adequate support from the M. G. (later he qualified this); that existing M. G. rates were out of line and ineffective to control existing security loans; that quick action was needed and wanted, especially by borrowers who were very apprehensive because of the high call loan rates; that while higher discount rates would help Member Banks but extra business on borrowers, then in his opinion was a side issue. From his statement it was evident that what the Council wanted was a steady liquidation of speculative loans, i. e. to break the stock market.

Ed pointed out that under the 5% rate the M. G. had <sup>since Jan. 29</sup> liquidated its total assets & securities about 300 million, slightly more than the average liquidated on the years 1922-27; that this may not have been due to direct action but rather by sold interests and withdrawal of money from

circulation, but that, whatever the Council decided was necessary at a fairly satisfactory rate so far as M. G. was concerned, both as to the System and the M. G. N. Y.

Ed asked if the Council appreciated that the issue, as stated by N. Y., was not a 6% rate or approval to the 5% rate, but an abnormative rate policy of 6, 7, 8 or 9 or whatever rate was necessary to check existing speculation, business and other related yes,

Ed asked if business believed 6% could correct these conditions and he said no one could tell, but Potter was the only one who thought 6% might do it.

Ed asked what would be the condition of business if rates had to go up to 9% - which it could not be worse than that the relatively slow cure of a liquidation of M. G. under 5% rate which was undoubtedly absolutely necessary, but could get no satisfactory answer except from Potter who thought 6% could be enough to accomplish this.

Ed asked Potter whether an increase would



not increase customer rates and he said yes but probably not by the amount of the increase.

asked Potter whether the 6% reserve laws in many states would protect the customer, Potter said no and agreed with that compensating balance requirements enable bankers to buy any rate they might desire.

asked Potter if he had seen any evidence that the stock market was toppling as Mr. Harris said. He said yes he had seen some evidence.

asked Potter, in assumption that the stock market was about to go into a steady liquidation, as Mr. Harris said, whether he would still want to keep up rates now. He said yes.

Mr. Miller discussed whole situation very clearly and set the Fed to change its position in face of the liquidation of Mudd's now going on would be ridiculous; that if it agreed to increase rates it must frankly give the bank room - a chance to bump the stock market; that the Fed could be

changed so, buying the stock market and enabling the rich to buy in at low rates while the poorer speculators were being out.

Mr. Miller said the moment it became evident that direct action had failed etc that Mudd was not being reduced in the market but, com. loans and checked loans changed, it might become the duty of the Fed directly to regulate the amount of direct - bank etc loans as some cases to reduce the altogether. Antenna sd this would cause a panic.

asked sd many banks by frequent reductions were really getting exhausted on Mudd's & he wanted the capital restored gradually by these ops.

James sd 37 banks had borrowed business & now had 46% of deposits which loaning to business and dealers 772 million.

we agreed this was wrong.

Sec. Miller said as a banking executive he agreed the rates should be increased to 6% but did not believe this would check speculation; but that he felt it



might be very unwise to increase rates just now because of the situation in Europe; that it might invite unwise legislation.

at 3 P.M. the Bd left the room and later the Council filed a resolution on higher rates. (See Sec 60.)

several of the Council said the question of expediency in view of the situation in Europe was a very important question which might abate them in the Board's judgment, but they were advising only in the banking question.

Later the Bd discharged Chicago's action in increasing to 6%, a rather low rate under review as Chicago said it was to be withdrawn if not acted on before Apr 26.

James moved to ask <sup>the Council</sup> Council to refer Bd's objection just what it meant in its resolution by "correcting the present situation of the money market"; so the Bd could have it in their records.

Passed

app. Crd. Compt. James Compton  
No. Platt.

Dr. Miller also said that to go up to 6% would be an official declaration of the cost of money which might take a long time to reach down to the injury of business.

William in answer to what said that cutting up disc. rates might reduce cash loan rates by cutting down the speculative demand for money.

Apr 21 Sunday

Dr. Hilden.

Blood pressure 155; blood sugar 1015 units O.

Dr. Miller said on Friday before the Fed Act Council that if we had had one central bank in Washington the specul. conditions could not have happened. Some one asked him if he believed, then, a central bank was better than 12 others and he replied - I believe in absolute central authority!

(we call in her + her Robert Allen and went all over their beautiful place.



we called on the Patten.  
 Henry Patten said that at a musicale at the  
 White House, following a lunch at which  
 the Melton, where singers were present, - I  
 think last Friday, Apr. 19 - Mrs. Thompson  
 said that when she and her husband arrived  
 however the White said that at the President's  
 request they were to take the 2 center seats  
 in the front row - the seats of honor,  
 and that Raymond Rudge said Mrs. Gann  
 sat back of him in no respect of honor  
 at all. This is apparently a Presidential  
 ruling against Mrs. Gann's claim, and,  
 Mrs. Patten thinks, settles the question.

Mrs. Demock told Bertie - at the Blain's -  
 that Mrs. Justice Stone told her that on  
 New Year Day the justices merely held  
 their cards on the Vice President, not  
 asking for Mrs. Gann; that Mrs. Gann was  
 burlesque and that Mrs. Stone later said  
 to her - why don't you call on the  
 justices wives? Mrs. Gann said I never  
 will; that later she said to some one  
 else she would make them call  
 on her.

Mrs. Patten also said that just before

the dinner given by Mrs. Luce Anderson, Mrs. Gann  
 called up and said that if the evening would  
 embarrass her she would not come. As a result  
 Mrs. Anderson said she tried to put her the  
 place of honor over Mrs. Sec. Adams and  
 Mrs. Sen. Sackett.

She

Mrs. Patten also said Mrs. Gann was a  
 democrat and said he was making  
 \$50,000 per year as a lawyer, largely on  
 embassies and legations. Mrs. P said she  
 had heard that they were now dispensing  
 with his services.  
 Mrs. Gann, if not suppressed, will  
 work the admiral.

Mr. Patten said Stimson was  
 really ashamed of having to work the  
 diplomats as to Mrs. Gann and of the  
 ruling that hereafter the State Dept  
 would not give precedence advice.

Mrs. Blain asked if it was true that I was  
 a Democrat. I said yes. She then said  
 with a look of incredulity - did you vote  
 for Gro. Smith? I said yes. She then said



do you think it was a disaster to the country that Hoover was elected? I said - not at all, that I had great respect for Hoover's ability. She then said what then in your opinion, did the election mean? I said the triumph of certain Rehab. Principles. She then asked what were these Principles. I said Prohibition, Power, and to a certain extent Protection.

She said Hoover had a hard task to lead the Party and to prevent a general recession in Protective duties. I said Hoover was a skilled Engineer who knew how to plan & that I sincerely hoped the old Union Party Govt in Europe, so that the great issues will become Party issues and a Party will be held responsible to the people.

She said if increased duties were placed upon articles imported from So Amer. & Canada, for example, Mr. Bliss and Wm Phillips would have to bear the brunt; that they would even be in danger of bombing in Argentina, so great was the feeling.

Wendell Patten told Bertie that the Senate ladies persuaded her father to resign as President of the Ladies of the Senate before the Hoover administration came in so they could elect Mrs. Sen. Morse in her place; that Mrs. Bruce dictated a letter of resignation which her father signed; that Mrs. Bruce said it mitigated her regret at leaving Washington by getting rid of the annoyance of her farm.

Nelly Patten sd 6 Senators and their wives, and 3 Ambassadors and their wives withdrew their acceptance of the dinner given by the Chilean ambassador at Pan American building to U. Pres. Center; that center requested that no wine be served at the dinner.

April 22. Monday

We had Ethel and her and Mr. Patchell at dinner & took them to the movie taking picture - Show Boat.

Ethel told me that Rachel Haller was kindly buried yesterday.



April 23, Tuesday

called up Rachel Hall. She said she was at the  
 house Sunday when suddenly a ball of lightning  
 struck an out house containing hay which was  
 on fire and burned up.

Dr Miller said he expected soon to reply to  
 Warburg's criticism of the Fed's course; that  
 Warburg was among those who did not  
 object to a drastic devaluation of credits.

We dined with Edith Helen. Restiade Shroy  
 & cat & his Meyer of Maine coon were there.

April 24, Wed.

Mr. French came before Fed and talked of  
 Repton course. He said before the Fed he  
 he could give little information. He thought  
 Schacht was playing on political points  
 at home.

We then talked of discount rates.

He said there was considerable speculation  
 in N Y in building operations which a  
 6% rate would check. Miller said we  
 had no information showing this.

He also covered a general business

to 6% at best saying he thought this would  
 correct the situation. Miller asked him what  
 situation it was which he wished to be  
 corrected and he answered equivocally  
 evidently not wanting to refer to stock  
 speculation. Later he said if 6% did not  
 correct the "situation" he would have  
 increasing rate to 7, 8, or whatever rate  
 was necessary. He said he did not  
 worry about the existing situation but  
 was looking at the date when we would  
 have to give lower rates to business.  
 He admitted to Fed that if we used  
 rate to 6 or 7% and could not reduce  
 in the near future business would be  
 severely injured.

Conf. Wingo called. He said a rate increase  
 now would cause trouble in Congress.

April 25, Thursday

N. Y. estab. 6% rate, Board disapproved  
 vote

aye, Sec. Miller, Platt

No. est Miller, Jones, Cunningham

Sec. Miller headed by message to Fed

the vote "in line". He said however he was



confident that 6% rate would have no effect on  
specul. loan. He said he thought there would  
be a sigh of relief on the speculation  
and showed there had been a very brief  
liquidity in the system here & securities  
since Jan 1; that the rate was 5% or  
some rate bet. 6% and 10% to break the  
stock market.

See H. said you can't grasp it but he  
admitted there might be a radical  
base which however accumulated could  
well absorb.

and said there would be a redistribution,  
the value would go to the bank and  
the thing would.

See Hellen said he thought we were  
entering in a high rate era which would  
last on a long time.

and said there would be disastrous for  
the small business man.

see H. seemed to feel that the system  
in the stock market would go a  
bit.

and disappeared with them.

and also turned down boots

Apr. 26. Friday

anniversary of Anna's death. (Apr 26. 1925)  
we attended special service at St Agnes Church,  
New. Father Anderson.

and disapproved Chicago application for  
increased rates in advance, as left had to  
be away in P.M.

and drove with Rachel Hale to her new  
house in kid - Her handwriting / reading  
and found it charming. Told her in absolute  
confidence as to the slance with Anna.  
She said she was often minded but could  
not accept the reality of slance - that  
she was a doubling Thomas. She said  
she had often tried automatic writing  
and had succeeded perfectly in writing  
but got little or no talk from it.

She said she had tried table lefty  
with her Beall with surprising success.



Apr 27. Sat

We call and leave cards at White House.

We call on Sally Halber (Supt)

May 2. Wed Thursday

Berta called me up to say that Catherine had called her up about 11 am, saying she had come down to go w. her father & mother to Norfolk on the steamer & thence by auto. to see the garden in the James River; that she had just returned; that she would like to dine with us, probably about, on Sat. night, which Berta at once arranged.

May 3. Thursday Friday

Carl calls up Catherine to see if she would be at home this P.M. and she said they were all going to a concert.

Newton Basler met Board and said that we was in accord w. Lygatt's opinion as to power of Fed over discts. He told Carl he agreed w. Lygatt that we could simply cut business loans if we wished.

Carl referred to Cummins' resolution that w. out consent of Fed no Mbk could do but for any bank carrying discount loans

we seemed to struggle in and he doubted wh. Board did have such power, Carl pointed out that Lygatt used word "reasonable" in his opinion and that Cummins' resolution was our original idea.

Killer sd we need not discuss this as there was no immediate chance the Fed would pass such a resolution.

Carl said Cummins' resolution as passed amounted to a resolution that no Mbk, w. out consent of Fed, could rediscount defensible paper if it had at the time any loans wh. were not defensible or rediscount, or "speculative loans" might include loans on real estate as well as security loans.

Carl pointed out that Bledsoe's motion of Berta sd the Fed was continued our warning as a command to make no loans except in strictly com. paper defensible by discount.

Newton came up as to whether we ought to ask opinion of atty Gen. as to extreme power of Fed. at first Basler thought this unnecessary, but Killer pointed out that if we acted and afterwards should



develop, the Sec of War, did at any time call on an opinion from any Gen which might be advised and that Ad in a number of Army Gen debated in its policy & having to reverse it. This seemed to me an inherent weakness.

In P M Baker called and we had an hour talk together. B. asked what we knew of the Gen. Gen. Wilson & House & told him of House's action in Paris in absence of N when Wilson was away, saying that we got this from Ray St. Baker, also of the Wesleyan Standard interview & of Gen. Wilson showing it to House. Baker evidently is going into this matter. I did not feel suspected, but did not know that some one had been of House might have influenced Wilson against him. B also told the same & left no doubt but that we felt that Adm. Grayson might be the man.

Baker said Wilson had determined to make the Sec. of State after Lansing's receipt, also he helped him to appoint Henry Park, but that Baker got Grayson to

the Wilson that Mr. Baker had said that he would have called cabinet meeting during absence of Wilson, and he had Sec. of State, and that this indeed Wilson to drop him been considered; that he had said this and he felt it was necessary to prevent uncertainty in the country.

He also said Wilson had sent several messages to Lansing intimating he wished him to resign but that Vermilye, thinking another resignation (he also had resigned) would not country in confusion, deliberately sabotaged the message by circulating this fact; also that Lansing wanted to resign & sent several messages to Wilson thru Vermilye to that effect, which Vermilye also circulated.

He also said Wilson had asked him in New Paris Place Com<sup>rs</sup>, but that he told him that as he also had resigned he thought he ought not to, to which Wilson reluctantly agreed, thanking him for his generosity; that he suggested Gen. Allen & McWhorter, & Wilson at once abandoned him.

He said he met Lansing one day and told him of his appointment in Paris Com<sup>rs</sup> and said he must now buy a black coat as that



was necessary about the presentation to Russell;  
 that Lanning said he did not know one &  
 with not long and for all the things of course;  
 that he ordered me at Helen's the time &  
 when getting it in it was already long;  
 that the time the diswind that it was not  
 true, but me wh. Lanning had just ordered!

He said he was satisfied that invisible  
 interests worked while Wilson was ill,  
 and he thought Grayson & currently worked  
 for others.

Ed told me of the attack on Lee of New  
 & of the attack finally getting it, which  
 he said, concerned him in about being.

He said Wilson was very easily influenced  
 even against his close friends.

He said he could <sup>not</sup> believe Wilson ever  
 said he was glad the US did not enter  
 the U. at all, as the Robbin church,  
 & Ed said he felt the same way.

Basen said he thought Ed told him  
 once the Wilson said it was true.  
 Ed does not remember this.

Ed then told Basen, in absolute confidence, the  
 story of his break w. the Wilson and he was  
 astounded - and so the whole episode was  
 a combination of tragedy and tragedy! He  
 said he always regarded Ed as his  
 closest friend and advisor.

He said he agreed with Ed that the part of  
 the matter lay in Randolph Bulling  
 craving for money.

He said the Wilson was connected with  
 the East & Bally families, and said she  
 had recently written him that she had  
 seen his name mentioned on the Probate  
 Court of Jersey, and would be trying to  
 get a job on the East the stenographer!

Ed mentioned Randolph Bulling connected  
 with the Wilson & told of her glass with  
 to get copies of the intercepted cable  
 but the Wilson & Owen secretary. He said  
 there was no doubt Owen and the Wilson  
 were speculating in foreign exchange  
 together, and he said Washington told him  
 that the Wilson came to him with a  
 message from Owen that if he did not  
 help the Wilson get his gold export permit



he would expect his compensation if he were  
employed in Missouri.

The whole interview was a sad one to all.  
Called up Rachel Hall. She answered but was in bed. Had  
a good talk about Gertrude.

Mothers of Kansas City established a rate  
of 5%.

May 4. Sat.

An ext. meeting had voted to address abolition  
of the city.

Asst. Secy, Miller, Commission, Council.

No. James.

Ext. meeting and that date had steadily  
increased since Jan 1, and the rates  
had steadily decreased; that in Sunday  
and recent letters to re-establish the  
bond no camp in New York to which a  
letter could be sent; that the increased  
number of our letters as to  
the other districts would probably  
show increase by volume in the city;  
that it should be permitted to raise  
the money by some other rate as  
now exists in Cleveland and other  
places; that this was not an

abandonment of direct money but in certainty  
was logically consistent with it.

