

**Collection Title** THE PAPERS OF  
CHARLES SUMNER HAMLIN  
DIARIES

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DIARIES

VOLUME 12

May 21 - December 31, 1926.

Abrams, Mrs. Kate 10, 11  
See - Pepper, Sen.

Albany

Mrs. Wilson goes to, as guest of Mrs. Rice to attend Wilson  
memorial meeting. Dec. 27, 1926. 175, 177

Alexander, National Bank of Commerce, N. Y.

Says that as a general rule, banks should reduce call loans and  
holdings of Government securities before rediscounting with  
Federal Reserve banks, but that where a bank's reserve is  
suddenly reduced and it needs money only for a few days it  
is better to rediscount than to disturb the money market by  
calling loans, which loans would have to be replaced by other  
loans. May 21, 1926. 4, 5

Banks should keep their funds liquid. The whole question is one  
of banking judgment. If any bank is using money acquired  
through rediscount for investment in call loans a word from  
the Federal Reserve bank would quickly correct this situation;  
that such action, however, is not frequent; that no prudent  
banker would incur a debt to the Federal Reserve bank pledging  
eligible paper in order to loan on call.

Alexander said it was wonderful that 700 millions could be taken  
from the call loan market without appreciable injury to  
agriculture and commerce.

May 21, 1926. 5, 6.

Alexander told C.S.H. that the Federal Advisory Council did not  
intend to lay down as an inflexible, rigid rule that the  
order of precedence should be:

1. Reduce call loans
2. Reduce investments
3. Rediscounts.

May 21, 1926. 6

C.S.H. suggests Alexander as Jay's successor.

Dec. 3, 1926. 158

Alexander (Cont'd.)

Miller said Alexander refused to take back Warburg as a director of his bank, after he retired from the Federal Reserve Board, as he did not want any director who had been actively connected with a banking house such as Kuhn, Loeb & Co.  
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See - Cuban Agency

Appointed for 3rd term on Federal Reserve Board.  
July 1, 1926. 74

Assistant Federal Reserve Agents  
Board appoints an, for Federal Reserve Bank of Atlanta at request of Federal Reserve Agent Newton and Governor Wellborn.  
Aug. 3, 1926. 97, 99

Attorney General of U.S.  
Board asks, to continue the investigation of Director McCrary of the Federal Reserve Bank, Atlanta, and of the bank itself.  
July 2, 1926. 71

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Auchincloss  
Glass says Col. House took, and Seymour, with him on the "George Washington" without consulting Wilson; that Wilson was very angry and came near ordering the ship back to port to discharge them.  
Dec. 7, 1926. 162

Austin, Federal Reserve Agent  
Miller objects to reappointment of. Finally elected, but on Jan. 15, 1927. Board to consider notifying him it will not reappoint him for 1928.  
Dec. 15, 1926. 164

-B-

Baker, Bryant  
Mrs. Wilson said she was not satisfied with the bust of Mr. Wilson made by, and presented to L. of N. by Mr. Caldwell, and so told the representatives of the League in Geneva; that they told her no bust would be accepted not satisfactory to her; that Baker is to make another and she agreed that he might consult her from time to time. She said one side in profile was quite good but that, as a whole, it was poor. The good

Baker, Bryant (Cont'd.)

side is the one C.S.H. has on which Mr. Wilson placed his signature.

Nov. 27, 1926. 157

Baker, Ray Stannard

We dine with Mrs. Banister at the Mayflower and meet.

June 7, 1926. 33

Mr. Baker lunches with C.S.H. at Cosmos Club. He said he thought Glass, in the opening chapters of his book, had treated Seymour and Col. House rather roughly and that it might prevent him from getting from Col. House the Wilson letters.

C.S.H. did not agree with him.

Oct. 22, 1926. 139

Baker said Mrs. Wilson had told him she had not read Glass's book. C.S.H. said he felt she had better not.

Oct. 22, 1926. 139

Baker said Mrs. Wilson wanted me to come to dinner that night if I did not go to Mattapoisett.

Oct. 22, 1926. 139

Banister, Mrs.

Met, at dinner at Women's Democratic Club given by Mrs. Wilson.

May 26, 1926. 14

We dine at Mayflower Hotel on invitation of. Present, - Sen. Glass and Ray Stannard Baker.

Mrs. Wilson was to have come but gave out at last minute. The New York Times said Mrs. Banister had given a dinner to Mrs. Wilson with the names of the other guests.

June 7, 1926. 33

Mrs. Banister left the luncheon of the Woman's Democratic Club because of a remark by Sidney Brewster, H.P.H.'s guest, about Mr. Wilson.

May - 1926. 65

Mrs. Banister is on Committee of Woman's Democratic Club to go over the chronological table of Wilson.

Dec. - 1926. 173

Mrs. Wilson sends message to Committee through Mrs. Banister that she could not approve the chronological table unless certain too fulsome parts of the introduction were eliminated.

Dec. 17, 1926. 173

## Bank of England

C.S.H. believes one reason for Gov. Strong's advocacy of higher discount rates is that the Bank of England wants to increase, which would be easier if Federal Reserve Bank of New York increased first.

Aug. 11, 1926. 107

## Bank of Belgium

Board meeting. All members, including Sen. Mellon, present.

Harrison came before Board asking its approval for the Federal Reserve Bank of New York to join with Bank of England and other central banks of Europe to join in an agreement to give credits to Bank of Belgium for one year, the Federal Reserve Bank of New York to agree to buy prime bills indorsed by Bank of Belgium, up to a certain limited amount, the Bank of Belgium to agree to ship gold, if necessary, in payment and the Belgian Government to agree to permit the gold to be shipped.

This agreement was conditional on Belgium obtaining a private bankers credit of 75 millions to the Belgian Government which it would pay to Bank of Belgium in reduction of its liability.

A commission of 1/2 of 1% was to be paid by Belgium for the credit and the rate charged for purchasing the bills was to be 1% over the rate of the Federal Reserve Bank, New York, but with a minimum of 5%.

A cable from Jay was read giving the full terms of the proposed agreement.

C.S.H. moved approval.

Miller and James said the motion must show exactly what the Board was to approve, and C.S.H. then referred specifically to Jay's cable in his motion.

Miller and Gov. Crissinger objected to any commission being charged. C.S.H. then added a paragraph to his motion to the effect that the Board, without imposing it as a condition of its approval, expressed the hope that the Federal Reserve Bank, New York, would not charge a commission.

Miller moved to substitute a direct disapproval of any commission.

Lost: Tie vote

Aye: - Gov. C., Miller, James, Cunningham

No: Sec. Mellon, C.S.H., Platt, Comptroller of  
Currency

Bank of Belgium (Cont'd.)

C.S.H.'s motion was then put.

Lost. Tie vote.

Aye: Sec. Mellon, C.S.H., Platt, Comptroller of Currency  
No: Gov. C., Miller, James, Cunningham.

Platt presented a motion very much like C.S.H.'s, but adding at the end that Board desires to have the Federal Reserve Bank endeavor to revise the agreement as to the commission as the Board did not consider a commission charge on the purchase of a bill indorsed by a central bank as consistent with the Federal Reserve Act or its principles. This, however, was not put as a condition of approval, nor was it so intended.

Finally the motion was put and the approval of the Board given as above, and meeting adjourned.

Harrison, later in the afternoon, told C.S.H. that he had cabled Jay that the Board's expression as to the commission was not a condition of approval.

This was clearly correct.

Miller and James seem determined never to grant any request made by Federal Reserve Bank of New York.

Sec. Mellon afterwards told C.S.H. he was very much disturbed at Miller and James' lack of confidence in the directors of the Federal Reserve Bank of New York.

Oct. 5, 1926. 125, 126, 127

Meeting of Board

Sec. Mellon presided.

Harrison came before Board and said that there was a misunderstanding as to the agreement, that the minimum rate was 6% and not 5%, and that the directors asked for the Board's approval of 6% as a minimum.

Harrison also reported that the Directors had tried to have the commission omitted but had not succeeded, but that they would collect the commission in the first instance but would rebate it up to the time of the expiration of the British credit, on which no commission had been charged.

Bank of Belgium (Cont'd.)

Platt moved to approve the 6% minimum rate.

Long debate.

Miller said he would be disposed to agree, had the N. Y. directors showed proper respect for the Board's suggestion as to giving up the commission.

Harrison replied that the directors had shown all respect for the Board's suggestion, - which was merely a suggestion and not a condition; that the Directors in good faith had tried to carry it out and this was found to be the only way in which they could do it.

Miller and James opposed the 6% minimum rate.

Sec. Mellon said he knew all the circumstances leading up to this agreement; that the central banks had reached an accord with the Bank of Belgium most satisfactory to it; that neither the 6% rate nor the commission were unreasonable; that they were helpful to Belgium for Belgium would have to increase rates at home (now nominally 7% but really about 6%) to prevent speculation after the return of Belgian capital which stabilization would bring about.