Catherine Grant dined with us at 7.30 and  
later we drove her to see the Lincoln Memorial.  
She seemed very friendly and  
was affectionate. We asked her to visit us  
during the summer and she said she could  
be delighted to do it. When we left her at  
her home she kissed Bertie most affectionately  
and turned to me evidently wanting to do  
the same, I did not, however, respond  
perhaps too shyly, but said I would  
see her before she left on Tuesday morning.  
As I left she said to me - you are a darling!  
Bertie told me how I objected to her  
writing to Sheldon after our marriage &  
she said it was ridiculous.

May 5. Sunday

we dined w. Gertrude Meyer.

Dr. Hiden called. Blood money 155.

Blood sugar 15. No sugar in urine.

In afternoon Mary Williams & Evelyn Sturgis  
called.



May 6. Monday

We received a card that Mrs. Howe would be glad to see us today at 4 P.M. and we called. There were about 50 people in the parlor and the usher escorted a bus at a time into the Green room where she received us standing. She greeted us warmly and was most cordial & said she hoped she would see much of us. We then passed on to the Red room, then the Blue room where tea was served.

We called on Catherine Grant but she was out.

Ed called on Rachel Hale who said she was in bed. She was most cordial and asked me why I did not call yesterday. Sunday. I ed. Mrs. Mary Williams & Evelyn Stimpert called on us. We finally agreed that I should come on Wednesday.

May 7. Tuesday

Catherine Grant, leaving Wash, sent Bertie a dozen beautiful roses with the card on which was written, "Good bye - we so much love and think of you, Catherine."

Mr. Young wired Platt yesterday complimentary of our rapping the banks - referring to our general letter. Platt replied stating just what the letters were.

Mr. Young sent another telegram asking us to withdraw our letter by telegraph and backing up Sun & Cause by date.

He said if Fed felt direct action had proved so unsatisfactory we should not say there was a try to reintroduce the bank held but not rates. (See Ser. Sec.)

Then Am Ad replied that direct action was necessarily satisfactory and explaining our object at getting certain causes into line.

Mr. D. G. would then have an interview w. Mr. Young in which he says we can not go on without raising the rate to level of market rates.

Mr. Young should not have started this



back bird in bed without bird ascending the  
back. He seems to suspect he is merely the  
executive officer of the Board and subject  
to its direction!

Between 3 and 4 this morning I awoke and turned  
over in bed. Suddenly thro' my left eye I received a  
vision of arms bending over me, between Bertie and  
myself. Then suddenly it disappeared. I rubbed my  
eyes when it appeared again - also in the left  
eye. Then it vanished. Of course the elements  
are it was an optical illusion, but I was  
absolutely awake and could see as the  
stand - as I believed my sense - that I saw  
arms. She had a smile in her face and  
seemed radiant and substantially happy.

May 4. Wed.

Called by a letter in Rachel Hall. Said I had  
told her of the test I got at her hotel's  
table - about arms 3rd observation and the  
almost instantaneous cessation of arms.  
She thought it was remarkable. I also  
told her of the vision of Tuesday  
morning.

May 9. Thurs.

We turned down Boston and N.Y. all-electric  
on 6% rate.

Wrote Rachel Hall a note sending her clipping  
from B. Herald as to election of <sup>Dr</sup> Perry as Bishop  
coadjutor of Penn.

May 12. Sunday

Lunched w. Miss Squire

May 13. Monday

Erin Young returned.

Ad approved inv. at Minn. to 5%

Anna in St. raised that Howe & Keller  
disagreed on Grosvenor loans & that Keller had  
resigned; that Howe had called McLeod  
to write Howe; that some members of  
the Bd had resigned; - all false.

Got at Keller request to have an  
answer to the Council's letter of May 10  
claiming that Board in its letter of May 1  
had set up a new list of amount of



Meredith, - holding a considerable amount of security loans. In the Bk.

Went to N.Y.

May 14. Tuesday

In N.Y. Council Indent

Long discussion as to new charter given by N.Y.

New charter grants broader powers than have been used of late. Under it the new Corp. shall have other rights than Council, could even have more limited Council powers. Unlimited power given to expand provided as well as interest.

Hill + Root objected to it in motion on motion to accept new charter.

But agreed w Hill - no loss of power to accept new charter, except when we act as members of the new Corp., but no duty to accept it as trustees under Council.

If new charter was intended merely to turn existing trustees into a Corp. then it fails but it goes much further.

If intent = to create a Corp. of unlimited powers, could we not convey our property to it under conditions & limitations

which would bind new Corp. to receive it exactly as we do now? But believe this is possible.

Finally referred to Com<sup>tee</sup> of 5 to consider and report.

Belmont addressed Bd. already on immediate action on Peace by C.G. telling Amer. Peace Instn.

But moved ref. to ex. Com<sup>tee</sup> on report as to advisability and if advisable to support method.

No one seconded this by Mr. Tamm, Tuesday, but the motion was decisively defeated, a few only voting for it.

Before the vote Belcher moved that Com<sup>tee</sup> report on an old report covering same question. P. agreed that Belmont motion should be sent to that Com<sup>tee</sup>. Passed.

Belcher then presented his report on ex. Com<sup>tee</sup>.

But moved to accept it with desk report. Passed.

But then nominated Belmont to fill the vacancy. Passed unanimously. + Belmont declared elected.

After meeting Belmont seemed much pleased but it might imply heavy added work on the

But Belmont Valley wanted it all (well)



wrote to Butler a year ago saying his death matter  
was done w. Delano's knowledge & consent, etc.  
finding in a copy of the letter.

May 15. Wed

Let look under Revised Bond & Blue application  
on a 6% rate.

May 16. Thursday

Board met to talk over discount rates in advance  
of N. Y. Meeting.

Evidence said there has been little or no  
advance in U. S. Gov. credit for a year; that the  
entire advance in European loans was due to  
"loans by others"; that there was a slight  
advance in loans to countries and some sale  
of investments; the Milledale policy was  
undoubtedly the cause for the lack of  
material increase in security loans.

He said a large part of receipts of Treasury  
loans ultimately get into business; that a big  
increase demand for securities such as  
automobiles may come from the source.

He said there had been a considerable  
decline in Milledale; that up to May 11  
was caused largely by decline of money  
in circulation; that from May 11 to May 11  
there had been 180 million liquidation

caused largely by gold interests and by decline of  
54 million in U. S. Gov. balance; that the latter  
decline was largely technical, due to change in  
due to change etc.

Ed asked if - whatever the cause there had  
not been a reasonable liquidation both in  
Milledale & Y and the System.

He said he hesitated to use word reasonable  
but said it was very good.

Miller said it had been a marvellous  
reduction of Milledale only for fact that  
large amounts financed themselves by security  
issues rather than by loans; that the new  
security issues were a year were over 2 billion  
while Milledale was only 1.5 billion.

Ed Miller said he did not believe an  
increase to 6% would cure situation in  
market, nor would an increase even up  
to 9%; that it was beyond any control by  
discount rates; that what he wanted was  
to restore the relation bet. M rates and  
other rates.

Ed said an increase to 5 1/2% would be  
enough to do this - except as to assets  
which had been deliberately put out of  
line w. discount rates, to prevent a



blow into the Market; that a 5 1/2% rate would leave a spread of 1/2% between M and C. Under other rates, when Goldens were said were about 6%. As to customer rates before lately were shown showing that rates were not over 5 1/2%.

But said the liquidation was proceeding very well and that the before wanted to lower rather than higher rates, unless it was the duty of the Board to attempt to break, or drastically liquidate the stock market, which he denied to be one of functions of Board.

Platt said that was its duty and Crompton expressed his dissent strongly. Finally the N.Y. advertisement was tabled and New York moved to adjourn it. Diss. 1.

Apr. Sec. Miller. New York. Platt  
No. C. H. Miller, James Crompton and  
Compt. Pall.

Sec Miller said we were entering a period of higher rates, & commercial demand was greatly increasing.

But then took under review, especially of South + North.

But with a New York to address review

at San F. is an absolute to rise to 5% come in.

Working called late in P.M. saying  
He was nervous as to accept. rates being higher than direct rates. But said they were out of line but had been deliberately sent out of line to restrict credit.

Working denied this intention, but finally admitted it was necessary at one time to prevent blow into N.Y. Bank.

He said now, however, the rate could be changed as there were not so many in the market and he did not believe a blow would occur. and added that acceptance would gravitate into the market less quickly than straight discounts.

He wanted to remedy the situation by cutting the direct rates to 6% and leaving acceptances where they now are.

He said he would favor 6% for com. notes and 6 1/2% for collateral notes.

He said again and again that we ought to correct "the situation" by radical measure of direct rates, that we ought to break the string-puller, clerks, and other gamblers.

But said this was not the condition of



the duty a function of the Fed System.  
 Working held ability to limit meeting of Fed Act  
 Council & their records.  
 could hold him in confidence of the published  
 mem. of the Council on Feb 15 that no  
 increase in rates should be allowed unless  
 & unless direct interest had been being  
 tried and failed.

He said the Council said it had failed.  
 could not get. but the Board believed it  
 has succeeded.

could report that told him - but did not.  
 that the Board represented by 7 out of  
 the 12 members of the Council, and has  
 referred to by the Board in letter to the  
 House, as not showing enough disposition  
 to adjust their hands and getting into  
 line w. Mr. Hooley.

The above may account in part for the  
 changed opinion of the Fed Act Council  
 members!

I received this morning an invitation  
 from the President and Trustees of Columbia  
 University: as follows:

"The President and Trustees of Columbia

University in the City of N.Y request the presence  
 of Hon. Hamilton (sic) Treasurer in the Commencement  
 Procession on Tuesday afternoon, the fourth of  
 June, 1929, at 5 o'clock.  
 Kindly reply to the Secretary  
 Columbia University."

I at once accepted. Can it be that the University  
<sup>is</sup> to give me an honorary degree? If not, I  
 can not understand why it invites me to  
 participate in the procession, without wanting  
 to express themselves.

However I still cling to Polke's platitudes -  
 Blessed are those who expect nothing,  
 for they never shall be disappointed"!!

May 17, Friday

Mr. Harding came before Bol to confer on an  
 increase in disc. rates. He said outside of  
 Boston deposits had not increased much but  
 the Boston loan had steadily increased and that  
 the Boston loan loans on collateral were also  
 increasing. He said also that outside of  
 Boston the loan were more necessary than  
 security loans but avoided redundancy  
 by borrowing from the Boston bank.  
 He said there had been a very great



balley off of deposits in N.E. owing to escape by  
speculators. He said banks could not cut back  
number of customers for loans and only an  
incr. in disc. rates could reduce the demand.

He said Benton did go on as usual but if  
it did not have to reduce to say 40  
million w. other 70 million in the fall.

He said the directors would probably carry  
out the Fed policy and asked Board to  
advise him whether it wanted a drastic  
debt of credit, - whether in a bank  
bank credit, he did not say.

Allen said the Fed had never advocated  
a drastic liquidation of M. credit and  
merely a reasonable liquidation.

Mr H said a 6% rate would only be a  
best step but he did not believe the  
rate could have to go beyond 7%.

Mr Hardy said the condition in N.E. was broken  
and that further advanced liquidation  
was being desired, - that the situ in N.E.  
was very grave.

He said he anticipated that a Natl. committee  
was involved in Fed determination & the  
directors would accept it only the Fed would  
have to reduce w. other 70 million in the

fall.

Allen said if Mr H would certify to Board that  
condition n.e. loans in N.E. were broken, he  
would consider the matter carefully but if  
Fed permitted a higher rate it must first  
take various and these would not reflect  
in the management of M. credit in  
permitting such conditions to arise.

Allen said that perhaps higher rates might  
be justified if Boston stood alone and  
that a change would have National  
effects. Mr H said he fully anticipated  
this.

Mr Hardy finally admitted that the  
bank had lost its grip in the situation.

Mr H. admitted to add that the level of  
higher discount rates was to check  
growth of security loans.

Allen pointed out that the N.E. Banks  
could adjust their condition by selling  
investments or calling customer loans,  
and that whether this was advisable  
or not you could not call this a  
"broken" condition.



Mr. Harrison was also present - suggested by Mr. Young - as a substitute.  
 Call does not know why he came down.  
 It looks as if Mr. Young had ditched  
 the job.

Mr. Young yesterday addressed - under vote  
 of Board, increase of 5% to 5% to  
 be announced at 6 P.M. tonight.

In afternoon Weyatt came in and said he  
 had read my draft of letter to Mr. Fadden  
 and said it was admirably drawn;  
 he made a few minor suggestions which  
 were all good.

Weyatt tells me that Mr. Young has asked  
 for an opinion - whether, if not N.Y. state,  
 a 6% rate and Fed is a tie in other  
 allowing a discounting; - the new  
 rate will not go into effect.

Weyatt said the trustee certificate has  
 been to test proposed rate as not  
 valid rate until and unless  
 affirmative action, but in regard  
 has been taken by the Board, and that

he should advise Mr. Young that such action of  
 a Trustee would be of no avail until  
 acted on affirmatively by Board.  
 Call agreed with this and said if such  
 attempt to put in a rate were made by  
 a Trustee, he and his associates would  
 at once appeal to Congress to correct  
 the situation and that this would probably  
 create a situation which would bring about  
 what N.Y. decided - a break in the  
 N.Y. stock exchange, and might also  
 necessitate a currency reform in  
 the country, - that this would be a  
 grave responsibility in any bank  
 taking such a course.

Weyatt also said Weyburn called in  
 Campbell yesterday and said he was  
 in the N.Y. rate; that C. said such measure  
 was wanted by those who thought  
 it was the duty of the Fed to break  
 the stock market; that Weyburn said  
 you could not break it for there are  
 many who have millions of money -  
 "myself included" who would stick  
 in and buy at prices which they



might deem satisfactory; that I said - You  
ought not to argue with me to do something  
which you will wish to see recurring  
advantage!

The Board of Cleveland sent in today a  
Resolution to advise that it is the duty  
of the Bd to increase rates to curtail  
the speculation in N.Y. stock exchange

(See See Bd)

This is the "best time" correctly the  
situation" has been expressly defined  
as breaking the N.Y. stock exchange!

Wyatt said he learned in Chicago, on  
which he has just returned - that the  
recent action of Fed Adv Council to  
increase in deposit rates was not unanimous,  
but that <sup>Mr. Kinner</sup> ~~Wyatt~~ voted against it.

May 19. Sunday

We called on Rachel Hale. Had a nice call.  
Her son Chandler was there, but he never  
mentioned my letter to her.

We called on Gertrude Meyer and found her  
at home.

May 20. Monday

Heller told Board a prominent N.Y. man, a  
large operator, told him that it leaked out last  
week in N.Y. that discount rates were sure to  
be raised on Thursday - that this "leak" caused  
great excitement; that the members of the  
N.Y. director is to break the stock market  
to make credit money conditions so that  
burden upon loans can be blasted in U.S.  
especially loans sure to arise in connection  
with <sup>the</sup> German reparations settlement.

and believe this may be at bottom of  
the necessity of the N.Y. director in trying  
each week to increase deposit rates.

The Board. Manuscript's 5th column of Saturday  
contained a fine statement praising the  
work of the Board, in connection w.  
N.Y. stock speculation. (See See Bd).



May 20 Monday

nd. adv. comm. not tonight.

Wright told me Mr. Kinnery told him that the council passed a Resolution calling on the Board for not having agreed to increased rates. Mr. Kinnery sd to Council that it was extraordinary to have such a Resolution before even being what the Fed could say at the meeting tomorrow. Finally the Council rescinded the resolution.

May 21. Tuesday

Board meets w. Council.

Webster asked Fed to defend its version. Miller at one said we had agreed and the Council's version of Apr 15 and it was for the Council now to explain its change.

This led to a 2 hour discussion, largely carried on by Webster and Wanklyn (who alternated on Polter) on the Council and by Miller & COT on the Board.

Webster said he believed the Council was mistaken in its version of Apr. 15, and no one on the Council doubted this.

Webster claimed there had been little or no reduction in M2 since the first of the year or since May the date of the Board's publication of its warning. COT wanted and the before showing a very material depreciation both in the system and at N.Y.

Wanklyn took about the same view as Webster.

Discussion arose as to how warning - Wanklyn claimed it called for radical deblatn. Miller wanted and that it aimed at restoring further growth of speculative credit.

Wanklyn brumply sd what was needed was a radical deblatn of specul. credit and asked COT if he also did not want this.

COT said radical, immediate deblatn was not his purpose, that what he wanted was to stop further growth and that this incidently would in all probability bring with it a gradual narrowing of the range of equity specul. credits.

COT wanted and that immediate



radical deblate might be very dangerous  
and still the 2 1/2 billions of deblate in  
1920.

Woolsey said that was not the trouble,  
it was the deblate necessary 1920 that  
was the trouble.

Est said undoubtedly there was  
great deblate but the remedy of  
radical, quick, deblate was almost  
as bad as the original disease of  
deblate.

Est said what you want is to get  
out to intervene and break the  
stock market; that is not our  
business. We can and should restore  
the market to its normal state  
market, and incidentally that we  
do could affect the stock market, but  
that is as far as we should go.

Woolsey indignantly took issue  
with this.

Estman spoke of the necessity  
of restoring a proper relation of  
Money & <sup>the</sup> market and that a  
5 1/2 - about one alternative,  
would do this; that a 6% rate

would cause an immediate increase in  
open market. Money rates & customer  
rates and a new distribution of shares  
in rates would have been, which after  
and need correction, and we could have  
to go on ad infinitum.

Estman said Money should be as high  
as higher than our market a customer  
rate. Est replied that Money is a  
a very low short cycle time and always  
has been below our market money & cust. rates  
& did never get out at a parity,  
much less at higher rates.

Woolsey and Woolsey apparently  
were the worst. Est said Money should be  
higher than above 2 rates.

Mr. Miller of Kansas admirably the  
points of the Board in a long  
discussion with Woolsey and Estman.

Woolsey and Woolsey said similar  
to credit in stock loans, which  
perhaps very slowly necessary was  
not materially less than in 1920.

Miller and Estman pointed out that







way to reduce customer loans was to reduce the demand on the the higher direct rate.

It seems to me that some Board of taking action during the course to reduce customer loans, i.e. some regulation which in effect would amount to a raising of credit, to restrict the increase of the credit in keeping with volume.

It is believed Board has this number and is inclined to agree with what Wright said to be the meaning, that such a measure should clearly not be exercised except in case of absolute necessity, and Board by a majority later holds that existing rate of legislation is most satisfactory, and so no such regulation is necessary.

So that the Bd has an absolute majority - 5 to 3, as the Court and see of them - 4 objects members, are decided.

Should the Court. change see the Bd will be a tie - 4 to 4.

The 4 members: could simply stall all action trusting Bd out of business.

There was a different question which requires careful consideration. There are two sides to the question of "stalling" but it could be worked out that the appointed members have and always have had a clear majority, - 4 to 2, which, of course, it should be said that the 4 objects members by joining together have stalled the appointive members.

It has been yesterday told that if on any occasion the Board should consent to the 6% rate it should consult with it such form of regulation securing to the Board its control over speculative loans.

May 22. Wed

Wright gave me a copy of a proposed regulation he has prepared on the bills. The trouble with it is:-

1. It could not be carried out by Board i.e. that need require consent of Bd to any direct when the bank was carrying speculative or



security loans. It would overwhelm the Board and make it an obstructing body.

2. It is tantamount to an expression of opinion that no bank is lawfully entitled or in good security entitled to discount, or at least any security loans, when such loans would result in collection of a suddenly increasing rate of interest. Loans or continuing or not increase an immeasurably large volume.

McGraw & Harlan came before Board again on the rate question. They now claim, apparently, that it is not the slack side which troubles them but the relation of the 7 rate to other rates & cust. rates.

CR asked if  $5\frac{1}{2}\%$  would not correct this.

They both said No, that whatever may be the relation ( $\frac{1}{2}\%$  should be the limit), they would favor a 7 rate equal to or greater than the 2 above rates.

CR asked if the 2 rates would not immediately so - making the old

should be  $\frac{1}{2}\%$ . They ed in their view these rates would be only slightly and possibly not at all.

CR asked if they had not, in their letter of May 10 (McGraw) abandoned the principle of an abnormative measure, keeping at 6%, as set forth in the Harlan letter of April 9.

McGraw said he had never favored a rate higher than 6% but at one period had been by saying that he did favor an abnormative rate holding down to very recently, but now he felt 6% would be enough. The Harlan was about same month but in cross questioning, admitted that if the situation was not corrected by 6% he would not hesitate to ask a further measure.

McGraw admitted to CR that when a bank was in bad condition and a too frequent borrower, it would, <sup>not</sup> be a new test of abuse of the right to privilege its security loans.



They both equally want the restriction that they could not refuse accommodation to banks who wished to when reserves depleted less of security loans to customers, the whole basis of their restriction was that direct action could not be applied as to customer security loans.

Mr. Harim said most banks felt that they had a right to loan to a customer uncontrolled by anything except the established discount rate.

Mr. Kunkin and Harim both said that banks under the direct restriction were afraid to borrow at all on the market and that some a greater demand for accounts must arise for commercial loans and that they wanted to encourage the banks to borrow for these needs but at a 6% rate.

Their policy was to put rates to 6% then later to buy Govts & call money as a preliminary to lowering rates.

Heiler told them the letter of Rod Trullinger May 7 was not a form of belief that no member bank should or could borrow if it had any speculative loans; that it was simply a question of reasonableness at the time.

Mr. G. said under a 6% rate, 3/4 of the "loans on other" could be accepted into the system but did not say how.

Heiler said if he reached a customer to borrow a 6% rate, it would only be on direct understanding that by July a 4 1/2% rate could be put in as to acceptances, which would take care of business needs, leaving the discount rate at 6% or higher to control speculation.

Stark reported from disbursements bank, calling for adv. c. statement May 23. Thursday

N.Y. afternoon action message.

Long discussion, see Heiler present.

Bond deal discussed

see Heiler, Mr. Young, Platt

No. call. Heiler, Cunningham, Jones

consult. Pull away but said he had not



changed the opinion on rate change.

Miller said he was thinking over a terrible compromise involving a 6% cur. bank rate and a low acceptance rate; that he had talked it over on telephone with Wausley and would go to NY tomorrow to talk with other members.

CRS said if rate had been 5 1/2% asked if would have allowed to try, as it could have reduced spread bet. it and cur. rate to 1/2 or 1% - this would allow Swiss system again; that Mr. Tamm & Harlan did not really want to return the old relation but to create a new one; heavy rate equal to or higher than cur. rate; that such a relation could not be made; that under 5 1/2% rate it would not be nec. on the bank to increase customer rates but that under a 6% rate every customer rate in cities would be increased & again the rate would be out of line requiring further readjustment.

CRS believed NY wants 6% solely to break the imp. & make easy money w. which to float American bonds.

Ev Hardy called up this am almost in a state of hysteria. He said credits were getting worse daily & he did not retain responsibility for managing the bank unless rates could be increased. He said the directors would be glad to trust the Bd. would see report to review the 6% rate after July 1.

The figures do not bear out Ev H's claim of any sudden change. His total assets increased only 6 million yesterday.

The assets of the bank of Boston have not changed much since opening of year but Boston has have increased greatly.

The Bd. again was under review & CRS telephoned Ev H at 3 PM (Boston time & PM) but he had gone on the day so CRS told Paddock and also sent an ambience that Miller was considering a compromise as above. The later after ambience w. Ev H who telephonically saw no objection.

Ev H said Eddy had tuberculosis & was ordered bed for a year. The Bd. granted a year leave of absence, 6 mos at full salary, and 6 mos at half salary.



Wom. Nat. Dem. Club gave tickets to Mrs. Aulick.  
 H.H. stands in line w. Mrs. Harriman, then Aulick  
 on front of evening. Mrs. W. was very cordial,  
 but did not ask for cost.

May 24. 29. Friday

We discussed Chicago alternative for  
 6% rate.

Joe Young and Dr. Miller are in N.Y.

In the rate dispute, there are some sequential  
 facts:-

1. A majority of Board has always been  
 opposed to increase of rate until at  
 least a vote that of Director action is  
 made and valid.
2. Four out of six of the alternative  
 members have always been  
 opposed to 6% increase =  $\frac{2}{3}$  vote.
3. The two ex-officio members are divided,  
 Sec. H. G. and Compt. Pole against.
4. Should Compt. Pole change his vote  
 the Bd would be tied:-  
 opp. Sec. H. Compt. Pole, Joe Young, Platt  
 No. cost, Miller, James, Simpson.

5. Under 4 we should have the stamp set aside;  
 a  $\frac{2}{3}$  vote of alternative members is  
 slotted by the ex-officio members.

This could have responsibility in the  
administration squarely on trying with  
 the Board.

The Bd members have revised Compt. Pole's  
 stand in voting deliberately over his  
 check, the Sec. of Treasury.

cost sometimes is inclined to the view  
 that Compt. & Sec. Miller are really more  
 in accord than we think; that Sec. H.  
 has probably advised him to vote with  
 Miller & etc, or otherwise it would tend  
 the ex-officio members in opposition to  
 the 4 to 2 vote of the alternative  
 members.

cost remembers that over a month  
 ago Compt. Pole told him he was  
 going to change his vote and vote  
 for the 6% rate; that he did not  
 do this, cost is inclined to believe,  
 was more due to some misunderstanding



with the Sec of Treasury, then to any experiments  
of C.B.

May  
26. Sunday

Dr Hiden called. Blood pressure 160 wh. the  
sund was perfectly normal altho a little  
higher than 3 weeks ago when it was 155.

Blood sugar. 17. urine 0.

called in Sen Glass at 12.30.

Told him in a general way just what  
Sen Glass was & how it was working.

Said he to now there appeared to be  
increase in majority both of the  
appointive members and the full  
Board. was careful not to discuss or  
mention attitude of any member.

I said I wish Gen Young (without  
disclosing what the views were) could  
explain to him, being a fractional  
banker, just what the banker view  
are, better than I could.

He said he would be very glad to have  
Gen Young make an appointment  
with him.

We lunched w. Mr & Mrs Delano.

I told Delano in confidence the policy of the  
majority of the Board, and he said he  
had almost come to conclude that we were right.

as we were leaving Delano said to Bertie, - "as you  
know, we are expecting another grandchild!"

I asked B. about this and she said that when  
last Mrs Catherine told her she was to have a  
baby in July, but she made her promise  
birthfully she would not tell me, and Bertie  
kept her word until Delano himself slept.

Mr Delano said Catherine had suffered  
very much from the fall she had on the  
boat going to Norfolk when last here, and  
had been in bed for some weeks, but the  
doctor felt the fall had not injured her  
as regards the expected event.

We called in Mr Maurice Law and had a few remarks  
later with him. He is looking very bad.

Hudson Pruyne called. Some days ago he sent me  
a formal invitation to dinner at Carlton followed  
"by theatre and dancing."

Bertie at me formally reported.

Then Mr he came in late and said that he



May  
Feb 24. Friday

Nicholas Murray Butler wrote asking me to dine with him on Monday June 3 at his house; - the Commencement dinner which I accepted.

May  
Feb 26. Sunday

I told Belmont of Dr Butler's invitation to the Columbia Commencement dinner and he said it well - "this means they are to give you an honorary degree."

He said it was the custom now in the upper universities not to let the recipients of honorary degrees know in advance of the honor, but merely to invite them to attend the commencement exercises.

I still think of Poble's attitude!

Nov 2. 83

and sent out invitations to Louise Lathrop, Marjorie Key & the young de Silvers, who were, we thought were away; that he also expected the Carl Smiths from N.Y. He asked me if it was best to have a lunch to entertain an actress. We said

no, we thought not.

He then said he was giving the dinner to a N.Y. actress or rather it was not to meet her and none of those invited knew she was to be there. He said she was of very doubtful reputation & asked if there was any reason why he should not invite her. We said even if the invitation were expressly to meet her it was an implied warranty that she was of good reputation, but to invite her to dinner and have present a woman of doubtful reputation would be an insult. He said he did not know her immorality but we said that could make no difference. He finally said he would visit her next to come as so many were away he would have to postpone the dinner.

He said he gave a similar dinner in 1904 not long ago at which another actress of doubtful reputation <sup>was present</sup> and the other guests were very indignant, as he thought, without good reason.

He also said he was treated so badly at the Union Club N.Y. by the men there that he wrote the girls. Some complaining & threatening to resign and asked if he were not justified in



usury? We said the members evidently did not like him and under such circumstances he had better resign. He said in his letter he said the members were all drinking at a time when all kinds of liquor was being sold in violation of law, that they were all drunk, and he certainly intimated to us that he should rebuke the authorities of the branch of law, altho later he denied this. We told him to resign if he wanted to and not to threaten to act as Suburban.

He argued this matter for some time and finally I said - Have you not bought liquor on boot leggers? He said he had bought on the parties!

He said he belonged to the Kneesebocker Club and intimated he could be elected into it. I said no Club would admit a man who complained of violation of the Volstead Act while he himself was violating it.

We think he probably already has been expelled from the Union Club.

His mental condition is terrible and he is utterly wild in his assertions. He shook scandalously at Louis Littau's name.

He ought to be put in an asylum!

We dined with Vertrude Meyer.

After dinner she spoke of Rachel Hale and said that never in her life had she done anything to offend any body else, altho she said she was a loyal friend, and would go to run if she felt was disgusted and indelated his speech direct. At this time she was most pleasant speaking of Rachel almost affectionately! She evidently does not know the meaning of words!

May 28. Tuesday

Bond had another talk. He once again suggested the desired possibility of reaching a common accord - buying a 6% rate and carrying it at once on bill buying rates. He said Bond was primarily a security loan dealer, and NY and Cleveland & Philadelphia a commercial more than a commercial dealer.

Cumpton said he never would agree to handle business by a 6% rate.

James had some but again put forward the idea of the whole buying assets in their own interests.

Mullen's idea seemed to be that in Bond,



N. Y. Mem & Nichols Cleveland, and Chicago to a  
certain degree the com. holder rate was practically  
a bounded down rate.

M

CR said we all agreed that later, rates would  
be reduced below 5%; that Maxwell's scheme  
must be stopped; that the real question  
was what is the quickest way of fixing  
the rate; that the N.Y. bank buying 1/4%  
said an alternative rate under 5%  
was 6% com to 9% and then a 1/4%  
the Board said direct acts under the  
5% rate; that direct acts had been  
most successful and had brought about  
a condition where a 6% rate would do as  
much as an 8% rate in N.Y.; that the

N.Y. bank was favored adding to direct  
acts a 6% rate as nearly a quick remedy.  
that if added to the then was a  
recent lowering of bill rates, it was  
a good question to consider whether it  
was not and in a quick solution  
of the problem; that while he was  
averse to demoralizing business by raised  
rates to curb Maxwell's scheme, it  
was now to consider whether today  
the stress on business was about as

Maxwell, the latter having been appreciably  
reduced under direct acts, could not be  
more quickly relieved by adding to direct  
remuneration a 1/4% increase in N.Y.; that he had  
not changed his original views at all and  
that he was willing to consider whether  
conditions had not changed under the successful  
operation of credit restraint and direct  
remuneration, so that the demoralizing of business  
under a 1% increase of N.Y., would really  
be quickly met in kind to business in  
business, than benefits of direct remuneration  
alone.

Board practically determined to invite Prof  
Harrison & his family to come down tomorrow

CR believed with absolute good chance of a  
common understanding of N.Y. with only  
slight variations

CR Arthur men. Jerry has present  
view of situation about as above. (see 88)

North Paper called.

CR said the of the Wilson stand in the  
letter practically charging disloyalty to



Prud'g Antm + trusts. He said this was a charge of disloyalty not asked about writing her a letter that he proposed calling on her on a named fixed date & to discuss all differences in the committee that our friends here were to visit & cemented.

He rather doubted advisability of this.

He said this was two chief objections:-

- 1. She is a woman. 2. She knew she is absolutely in the wrong.

shearing of Wendell's Bulling he said he was an ass and he brand dishonored.

Finally he suggested that some time when he was there, Bertie might write her letter that he was coming to see & ask her to join us.

So the above could not be worked out he could suggest letting matters run along for the present.

I had a delightful case in Rachel Hall, who this am again asked Bertie to drive down w. her to her new house, but she had engagements she could not break.

Rachel share of my visiting there

But although Peter has been told it was excessive but did not vote against!

during the summer, as it was a clearly understood fact.

The assistant to James Brown Scott called & said at the last meeting of Exe Com<sup>ee</sup> in N. Y. I was elected and Chairman of the Carnegie endowment.