C.S.H. said the transaction was a Belgian transaction, the terms most satisfactory to Belgium, the agreement both as to rates and commissions was a reasonable one in connection with such an important transaction as stabilizing the currency; that the mere fact that the Federal Reserve System was so prosperous was no reason for giving a lower rate than the other central banks were to receive; that giving a lower rate would be looked on as a feeling that the central banks did not know how such agreements should be made, and might be resented by them; that fixing a lower rate than that which Belgium was glad to pay would in effect be a gift to the private stockholders of the Bank of Belgium, - 1% on 10 millions of dollars.

Platt's motion was lost by tie vote.

Aye: Sec. Mellon, C.S.H., Platt  
No: Gov. C., Miller, Cunningham and James

Comptroller of Currency absent.

The meeting then adjourned.



Bank of Belgium (Cont'd.)

Secretary Mellon got another picture of our Board in action.

In this case the four refused to look on the transaction as a banking one, but rather as a charitable gift.

Oct. 19, 1926. 132, 133, 134.

Minutes read of Board action as to Bank of Belgium loan.

Miller tried to have records as read modified so that it would appear that the Board had merely considered the giving of authority to the Federal Reserve Bank of New York to buy Belgian bills.

Miller said he never would agree to a Federal Reserve Bank joining a consortium of European central banks in a stabilization agreement, but C.S.H. pointed out that we had in fact done just this, as was shown by the reference in our records to Jay's cable to the Federal Reserve Bank of New York.

Oct. 20, 1926. 137

Sec. Mellon spoke to C.S.H. about Miller's statement at the Board meeting that he would have voted for the 6% minimum rate, had the Federal Reserve Bank of New York treated with respect our suggestion as to doing away with the commission.

Oct. 22, 1926. 138, 139

Bankers appeal for lower European duties.

Winston tells C.S.H. he is preparing a reply.

Oct. 22, 1926. 137

C.S.H. tells Mellon that this appeal had no reference to the U.S. protective tariff; that Europe would gain immensely by extending the area of free trade, just as did the U.S. in establishing the constitution; that Europe could then decide what duties to levy against the rest of the world just as did the U.S.

Oct. 22, 1926. 137, 138

See - Mellon

Banking and Currency Committee, Senate

Glass tells C.S.H. he has polled the, and all agreed that he might move tomorrow for unanimous consent to have C.S.H. confirmed without reference to the committee.

July 2, 1926. 69

Baruch, B. N.

James said that when he first came to the Federal Reserve Board, Baruch warned him not to be dominated by Gov. Strong.

May 22, 1926. 8

Baruch, B. N. (Cont'd.)

Mrs. Wilson says she plans to visit the Baruch's in Scotland  
this summer. June 24, 1926. 59

Bassel, Miss

Calls on us with Mrs. John W. Davis.

Tells us about Tracy Brewster's death.

June 28, 1926. 62

See - Brewster

Belgium

See - Bank of Belgium

Bell, Charles J.

C.S.H. asks, to be a pall bearer at funeral of Walden Myer but  
he is out of town. Aug. 12, 1926. 108, 109

Bethlehem Chapel

Funeral of Canon Walden Myer at. Aug. 14, 1926. 109

Black, Judge 22, 40, 41

See - Campbell

Blake, Mrs. Arthur

We lunch and dine with, at Mattapoisett.

July 10, 1926. 81

Bloc

Sole desire of Miller, James and Cunningham is to act as a, in  
defeating wishes of Federal Reserve Bank, New York.

Dec. 23, 1926. 180, 182

Bolling, John Randolph

Wanted to go with Mrs. Wilson to Japan but at last moment gave it  
up on advice of Dr. Ruffin.

June 24, 1926. 59

C.S.H. spends evening with.

Gave him Vol. 17 of letters and addresses of Wilson which  
Mrs. Pennington loaned C.S.H.

Said he would at once go over chronological table of which he had  
four drafts, in which were notes made by Mrs. Wilson,  
Mrs. Pennington, C.S.H. and himself.

Aug. 3, 1926. 97

Bolling, John Randolph (Cont'd.)

Mrs. Wilson said Mr. Bolling had completed his work on the chronological table and that Mrs. Pennington had substantially accepted his additions.

Nov. 6, 1926. 144

C.S.H. and Mr. Bolling went over Mrs. Pennington's additions to the chronological table, and both felt it would injure rather than help it; that it was filled with extremely partisan statements out of keeping with the high plane of the book; that it was so filled with so much extremely fulsome eulogy and poorly written eulogy that it spoiled the purpose of the book.

Mr. Bolling suggested putting into the chronological table more excerpts from speeches, etc. of Wilson, and it was agreed that he should work on this during the summer.

--- 1926. 169

C.S.H. and Mr. Bolling agreed that the additions of Mrs. Pennington injured the book, but C.S.H. suggested that it would be better not to say anything to her - except as to the partisan matter - feeling sure that the publishers would insist on this being cut out or radically abridged.

Mr. Bolling finally sent his work to Mrs. Pennington with full authority to strike out anything she wished.

----- 1926. 171

See - Chronological table  
Pennington, Mrs.

Bolling, Wilmer

C.S.H. meets, at dinner with Mrs. Wilson.

July 22, 1926. 90

Bensall, Mrs.

On committee to examine the chronological table.

Dec. 6, 1926. 172

Bowman

Curtis says Bowman has sent a letter to Attorney General Sargent about C.S.H.'s reappointment. June 1, 1926. 21

Tells C.S.H. in Boston that Attorney General Sargent told him that he was glad C.S.H. was reappointed but that he, C.S.H., would never know how near he came to losing it.

July 14, 1926. 82

Bowman (Cont'd.)

Tells C.S.H. that a meeting of the proprietors of his savings bank would have to be called to accept his resignation, as required by the opinion of the Attorney General, as a condition of retaining his Class B Directorship in the Federal Reserve Bank of Boston; that these meetings are regularly called only at the beginning of the year; that to call one now would cause much surprise in the little town and, Curtiss added, might even cause a run on the bank.

July 14, 1926. 83, 84

C.S.H. advised Bowman to send in his resignation at once and to cease to act as an officer; that this would comply with the law even though the bank did not formally accept the resignation until later.

Bowman said he had already done this orally and would confirm it in writing, and would so advise the Federal Reserve Board.  
July 14, 1926. 84

Brandeis, Judge

We dine with Justice and Mrs. Brandeis.

Present: Sen. Walsh (Montana) and Mr. and Mrs. Mark Sullivan

C.S.H. spoke to Judge Brandeis praising his dissenting opinion on right of President to remove executive officers without the consent of the Senate.

C.S.H. said he could not answer it.

The Judge seemed greatly moved over the decision and said it would lead to the ultimate widening of the scope of the Civil service and to legislation trying to cut down the scope of the executive power.  
Dec. 9, 1926. 163

Judge Brandeis said something which led C.S.H. to believe that he was inclined to favor the U.S. reservation that no advisory opinion should be asked of the World Court, if the U.S. claimed to have an interest therein, without its consent.

He said that an advisory opinion called for by a majority vote might psychologically have an injurious effect on the U.S. He agreed with C.S.H., however, that the same result might follow if the U.S. were a full member of the L. of N.  
Dec. 9, 1926. 163

Bratenahl, Dean

Conducts services at funeral of Canon Walden Myer  
Aug. 14, 1926. 109

Brewer

Sec. Mellon was bitter towards McFadden for employing, after his  
attack on Mellon for alleged bond duplications.  
June 2, 1926. 24

Brewster, Mr. and Mrs. Sidney (Tracy Lyon)

Papers announce that Sidney Brewster shot his wife and himself.  
H.P.H. had an affectionate letter from her only a few days ago.  
June 23, 1926. 56

Miss Bassel and Mrs. John W. Davis call on us at Lee House.

Mrs. Davis said she knew Tracy's mother and had played bridge  
with her, but she did not know Sidney or Tracy. She said  
that Mrs. Dean, an intimate friend of Sidney and Tracy and  
a neighbor, told her that Tracy had called her up on the  
morning of the tragedy and asked her to come over that  
afternoon to see her garden and have tea with her and with  
her guest; that she went over very early and carried with  
her a rose plant from her garden; that Tracy's garden was in  
beautiful condition and Tracy was most interested in it;  
that Tracy showed her some stepping stones which H.P.H. said  
she had copied from Mrs. Wilson's garden, with her consent,  
when we all took tea with her recently when Tracy and Sidney  
motored to Washington; that while they were at tea, Sidney  
came home from New York and greeted Tracy affectionately,  
putting his arm around her shoulder and kissing her; that  
she remained after the others had gone, leaving at about  
5:50 p.m.; that Sidney and Tracy stood on the piazza laughing  
and talking as she walked away; that they were due to dine  
at the Brewsters at 7 p.m. and that the tragedy occurred  
during that 1 hour and ten minutes between her leaving and  
7 p.m.; that at 9 p.m. Warren Brewster, Sidney's brother, called  
her up and asked her to come right over, which she did.

Mrs. Davis said the pistol was given to Tracy by Warren Brewster  
some time before, as he told her she should have something  
with which to defend herself when alone with Wu, their Chinese  
servant. Mrs. Davis said they were both shot on the left side,  
and that some one told her Sidney was left handed, making it  
very unlikely that he had shot himself.

C.S.H. felt at first this showed that Tracy fired the first shot  
but later realized that a shot on the right side might only  
pierce the lungs and that a left-handed man could easily have  
fired through the left side.

C.S.H. realizes, however, that Tracy might have fired first in order  
to defend herself against some attack from Sidney.

Brewster, Mr. and Mrs. Sidney (Cont'd.)

Mrs. Davis said Sidney from boyhood had been subject to violent attacks of temper.

Mrs. Jerome, Tracy's aunt, wrote H.P.H. that Tracy had telephoned her mother that Sidney had knocked her down and beaten her and that she was coming home to her mother on that very evening; that Mr. and Mrs. Lyon said they would come out and get Tracy, but she said she was going to take the next train; when she telephoned Mrs. Jerome was dining with Mr. and Mrs. Lyon; that she (Mrs. Jerome) telephoned Tracy's house to see if she had started and was told by Dr. Bell that both were dead.

Mrs. Jerome wrote H.P.H. that Sidney must have had one of his brain storms and that he shot Tracy and then himself.

When Sidney and Tracy came to Washington, from May 13th to 16th, C.S.H. saw, as he believed, signs of degeneration in Sidney, as did also Mrs. Wilson.

H.P.H. took them to lunch at the Woman's Democratic Club and Miss Bassel sat with them, Mrs. Banister sitting at an adjoining table. Sidney told H.P.H. in a loud voice, that a friend of his in Princeton told him he had forbidden Mr. Wilson entering his house, his character was so bad. Mrs. Banister, hearing this, at once left the room.

Sec. Mellon asks C.S.H. to give him the newspaper clippings about Tracy to send to his daughter Ailsa.  
July 1, 1926. 68

See - Houston

Bristol, Admiral  
Convinces Mrs. Wilson that Lausanne treaty should be ratified.  
Nov. 18, 1926. 155

Bruce, Sen.  
Glass writes, asking him to urge prompt action upon Coolidge with regard to C.S.H.'s reappointment.  
May 26, 1926. 14

Burgess  
Miller tells C.S.H. the New York directors want Burgess to succeed Jay as Chairman and Federal Reserve Agent, Federal Reserve Bank of New York.  
Dec. 4, 1926. 158

Biographical, Dean  
Condensed version of General Wilson's  
Aug. 14, 1926. 108

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Brewster, Mr. and Mrs. Sidney (Tracy's aunt)  
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Dec. 4, 1926. 158

Burgess (Cont'd.)

Miller said Burgess was a good man for Federal Reserve Agent but as Chairman would be dominated by Strong.  
Dec. 4, 1926. 159

C.S.H. said to Miller that Burgess would make a good Chairman and would cooperate with, but not be dominated by Strong.  
Dec. 4, 1926. 159, 160

C.S.H. had an interview with Sec. Mellon who strongly favored Burgess. He said he would tell Gov. Crissinger he wished to be present when the matter was taken up by the Board.  
Dec. 4, 1926. 160

Gov. Crissinger told Board that of course it could appoint Burgess if it was willing to be dominated by the Federal Reserve Bank of New York.  
Dec. 6, 1926. 161

Board refuses request of directors to increase Burgess' salary from \$10,000 to \$15,000.

Miller and James violently opposed any increase.

C.S.H. moved approval of increase.  
Lost by tie vote.

Aye: Gov. Crissinger, Platt, C.S.H  
No: Miller, James, Cunningham

Then followed a long debate and finally Miller said he would agree to a \$3000 increase which was voted, I think unanimously.

The sole desire of the "Bloc" apparently was to show their authority over the Federal Reserve Bank.

C.S.H. believes the New York directors will look on this as a direct blow at them as they unanimously were in favor of Burgess for Chairman in place of Jay.  
Dec. 22, 1926. 180

C.S.H. tells Sec. Mellon of the action of the Board. He was greatly disturbed.

C.S.H. said there was no chance of appointing Burgess. Sec. Mellon said friends of his in Pittsburg would be glad to employ Burgess and could give him as much or more than the Federal Reserve Bank of New York would give. The Secretary said he was satisfied the Bloc wished to hit the Federal Reserve bank;

Brewster, Mr. and Mrs. Sidney (Cont'd.)

Mrs. Davis said Sidney from school had been subject to violent attacks of temper.

Mrs. Jordan, Tracy's aunt, wrote H.P.R. that Tracy had telephoned her mother that Sidney had knocked her down and beaten her and that she was coming home to her mother on that very evening; that Mr. and Mrs. Tracy said they would come out and get Tracy, but she said she was going to take the next train; when she telephoned Mrs. Jordan was dining with Mr. and Mrs. Jordan; that she (Mrs. Jordan) telephoned Tracy's house to see if she had started and was told by Mr. Bell that both were dead.

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July 1, 1926. 68

See - Houston

Tracy, Mrs. Wilson that someone Tracy should be notified.  
Nov. 18, 1926. 189

Tracy, son, Sidney writes asking him to urge prompt action upon Coolidge with regard to C.S.H.'s resignation.  
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Burgess (Cont'd.)

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no Chairman would be nominated by Senate.  
Jan. 4, 1926. 180

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would cooperate with him but not be nominated by Senate.  
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Burgess (Cont'd.)

that he was going away for Christmas but would ask  
Governor Crissinger to arrange so he could be present  
when the matter next came up.

C.S.H. told Sec. Mellon that he could go in now and break  
the tie as to Burgess salary but he said he hardly felt  
it wise to do this, but it might be arranged later.  
Dec. 22, 1926. 181, 182

Board meets to consider filling Jay's vacancy. C.S.H. presented  
name of Burgess giving a sketch of his life.

Sec. Mellon praised Burgess highly and favored his appointment.

The meeting adjourned without action.  
Dec. 31, 1926. 185

Butler, Sen.

C.S.H. tells Cunningham that if not reappointed it is possible  
that he may be drafted to run for Governor to bring the  
whole party into harmony against Butler.  
May 29, 1926. 18

Cunningham said he believed that Butler was guided purely by  
selfish interest, but he could not see how it could be  
other than selfish interest to favor C.S.H. reappointment.  
May 29, 1926. 18

C.S.H. is inclined to believe that Wing and Butler may have  
appealed to Gov. Morss's vanity, throwing out the bait of  
the Governorship of the Federal Reserve Board.  
May 29, 1926. 18

Comptroller McIntosh told C.S.H. that Butler had asked Sec. Mellon  
to have C.S.H. reappointed.  
June 2, 1926. 24

Tyler tells C.S.H. that some Republicans in Mass. feel that  
C.S.H.'s reappointment would injure Butler in his campaign.

He said Butler was in a desperate predicament and that the danger  
was that he might demand the appointment of a Republican.  
June 7, 1926. 29, 30.



Butler, Sen. (Cont'd.)

Tyler said Stockton wanted to know if there would be any harm in his wiring Coolidge and Butler asking for reappointment of C.S.H.

June 7, 1926. 30

Tyler said there was some doubt where Wing stood and that Wing was very close to Butler. June 7, 1926. 30

C.S.H. told Tyler he had heard on good authority (Comptroller of Currency) that Butler had indorsed C.S.H.

June 7, 1926. 30

Curtiss tells C.S.H. the only danger is that Butler may demand the appointment of a Republican.

June 8, 1926. 33

C.S.H. believes Butler would be glad to have Gov. Channing Cox appointed if he would take it.

June 20, 1926. 47

Tyler asks C.S.H. if Robert Winsor is a friend of his, - that Winsor was very close with Butler.

June 22, 1926. 52, 53

Gov. Harding writes C.S.H. that Wing told him that Butler would be interested only in case some outstanding Republican in Mass. should be presented.

June 23, 1926. 57

C.S.H. votes for Walsh against Butler, as did also H.P.H.; Ned, George, Mary, Harriet and Jane all voted for Butler out of gratitude to Coolidge.

Nov. 2, 1926. 143

Mrs. Wilson told C.S.H. he had acted wisely in voting for Walsh and against Butler.

Nov. 6, 1926. 144

Mrs. Charles Warren told Bertie that Mrs. Senator Gillette was very angry with Mrs. Butler for sending out invitations for a lunch for the day after election at the Women's Republican Club; that Mrs. Butler never appeared and the guests all had lunch together alone; that she received no notice of the giving up of the luncheon until the following day.

Dec. 25, 1926. 182, 183

Byrnes, Cong.

Call on C.S.H. with reference to the claim of Caldwell, of the Fourth-First National Bank of Tenn., vs. Federal Reserve Bank of Atlanta.

July 7, 1926. 78

Caldwell

Cong. Hull, Byrnes and Early, a Tenn. lobbyist called on C.S.H. to discuss the claim of Caldwell, President of the Fourth-First National Bank against the Federal Reserve Bank of Atlanta. C.S.H. said it was a matter wholly in the hands of the Federal Reserve Bank. July 7, 1926. 78

See - Early

Caldwell. 157

See - Baker, Bryant

Calkins, Gov. Federal Reserve Bank, San Francisco

Comes to Jay dinner all the way from San Francisco, returning the next day. Dec. 20, 1926. 179

Call loans as secondary reserves. 4

See - Alexander

Miller

Federal Advisory Council

Call money market

See - Federal Advisory Council

Campbell

C.S.H. feels indignant over the vote of the Federal Reserve Board that, should be eliminated from the Federal Reserve System before giving him an opportunity to be heard in his own defense.