I consulted Lyall who said there was nothing in this charitable work in any way forbidden by M. A. H., so I agreed to take it. The Minutes in Delaware.

May 29, Wed.

N. Y. wanted no records but in forming a resolution to object that the rate question has become a National one and that as the M. A. H. should be called in to discuss it. While waiting for N. Y. Bulletin said that direct income had practically accomplished its purpose; that there was now the M. A. H. outstanding from the country needs.



May 29. Wed

at Board meeting James said the trustee was very ill; that he was going to Hamilton to see him, and if he found he was in an insupportable state, he should resign from the Board in order to attend to his business matters.

Mills said he had so much since trouble said would that he had about reached the conclusion that he could not spend another summer in Wash. as short vacation did not build him up enough to go through the winter.

In evening attended camp dinner to the visiting business edition. The Sec. of State, the Spanish Amb. the Green Mountains and others were present.

No newspaper needed.

Sen Fliss was to have delivered the Municipal address but he did not appear, & Geo H. asked me to stand in his place, but I said that I was utterly unprepared & very tired and he must excuse me.

Then the general tenor of the address

I realized later I had missed an opportunity!

May 30. Tuesday day

We go by motor to Rebers Island in Chesapeake Bay half way between Annapolis & Balto. Took supper at the club and found the island really charming.

May 31. Friday.

Wrote to and in Resolution tomorrow

June 1. Sat

These resolutions received, gave a conference to determine on policy.

See Hester & James Board discuss it.

edit names insert to N.Y. Ad to meet in Wash. at any time agreeable to them.

Monday voted unanimously.

at first some wanted Ad to offer to go to N.Y. but Cunningham objected.

The Resolution referred to general impression that Ad Union security laws illegal.

Resolution was very moderate in tone

(See See Ad)

edit said must be in N.Y. Sunday and



Monday and if no objection there to suggest to NY bank Tuesday, all said no objection and a good thing to do.

Ask them considered just what ground to take as to policy when discussion came on.

Mullen said he believed in keeping in 5% rate but carrying up wire rate to get more bills; assuming that 100 m. more needed would be desirable, he would watch the situation carefully; if we get say 100 m. of bills and if they were not used to take down rediscounts, it would indicate that the extra credit was needed; if they were simply used to take down discounts it would show that credit conditions were easier than we now have and that a 5% rate is right.

all said all agreed that now the credit should be increased; he thought say 100 millions; that in best instances this could be accomplished by lowering wire rates & keeping 5% discount rate; that if we could get bills in this way he then would consider what we could

not secure bills by putting discount rate at 6% - about the wire rate; that he agreed with Mullen that the carrying round be done through bills but to secure bills, if all else failed, he would seriously consider what discount rate did not think he would want to 6% leaving wire rate where it is; if you cannot get bills under 5% discount rate, the logical thing to do would be to put buying rates below 5%, but almost all feel this should not be done at present.

all said he had not changed his opinion that 5% rate should be retained under the conditions existing Feb 7 when Fols letter published, but that he realized the conditions had changed; that since May the credit had decreased <sup>about 300</sup> million; that now more needed was needed. all said that direct business had made the 5% rate the most objective rate the F.M. System ever had; that it was so objective that the banks were almost paralyzed and did not dare to rediscount; that it was so objective that the banks would welcome a 6% rate if only there was a slight let up in direct business. all seemed to agree that the necessity of



obtaining 1 billion of credit to take up deposits  
warranted greater liberality in making security  
loans & that the R. was not reasonably  
and that either one would indicate a  
measured touch of bills.

and said if the needed credit could not  
be got this week - rising 5% disc rate -  
he would consider what not rise to that  
disc rate to 6% leaving base rate at  
5 1/2; that is demand for discs was  
to increase in spite of need cash.

anyway, it would be a fair question what  
discs added. security loans held and  
be met by 6% disc. rate.

conclusion being objected to rise to  
6% as it would be followed at other  
places & could be an added blow at  
the farmers, now facing ruin as to  
wheat crop; that he heard now  
wheat crop would soon be down to  
70 of the bushel.

a straw vote borrowed on to which it  
was advisable to try lowering the  
bill by dropping bill purch. rate.

all voted against except the young and  
I think, that the young set the could not

vote at all, as he still doubted advisability of  
curbing at once the lower bill rates.

all seemed to agree that there would be no  
objection to starting the campaign recommended by  
buying Gov Sec. starting June 15.

June 2, Sunday

We called on Mrs Walter Cady and Mr & Mrs  
Walter Cuyler but both were out.

We called on Sir Maurice Law at Fairchild  
Hospital but he was very busy and came in  
only at intervals. Ed looked at him and he  
looked as if he were dying.

We called on Mr & Mrs Reed (Pa) - out.

We have then w. Mrs Belmont to meet Mrs  
King.

Belmont said Alex. Grant had written her  
saying he was inclined to think the  
McKevond was right in not permitting  
an increase in disc. rates

We took supper at Mrs Gordon Harriman's  
and had interesting talk among those  
present on the tariff.

I set next to Major (Miss) Stinson, head of the  
Army Nurse Bureau. She said, as Sec.  
Castle was saying that Sec. Stinson was very

unintentionally - that the war would  
would not make the Under Sec.



June 3. Monday. (See also p. 107)

Went to N.Y. Dined w. Dr Butler - commencement dinner. There were 28 present, among others Dr Brewster, Norman Davis, Dean Knubloch of Princeton Univ., the Chilean Ambassador. At the end of the dinner Dr Butler gave the names of the recipients of Honorary degrees. The only L.L.B.'s were Dr Murray, the Canadian Minister and the Chilean Ambassador. It seems very unlikely to me now Dr Butler could have invited me - and also to the commencement exercises - without giving me an Honorary degree. When I was going to Butler's house of his request, admiration and affection for me. I explained to him that I had to leave at once for Wash. and could not be at the commencement. Returning, I telephoned and got a letter with my Hon. degree and left.

While at University club about 5:30 I met Jackson Reynolds of 1st Nat Bank and we talked about David Lawrence's letter in the evening paper (also in the Wash. Star, see below p. 107), in which he said the Fed held direct reserves and that it was to call

credit conditions by lowering their preferred rates and that the 5% discount rate would not be increased. The article must have been included by Dr Miller as it was an exact reproduction almost of his very words.

June 4. Tuesday

Back in Washington.

Ernst Young, Platt said, seemed disturbed at Lawrence's article.

Before going to train last night I sent a night telegram to Sec. of Columbia offering deep regrets that, after all, I could not attend commencement, but that it was imperative that I should return to Washington that evening.

June 5. Wed.

Mr. French, Mitchell, Erwin Harris, Truman and Reuben came before Board. We had a long conference and finally Mitchell laid down 4 propositions, saying he did not agree with the other directors as to immediate need of increase in disc. rates. These propositions were substantially:

1. No immediate change in rates
2. More liberal discount policy



3. 1. Tightening of credit under business case as by bringing both bills and Govt Secs.
4. 16. The exchange continues in strength met by rate advances.

after some discussion it was agreed that the directors should study above as a ground for possible common understanding and we adjourned.

Both Mr. Tamm & Mr. Tamm objected entirely to the David Lawrence article, and the Board in view of giving a severe reprimand to a writer of an article by a correspondent, was the head of the N. Y. Bank.

In absence Mitchell, Platt, Crampton and Mr. Tamm & Mr. Harris met in Mr. Miller's room.

Mitchell said our circular letter of Nov 7. 29 had been construed to mean that no bank was entitled to a discount wh. at the time was making any collateral loans & that this had caused great confusion.

Mitchell said the real test is whether a bank by virtue is obtaining capital and suggested a new test in your stock based on capital borrowing.

Mr. Tamm said a bank in normal times was a right to collect notes to restore its reserves on all lawful loans, provided it is not a steady borrower.

Mr. Tamm went back that capital borrowing is the real offense in question to Mr. Tamm on Nov 5 or thereabouts.

Mr. Tamm asked Mitchell if a bank was a steady borrower and gave as an excuse that it could not withstand the demands of its customers for short loans, whether that would be a good excuse.

Mitchell said NO and that if such a bank could it should be refused discounts. He clearly admitted right of Mr. Tamm to do this.

Mr. Harris qualified this by saying that if one bank resorted in creating beyond limits used by the use of its class, then the Mr. Tamm



would have regret to correct its conduct in future  
indists.

Miss said he was impressed w Mitchell  
idea of our concentrating on a house  
borrowing - no matter on what terms -  
and asked him to suggest a good stick  
which, of course with many exceptions,  
could be applied.

called up Rachel Hall. She said  
yesterday her wife was up and she  
clipped on the tracheal blood and had  
a severe bone injury the shoulder; that  
she had X rays taken & it was found  
to be only a bruise. She asked me to  
call her up tomorrow and said she would  
love to see me, as she was not embued  
to see her.

Miss Harriman & Bertie gave a dinner at Am.  
N. Sen Club to Mr & Mrs Jowett Shove.

Present: Mrs. H. H. Mrs. Harriman, Mrs. Allen (Mrs.)  
Mrs. Norton (Mrs. G. H. H.), Mr & Mrs Cordell (Mrs.)  
Sen Zydrup of Ind. Sen Simpson of Wyo. Mr  
& Mrs. Francis Rupp. Judge Payne.

June 6. Thursday

~~Friday~~

Curtis came down Monday but Curtis was  
on Boston. Went before Rod and discussed w  
est and started in P.M. until 4.30 talking  
with Platt & Rod, and later with  
Geo Young.

Curtis said he felt it was an indignity to  
him to have Sen Geo Paddock's salary  
increased to 20000; that Paddock was  
merely a clerk & subsisted to be low;  
that he had almost made up his mind  
to resign; that he did not need the  
salary; that he wanted to resign last  
year but the directors recommended him  
not to; that he felt some of Board  
had no confidence in him; that he had  
been told that X Miller had offered  
him position to Geo Cox; that unless  
the Rod has confidence in him, and is  
willing to trust his position as a  
depreciated and unimportant one, he  
wanted to get out.

Platt and I advised him to do nothing



now had to wait until the fall when we were  
 try to bring matters to a head in the Board.

called up Rachel Hall. Mary Hall answered  
 and said her mother was in bed coughing  
 on a strained tendon in her shoulder.  
 But she wrote me a note enclosing a  
 clipping on "Vine" stating that Dr. Tracy of  
 St. Palle School, in being elected Bishop  
 Coadjutor, wrote to the Bishop & asked  
 how long he expected to hold his office,  
 which offended the Bishop; that Dr. Tracy  
 finally declined to accept.

June 7. Friday

I prepared a mem. on success of direct action  
 and on prospects of carrying out the idea to be  
 given to Fed in view of discussion and action  
 showed it to be a man who seemed to agree  
 with most of it, I earnestly begged him to  
 withdraw a mem. saying this on a case  
 and he said he would.

I told him we could not in any sense  
 ready to begin when direct necessity arose,  
 and suggested that we could say if such  
 necessity arose, we would meet it by  
 raising direct interest, by incl. direct rate,

whenever we could get increased relief to agree and  
 commence, in by both methods. (See See Act)

The Philadelphia Bulletin had a fine editorial, column  
 in issue. Star on June 7. 29 stating that Mr. Board  
 would a credit victory. A fine editorial.  
 (See See Act)

Allen told me today that David Lawrence  
 before writing his article on Mr. Policy in  
 Army Star on June 3, had a long interview  
 w. President Hoover; that while he referred  
 to Hoover very contemptuously he told Allen  
 that the President was in full accord  
 with the Board's policy.

called up Rachel Hall and found she was  
 out. Am glad she knew she was not  
 seriously injured by the bull.

The Army Star on June 7, has a telegraph  
 of Rachel's new home and a good  
 description. It is located on Ben Hillwood, Kent  
 and states that the house is new woodwork.  
 It also said that Rachel was the widow  
 of Chandler Hale! (See See Act)



June 8. Sat.

The young told me he had had one talk with President Hoover over New Policy; that Hoover expressed satisfaction as to the way the Board was managing the situation; that he said to me - I can not accept some satisfaction in release as I have been bitterly opposed to the policy; that Hoover seemed very much surprised and asked me why; that he replied - because it all leads to an increase of votes.

June 9. Sunday

We had a nice call in Rachel Hale. She asked me to go down with her to the new place in Tuesday. She said the Wash. Star article the other day had a picture of the former Home as her house.

She said she had visited Alice Garrett who I met recently, about C.E. Mitchell, who had just visited her, and of Miller; that she gave me the impression that Mitchell was absolutely right and that the Board majority absolutely wrong.

We dined with Gertrude Meyer

June 3 (contd.)

On our way to N.Y. I met Alice Garrett who said Miller had been at the Council and had told her that Sec. Miller was in a minority of the Board in the question of increasing dividend rates! This certainly seems extraordinary!

June 10. Monday

Dined w. Mr & Mrs Charles Warren

Present; Sec. of Navy and Mr Adams; Child & Mrs Tibbitts; Mr & Mrs Brewster; Mr & Mrs Langdon.

June 11. Tuesday

We drove to "The Lakeside Residence" with Rachel Hale, leaving at 2 P.M. and arriving there at 5 P.M. Spent a delightful afternoon. I gave Rachel a copy of Dr. Johnson's letter expressing faith in Psychical Research.

There are not coincidental Mitchell rules as to future Whaley. Miller rules. was dead and to our surprise little objection was offered by Sec. Miller in New York. Unusually



also read a memo. as to necessity of carrying funds to wh. letter object was raised. C. said he could not agree w. Mitchell that there must be an increase in demand on security loans in near future. Mr Young explained need of 1 billion to take up deficits, withdrawal of deposits by interest bearing bills. Mitchell was N.Y. director, to which C. had no objection to offer. Finally it was suggested that matter be referred to Mr Y. and C. as a committee to report something. which Bd might accept.

C. suggested adoption of Article and he said he did not care particularly to hear report of the Bd, I believe, was received at the 7th Ave. corner of 2 was duly voted.

June 12. Wed.

Mr Young & Cunningham reported a draft of letter to Mr. N.Y. in accordance to those of May 31. acting by a conference with Mr. North attended in June 5 Urban Board. After some ministerial changes it was voted unanimously to approve the letter and Mr Young & Cunningham were selected a committee to deliver it tomorrow to N.Y. directors.

The whole Board incl. ex officio members

was present and voted.

The letter stated that Bd adhered to its policy of direct action but was willing to surrender it except as to individual offending banks, in view of coming year for more stability, and recognized that some banks were so involved they could not immediately liquidate their foreign borrowings. The policy laid down was to keep 5% rate for present and if need of carrying over to next year accepted and if need. much. Two Secs; that if unreasonable results arose again, direct action should be resumed and if not believed quick enough other action, raising discount rate, would discount rates were in first draft and finally it was decided merely to say other action, but action Bd understood then to mean increased discount rates.

June 13. Thursday

Mr Young and Cunningham in N.Y.

We dined with Elizabeth Meyer. Present: Nathaniel Hall, Mr & Mrs Stephen Plush, Mr Rowley.



June 14. Friday

The Young & Cunningham reported to Board, as to conference with N.Y. directors.

They gave a letter to Eng. practically stating their wants as in their letter of May 31.

On the whole the conference did little good. They seemed, especially Vermon, very indignant that our Bd. interfered in a matter of policy. Cunningham told them the Bd. considered the good of the whole country. They claimed they had a report to my Gov. Sec. and Eng. said we had subject to report on what our Bd. can make and was not yet made.

These letters as to most things coincided w. Bd's policy of cost their claim that unless shared, actually no sleep, commodities, not state to meet be met by inv. disc. rates.

no letter was accomplished that Eng. did not leave Bd's letter with them.

Bd. voted to send them one letter.

sent to Bd. best we could then had notes, at least, given Young and

when they asked he would find the directors in a better frame of mind.

obtained a circular from Barber & Row in best of temper.

Asked Rachel a note Sunday at to her & saying we'd call on Sunday, but finally sent by telephone wh. she would be at lunch.

Moved my picture to corner club

Mr. Beck, Manager of Hay Ad. house wrote he would give me a renewal of our present work on feed at same price; that he would add another row to it at net price of 300 per month for the 3 rows and that after the directors meeting in July he would let me know if he could give me the end suite - 626 - at 300 per month.

June 15. Sat

Berta leave for Mt. via Albany, N.Y.  
cut movie into corner club.

June 16. to Holden calls.

Send Vermon 145, earnest yet

Send Eng. 1066

Send on mail None

He advised upon eating meat.



called on Rachel. stayed from 5 to 7 P.M.  
 am really ashamed of myself but she talked  
 so interestingly I forgot all about time.

In evening called on Gertrude Meyer

June 17. Mond.

dined w. Gertrude Meyer.

Sir Maurice has died at Barbours Hospital.

at dinner I did not see Gertrude I was to  
 dine with Rachel tomorrow, earlier just as  
 I was going, when she said that she was  
 to dine with her tomorrow. I then said  
 casually that I was too.

Later, about 10 P.M. I called on Rachel  
 and told her about my being to see  
 Gertrude about dinner tomorrow night.  
 I said I was glad she <sup>Gertrude</sup> substituted it  
 for if I had appeared without  
 having told Gertrude, she would have  
 been very angry at my secretiveness.

She said she called on Gertrude  
 this am and asked her, and, steady  
 of her Beverly who was at dinner

at Gertrude's tea other evening, Gertrude said that  
 she trusted that Rachel would never ask  
 me to dinner unless she asked her too!

Gertrude was a queer palimony about such  
 matters. Rachel said Gertrude once said to  
 me that if Rachel were to meet any  
 agreeable man at her house she would look  
 to introduce them to her for once she might  
 later invite them to dinner without her!

not adopted to Rachel by means such  
 a long call on Sunday, but Rachel said she  
 did not remember when he came or when  
 he went, they had such an interesting talk  
 together.

While at dinner with Gertrude she said  
 a trip abroad would please her more  
 than anything else if she could have a  
 capital companion; that she heard the  
 King would not be imperial; that she had  
 told her (Gertrude) she must come her  
 out. not suspected that she would  
 narrate kindly final dinner.

She said she would like to sail on



August 3rd, but to my surprise she would not do. She would not do it, but she did not want to buy it. She said a little about many expenses as a Grand would cost \$500: that to do this she could have temporarily to dip into her capital; that when she had left as to her income she included the real estate, not now being in much income.

She said she wished she could get Ellen Leonard to go with her; that if she had to she would buy her expenses although she (Ellen) was a millenarist.

June 18. Tuesday

I dined w. Rachel, Mary and Gertrude Meyer were also there and we had a delightful evening. Rachel said she expected Gertrude to visit her and perhaps I would come to bring her back. I think she said this to Gertrude's sake for she has already told me she expected me to visit her. I escorted Gertrude to the station and she asked me to drive home with her and later suggested a drive around

the Speedway, which was very crowded and hot. She asked me if I would drive down to Rachel's with her some afternoon and I said I would as soon as she was settled.

Rachel said she was to move on Saturday but I leave this especially hot weather will force her to bed after.

June 19. Wed.

I wrote Rachel a long letter telling of my escapade w. Gertrude last night, saying I would call her up when I returned next Wed., that I would name my "Chronicles" and that she could write me in telegraph messages as I would destroy her letters, as we nervously agreed to do, so that by no chance could Gertrude see even a copy them.

June 20. Thursday

called on Gertrude Meyer in evening.



June 21. Friday

called on Rachel and had a long talk.

She gave me the address, - Upper Marlboro,  
on letters and the correct telephone, -

Henry Danford Child, Upper Marlboro.

I said I would call her up when I  
returned and she said to surely do  
this & she hoped she would then be  
settled enough to come out some  
time. She said she and Henry were  
delighted at my letter especially the  
part relating to my speaking with  
with Gertrude & she said they both  
were so appreciative of my thought-  
fulness & kindness to her (Rachel).

Has doubtless been to my remark  
sally was to Henry that her mother  
must be very kind & I should try  
to get Gertrude away early.

Rachel said Gertrude made her really  
angry at her references to her Beverly  
who was at Gertrude's dinner and  
her statement that she looked Rachel  
could not insist on to dinner unless  
she also invited her.

June 21. P.M. train for Boston

Did not get to take anything off but as a view city. Miller  
about 10:00

June 22. Sat

Took morning train for Danville Junction (Poland  
Springs). arrived 12:30.

In P.M. Mr Charles Hillborn drove me to  
Paris Hill, about 20 miles.

& P.M. dinner of Marine Reserve Association  
where I delivered an address. (See Sec. 134)

June 23. Sunday

Left Poland Springs 6:30. On Portland  
arrived Boston 11 am & took 11:25 train  
for New Bedford, thence to H.M.

June 24. Monday

Bertie wrote a long letter to Catherine  
Grant and I added a postscript.

June 25. Tuesday

Left H.M. on work. via Boston

called on Geo Harding at algonquin club.  
He said there was a very urgent demand  
by some men for lower rates; that his  
rates ought to be reduced; that Boston could  
not reduce unless N.Y. did. It could



instantly he called w. Miller if it did, also; that he favored, of nec., putting down his rate to  $4\frac{1}{2}\%$ , and if N.Y. did not agree the rate would be put in by F.M.B. He also favored a discrim. rate on the call. Note secured by Govt bonds, and he felt that such Note should be debased for use as collateral on F.M.N. and then could get a name for discrimination in the rate, as other Notes ordinarily are better than than an eligible prom. note.

He said it was absurd for N.Y. to demand higher rates w. its high value; that Fratt had some reason w. its lower value.

He said he thought  $4\%$  would be a good F.M. rate, about as N.Y. should. Fratt & he said the Fed should require these conditions & fix the rate regardless of stock situation.

I think Mr. Handley at least agreed w. the Board, but his directors all wanted higher rates.

He said he would leave to carry in Nat. Standard bank for some time as they will have a million dollars if they hold their holdings of U.S.  $3\frac{1}{2}\%$  note.

He said Mr. King was not friendly to

Mr. Fed & was angry w. he was leaving so much to Nat. Standard. He said he told King - who said he also needed to borrow, that he would lend him money.

Mr. Fed said the Fed all felt that he had done splendidly and this release in very much.

He said his directors offered a discrim. duty on the call. Note, and that if these notes were abolished, as they desired, many banks in N.C. would leave the F.M. system.

June 26. Wed.

arrived work.

called at Rachel Hall but the line was out of order.

Fed voted to approve Mr. N.Y. lawyer Humphreys with not over 5 million. Miller voted No on ground ostensibly that Humph. had not agreed to insure ex-holds of gold w. nec. to buy for the bills. Fed felt this was left to discretion of N.Y. directors.

The Boston Herald has column on yesterday had a good article about old Portland



sheer, many Bd on its success. This letter is almost the only one wh. has seemed from the past to understand the Bd's policy.

Dr Miller told CSA that a very prominent figure in "Club Lib" - whose name he could not recall (evidently Hoover) had said to him that the only complaint against the Board, so far as he could see, was that it had been so successful.

CSA read Dr Miller's tract of the B. Council article naming the Bd but he seemed to take no interest & said nothing about CSA's address. He is evidently jealous.

Mr Root, 101 W. 4th St., Philadelphia, who was at Poland Springs wrote me a most pleasing letter about my address. He said it was the best check he had ever received. (to the Bd)

Dined w. Gertrude Meyer. She loaned me 2 books.

June 27 Thursday

Called up Rachel - she called when I was coming over & I called this afternoon if possible. She set by all means to come.

I asked her if she would like to have me bring Gertrude over & she said she would be so pleased & that I was a saint to be willing to do it.

Called up Gertrude but she had an engagement with an accountant this afternoon and also one tonight. She asked if I could mention it but I told her I had told Rachel I would come anyway.

June 27<sup>th</sup> Thursday  
~~June 28<sup>th</sup> Friday~~

Drove to Rachel Hall. She said it was very hot every last Sat.; that Franklin was needed to the hospital but absolutely but it turned out not to be that, but she was still in the hospital; that the 2nd day all the white servants left her, but that she had got some good colored ones; that the next day there was a tornado which broke down the electricity & telephone and blew down many things. Had a delightful call.

June 28. Friday

Wrote letter to Mary Hall that my Sec. had sent box of cigarettes to her when they reached me on Somerset Club; that they were on the birth day, - July 4.

Left for N.Y.

Had met. in N.Y. at Univ. Club w. Ev. Call.



He said direct action had undoubtedly had its effect, but that it caused great uncertainty & confusion; that he believed an advance to 6% in N.B. could have saved the steep market and could have controlled the situation in the steep market; that the Fed had lost its grip; that it was felt that the death of Mr. Strong, who had great influence over many of Board members, gave little or no idea of the voluntariness of taking control of the Board.

Ed said no, - that Mr. Strong undoubtedly dominated the Board through his ability and intelligence but that the Fed could have acted as it did if Mr. Strong had lived.

Mr. Case said he did not favor changing the situation when it became necessary to lower bill rates; we were unable to get any large volume of bill sales we had to bring rates to 5 or 4 1/2 %, which he did not favor; that the case decided should be brought about by buying Govt Secs; that the proceeds of such had same effect as the proceeds of Govt Secs; that whatever

the source funds getting into the market were used by Govt in same manner, which proved by bills of Govt Secs; nor did the thing the directors will recommend lower bill rates; that the reason one did not discount assets was that there were a host of other discounts and they did not want to measure discounts more than absolutely necessary.

June 29, Sat.

arrived at N.B.

Bertie writes Rachel Hall a very interesting letter telling her how Ed enjoys his visits to her; that he finds her house a haven of refuge from the complexities; that she must keep an eye on Ed to protect her own "little" people from and "baseball"; that she hopes Rachel and Mary Hall will surely visit her if they take an automobile trip during the summer.

Ed adds a postscript letter how cold the weather has become; that



he is almost singing - "From Greenland's  
icy mountains and April's coral  
strand.

Can also give Rachel her telephone  
address at Cosmos Club and Mt. Hood.

Edward Hamlin called with Rose  
Beyant, to whom he is engaged. He  
loved her very much.

Jim Loring mailed reports to Mary Hale.  
Bertie mailed yesterday Ed's draft of  
letter to Laura - to her cousin Herbert  
of Charles Kyle.

June 28. Friday

Cunningham told me that Ed Hamlin  
told him that Ed Hamlin said if he had  
been in charge of Mount N.Y. he would have  
put up dice. rates to 12% if she to bread  
stays married.

While at Rachel Hale's, she told me how  
her son Eugene died. She said first he had  
measles, then scarlet fever, then severe trouble  
by which he was operated on without any  
anesthetic, then a double mastoid bullowed

by pneumonia, and that he died in the table  
during the mastoid operation. She said they  
wired her at first not to think of going on  
to St Pauls school, as it would not help her  
and <sup>she</sup> might be only in the way; that finally  
she <sup>^</sup> felt she must go on and was with him  
when he died.

She said today, June 28 was the anniversary  
of her death which took place on June 26,  
1920, and that earlier in the day she  
went out with Mary to the grave.

Sat. June 29 to Sunday July 7 at Mt. Hood.

July 5. Friday

Mr & Mrs Beyant - Rose Beyant's parents,  
lunched with us.

July 6. Sat.

Bertie received a twelve word letter  
from Catherine Grant dated July 5. She asked  
Bertie to come and see her at Phillips House  
in about three weeks.

Rachel Hale writes Bertie, dated July 4,  
announcing Mary's engagement to Howland



Chase, of Washington, who is in the Washington office of Cavalli and De Zando, attorneys. The engagement is to be announced next week.

wrote alumna Hampton thanking her for having Annie House presented at court.

H.H. at once wrote Rachel and also wrote Mary Hall letters of congratulation.

July 7. Sunday

called on Rachel sending her clipping of the Lady-Bonaparte wedding at Santa.

July 8. Monday.

received letter. Found note from Mary Hall letter of her <sup>engagement</sup> ~~engagement~~.

called on Rachel and said would dress down w. Estelle to see Mary and bring her some blouses.

Rachel asked me will telephone to come over on Sat. and spend Sunday.

called on Estelle & later took her over to Rachel, when we had a very pleasant call.

Bob Conroy wrote a note of congratulation to me Chase.

Also in drive I dined so. Estelle and returned on two coats.

July 9. Tuesday

wrote Rachel expressing regret could not spend with and with her. Said old card was my afternoon in middle of this or any other week and spend night.

dined w. Charles Warren at Detroit Club. He asked me to go over in the machine with him to call on Rachel Hall, some afternoon.

July 10. Wed.

went to Dr. Hiden. Blood pressure 150. Absolutely normal.

wrote Rachel Hall I could not accept her ~~invitation~~

dined w. Janet Stone.

He asked me as to advice declining to allow the system to be connected with the new Intern. Bank and I told him I thought the admission was right.

He said that Hoover did not send an invitation to all members wives on the occasion of the Dr. Priest wife of the colored members of H.H. being present at the white lunch, and that the invitation was sent only to a selective list of



which; that he believed it was deliberately  
 done to cater to the colored vote of the  
 North; that Horner had been advised by  
 the wisest men in the Party not to  
 attempt to make the Southern States  
 Republican; that this action had killed  
 the Dem Party very much in the South  
 and was defeating Northern Republicanism.

He said Sen Harrison wrote Sen Hensley,  
 Geo Smiths friend, to have a libel  
 membership in Wm. N. Ken Club over  
 Sen Smith; that Geo Smith saw the  
 letter & insisted on sending the same  
 check; that Sen Harrison said this  
 in addition to the \$300 he had given  
 over on the Bulletin, would subscribe  
 to carry the club over until the fall.

He agreed w Eds that it would be  
 unprofitable to have the club fail.

Eds suggested a gift from E. J. Rappole  
 of \$500 to the club which would help  
 it in Cary Street.

He said at first he could arrange this

but later said he wanted to think it over  
 as he was not sure it was the best  
 thing to do, but he would keep it in  
 mind.

Eds said he made the suggestion as an  
 carried subscriber of the Senate; that  
 he would love to see him renounced.  
 Shreve said he held the same way, but  
 that Geo S. would soon have well a very  
 prominent business position and would  
 make it clear that he was not of  
 politics.

He said Rappole was able and could be  
 glad to arrange to pay off the whole  
 debt of the Party, but that he felt  
 it was advisable to keep some of the  
 debt in existence.

Eds is satisfied that Rappole wants to  
 keep in control, but does not object  
 to this unless he tries to turn the  
 Party soft peddle on the Tariff.

July 11. Thursday

Bilimo calls on Peter Van Vorst, en route  
 to Nahant to see Catherine Ward.

Eds dinner w. Gertrude Meyer.



July 12. Tuesday

arrived. My Express Co. notified me that KHD was to be discontinued as Express station and consolidated with Marine. cost went to State Pub Utility Comm and Ind. Com. Comm. protesting, also to Subst'd of Express Co at Providence. Subst'd replied that it was to be discontinued and service on Marine would be better than before. Today cost need letter from Subst'd saying Co had changed its mind & would continue the Express station at KHD, and return Nelson Harrison as agent.

~~Left for KHD.~~

July 13. Sat.

arrived KHD.

July 14. Sunday

The Nat Group asked me to speak over Radio next Sat. at Wash. - 40 stations - in Mass + James. said would accept if Bob did not object & if I could do it at New Bedford.

Leave for KHD.

July 13. Sat

arrived KHD.

called up Mrs Loring who said the rep. of the Group said to check at New Bedford would cost \$500 more but be thought it could be done at N.Y. KHD told Mrs Loring to tell Group. I would accept and would check on Washington as originally suggested.

July 14. Sunday

KHD writes Catherine Grant a letter telling her of Radio address.

July 15. Monday

Leave KHD.

July 16. Tuesday

arrive Washington

called on Rachel Hall to arrange for C. Warren & myself to drive over and call. Her said she had intended to ask me to bring her over to drink this week but she had suddenly made up her mind to run over to N.Y. to get some dinner for Mary & then



she was going on Sunday to Haverly. She said she  
 will call me up when she returned.

Board met. Allen sd no need of a conference  
 of Govs now as credits were in a satisfactory  
 state & there was really little to discuss.;  
 that he was at Wash DC yesterday and saw  
 Gov Hiram and Ch Hutchins; that they were  
 very much troubled as to the future; that  
 they both thought coming of war was  
 necessary & advisable & Gov H. still wanted  
 higher discount rates, altho Hutchins  
 evidently did not; that when lowering  
 of rates was discussed but not advocated.  
 Hiram said he also saw Alexander who said  
 about same; that all agreed that the  
 Bns do not want to discount any more  
 than is absol. necessary & want to lay  
 off interest discounts.

Allen said Gov Hiram goes to Ben Hooker  
 Thursday to stay with Mrs. Harlow,  
 with whom Gov. Norman is staying  
 and will remain there 10 days.