The only evidence in James report on which the above vote was taken was the admission of Magruder of the Atlanta bank that both he and Campbell took a drink on board the Cuban gunboat and the testimony of Rich, of the Boston Bank and of Rich's friend Anderson, both of whom may have been prejudiced against Atlanta.

C.S.H. admits that a prima facie case of intoxication has been presented which might have warranted the Board issuing an order to show cause, but no such vote was warranted without a hearing. C.S.H. hopes the Atlanta bank will be given the opportunity of conducting a complete hearing, having all of the witnesses before it.

May 22, 1926. 7, 8.

James read the Board's resolution to Federal Reserve Agent Newton in Atlanta and went over the Campbell and Wellborn matter with Newton and Ottley. They both said they would see to

Campbell (Cont'd.)

it that Campbell and Gov. Wellborn should resign. Campbell was then away looking after a sick bank in Florida; Kettig also was away but James made an appointment for him at Washington. May 25, 1926. 13, 14

James reported that he saw Newton and Ottley in Atlanta last Saturday; that they sent for Gov. Wellborn, McCrary and Campbell, and later, Captain Black; that he told them of the Board's resolution; that he told them that 3 members of the Board had said they would not vote to continue the Cuban Agency with the Atlanta bank unless Wellborn, McCrary and Campbell resigned. June 2, 1926. 22

James said the Federal Reserve Bank of Atlanta on Monday last, at a special meeting, passed a resolution censuring the Federal Reserve Board for not having asked Atlanta to make the investigation of the Campbell charges; that they would ask for a list of witnesses for their investigation.

James said he would oppose giving them the list as it was confidential.

C.S.H. said they were clearly entitled to this list.

James said our Atlanta Committee should prepare an order to show cause and draft formal charges.

C.S.H. did not object to this, but we should not use it until we heard from the Atlanta bank.

James said he did not give Newton the Board's resolution calling for an immediate investigation by the Atlanta bank. C.S.H. said James should have delivered it and that it should be sent now.

James said he had sympathy for Campbell; that it was Wellborn's influence that affected him and that he did not regard the intoxication charge of great importance, but that Campbell was clearly inefficient.

James is evidently going to stir up trouble but C.S.H. will insist on giving Atlanta all the testimony.

June 2, 1926. 22, 23

C.S.H. talks over Campbell matter with Gov. Harding.

C.S.H. believes a severe censure will be sufficient for the intoxication charge, but the charge of inefficiency is another matter. June 3, 1926. 26

Campbell (Cont'd.)

Eddy says that he prepared a letter which Gov. Crissinger signed for James to take to Atlanta and James now admits that he read the letter, - calling for an investigation of Campbell by the Atlanta Bank, -to Newton.

June 5, 1926. 27

Eddy and Wyatt bring C.S.H. an order to Campbell to show cause, charging intoxication and inefficiency in that Campbell did not know within a million dollars the amount of Federal Reserve notes he had in his charge; that it was not properly checked and counted; that a bill for \$800 dollars was paid by Atlanta for bringing back from Cuba the party of 19; that once while in the New Orleans branch he went off one day and forgot to close the vaults, etc. etc.

Eddy said the Atlanta bank had written for the names of all witnesses; that James did not want to comply with this as he did not want Gov. Harding's name dragged into the matter; that the Atlanta bank had sent a letter which we would receive tomorrow.

C.S.H. said order to show cause was in satisfactory shape provided the Board voted to send; that he could not decide whether he should vote for it until he had read the report from the Atlanta bank.

Wyatt suggested that in reply to the request of the Atlanta bank it might be well to send a copy of the record which gave a resume of all the evidence, but which did not mention Gov. Harding.

C.S.H. said at first blush he saw no objection to this but reserved final determination until he had read the Atlanta report, and James' final report when Eddy said he would give him tomorrow.

C.S.H. said ultimately the name of every witness must be given.

The order to show cause stated that Campbell could appear with Counsel if he desired.

June 8, 1926. 30, 31, 32

Board voted to issue order to show cause to Campbell.

C.S.H. moved that the Atlanta committee be invited to attend the hearing on the order to show cause, which was fixed for June 16.



Campbell (Cont'd.)

Hopkins agreed with C.S.H. unqualifiedly and would so advise Campbell and the directors.

June 10, 1926. 37, 38.

Hopkins said a more serious matter to the directors was James' statement as to Wellborn, Campbell and McCrary; that the directors felt this was a direct blow at themselves and that they would be forced to assert themselves.

C.S.H. said James had no authority to make such a statement and Hopkins said James made it personally on his own responsibility.

Hopkins intimated that if given time the directors could work out the matter but not under duress.

June 10, 1926. 38, 39

The Atlanta Committee came before the Board. Mr. Black, Chairman, praised Campbell highly and said his Committee was appointed before the Federal Reserve Bank knew of the Board's resolution directing it to investigate Campbell.

He asked for the names of all witnesses who had made charges.

James said he made the charges after taking evidence.

Black then asked for all the evidence.

C.S.H. said the Board had invited the Committee to sit with it, but that the hearing had been postponed until next week at Campbell's request and that it would be better to have the evidence put in at that hearing.

The Committee agreed to this.

The Committee said Campbell was in Washington and asked that he be sent for.

The Board said it would be ready to have him come if he was ready to proceed, but the Committee said he was not ready.

Black spoke of James statement as to Wellborn, McCrary and Campbell.

C.S.H. replied that, up to the present time, the Board had raised no issue except as to Campbell.

Black then asked for all the evidence against Campbell so that the Committee could read it and report before the hearing next week.

C.S.H. said that as the Committee was to sit with the Board, it would be better to wait until the hearing next week.

Campbell (Cont'd.)

Black asked if the Board, after the hearing, would await their report before giving a final decision.

C.S.H. said, personally, he would vote that no decision be rendered until his committee had had an opportunity of examining the evidence and reporting to their bank and the Board.

No one of the Board indicated any objection and the Committee said they were satisfied with this.

June 15, 1926. 40, 41, 42

Cunningham is ill in Johns Hopkins hospital but will return next week for the Campbell hearing.

June 19, 1926. 46

Gov. Harding tells C.S.H. that Campbell, when at the New Orleans branch, went off one night forgetting to close the vaults. He said the evidence of intoxication was hardly sufficient to warrant Campbell's removal.

June 20, 1926. 49

Mr. Howard, Counsel for Campbell, said he wanted all the appointive members of the Board present at the hearing so they could see Campbell and asked for an adjournment when told that Cunningham could not be present tomorrow.

The Executive Committee - Platt, James and C.S.H. voted unanimously to grant this.

June 22, 1926. 53

James was very ugly about postponing the Campbell hearing altho he voted for it.

June 22, 1926. 54

James was very ugly when told of Howard's request that all of the appointive members sit in the Campbell hearing and asked, "Who the hell is he?" When told he was Campbell's Counsel he flew into another rage, thinking evidently C.S.H. favored this request.

C.S.H. said only a quorum of the full Board, appointive and ex-officio was necessary.

June 30, 1926. 66

Board met to determine procedure in the Campbell trial, especially as to allowing Campbell James Committee report and other evidence.

Miller bitterly objected to allowing Campbell to see the evidence. He said he had made up his mind to vote to remove Campbell and said he would agree to permit Campbell to see the evidence only if the Board would now agree to remove him!

Campbell (Cont'd.)

C.S.H. opposed this, saying Campbell was on trial and should be told just what the evidence was against him.

C.S.H. told Miller that while the Board was not originally bound to give any hearing, it had promised the Atlanta Committee that it would place all the evidence before Campbell at the coming hearing.

The record was read and sustained this statement of C.S.H. and showed that even James had agreed to this.

The Board finally agreed that if the evidence was called for, Gov. C. should give the committee a statement prepared by Wyatt giving that part of James' report relating to Campbell and the evidence relating to Campbell.  
Sept. 8, 1926. 115, 116.

The Board gives a hearing on the Campbell case.

Gov. C. read the statement prepared by Mr. Wyatt, giving the charges

Howard, Campbell's counsel, introduced affidavits from all of the Havana party, - except Rich and his friend Anderson, - that Campbell was not intoxicated.

One of the affidavits admitted that Campbell had taken a few drinks.

Affidavits of all of the Class A and Class B directors that Campbell was in every way qualified and competent as Deputy Governor of the Bank and had given perfect satisfaction.

Affidavits from many Bank Presidents were introduced, - to the same effect.

Campbell was then examined by Gov. C.

Campbell admitted that he had brought on board two quart bottles of whiskey, given him on the dock by a friend, and that he had taken two drinks.

Gov. C. also pointed out that tables prepared by the Atlanta bank auditor credited him with the payment of \$150 in two accounts, - an evident duplication.

Campbell said this was an error of the auditor, and that he had credited himself but once.



Campbell (Cont'd.)