Platt said Walter Stewart called while  
 C.A. was away and said Gov. Norman

wished the Wbks would not buy sterling  
 at cheap or such rates would only be a  
 temporary expedient and in long run would  
 make the problem of horrible, only seem  
 difficult.

Platt told C.A. about the meeting that he  
 saw Owen Young last week in N.Y. and that  
 he was very bitter towards Miller and  
 his insistence on direct business,  
 that is just what C.A. expected altho  
 James took the other view.

Allen said he believed the NY directors really  
 feel that the Board's view as to the  
 present rate conditions was broader than  
 their own - although of course, they will  
 never admit this openly.

July 17, Wed.

Had Howland drunk at lunch at Med. Club.

also had Charles Warren

Wrote Rachel Hall that my Radio with Ser  
 was changed to between 1.30 & 2.45



July 18. Thursday

Dined w. Gertrude Meyer.

July 19. Friday

Dined w. Charles Warren at his club. Told him whole story about my brook with her husband.

He was greatly shocked and said he never had had a suspicion of any such thing. He regarded it as a distinct possibility that Mrs W. was thinking more of her Pennsylvania and that than of Bailey on nothing in her letter etc. She said she had read and had any suspicious doubts of Bailey; that he thought Mrs P. may very likely have invented something about C. and told it to Mrs W.; that he felt that Mrs W. was goaded into writing the letter and that she quickly, but too late, repented of it; that in the state of mind she evidently was in when she wrote the letter it would not be just to assume that her references to possible disloyalty of C. to her Uncle & herself represented any real opinion or anything more than an angry statement any woman might make without meaning it, and at once retract it.

He thought she would be glad to retract etc.

but that she was too proud to take the retract step. He did not agree w. See Bailey's idea of bringing me together at some tea, - he said this would be too transactional. He thought C. had been so deliberately fixing a day in which he would call was in the whole much direct and better.

As to whether C. should offer to bring the trust or insist on a withdrawal of any charge of disloyalty, no decision was reached and C. is inclined to believe he thought it would be better to simply say that we should simply forget the trust.

He begged me to see him often while he was away as the Chamberlains had nothing to do.

C. had the Gertrude Meyer told him that every day she appreciated more and more the value of his advice and general management of Walden's affairs after his death. This pleased her very much.



July 20. Sat.

delivered an address over Radio from studios  
of Nat. Broadcasting Co. Wash. on "The M. and  
the Farmer". Took 8 minutes to deliver it.

did it at request of Mr. Zales, director of the  
Nat. Group, who also spoke. Then was released  
at 40 o'clock - a note will broadcast.

Bertie heard it perfectly at L.H. and did also  
Howard and Jane at home.

wrote Rachel Hall a note telling her how  
pleased I was with Howard class,  
expected to see Hall.

Left for L.H.

July 21 Sunday

arrived at L.H.

Mr. John Gordon about called.

He said J.P. Leveson & Glenn Kemp were  
on their way to Port Harbor to see  
Joe Norman.

July 23. Tuesday

Bertie received note from Catherine Grand  
on Phillips Hospital:-

Phillips House, Monday, July 22.

Dear Bertie:

I have another son just as I  
suspected, now 4 1/2 years old, - weighed  
8 1/2 lbs. - after a fairly easy and  
snappy party. I am dying to see  
him Christopher, - that will be a lot  
of compensation.

Thank you both for your letters.

We simply couldn't get Charlie over  
the Radio - even in N.Y. at Nahant, -  
so disappointing.

Love us love.

Catherine

We both wrote Catherine and I telephoned  
hospital sending congratulations.

July 24, Wed.

Mr & Mrs Richard address of N.Y. Street  
visited with us. Came from Newark in week  
to visit Mr & Mrs von Phillips.



July 25. Monday

Had talk w. Catherine Grant and Elizabeth  
Mullins Hunt, Capital 7200. Room 412  
Made engagement to call on Tues. Monday.

July 24: Wed

Aunt & her Husband lunched with us.

He said a Chicago lawyer was more  
responsible for Aunt's loss than  
to Butler, Shotwell or Lee Helluff.

It seemed to him almost gratuitous  
that Lee Helluff should have been  
given the Nobel Prize.

He seemed to think Hoover was not  
succeeding well.

He said he noticed Hoover on the  
list that he did not care to  
continue as Asst. to GAB; that  
subsequently Hoover explained report  
and intimated he would have been  
glad to have had him continue.

He said he did not know what  
Hoover will have done, as the fact  
was no chance.

He said Hoover was a cold  
blooded man.

He left no doubt in our minds that  
we had named Name on the list for  
representation at court solely because  
I had asked him to do so.

He declared the H.A. Larrabee; said he was  
a long Larrabee man and Rep. Party and  
he severely inquired if it seemed anything  
like the H.A. Larrabee bill.

July 26. Tuesday

Mr. Barnes who is writing a life of John  
G. Carlisle is working in my office looking  
over my scrap books and files.

July 27. Sat.

Mr. Blake lunched with us.

She told me some told her that Mrs  
Horsick (Harriet Wood) had died some  
time ago.

Rev. Saml. Diet writes me.

July 28 Sunday

Dr. Chas. Yonker at Fairview

We all take lunch with Mary Williams  
at Buzzards Bay.



July 29. Monday

Left Wash on Wash.

Went to Boston, called at Catherine's friend at the Mulliken House and she asked to come right over and see her. I staid about 15 minutes and had a very pleasant call. I told her I was to take the new train "The Senator" on Wash. & she asked me to write her about when I got to Wash. She added - "I just adore your letters, do please keep them up. I don't blame you at all for having been made with me on not answering your last one. I said I would write her but time to time."

Then I called at Mrs. of Boston & had saw Curtis & Geo. Harding. They said Geo. Norman sailed for Boston last week, but they had not seen her.

July 30. Tuesday

Arrived Washington.

James told me he listened in on my Radio address & that it was the clearest and briefest speaking he ever heard. That my wife, in the women was but little short of Graham McNamee - which he said was the greatest praise he could give.

In afternoon called on Gertrude Taylor. She said she dined at Marshall Hall Sunday, taking Geo. Buckley with her and that her wedding was set for Oct. 5 July 31. Wash.

Found no letter from Marshall Hall and called late this am. in telephone.

She said she was at that moment writing me and asked me to drive over and dine with her this evening.

I got Charles Warren's chambers and he told me well. Howard Chase & Henry were there. After dinner we sat out under the trees and found it very comfortable after it had been a very hot day in Wash. Rachel said the wedding was fixed for Oct. 5. She was in Pa. on the day of my Radio sketch but did not get it over radio. - Probably this some mistake on the part.

I found the Johnson list of Jackson. A true show this. Aug 1. Thursday

Mr. Young said he dined with the President and Owen Young was there; that Young upheld Wilson. Set up and told Hoover it was the best name more than any legislation passed was contribution; that he rather needed the credit given to Hoover etc.



importance to business; that he said the Gov of the System would probably be called in to decide what they should have rights in its Board as directors. He also talked much about the non-territorial character of the Bank; that Hoover said so in the M. System - it is our national enterprise.  
 In 7 said this was made a few days before Hoover signed the Appl. Meeting Card.

In 8 also tried to draw out on the question of M. representation in the Int. Fed. Assn.

did not seem to believe in the Bd, & would like to see Amer. directors, but he agreed w. Hoover that it could be arranged to have direct participation of M. System

did not seem content to rest his objections on bank that the Amer. directors will be dominated, in fact if not in theory by the Advisory Board, which under the agreement would through its influence not only to the various central banks but also direct to the Govts; that this in effect makes the Bank not only

a body which but also brings in the central Govts into at least advisory control, nearly as a sort of union of 700 Govts; that while the M. System should cooperate with it, that we see no good reason for leaving a part of it in a System matter. If we did we would have 2 directors and 2 of advisory council out of 14; that many of the matters before the Board will require action by M. System & as regards Govt, the System will have to give up or subordinate its own policy & be governed by a major vote of the directors & Advisory Council.

under 1 of N. case Govt can vote any proposed action by its advisory vote, but under the Bd great questions of System making & Govt questions could be decided against the vote of the M. System delegates; that Hoover & E. A. Tamm were decidedly scrapping to have the Bank in London or some other place favorable to Hoover. That the System will be drawn into the territorial fight; that the only vote which will seem to count for M. representation will be cast in case the Bank was to be situated in U.S. e.g. Washington.



Gen Young, abstr. agreed in cmt on to about

at Board meeting Gen Young said Gen Harrison wanted to come before Bd & it was arranged for tomorrow.

cmt re submitted that Gen Harrison and Norman have some telegram in mind which will require Bd action.

cmt feels it was very strange that the Board has been given no information as to action on Gen Norman's view. Not a word has been said to Board about it. Perhaps Gen H will tell us.

Gen Young said the Messrs. D. G. had tried to push the Bd one side, but in fact it had accepted Bd into the bank system as never before; that the Board was getting more subliminal in world than it ever had before; that the people thought the fight was between Bd & Congress.

Aug 2. Friday

Gen Harrison before Bd.

Said we agreed some Messrs. should be understanding; that 300 million new credit was to do full business & cash money; that 3 courses were open.

1. abstr. measure of direct rates  
This he agreed would not do about
2. do nothing policy, leaving banks based to measure rediscount.
3. abstr. policy of easy tin market by cheap bills, but fees etc.

Gen H said he preferred, as did Gen Young, a policy of easy by combining an increase of disc. rates w. low purch. w. low sell or both; that while at first it might be allowed to try to call by increasing disc. rates, yet it would now seem that object as the higher disc. rate would cause loss to many other than indebtedness to Messrs; that he believed in easy tin bills but, under a 5% disc. rate, it might be necessary to go down to 4 1/2% to get enough bills to do any great carrying, whereas by sell.



direct rate to 6% it would leave assets at a lower rate & large and would blow rate. Mess.

Mr. Harrison said the 6% rate would only be a disguise to object surreptitiously so it would need some measurement from earlier conditions caused by war. Will March. I just seen Mr. H. said to raise by 1/2% & just seen leaving 5% disc. rate unchanged would surely result in another speculative movement.

Mr. Harrison said a 6% disc. rate would not appreciably affect cust. rates in N.Y. - already at 6% & quoted Alexander as to this.

Mr. Young said it would cause increase of customer rates in the other parts of the country.

Mr. H. said C.C. Ketchum at bank favored lower base rates and later on increase in disc. rates, but that would be better both at same time, as did also Mr. Ketchum.

Mr. H. said that on point of view of N.Y. local situation he saw reasons to commend Mr. H's view, but that he feared that the rest of the country

would not be satisfied & would object to a discount rate increase even if accompanied by a relatively lower base rate. James said this was decidedly true.

Mr. H. asked James if he would like to have a special commodity rate just to ease our debts in case of emergency, etc.

James said it seemed to him worthy of consideration.

Mr. H. said this would leave the 6% rate as a kind of Lombard loan rate and if other places did not go up to 6% they could still have a subsidized commodity rate. Such a commodity rate, with relatively lower base rates would take care of the situation.

Bob Ormsby decided to ask Talley and Perkins of Mr. Sanborn, to be here next Monday to discuss a commodity rate and the other Governors to come Wednesday.

Mr. Harrison said he saw no objection to recommending the whole to rest on a commodity rate, but would like it



in w. the directors on Monday, when the bills would be there.

Ed asked Mr. Harniss if Mr. Norman had talked with him about a possible credit on the part of the Fed, and he said NO he had not in any way referred to such a possibility.

Mr. H said Norman had not discussed the status of the new district settlement bank.

Mr. H said Norman did not want us to say anything of course unless we could agree not to disclose it, as the news on currency would be swallowed up in the possible report on the bill at a time not when it might require the

Mr. H said England was in a critical position as regards the gold standard, that there had not yet been a decision to the extent necessary to maintain the gold standard and the situation was critical; that Norman said in all probability we would have to raise rates, no matter what we did.

Mr. H. said pretty well our rates to

6% would probably not require it. The measure would be regarded as a success under cover of which we could cure by buying bills & perhaps gold bars; that to buy gold bars in a large amount of bills without raising the rate would surely start up the speculation.

Mr. H. remarked that since the war had increased greatly during July in the also Commercial Bank; that there would be a discount on such a bank percentage of total assets & securities.

Mr. King said that he felt that it would be necessary to raise discount rates because of the public policy.

Mr. Harniss said he was confident that it would be accompanied by liberal purchase of bills & perhaps gold bars it would be due to allow operations.

Ed wrote Rachel Hall saying he would not hesitate to see the Federal Reserve he had done with me on Wednesday - that it was none of the business



Loan conf. Number on N.Y.

Aug 3. Sat

arrived Mattakivick

called on Catherine Grant at Phillips Home Boston. She said she and the baby were both fine and she should leave by railroad next week. She said she was superbly delighted with my letter and had read it to Alexander, the Grants, & I think she said she had lent it to the Mother. She begged me to call on her again next Tuesday when I would be back to Boston, and I said I would.

She said the family all said they would had had a great writer when I went into the WBoard.

Aug 2. Friday

Ev Young told me that he believed WBoard should be amended so as to prevent the WBoard or WBoard to increase discount rates by any individual bank.

above remarks not taken to which he returned on strong stablest line

that the WBoard & WBoard should be free power to increase reserve requirements by any particular bank.

Aug 4. Sunday

Mr + Mrs Stoddard dined with us.

Aug 5. ~~Sunday~~ Monday

Mrs Cecil Burns dined with us. called on Miss Howard.

Aug 6. Tuesday

left Matt. en route to Washington called on Catherine Grant at Phillips Home. Bought her some glasses and 1/2 doz eggs laid this morning. Sat while she ate her dinner.

The ten baby was brought in and I left her.

Said the name "Charles" was under consideration. The baby seemed a fine child - did not cry at all.

said she had just written Bertie.

Said she would write me if I did not mind her using a lead pencil.



Aug 7. Wed.

arrived Wash.

called on Rachel Hall and she asked me to come over and dine with her. I went over with Charles Warren Chamber and arrived about 6 P.M. we had a delightful evening.

In the morning the Board met the President of the M. Camps for a discussion on the future rate policy.

There is attached hereto copy of analysis of the conference between Board & President on Aug. 7 & 8 and of action of Board in allowing increase in disc. rate at N.Y.

originally visited here ten minutes by call of from conference of Aug 7 & 8. 29

Have transferred this to Scrap 1A

The Reserve Board may need the check of assets rather than of Govt Secs, and advised a 6% rate at N.Y. especially when other banks could keep the 5% rate.



Aug. 8. Thursday (contd.)

Miller was very reply when Fed announced he would suspend 6% at N.Y. with a 5 1/8% rate, altho it was absolutely in line with what he had already said on to N.Y. situation. He said the Fed has now changed and reversed its policy and the majority must take the responsibility - that hereafter he would set back and do nothing. In spite of this statement, in the afternoon session of Board, he himself opposed the resolution that the Board adopt as its policy the resolution of the Governor - buying an increase to 6% at N.Y., a policy of lower bill rates, and a declaration that other Mops would try and probably old keep to the 5% rate.

after the vote, Fed said the Board had not reversed itself; that direct action had merely been suspended toward end of June; that sole reason why Fed had not before this increased discount rate at N.Y. was on basis of temporary business; that this case, according to testimony of H. Miller himself, had ended; that the Fed had never taken



the words that it would not try to check  
me off Wendell in St. Louis, - that in the  
country it had often done this, e.g. 1925  
& 1928.

Ev Young said that he voted for the Miller  
resolution, but received report to vote for an  
increase in disc. rate at Chicago as any  
other Member, is at the time he believed  
such action called for.

Aug 9. Friday

Had lunch with guests at clearing the matter  
of fixing bill rate but no decision was  
reached.

Miller told that the attempt to act  
up Board as to N.Y. was hopeless and  
constructive!

Wrote Russell Hall a note on the Federal  
Reserve.

Left on Wed.

Aug 10. Saturday

arrived at Wed.

Aug. 12. Monday

Ev Young and Ev Harding came down  
to Wed.

Ev Young said that N.Y. interests tried to  
bring measure when James to Chicago  
in vote and received a 6% discount  
rate, some time ago, and sent for Barnett  
down to talk with him; that Barnett,  
however, went back convinced that  
plans were right and the Member N.Y.  
wrong!

Ev Young also said that Hoover said  
to him to come over one way - I  
think it was here. He to talk with  
him on the matter; that he raised the  
Board on its report to keep in the 5%  
rate; that he told him he was not  
in sympathy; that Hoover said so,  
it not succeeding; that he said yes, it  
apparently was; that Hoover said so  
it not better to keep to the 5% rate  
if it can be so worked out; that he  
said yes.



Er Young said that later he consulted with Hoover and that Owen Young and, I think, the Messers were also there; that Owen Young explained the Reorganization Commission plan; that he said that obviously the two of the M Board should have been one of the directors of the International Bank and should have the power of appointment, but they did not so provide as the M Board was looked on as a Political Board; that Hoover simply said it is the only Board which is not political; that neither he admits or any other in any way had interfered with it.

Er Young said that Mr. N. Y. tried to minimize influence of the Board but that really did need to feel its weight than any thing since the system was founded.

Er Young said also he knew one of Hoover's secretaries, an American, intimately and that he could say with confidence that Hoover understood Mr. Mellon and his limitations perfectly well.

Received letter from Mrs Robert Struttess, sister of Mrs Horrell (Harriet Wood) giving particulars of her death - in June 10. 1927.  
(see Search book)

Aug. 13.

Er Young plays golf with Ned.  
Eugene Bradley calls in evening.

Aug 14

Er Young plays golf with Ned.  
Leave for Wash. P.M.

N. Y. Yacht club comes to Mt Harbor

We call on Mrs Bradley, Rachel Hall's sister.

Aug 15. Thursday

N Y Yacht club leave Mt

Aug 17 Sat.

We lunch with Mr & Mrs Hauptman at South  
Bartmouth

Aug 16.

Friday, went over to Plympton to see  
the Pilgrim descendants march up to  
the burying ground.



Aug. 18. Sunday

Took chair of a memorial to Rev John Waldron in Congregational Church during sermon hour and delivered an address.

Mary Williams and Miss Thomas lunch with us, coming over from Decatur.

Aug 19 Monday

Left for Washington via Norfolk

Aug 20. <sup>Monday</sup> In Coach

called on Ch. Warren and then called on Rachel Hale who asked us to dinner tomorrow night

Dined w. Elizabeth Meyer.

Aug 21. Wed.

Two Young said NY directors authorized Leo Hansen to buy up to 25 millions of sterling exchange

a) to back sterling, b) to ease our credit situation; that Leo H came before Board last Thursday; that Ad did not offer on either alternative in direct approval; that he - Two Young - told Board that as subject of <sup>board</sup> ~~advice~~ ~~the~~

N. Y bank had full power unless and until the Board created a regulation which had not done; that in absence of action, action by Ad the act of director authorizing Leo H to buy stood on best basis.

Two Young said Leo H had bought about 5 million and Leo Hansen had sustained the market in England up to about 7 million. Leo H said that we were on way to get up on ex change (sterling) was to receive British gold receipts into U.S.

Devised with Charles Warren to Rachel Hale's and dined with her. Rachel constantly referred to me as "Charlie" before her.

Aug 22, Thursday

Two Young told Board about talk with Leo Hansen as to buying sterling exchange. Board finally voted unanimously to introduce no objection to purchase up to 25 million. Ad said we had all agreed to ease the market; that if we did not buy sterling the case would come through gold receipts; that by buying sterling we would raise it and help our own exchange; that he



intended to call voluntarily then to have involuntarily  
 call on gold of hosts; that when he transferred  
 to call through acceptances, he was willing to  
 pay a limited amount of Sterling Gold

Erw Yang said at the meeting last week, Bd  
 agreed on buying bills notes at 5% prem. and  
 5% margin; that anything outside of this  
 must be approved by Bd if a quorum was  
 present; if not, by Exec. Com; in its absence  
 by the Executive officers.

Notes:

Ag. see Helen. Erw Yang. Chd. Keller. Pale  
 Platt asked to be rounded up as did  
 James - they were away.

- Erw Yang said he would round Keller,  
 also away as do, although he could not  
 tell really what his attitude was  
 on what he said at meeting.

called on Gertrude Meyer.

Aug 23. Friday

called on Rachel and told her Gertrude believed  
 she was running a general store of her  
 servants on the boat that she asked her  
 to stand tonight with her, <sup>but</sup> could not ask  
 her to remain over Sunday. Rachel said  
 this was ridiculous!

Left on boat.

Aug 24. Sat.

arrived Hdt.

wrote Rachel a long note, sending her

1. a copy of my surf dedicated to  
 Peter. 2. Pictures of our house and  
 the Rind house. 3. Copy of letter of  
 Sir Cecil Shing. Neil de Bondy with  
 but not second copy her case -  
 written in Dec. 1915, seven months after  
 sinking of the Lusitania.

Aug 26. Tuesday

Helen Brewer + Ned dined with us.

Helen said she called on Catherine  
 Grant at N about the morning & she  
 said she hoped to visit us with  
 the new baby.



Aug. 27. Wednesday

We dined w. Mr. & Mrs. Wood at New Bedford. Elsie Nickerson was there.

Gertrude Meyer sent me a card - "Kisses to women in love" on a birth day present.

Aug. 30. Friday

My 68<sup>th</sup> birthday.

Dr. Robt Lawrence sent me a card. Forrest and

Jane sent me some salmon nuts & grapes

May sent some snuff, tobacco holder.

Had also a telegram from Celeste Helen

Have had no word from Catherine Grand.

Aug. 31. Sat

Received delightful letter from Rachel Hale,

mentioning me by name & my trip to Berlin,

Stump Hill letter etc. Dated Aug. 30.

as it shows quite confidentially as to

Gertrude Meyer, I destroyed it as well as my understanding.

Sep 2. Monday. Labor day

Left Abt. took Senator from Boston to Wash.

Sep 3. Tues.

called on Rachel Hale and said I would dinner over with Gertrude tomorrow.

Sep 4. Wed.

Drove w. Gertrude Meyer to Rachel Hale's.

Dined later w. Gertrude.

Sep 6. Friday

wrote Rachel Hale a letter.

Leave for Abt.

Sep 7. Sat.

Bertie writes to Catherine Grand asking her to come to me with her baby.

Sep 8. Sunday

did not write Catherine Grand

did not write Bishop Lawrence who wrote me last week.

Sep 10. Tuesday

did not call on Gertrude at City - called Bertha.

Sep 9. Monday

25<sup>th</sup> anniversary of founding of Abt village. Improv. and meeting in Group Hall followed by supper and speeches in stairs. Bertie



was reflected credit for 25<sup>th</sup> trial and she was greatly pleased & delighted by all the sleepers. She was given 25 cents, beauty rolls by the society. cost about at dinner buying a sewage system for the town.

Sept 12. Thursday

Catherine Grant sends input telegram to dad:-

"Daddy Sunday can not possibly come this week. Baby too unwell to travel or visit. Things here very hectic with children returning. Planning to be present in two weeks, thanks for your letter. Will write soon, I hope.

Catherine Grant.

We attend Grand Fair and was the Silver Cup for the 4<sup>th</sup> time.

Sept 15. Sunday

I read the services as lay reader at the church. Mt.

Sept 16 Monday

Charles A. Crane and the sister of his Sulzer became members to us on Sunday. He spoke of John

engagement to the daughter of an Italian Marchese, niece of a Cardinal and that Mr Crane had joined the Roman Catholic Church.

Left Mt. for Wash.

Sept 17. At Wash.

Met Rachel Hall - she asked me to dinner tomorrow night

Meeting w. Nat. Adv. Council.

Cornwall Pale gave before to show incurrence condition of small and Nat. Adv. and long number of members. He said he believed the only hope for these small ones is to repeal the Fadden Act as to branches and present branches within the VA District & say 100 miles further when Mount is near end of District - similar to Nat. Adv. and real estate loans. There was a long discussion and finally very members was pulled. They all declared themselves in favor of branch currency and of the Cornwall plan as members, but several felt



that we had better not act as if we were the whole team, but begin by asking for branches in the County of Lane bank and in contiguous counties. See Miller's statement board going slowly in this way.

They all agreed that a branch bank system was one better than a chain system, although they felt a branch system like that of Geo. Wood & Son, could be of some advantage, because it was managed and controlled by bankers, all felt however that when an investment trust owned a chain by acquiring stock holders it was a dangerous development, but often already things were as they are in the stock and the directors of investment trust - now bankers - try to subvert management of the controlled banks, all felt that investment trusts should be regulated by Congress & that provision should be made to report & examine of every bank in the chain.

Most of the council said originally they were opposed to branch banking but were now satisfied it should be left to the

Sept 18. Wed.

Dined with Rachel Hale.

agreed to take over the Pierre Leguette of course, to whom Mrs Victor Murawitz had given a letter to Mrs Hale and we had an engagement to dine with her today. Mrs Murawitz had written Mrs Hale asking her to invite her to dinner and she wrote several days ago inviting her to breakfast, which letter we could not receive and received.

Sept 19. Thursday

Sent Mrs Hale a note with \$100 in gold as a wedding present. The Express Co refused to take it as there was no place in Utah where it could be stored and kept, so I sent it by Parcel Post, registered & insured, with a special stamp on quiet delivery.

Sept 21. Sat

Received Meyer's award.

Sept 22. Sunday

We called on Mrs Sheridan at Newport



Sat 23. Monday

Richard + Mrs. Melander called + took  
Esther back to Astor.

Sat 24. Tuesday

Wrote Rachel Hall a long, thorough  
account of Esther's visit. Left no copy

In evening Astor received a nice letter from  
Mary Hall thanking me for wedding present  
of \$100 in gold.

Sat 17

Henry Cunningham writes Rev. Connolly  
returned from Canada & he will go with him,  
with a: without cost at any time.

Sat 27. Friday

Esther calls Henry Cunningham on telephone;  
said he tried to get him yesterday but he  
was in Salem; said he had hoped to  
make an appointment for today, but  
he had to go back Monday next to return  
to Astor for a week; that he was so  
anxious about the matter he would  
suffer, as it could be difficult for all 3

to agree on any particular date, that Cunningham  
should arrange w. Rev. Connolly to go to West  
Hick next week without cost, and that  
later in the afternoon and Rev. Connolly  
come down & lunch w. us & take dinner  
& spend the night. Cunningham said he  
would positively arrange to have this  
done this coming week & will write me  
at Wash. when it had been done.

Sat 29 Sunday

Mr + Mrs. Nick arrived.

Sat 30. Monday

Left ~~100~~ Astor.

Wrote Cunningham Connolly, 365 Center St.  
Jamaica Plain, Astor letting him that  
Henry Cunningham told me he would arrange  
with him to go out to meet Halls and  
express my gratitude. Also invited  
him to come down w. Mr + Mrs. Cunningham  
and lunch w. us & a drink with me  
and spend night.

Oct 1. Tuesday

In ~~evening~~  
called Mr. Rachel Hall and in reply to



Sept 22, Sunday

my previous offer to leave to the wedding anyone she wished, she suggested Helen Crut, Ann Todd, and Berrie Sluven (Alvin). But will visit Berrie Alvin.

Meeting of Bd on report of Alvin last week

Ev. Y. Kirkham a letter to Com<sup>r</sup> asking resolution to lay out use 25m in work of street lamp East Secs, as a seasonal matter, not involving any change in policy of Bd to cover carrying these expenditures.

Cummins met in a substitute to advise that Bd still should carry the assets & recommend lowering of rates to lay them into framing up. Also still carry 5% rate, and will hold guests of much of East Secs for present.

arr. seemed to be that a letter from Mendel was nec. to meet seasonal demand for credit.

not sure if Cummins would recommend

substitute letter to read that Com<sup>r</sup> should be of board remedy of work. of assets, - lowering of rates of use, - and if that did not work then board work. of street lamp East Secs, - we will vote on it.

See Allen & Ev. Yung said this was just what Ev. Y's letter meant, and will send the enclosed then also, and should vote on it.

Cummins read. notes were lost. age. ~~Allen~~. Cummins No. See Allen, Ev. Y. Platt. Cld Not voting. Miller

Ev. Yung notes - letter - was then allowed.

age. See Allen. Ev. Yung. Platt. Cld No. Miller. Cummins

Oct 2, Wed.

called on Ann Todd and Helen Crut and arranged to have them to wedding on Sat.

Edith Allen called me up - she had just returned



to wash, & sd she would love to go to Berlin on Sat.

found w. Richard Hayes

Oct 3. Monday

Mr. Debuslin, Joh. Amb. called me up and made a commitment for me to read his Sabin Media, Managers Journal of the National Bank; Dept of Texas, He said he was one of the most prominent bankers in John. He called at 11 am and we had a good talk together.

5 P.M. Earl or Miller a copy of my Review of Wash & Washington.

Oct 4. Tuesday

sent out all copies of my Review, wrote personal letters to Homer & Miller.

Earl drinks at Conover club to Bernie Stevens and Helen Crust. asked also Miss Wadd but she could not come.

while at dinner I sent to Bernie Stevens you and many other friends call me

Charles, but Miss Crust always immediately calls me Mr. Hansen. Helen Crust at one said she agreed with me and beneath me William would be Helen and Charles.

James sent me a letter this afternoon saying my Review was the brightest one he had ever seen and he wanted more copies.

Oct 5. Sat.

went in Charles Warrin's machine to Mary Holler wedding, leaving Miss Wadd, Bernie Stevens and Helen Crust.  
 returned with me Mr. Bowley to wedding  
 we had so much time to spare we drove us nearly to Usher Hudson and then returned.  
 Every thing went off delightfully - the weather was good after cloudy - about 3 or 4 people were there. I had a long talk with Nashel's brother, James H. Cameron P.O. Box 462, Harrisburg, Pa and said I would send him a copy of my Review.  
 Saw Edwin Bradley, Mr. Bowley, Miss Mary Cameron, and had a talk with Mr. & Miss Vanell McLennan; also saw Senator Lee, Sen. & Miss Steele and many



others.

Left at 8 P.M. for A.D., with Collette Helen.

Incl. of Mrs. Lee

Oct 6. Sunday

at A.D.

Oct 7. Monday

wrote Rachel Hall a long broad & letter letter.

Oct 10. Thursday

wrote, Catherine Grant a long letter directly  
my ~~name~~ at A.D., the wedding of Mary  
Hall at A.D. I would call in her  
next Monday. also sent her a copy  
of my Review - Wash. & Wash St.

wrote Rachel Hall a hand note enclosing  
a copy of my Review.

Oct 11. We lunched with Mrs. Field at Wash.

Oct 12. Sat

We lunched with Mr. & Mrs. Tom Headlee  
at Yarmouth.

Oct received invitation from President and  
Trustees of Columbia University to  
attend the celebration of the founding of

Emp. College (Columbia) - a University Commo-  
- cation and assembly, <sup>in Oct. 30,</sup> but he sent his report.

Oct 13. Sunday

Mr. & Mrs. Neddie Curtis lunched with  
me. Curtis said he was very much  
worried about <sup>the</sup>; that he recently  
had a deliberate lie from the Board,  
and that Mr. Bowman told him he  
had checked at Leeds and that no  
one in the Algonquin Club would  
play with him any more.

Oct 14. Monday

Accepted a codicil to my will. The will  
is dated Oct 31. 1926. The codicil is dated  
today - Oct 14. 1929. The codicil will:-

Alfred Hanley, Katharine Mc Leveney,  
Margaret Stewart.

In this codicil I revised the clause giving  
Mrs. Curtis the right, as the representative, to  
insert my desires to be held in library  
or museum, to have copies and publish  
my book.

I was very sorry to do this last, in view  
of our falling out. I felt it must be done.  
But that was Washington



Went on train at Boston to Catherine Grant  
and visit sister with. They seemed to think  
they would have a house in Mass. next  
summer.

On train I met Mrs. de Wolfe Howe who  
was sister Helen Grant's cousin.

Called at Rachel Hall and she asked me  
to come over Friday.

Oct 15. Tuesday

Ad considered giving Trust money to a new  
bank in N. Dakota although on a charter  
to work under name including Trust Co.

It represented a purchase of a Minnesota  
Trust Co. - the N. W. Banking Co. -  
bank, and a merger by 2 weeks state

banks, but in good credit by the <sup>holding co</sup> ~~bank~~  
bank. The new Nat Co. was to keep the

old managing officers who were not  
strong men and the centrally <sup>combined</sup> ~~bank~~

and had much new money in and  
had had assets taken out, and it had

to have Trust money as the old state  
bank had some trusts. The Compt.

assisted granting Trust money  
James, Cummins, & Miller objected

on ground that the managing officers  
were not good men and in the end

that the stock of the new Nat Co. would be  
held by the holding co.