Cross-examined as to his expense vouchers, Campbell admitted that he had put in an item for hotel board for 8 days when only 5 days should have been entered.

He explained that the extra amount represented extraordinary expenses and should have been entered as such.

Campbell denied Rich and Anderson statement that they had to help him to bed.

Howard then asked to see the evidence of Rich and Anderson as to the above but did not ask to see all of the evidence.

Black then asked for all of the evidence, citing the Board's agreement at the last meeting.

The Board then went into executive session.

Miller admitted that the Board so agreed but said he was not at the meeting and therefore was not bound by the agreement! He urged the Board to refuse to reveal the evidence, altho rather weakly.

Miller finally drew up a resolution:

1. Board not bound to give any hearing.
2. Hearings might embarrass Board in other future proceedings.
3. In this case, having so agreed the Board will give the evidence as prepared by Wyatt to the Atlanta Committee as a privileged and confidential matter, to assist the committee in its investigation.

Miller said in reply to C.S.H. that he meant that the Committee, but not Campbell, was to have it.

C.S.H. said, as a compromise, he would accept Miller's resolution if amended so that Campbell also should have the evidence.

Miller refused and withdrew his motion.

C.S.H. then offered Miller's motion amended so that Campbell should also be allowed to read the evidence.

Board discussed the matter.

Some feared Rich and Anderson's testimony might subject them to

Campbell (Cont'd.)

a possible libel suit.

Wyatt thought the testimony might be held to be privileged.

Finally it was agreed to accept C.S.H.'s motion changed to read that Gov. C. should make a statement as above, which must be agreed to in writing by both Campbell and the Atlanta Committee.

This was unanimously voted except that Miller insisted upon being recorded as not voting.

Sept. 9, 1926. 116, 117, 118, 119

The Atlanta Committee wired asking if they could go over their report with Gov. C. informally so as to be sure the quotations from the evidence in their report did not violate the instructions of the Board and their agreement as to privacy and privilege.

James objected to seeing them, - said they were trying to put the Board in a hole, but did not say why.

Eddy was finally directed to inform the Committee- which was waiting at the telephone - that the Board declined to discuss it with the Committee which must itself construe the Board's instructions.

Eddy did this but Black said the Committee would come anyway tomorrow.

C.S.H. asked whether, if a quorum of the Board were present tomorrow, it would hear the committee, but could get no satisfactory answer.

James said the Committee would simply whitewash Campbell and again referred to his statement to the Atlanta directors as to Wellborn, McCrary and Campbell - C.S.H. asked James who the three were?

James said he was one but would not name the others without their consent.

Sept. 23, 1926. 123, 124

The Atlanta Committee appeared but Board decided not to hear them but to permit Gov. C. to talk with them.

Later Gov. C. said they wanted to refer to Rich's testimony and he said there would be no objection to this.

Sept. 24, 1926. 125

Board considered the Campbell case.

C.S.H. put in a resolution reciting that the Board had considered the testimony and also the report of the Atlanta Committee; that while not bound to give a hearing the Board had voted to have a hearing and would decide the case on the record as taken; that the Board found that the evidence taken was not sufficient to warrant the removal of Campbell on the charge of intoxication as

Campbell (Cont'd).

specified, but that Campbell did bring liquor on to the Cuban gun boat and gave it to his party, for which the Board now condemns and censures him; that the evidence showed that he was unbusinesslike and evasive in rendering his expense accounts, altho there was no evidence that the money was not actually expended by him; that the Federal Reserve Bank is directed to take the necessary steps so that such inadequate accounting should never be repeated.

The report of the Atlanta Committee was an absolute whitewash of Campbell; it was really grotesque.

Gov. C. told me yesterday that Campbell should be censured but not removed and he would so vote.

Platt told C.S.H. that Cunningham had said the same to him.

James moved as a substitute for C.S.H.'s motion, a declaration that Campbell be removed, to take effect Nov. 18.

James was most offensive. He evidently feared the Board would accept C.S.H.'s motion. In a loud voice he cried out, "I told this Board months ago that it would vote to whitewash Campbell!"

When introducing his substitute motion he said in a lowering, threatening voice, "This is the last motion I shall make as a member of this Board!" meaning that he should resign if his motion was not carried.

The effect of this threat on Gov. C. and Cunningham was quickly manifested for they said they would vote to expel Campbell.

The Comptroller of Currency said Campbell could not get \$4000 per year from any bank.

Miller then said he would vote to advise Atlanta that the Board had decided to remove Campbell unless he at once resigned, and that if this was not unanimously agreed to, he would second James' motion.

C.S.H. said he would not agree; that the Board had made a record specifying charges of intoxication and inefficiency; that intoxication had not been proved by the evidence and that the evidence on the question of expense vouchers was not sufficient to justify removal.

Miller then seconded James motion.

Campbell (Cont'd.)

On vote James substitute motion was carried.

Aye: Gov. C., Miller, James, Cunningham and  
Comptroller of Currency

No: C.S.H., Platt

The absurdity of voting to remove Campbell for cause, but not to  
take effect until November 15th did not apparently appear to  
the majority!

Finally it was arranged that Gov. C. should call up Campbell and tell  
him the vote would be sent to the Atlanta Bank unless he resigned  
before 3 p.m.

The Board then adjourned for lunch.

In the afternoon Gov. C. said he had talked with Campbell and that he  
had asked for time to consult with the directors at their  
meeting tomorrow.

The Board finally decided to send out notice of the removal, - stating  
the cause, as was required by the Federal Reserve Act, as soon  
as the minutes of this meeting were approved, the majority stating  
that if Campbell resigned before November 15, they would vote  
to reconsider.

Gov. C. insisted on a complete statement of the record, charges and  
findings.

The Board, C.S.H. feels, has acted unjustly towards Campbell.

He undoubtedly deserved severe censure, but to remove him on this  
record was clearly unwarranted.

James repeatedly said during the discussion that he was on trial  
more than Campbell, and C.S.H. believes he really coerced  
Gov. C. and Cunningham into voting for his motion.

After the meeting Platt confirmed my recollection that James  
threatened to resign in case his motion was voted down.  
Oct. 7, 1926. 128, 129, 130, 131.

Gov. C. told Oscar Wells and a Committee of the Atlanta stockholders  
that it had been suggested to him that the Board extend the  
date of Campbell's removal until the end of the year.

C.S.H. feels that if Gov. Wellborn intends to resign as the Committee  
intimated, the Board should allow him to be reelected for 1927  
and should give leniency to Campbell.

Campbell (Cont'd.)

The Board severely criticised to this Committee the report of the Atlanta Committee whitewashing Campbell.

Oscar Wells said the directors were angry because our Board made the investigation of Campbell and did not ask the Atlanta bank to do it.

C.S.H. said he thought the Board should have done this, but that the report the Atlanta Committee made about satisfied him that such a course would have been idle.

Wells then intimated that in such case the Atlanta Committee would have made a different report!

C.S.H. said this implication would be an insult to the Atlanta Committee.  
Nov. 12, 1926. 148, 149

Miller asked for an informal conference of the Board, saying that Gov. C. called him up last night before leaving Washington and said the Board ought to consider extending the time for Campbell's removal from Nov. 15 to Jan. 1, 1927.

The members who voted for Campbell's removal called attention to the resolution of the Atlanta directors in which Campbell was not only whitewashed, but the Board was specifically attacked and censured for its "arbitrary action" in removing Campbell.

These members felt that to change the Campbell sentence now, in the manner indicated, would put the Board in the position of cringing before the Atlanta directors, and also to have been influenced by what Oscar Wells said of the probability of Gov. Wellborn's resignation.

C.S.H. feels there is force in this; that the grotesque report of the Atlanta Committee whitewashing Campbell, and the attack of the directors upon the Board for its "arbitrary action" has merged Campbell in a broader question and has made it practically impossible for the Board now to extend leniency to Campbell without its action being misconstrued and without impairing its prestige and dignity.

The Board took no action.  
Nov. 12, 1926. 150

Hopkins, a director of the Atlanta Bank, called on C.S.H. He said he voted for the resolution attacking the Federal Reserve Board, but realized now it was a great mistake; that the directors were angry because the Board had not asked them to make the Campbell investigation in the first instance.

Campbell (Cont'd.)

C.S.H. said he felt the Board should have done this but that when he read their whitewashing report he doubted whether they would have made any different report; that this report embarrassed him and Platt in their effort to have Campbell censured rather than removed, and that the resolution attacking the Board effectually prevented Campbell securing any leniency; that the Committee had the right to affirm its confidence in Campbell but that the resolution attacking the Board made leniency for him impossible; that Campbell deserved severe censure and that the whitewashing report was really grotesque.

Hopkins said he advised Campbell to throw himself on the mercy of the Board - just as he and C.S.H. talked it over at our last interview, but that Campbell was badly advised.  
Nov. 16, 1926. 152, 153

Capital National Bank, N. Y.

Board granted application of, for trust powers, in spite of the adverse report of Jay.

Gov. Crissinger, when Comptroller, chartered this bank over the protest of the Federal Reserve Bank of New York. Jay's report showed very frequent reserve deficiencies.