See Miller, etc & E. Y. took ground that as  
a matter of law it was not material who

owned the Nat Co. stock, but as a matter of  
discretion the Ad could require that there

in the holding co were strong bank men  
and agreed to put all Trust matters in

control of a best class Trust man, which  
would remove any doubt as to the old

& new managers.  
James claimed that a Ad regulation provided

that a new bank should not be given  
Trust money until after a year, unless

in special circumstances or necessity  
of consolidation.  
The Comptroller did recommend this.

Miller finally said he would not  
have question of ownership by a holding

co. of the Nat. bank stock as the  
Nat bank would reduce its share

from 600,000 to 750,000.

E. Y. said would said it not from  
Trust money they could have to take

and a State charter.



In moving James moved not to present Trust  
house on 1 year.

Ev Young moved as a substitute to  
grant him.

Failed.

Aye. Ev Young, Platt, etc

No. Miller James Cunningham

In abatement see Keeler case in.

It was moved to reconsider the  
moving vote. Passed.

Vote in James motion. Failed

Aye. Keeler, James, Cunningham

No. See Keeler. Ev Young, etc Platt.

Ev Young moved to grant Trust house  
Passed

Aye. See Keeler. Ev Y. etc. Platt

No. Miller, James, Cunningham.

Mr Miller told that he had read the  
report of work of work w. the very  
great pleasure + amusement; that he  
had completely laid out the ground.

Ordered w. Certificate by the

Oct 17. Thursday

Moved upon letter re question of recognizing  
existence of Nat. bank. stated by Young

growth and investment companies  
after long debate, vote obtained following  
on consideration:-

1. When Trust application is satisfactory  
to Board on its merits, the Bd will  
not inquire into stock ownership.

2.

If not clear on merits Bd will  
consider stock ownership whether by  
indiv. company or investment  
Trust.

Mr Keeler moved to have the and  
referred it to Ev Young to consult  
with Controller and Board later.

Ev Young said he was satisfied to grant  
Trust application as warranted on  
merits.

etc said as a fact he was assisted  
in reaching a favorable conclusion  
by bank of character of banking  
growth etc. established the 2 state  
banks & new Nat bank; but that  
he was not prepared to say  
he would not have been same



months. as Geo Young, had the studied at  
subdually.

called on Reston's lawyer.

Oct 18. Friday

drove over to see Rachel Hall.

Mr & Mrs Horace Washington and their  
son called, so had only a short  
talk.

I told Rachel of my talk with  
Mrs Wether, in absolute confidence,  
which she said she would absolutely  
rehearse.

She seemed almost horrified and said  
that even what little I had told  
her she was satisfied that she was  
trying to shield her brother, Randall.  
I said that when I returned I  
would like to go over the matter  
with her in greater detail, as I  
wanted her judgment as to what  
course I ought to take in the  
matter.

She said she would be very glad to  
give me the benefit of her best

judgment.

I told her to Rachel when I returned.

Left on Sat.

Oct 19. Sat

arrived Sat.

Oct 20. Sunday

wrote Rachel Hall enclosing picture of  
Sunday N.Y. Times of deposed Queen of  
France which showed life size. said I  
would go on next week and read the  
funny diary as to her trial.

Oct 22. Annie Nourse came to me.

Oct. 24. Thursday

Mr Sheldon & Mrs Peabody took  
lunch with me.

at about 4 PM Geo Young called me  
and said N.Y. advised on a 5 1/2%  
rate. I said it that in the judgment  
of their direction, I should be  
inclined to advise. He said the  
N.Y. vote was 4 to 3, and that  
Geo Harmon & Mr. Church voted no



most of Board were inclined to disapprove.  
 but when said on the 19<sup>th</sup> vote was so  
 close, he was inclined to disapprove.  
 but <sup>you</sup> advised to return to work. at once  
 but <sup>you</sup> said not to do it, at least  
 until he telephoned me tomorrow

at 5 PM I called Mr Platt. He said he  
 felt sure the vote would be disapproved,  
 that he, Miller & Cunningham were opposed  
 as being too much like telling the  
 stock market.

at 5.30 Platt called again and said the  
 Board had unanimously disapproved  
 the application.

Mr Child & Mr Augustus Hemmingsway  
 called. I told Mr Hemmingsway that  
 some years ago Mr Norman just was  
 our husband died w. us in Wash.  
 and said he need a delightful couple  
 on the ship - Mr & Mrs Augustus Hemmingsway;  
 that I told him I knew them very  
 well & would tell them he required  
 our time; that he telephoned and

finally said - perhaps you had better  
 refer to me as Captain Montague but  
 I could make that sound!  
 Mrs Hemmingsway was amused and said  
 she never suspected who he was;  
 that she thought he was a very  
 attractive man of letters, artist &  
 musician!

Mr Samuel Cist and Miss Storer came  
 to spend the night.

Stock market has beautiful crash.

Indexed two text.

Newbold story dead.

Oct 26. Sat.

Anna's birthday.

Catherine went and in a large box of  
 beautiful cheap antiques with a card on  
 which was written:

Dear Bertie:

I am thinking of you today and send  
 you my love and good wishes.

Overlily,

Catherine

We received also beautiful glasses from  
 Geo. & Mary



Oct 27. Sunday

Ned came down to Harum & lunch with us. He & Harriet met Mr. Jarr, a business expert on N.Y. and took him yesterday to Cambridge to see our side board. He said it was not very old - perhaps 100 years or more. Harriet thinks we were near our tin later. He would not even look at the Prager sofa & chairs, saying there was no demand on Italian furniture. He bought very much 5 chairs of Bertie - formerly the Mother's dining chairs saying they were worth say 150 each. He drove to Ned's apartment and showed her 1000 on an old car chair.

Ned said he had tentatively agreed w. Hodges, subject to days allowed to see tin North side of tin case parcel, - 8000 500 sq ft on 3 million dollars; that tin Hamburg would 5/8 of tin, = 187500; that he and Harriet would cash notes + 38 187.50; Bertie, Mary, + children 293812.50 and cash + 781.25; that on tin South side, tin ~~tin~~ was 20 units

and cash will receive on tin 200 was best \$7870.90, making a total on HP H and cash of 336464.65 which at 5% would give income of 16823.23.

Oct 28. Monday

Left NY on Washington via Wash. to "Presidence and the Senator" to Wash. arrived Washington 10 P.M.

Oct 29 Tuesday

In Wash. called on Rachel Hall. She said she was ordered by trust to stay in Wash on at least a week.

Board met to consider the N.Y. case. The stock market went all to pieces yesterday.

Ev Yung said he was in touch with Ev Harrison last night and this morning; that Ev Harrison told him tin house had arranged to purchase, w had purchased 50 million of Gov Sec; that tin purchase was made known before tin call loan rate was announced this morning; later in telephone Ev H. Ev Yung said



the amount purchased was 108 million,  
 the question before the Board was whether to  
 approve these purchases. It was not clear  
 whether or not some of these purchases  
 had been approved by Allen West Cramer, and  
 much of time was occupied by Mr. N.Y. on  
 its own account, and Gov. H. and Gov. G.  
 the director had authorized him to buy  
 Gov. S. without any limitation being set.

an agreed that at some time ago  
 authority to Allen West Cramer to buy not  
 over 25 millions of Gov. S. was given and  
 it then was cumulative - which we did  
 not decide - the Allen West Cramer had  
 the right to purchase the 108 million

James contended that the agreement was  
 when Allen West Cramer had been approved by  
 the action of N.Y. Board.

Most of the Board, while Gov. G. was  
 said that about from a regulation, which  
 the Board had never enacted, the N.Y.  
 bank had a right to make these  
 purchases, and all and Gov. G.  
 purchased and that Gov. S. had always

learned this report.

Wright said it might be contended that  
 morally the N.Y. Board was bound by the  
 Allen West agreement, but he said in the  
 Board had enacted no regulation the Board  
 could only interfere legally with a  
 regulation.

On the assumption that the N.Y. Board  
 had this report, the question arose  
 whether the Board should now  
 approve it.

Most of the Board felt that as the  
 purchases had been made the Board  
 was not called in for either disapproval  
 or approval & that the only question  
 was as to bringing a regulation on the  
 matter.

Miller suggested a resolution to object that  
 Board did not approve or would not  
 have approved the purchase if asked  
 and suggesting no change about a  
 disapproval, but to consider a new  
 regulation on the matter.

Miller was very independent of the  
 purchase. He said the Governor should  
 have been bound to disapprove, and



to offset the cash loan rather  
knowing that the cash loan rate of 5% was  
to be announced before the opening of the stock market,

we held that the action of the N.Y. directors  
in <sup>making</sup> taking the measure, ~~to~~  
~~before the cash loan rate was announced~~  
caused a measure to take the stock  
market rather than the general credit  
situation.

all agreed that there was plenty of  
Merchandise outstanding - that the question  
was simply who the measure was  
advisable as a physiological picture  
to avoid a business reaction.

James met in a motion, to offset that  
the measure was a violation of the  
other rule agreed & the Fed announced  
of 1922 & asking Wright to draw a  
new regulation.

Edt obtained a substitute to offset that  
the measure having been made,  
the Fed was not called on for  
offset or disapproval; that the Fed  
was not satisfied w. the way in  
wh. the N.Y. directors took the stock  
and calling on Wright for a draft  
of regulation for the board.

The matter went over.

See Miller should discontinue this

break in the stock market will greatly  
improve the record but he had always  
predicted that no trouble would come  
from the N.Y. speculation.

Miller and Hoover were very skeptical in  
making deals in the Treasury but if the  
break had come with anyone else  
everyone would have said that if Miller  
had remained it would not have  
happened.

The Fed was in session all day - with  
members having lunch sent in.

Edt is inclined to agree with Miller  
that the case should have been  
brought to rest before any trouble  
as Edt sees that there has been  
and he realizes it was a critical  
emergency.

Edt and James expressed a view  
that this was only about a  
real business depression but the  
others did not seem to think so.

Edt asks the only question is what  
to do to help business.



The N Y Times Sat. had a strong editorial  
 praising the Fed.  
 Miller said our course in last two years  
 in carrying policy was wise but he  
 condemned the carry money policy of  
 1927. Campbell almost, he said, solely  
 to keep gold standard in America, & that  
 this was responsible for the present  
 activity. But does not agree with the

majority the Fed. even although the Fed  
 to let Harris know money that the  
 Fed will approve a reduction to 5% -  
 discount rate in understanding that  
 no further purchases of Govt Secs  
 shall be made w. out approval of  
 Fed. This was conspicuous note.  
 But suggested an adv. rate of say  
 4 7/8 %, but the others felt we need  
 not raise being this rate.

Oct 30, Wed.

The Young said the correct figures on Govt  
 purchases by the Fed Harris were - bought 69,  
 contracted for 46. Total 115.

The Young said the Mr. Tappan called on me and  
 said he felt he must be liberal in discounts  
 to keep Mr. Bonds, also said we were still  
 almost continuously in debt.

The Young said he objected no objection to this  
 but rather favored it, with care however not  
 to commit himself too definitely.

Miller objected saying we should lower  
 simply favored liberality.

Campbell objected that the Fed had liabilities  
 gone too far.

Long discussion as to whether would be  
 hard to handle the responsibility of a  
 general credit handle.

Board was called.

But said and should be given liberality  
 + quickly. C's dot, C's dot.

Miller said same as did Platt &  
 The Young.

James was very cautious and wanted  
 to know all facts before doing  
 much.



Huller suggested that Eric Gray call the cash bank & find out what conditions were and give the Gov the feeling of liberality and good action in meeting any emergency. Some objection was raised to this and finally it was agreed to by all.

Eric Gray in P.M. suggested that meeting should be held in Plaza, Cleveland, St. Louis & San Francisco; that there was little or no demand for currency - which would be best sign of a run on banks. He said would then be the other tomorrow.

all agreed that later it might be advisable to issue some statement. Huller & Cunningham debriefed the statement of Hoover and that of Klein. Jarrow was vehement in his criticism.

Huller said the Treasury had depreciated a million dollars in the last 2 weeks. He seemed very excited and observed on Hoover's statement that he would agree to allow Gov to handle the situation in its own way, ~~in its own way~~ purchasing Gov securities ~~in its own way~~.

Huller did not come to afternoon meeting saying he was ill. He evidently has little physical stamina to spare.

Huller said he met a justice of the Supreme Court at dinner last night who said that he considered President Coolidge's statement as to business loans the real cause of all the trouble. Emphatic words. Star said Huller dined w Hoover last night to meet Adelle Child & that Justice Stone was one of the guests!

called on Delano. He said they were going to Boston next week to attend at the meeting of Christopher & Pat Grant on Sunday Nov 10.; that Catherine had written him that Alexander was nearly crazy with worry - not about the Treasury affairs, but about the clients of the firm.

Meeting of regulators covering other market houses was discussed. Huller said he favored a regulator but not to take effect at the present time, and to work until interest



could not vote. He said we could later possibly  
reapportion any unused funds and in the event  
of any surplus.

Thursday, Oct. 31

N.Y. vote a 5% decrease: vote and a minimum  
of 4 1/2 on bid increases.

Long discussion.

Committee had in mind a plan to hold  
that he believed in 5% and voted on it  
in which that Board would make  
referrals giving evidence of other  
members.

and moved to approve 5% vote.

Paradise remaining

Mr. Long moved to buy minimum

increase. vote on issue at 4 1/4 % (with

vote N.Y. said it would not be

approved.

Ad. voted unanimously on this.

Regulation has considered

but now suggested it requires

any crisis had passed

Mr. Long said not approve

regulation to take effect at once

James offered a draft as prepared

regulate.

Ad. voted to consider this on Tuesday Nov. 5.

Dined with Collette Helen.

Nov 1. Friday

called on Festina Keys

Left on 11th.

Nov 2. Saturday

In 11th.

Nov 1. Friday, Cumberland

Mr. Long told not commission accused

in writing however statement as to

soundness of issue. conclusion; that he said

he had not written it nor did he know

who did, nor was he consulted.

He told me the transcript copy he

had written it.

Index of this book

Next afternoon on vol. 17.



Nov 4. Monday

Evening dinner with Annie Nourse at Club

Nov 5. Tuesday

Had considered James draft of Allen report  
+ Govt Sec. regulation.

Ev King suggested meeting at society to Govt  
Sec. regul. + sales.

James agreed and withdrew his draft.  
Went over.

Nov 6. Wed.

Further consideration of Govt Sec. regulation  
No action.

Nov 5.

Committee of five, with board will wear to  
recommend in area. Board

1. Opinion of branch law to Manufacturers
2. Power to examine all building cos.  
using majority of class as a basis
3. Turning over granting of trust income to  
Manufacturers.

Board did not recommend article 143;  
as it said included to keep at least three

power to address charter to N. C. M.; that to exercise  
must women properly it should have this power;  
that if any, could not get this through. But might  
rather to have trust income transferred to  
Manufacturers. The Board was objecting to committee  
making the regulations but received report of  
action by Congress to answer it as it then saw  
fit.

Called up Rachel Hull + she asked me to dinner  
over in the afternoon.

Call went over. Tipped over entire matter of  
the Union. Rachel said her letter to me  
was sneering and suspicious; that it showed  
however, showing she knew her to be, a decided  
lack of good sense; that she could hardly  
say her letter was a direct charge of  
dishonesty, but it clearly was a direct expression  
of anger + disapproval; that while she  
did not defend her, she could only say  
that many women gave way to angry  
letter would <sup>really</sup> mean any part of what  
they say; that she believed her to really  
thrust out and could continue as a friend  
just the same. She did not know call  
them of writing that on a certain day



we would call and settle the matter. She said  
 that she had seen all the Indians in life; that  
 she would like to know she was wrong,  
 never confess it; that the better way was  
 to avoid some shortcoming of accidental  
 meeting & then having it out. She was sure  
 her W. was standing her brother Randall's  
 Bully & she seemed surprised at her as  
 her W.'s desire to sleep in the woods.  
 She said, however, the matter must be  
 cleared up, that it was essential to  
 her in preparing the 2nd part of Boston  
 next volume, that in any event a long  
 friendship like this should not be allowed  
 to lapse. She asked if she thought he  
 ought to be willing to say he covered  
 except the fact & covered again after  
 she said no and could really beget  
 this fact. We are to look it over again.

end of volume 16.