Gov. C. bitterly attacked the Federal Reserve Bank of New York for its treatment of a Jewish banker who founded the bank.

On vote the application was approved:

Aye: Gov. C., Comptroller of Currency, James

No: C.S.H., and Platt

A most extraordinary decision!!

Aug. 10, 1926. 104

Carnegie Endowment

C.S.H. attends meeting of, in New York.  
Dec. 2, 1926. 157

Case, Deputy Governor

Curtiss says, was opposing C.S.H. for reappointment and pushing Gov. Norris for my place.

July 14, 1926. 82

Sends C.S.H. a very cordial note of congratulation on his reappointment; also another note conveying Gov. Strong's congratulations sent by cable.

July 16, 1926. 85

Case, Deputy Governor (Cont'd.)

Attends hearing of Board on Cuban Agency.

Says Federal Reserve Bank of New York does not want to be designated, but that Board should carefully consider what Federal Reserve Bank was best fitted.

He also filed a brief.

C.S.H. believes he really would like to have the National City Bank designated but that bank did not ask for it.  
Nov. 12, 1926. 146, 147

Miller tells C.S.H. the directors of the Federal Reserve Bank of New York had, among others, suggested Case for Jay's vacancy; that Case did not want it but probably would accept as a matter of duty if the Board should ask him.  
Dec. 4, 1926. 158, 159

Delivers an address at the dinner to Jay in N. Y.  
Dec. 20, 1926. 179

See - Open Market Committee

Castle, W. R. Jr.

H.P.H. says she sat next to, at dinner two years or so ago, and he told her he bought his wine from a Jewish Rabbi who imported it for religious purposes.

She also said that Delano told her only a month ago that Castle told him he would not insult his friends by inviting them to dinner and not serving wine.

Dec. 3, 1926. 157, 158

Charters, National bank

Two weeks ago, Federal Reserve Agent Newton of San Francisco, told C.S.H. that during a certain period - C.S.H. does not remember how long, - the Comptroller of the Currency had referred to the Federal Reserve Bank of San Francisco 33 applications for National bank charters; that the bank reported favorably on 10 and unfavorably on 23; that a majority of the 23 had been refused state charters; yet that the Comptroller had granted a majority of these 23 applications!

June 18, 1926. 45

Chase

James introduced to C.S.H. Mr. Chase of the Cuban Agency of the Federal Reserve Bank of Boston. He said it would be much better for both the Boston and Atlanta agencies to have one office in common; that the criticism of the vaults in the office

Chase (Cont'd.)

of the first national - where the Federal Reserve Bank of Boston - was nonsense, as Boston only used its vaults except as a safety deposit box in which it kept its expense money.

He said the Atlanta bank used a partition in the National City vaults, in which it was housed, separated only by a grill, and that everything done by the Atlanta Agency was known by the National City officials.

C.S.H. asked him to ask Gov. Harding to prepare a plan for paying out a limited number of Federal Reserve notes of Boston, - say 25% - for dividing all profits with Atlanta, and arranging for exchanging fit for unfit money at joint expense.

He said the Cuban Government would be willing to bear 1/2 of the expense of putting out clean money.

C.S.H. said he feared the Board would discontinue Boston unless some such plan were arranged.

He also talked about Campbell.

June 3, 1926. 25, 26

See - Cuban Agency

Chase National Bank. 146

See - Cuban Agency

Chronological table, Wilson

Mrs. Wilson tells C.S.H. that Randolph had completed his work and that Mrs. Pennington had substantially accepted his additions to C.S.H.'s work. Nov. 6, 1926. 144

The history of the chronological table is as follows:

Early in the winter of 1925 to 1926 Mrs. Pennington told C.S.H. she wished to publish a book on Wilson; that she would pay all of the expense, even up to \$15,000; that she would give the book to the Woman's National Democratic Club, to be published under its auspices, and the Club to have all the profits. After consideration she decided that a concise chronological table of Mr. Wilson's life would be best, suitable for sale at newsstands, R.R. stations, etc.

She asked C.S.H. to prepare the first draft of this. Mrs. Wilson was consulted and approved the idea. C.S.H. worked on this from about February to May and finally completed the draft.



Chronological table, Wilson (Cont'd.)

Mrs. Pennington then prepared a lot of introductory material, insisting on inserting some newspaper editorials, adding a description of the L. of N. prepared by C.S.H. at her request.

She said several publishers had said they would gladly publish the book at their own expense.

Mrs. Pennington's additions changed the character of the book making it a rather large volume.

C.S.H. felt that her additions were not very well done and were filled with evidence of partisanship on the one hand, and such extravagant and fulsome eulogy on the other, that they were inconsistent with the high plane of non-partisanship upon which the original table was constructed.

Early in the summer the manuscript was given to Mrs. Wilson and Mr. Bolling with full authority to make any changes Mrs. Wilson desired.

C.S.H. and Mr. Bolling quickly reached an accord - that much of the work added by Mrs. Pennington should be eliminated. We both felt, however, that the publisher would insist on this and we felt a hesitancy at speaking to Mrs. Pennington about it.

There were some partisan attacks on the L. of N. critics of Mr. Wilson which C.S.H. felt could not be acquiesced in, so he wrote Mrs. P. suggesting the omission of these. She wrote C.S.H. that she wanted it to be partisan, but finally she consented to eliminate the references.

C.S.H. also pointed out to her that her references to the attacks on the U.S. Supreme Court added nothing to the article and she finally agreed to eliminate those.

We also both pointed out to her that the editorials she inserted should be omitted, as there were hundreds which should be included if any were referred to. She would not, however, agree to this.

Mr. Bolling thought C.S.H.'s statements should be elaborated by fuller quotations from speeches, etc. and adding an appendix. His additions greatly improved the article.

Mr. Bolling worked on this for at least two months, and finally in the fall it was turned over to Mrs. Pennington with authority to make any changes she desired.

Chronological table, Wilson (Cont'd.)

Before leaving for the summer, Mrs. P. asked C.S.H. if he would object to his writing to Mrs. Wilson offering to give her one-half of the royalties.

C.S.H. said of course he had no objection, - that he would have been delighted if she gave all of the royalties to her. C.S.H. felt sure she would not accept this.

Bertie told C.S.H. this would be most agreeable to her, but pointed out that she had informed the Womens Democratic Club - at Mrs. Pennington's request - that she was to give the Club the profits, making no mention of any intention to share them with anyone else, as Mrs. Pennington had not mentioned this.

Bertie also told the Club, - at Mrs. Pennington's request - that the manuscript would be submitted to it for its approval.

Mrs. Pennington then wrote Mrs. Jones, the President of the Club, stating that she would give the Club one-half of the profits, the other half to be given to Mr. Bolling.

This was the first mention of Mr. Bolling and Bertie heard it only from Mrs. Jones.

Mrs. Pennington sent the manuscript with the letter to Mrs. Jones.

The following Monday, Dec. 6, 1926, Mrs. Pennington called on Bertie and Mrs. Jones also was present. Mrs. Jones said the question of giving one-half of the royalties to Mr. Bolling raised an awkward situation, as she understood from Mrs. Pennington that Mrs. Wilson knew nothing of this.

Mrs. Pennington said she had written Mr. Bolling and that he had replied accepting the offer, but adding that he did this without consultation with Mrs. Wilson who was then abroad.

H.P.H. gathered, however, that Mrs. Wilson now knew of this.

Mrs. Jones submitted the manuscript to a committee of the Club consisting of Mrs. Bonsal, Mrs. Harriman, Mrs. Cunningham, Mrs. Covington, Mrs. Banister and Mrs. Huston Thompson. Mrs. Bonsall, assisted by Mr. Bonsall, went over it and suggested inserting the Philippine message.

Mrs. Jones and Mrs. Cunningham told Bertie they felt very badly about sharing the profits with Mr. Bolling. Mrs. Snell also objected at a meeting of the Board.

Chronological table, Wilson (Cont'd.)

The members of the Committee all felt that the introductory part, written by Mrs. Pennington, should be omitted, as it was not particularly well written and was filled with such fulsome eulogy that it detracted from the value of the book.

Late in the afternoon of December 17th, Mrs. Jones called up Bertie to say that Mrs. Pennington had written her asking her to return the manuscript to her, as, in view of a statement to her from Mrs. Wilson that as Honorary President of the Club she could not indorse it, she desired to withdraw it immediately.

Mrs. Jones sent C.S.H. a copy of the letter. (See C.S.H. files and scrap books).

At the Board meeting, that afternoon, - Dec. 17, called for another purpose, a telephone message was received from Mrs. Wilson stating that a member of the Club had brought the manuscript to her attention, pointing out the extremely fulsome praise of Mr. Wilson as injuring the book, and that, as Honorary President she did not feel she could approve it unless that part was eliminated; that it was stupid on her part not to have thought of this before, and that she took all of the blame on herself.

Mrs. Harriman said she was the member, and she told Bertie, after the meeting, that she said to Mrs. Wilson that she knew how she revered Mr. Wilson, but that if she had read Mrs. Pennington's stuff she would have said "Oh, hell!" and would have closed the book!

On Saturday, Dec. 18, C.S.H. called up Mrs. Jones who begged him to see Mrs. Wilson and C.S.H. said he would. Mrs. Jones said particularly she hoped Mr. Bolling could be eliminated.

Prior to the above talk C.S.H. had called up Mrs. Pennington who called at the Lee House about 4:30 p.m. Mrs. Pennington was very indignant. She said she was absolutely through with the matter and that when she received back the manuscript from Mrs. Jones she would give it to Mrs. Wilson for such disposition as she chose to make of it.

She said she regretted deeply that Mrs. Wilson or Mr. Bolling could not have told her months ago how they felt about the fulsome eulogy. She referred to a letter she sent me this morning to the same effect. (See C.S.H. files and scrap book.)

On Friday evening, Dec. 17th, after Mrs. Jones called up, C.S.H. and Bertie telephoned and later called on Mrs. Wilson.

Chronological table (Cont'd.)

Mrs. Wilson read C.S.H. a letter to her from Mrs. P. from which C.S.H. gathered that she was willing to take up again the question of printing the manuscript altho her letter to Mrs. Jones made no mention of this.

Mrs. Wilson was very much distressed for fear Mrs. Pennington might think she had injured her by declining to approve the manuscript at this late day.

C.S.H. said he would see Mrs. Pennington at once. At the interview C.S.H. had with Mrs. Pennington on Sat. Dec. 18th, she was very bitter towards Mr. Bolling. She said she had returned to him his letter accepting the offer of royalties so that he might destroy it, and, - she added sarcastically, - so that he might even deny he had ever written such a letter!

She said Mrs. Wilson now knew of Mr. Bolling's acceptance of the royalty offer, but that she did not know when Mr. Bolling told her.

C.S.H. told Mrs. Pennington that he felt Mrs. Wilson could not have done other than she did after Mrs. Harriman's communication with her, and Mrs. Pennington said she absolutely agreed to this.

Mrs. Pennington said she washed her hands of the whole matter and that Mrs. Wilson could do as she pleased with the manuscript.

At 8:30 p.m. December 18, Saturday, C.S.H. called up Mrs. Wilson.

Mrs. Wilson said Mrs. Pennington had just telephoned her, speaking of her interview with C.S.H. and assuring her that she (Mrs. Wilson) could have taken no other course than she did, after what Mrs. Harriman had said to her.

C.S.H. told Mrs. Wilson that Mrs. Pennington had told him she had turned over the whole matter to her and that he wanted her to feel that she could call on him at any time for advice and assistance.

Mrs. Wilson said very quietly that she felt there was nothing more to straighten out, that it had been now left in her hands, and intimating that she should now let the matter drop.

She said she could not ask Mr. Bolling to take it up with the Democratic Club, and I think she said he would not be willing to. She also said it would not be fair to ask C.S.H. to do it.

Chronological table, Wilson (Cont'd.)

C.S.H. begged her to think it over and said he felt sure it could be straightened out, and that she had only to call on him for help if she desired it.

C.S.H. said he was sorry Mrs. Harriman went to her, but she defended her rather warmly, saying she was a true friend.

C.S.H. said undoubtedly she spoke the truth, but that if she had put off her talk for a few days, the Democratic Club Committee would have raised the same objections and have settled them with Mrs. Pennington without dragging her into the matter at all.

C.S.H. feels Mrs. Harriman was false to the Committee in going behind its back to Mrs. Wilson, before the Committee had prepared its report. Mrs. Harriman can fairly be classed as a "fool friend."

168 to 178

Clayton Act. 11, 12

See - Bowman  
Tyler, Charles

Commission

Of C.S.H. as member of Federal Reserve Board.

States that he is to serve for 10 years, etc. "subject to the pleasure of the President." This change was first made by President Wilson in Platt's commission.

Prior to this the commission read "unless his successor shall have been duly qualified, etc."

Copy of all three of C.S.H.'s commissions.

July 19, 1926. 86, 87

Commissions

See - Bank of Belgium

Comptroller of Currency (McIntosh)

Tells C.S.H. that Sec. Mellon told him that the thought of appointing McFadden in C.S.H.'s place was ridiculous; that Mellon was very bitter towards McFadden because he had kept Brewer in the employ of his committee after Brewer had attacked Mellon on bond duplications.

June 2, 1926. 24

## Comptroller of Currency (McIntosh) Continued

C.S.H. told Comptroller that Sen. Gillette had asked Mellon to recommend C.S.H. for reappointment.

The Comptroller told C.S.H. that Sen. Butler had done the same.  
June 2, 1926. 24

Comptroller says McFadden told him he was embarrassed because the Board quoted his letter so extensively and wanted us to write another to the Conference Committee on the McFadden bill, which the Board voted to do and which was approved and sent.  
June 3, 1926. 25

Wyatt tells C.S.H. that the Comptroller said he was at a Reserve Bank dinner in the Atlanta district (I think New Orleans) and that Governor Wellborn was so drunk that he made a disgusting spectacle of himself; that he said, however, he would not testify as to this.  
June 4, 1926. 27

Is present at meeting at which Harrison read us extracts from Gov. Strong's letters.  
June 17, 1926. 43

Federal Reserve Agent Newton of San Francisco tells C.S.H. that out of 23 applications for charters reported unfavorably by the Federal Reserve Bank of San Francisco, the Comptroller issued charters to a majority; that a majority had been refused a charter by the state authorities.  
June 18, 1926. 45

The Comptroller told Platt that Sec. Mellon wanted him to try to induce Glass to yield on the Hull amendment.  
June 25, 1926. 58

Comptroller asks C.S.H. to call up Glass and ask if he will not yield on the Hull amendment.

C.S.H. asked Glass who said the Senate would not yield even if he did; that the Conference Committee would agree on a bill, but that the Comptroller should drop the Hull amendment.

C.S.H. tells this to the Secretary of the Comptroller - the latter being out for lunch.  
July 29, 1926. 61

Comptroller tells C.S.H. and Gov. C. that Mellon called up McFadden and blamed him for the failure of the McFadden bill; that he asked McFadden if he would call the Conference Committee together again to report to the house; that McFadden said he could not unless a majority joined him; that Mellon asked if he would agree if King joined him; that McFadden resented this as not a fair question.

July 2, 1926. 70

Comptroller of the Currency (Cont'd.)

The Comptroller says Sec. Mellon and he believe McFadden has not played fair; that he wants a resolution for a Committee to investigate the Federal Reserve Board and Federal Reserve Bank of New York to show that their credit policy has put up prices.

They have a feeling of supreme contempt for McFadden.  
July 2, 1926. 70, 71

Is present when C.S.H. takes oath of office.  
July 9, 1926. 81

Comptroller points out that the language of Winston in a letter to Gov. Wellborn urging him to help weak banks in his district is the same as what he used in talking with Sec. Mellon.  
July 23, 1926. 95

Comptroller seems to favor an increase in discount rates at New York but why C.S.H. can not imagine.  
Aug 4, 1926. 100

Board advised New York that if the directors recommended an increase a majority of the Board would favor it.

C.S.H. is amazed that the Comptroller favored this as it runs counter to Coolidge's interview stressing prosperous conditions in the country and will look as if the Board did not agree.  
Aug. 4, 1926. 101

Tells C.S.H. that Warburg is pulling every wire to be reappointed on the Board when Platt's term expires.  
Aug. 10, 1926.104

Comptroller votes to grant trust powers to Capital National Bank in spite of Jay's adverse report.  
Aug. 10, 1926. 104

Comptroller votes against Miller's motion - in which C.S.H. and Cunningham concurred - that there should be no change in the System's security account and the 10 millions running off should be replaced.  
Sept. 10, 1926. 121

Votes for Platt motion that Committee be authorized to maintain the special account at from 200 to 225 millions.  
Sept. 10, 1926. 122

Comptroller of the Currency (Cont'd.)

On Miller's motion to forbid the Federal Reserve Bank of New York from charging any commission in connection with the Belgian credit, the Comptroller voted no, together with Sec. Mellon, C.S.H., and Platt.

Lost by a tie vote.

Oct. 5, 1926. 126, 127

The motion of C.S.H. for approval of the credit with expression of hope that a commission should not be charged, but not imposing it as a condition, was defeated by a tie vote.

Same vote as above.

Oct. 5, 1926. 126, 127

Comptroller and all other members finally voted for Platt's motion approving the agreement but asking N. Y. directors to revise it as Board does not consider a commission on purchase of bills from a central bank consonant with principles of Federal Reserve Act.

Oct. 5, 1926. 127

Comptroller says Campbell could not get \$4000 per year from any other bank.

Oct. 7, 1926. 129

Comptroller votes to expel Campbell.

Oct. 7, 1926. 130

Comptroller was absent and did not vote on C.S.H.'s motion to approve a minimum of 6% rate on bills purchased from Bank of Belgium.

If he had been present the vote would have been a tie and lost anyway.

Oct. 19, 1926. 133

Comptroller votes against C.S.H. motion to lay on table James motion to notify McCrary that if he did not resign the Board would remove him.

Oct. 19, 1926. 135

On Cunningham's motion that the evidence did not warrant removal of McCrary, Comptroller voted for the motion.

Oct. 19, 1926. 136

On Miller's motion to summon McCrary and put him further questions, the Comptroller voted No.

Oct. 19, 1926. 136

Comptroller voted for Miller's motion that no change should be made in System's investment account. C.S.H. and James contra.

Nov. 11, 1926. 145

Confirmation of C.S.H. by Senate.

July 3, 1926. 74



## Coolidge, President (Cont'd.)

James threatens to go to Coolidge and tell him of the Board's treatment of him in connection with his report on the Cuban Agency.

May 21, 1926. 2

Board approves letter to Sec. Mellon asking him to obtain opinion of President Coolidge and State Department as to advisability of continuing the Cuban Agency.

May 25, 1926. 14

Miller says the newspaper men from now on are to give out the real facts as to Coolidge, and not to whitewash facts as they have been doing.

May 30, 1926. 20

Miller says Norman Hapgood was to have lunched with him today, but Coolidge invited him to lunch at the White House, - an extraordinary invitation as Hapgood was so radical.

May 30, 1926. 20

C.S.H. feels that the action of the Board in informing the Federal Reserve Bank of New York that a majority of the Board will approve an increase in discount rates will be construed as a disagreement with President Coolidge who has just given out a statement showing generally prosperous conditions.

Aug. 4, 1926. 101

See also - Hamlin, C.S.; reappointment  
Miller

## Corning, Parker

H.P.H. puts her claim against, in the hands of Charles Tyler, Attorney.

July 9, 1926. 84 //

H.P.H. sends Tyler the Corning papers.

July 14, 1926. 84

See - Tyler

## Cosmos Club

C.S.H. moves to, from Lee House. July 6, 1926. 76

## Coulton

Platt says, of Cleveland, member of the Federal Advisory Council, was strongly in favor of C.S.H.'s reappointment.

May 24, 1926. 13

Coulton slipped and fell down Treasury stairs cutting his head badly and becoming unconscious; taken to Emergency Hospital. C.S.H. and Miller went there to see him. C.S.H. and Gov. Morss interview Dr. Borden in charge.

Nov. 18, 1926. 155

Coulton (Cont'd.)

C.S.H. calls on Mrs. Coulton at hospital.  
Sunday, Nov. 21, 1926. 155

Cox, Gov. Channing 47, 48, 57, 167

See - Hamlin, C.S.; reappointment

Cremation

See - Hamlin, Anna

Credit policy

The Comptroller said McFadden wants a resolution of investigation of Federal Reserve Board and Federal Reserve Bank of New York to show that their credit policy had put up prices.  
July 2, 1926. 70

Crissinger, Gov.

A National City Bank officer writes, that there is a rumor that the Board is to discontinue the Cuban Agency.  
May 21, 1926. 3

Says he knows the State Department has changes its views as to the desirability of continuing the Cuban Agency, and insists on sending a letter asking its present opinion.  
May 21, 1926. 3

James says Gov. C. is absolutely dominated by Gov. Strong; that Gov. C. insisted on sending a letter to the State Department on the Cuban Agency in the hope that an adverse reply might enable him to induce the Board to discontinue it; that Strong hated Mitchell of the National City Bank and wanted to force him to bend his knee and implore his assistance as to the Cuban Agency. May 22, 1926. 8

James said Gov. C., a year ago, went to Cuba with a Mr. Hayes, a tricky contractor who wanted to get contracts in Cuba; that years ago Hayes came to the Board with a Cuban delegation which delivered addresses to the Board, and that a picture of the Board and the delegation was taken, which Hayes has been using to show that the Board was behind him in his efforts to secure Cuban contracts!  
May 22, 1926. 8

James said Gov. C. never called on General Crowder in Cuba, but was presented to the President of Cuba through Hayes who told the President that Gov. Crissinger and the Board were behind him; that this was said in Spanish which Gov. C. did not understand.  
May 22, 1926. 9

James is evidently as thick with Mitchell as he claims Gov. C. is with Strong!  
May 22, 1926. 9

Crissinger, Gov. (Cont'd.)

James said that Gov. C. was intoxicated at a public dinner in Cuba.  
May 22, 1926. 9

Gov. C. tells Board he has given to Sec. Mellon the letter asking the opinion of the State Department concerning the Cuban Agency; that Sec. Mellon said he felt we could not now withdraw the Agency.  
May 27, 1926. 15

Eddy tells C.S.H. that Gov. C. is suffering from an enlarged prostate gland.  
May 27, 1926. 16

Eddy tells C.S.H. that Gov. C. is very sensitive over the charge that his original appointment as Comptroller was political; that Gov. C. told him that before making the appointment, President Harding had a poll taken of the Senate which showed conclusively that Gov. Harding, if reappointed, could not be confirmed; that he knew nothing of his appointment until he received word from President Harding.  
May 27, 1926. 16

C.S.H.'s earlier diaries show that Sen. Reed (Pa.) made a poll of the Senate for Sec. Mellon and reported that Gov. Harding would be confirmed; that Sec. Mellon when he first met the Board, assured the members he would consult with them before recommending anyone for appointment as Comptroller; that on that very day, in the afternoon, Sec. Mellon received word from President Harding that he had decided to appoint Crissinger!  
May 27, 1926. 16, 17

Eddy said he prepared a letter which Gov. C. signed directing the Atlanta bank to investigate Campbell and that James took it with him.  
June 5, 1926. 27

Eddy tells C.S.H. that Gov. C. is not so well; that he telephoned Eddy he would leave today for Washington but that the doctors would not allow him to go.  
June 19, 1926. 45

With Gov. C. and Cunningham ill and Mellon in Europe our Board is shot to pieces!  
June 19, 1926. 46

We tell Mr. Howard, Counsel for Campbell, that Gov. C. can not be in Washington tomorrow.  
June 23, 1926. 53

Gov. C. tells C.S.H. he is suffering from an enlarged prostate gland; that his doctor was massaging it and had reduced it nearly to normal; that the doctor had also given him medicine which greatly relieved him; that the doctor would sell this to anyone but would not reveal what it was!  
July 29, 1926. 60

Crissinger, Gov. (Cont'd.)

Gov. C. spoke of a case where a member bank owed a large sum to the Federal Reserve Bank of Atlanta; that it was guaranteed by its President; that later the President transferred all his property to his wife; that the Federal Reserve bank sold all the collateral it held for the loan to his wife for a nominal sum and transferred to her also its claim against the member bank and against the President.

The Board ordered an investigation of this.  
July 7, 1926. 76

Gov. C. tells C.S.H. the Atlanta member banks are very much stirred up about James; that they felt he was playing politics and was trying to put his own friends into the Federal Reserve bank; that some said James wanted to be Governor.  
July 7, 1926. 77

Gov. C. told C.S.H. that James wanted to work in Mr. Pole of the Comptroller's office, as Governor.  
July 7, 1926. 77

Gov. C. says Eddy told him that James was getting on the nerves of Herson and Wyatt. July 7, 1926. 77

Gov. C. and James were very bitter towards Sec. Mellon for sending in a bill for Gov. Strong's attendance in Europe to be paid by the Federal Reserve Bank of New York as fiscal agent.

Gov. C. said Mellon should have consulted the Board before asking Gov. Strong to testify before the British Parliamentary Committee; that he had heard of this before Gov. Strong sailed for Europe, but not from Sec. Mellon nor from the Board.  
July 20, 1926. 89

Herson gives Board a copy of Gov. Wellborn's letter to Winston taken from the files of the Atlanta bank enclosing a copy of an old letter from Gov. C. to Wellborn praising extravagantly his work as Governor of the bank.  
July 23, 1926. 91

Gov. C. was greatly stirred up at the pamphlet issued by the Federal Reserve Bank of Boston without first submitting it to the Board for its approval. July 23, 1926. 92

Gov. C. tells Board that Harrison telephoned that the N. Y. directors were in doubt as to increasing discount rates and wished to know if the Board would sustain them if they recommended an increase. Gov. C. strongly favored an increase.  
Aug. 9, 1926. 99

Crissinger, Governor (Cont'd.)

Gov. C. said it was a mistake for C.S.H. and Platt to alternate on vacations to ensure executive committee attendance, and suggested that hereafter we go away at the same time.  
Aug. 6, 1926. 102

Gov. C. votes to grant application of the Capital National Bank of New York for trust powers, over the adverse report of Jay.

Gov. C. was very bitter at the Federal Reserve Bank of New York, stating that it discriminated against the Jewish President of the bank.

Gov. C. originally granted a charter to this bank when he was Comptroller of the Currency over the protest of the Federal Reserve bank.

The report showed that the bank was habitually short in its reserves.

James and the Comptroller backed up Gov. C. and the application was granted, C.S.H. and Platt voting no. An extraordinary decision!  
Aug. 10, 1926. 104

Gov. C. wants a new examiner appointed to serve as head of a new Board to conduct examinations of state banks.

C.S.H. did not object to appointing a new examiner nor a Board provided its duty was made to cooperate with the Federal Reserve Agents.

Gov. C. would not agree to this.

See - Examinations.  
Aug. 11, 1926. 105

Gov. C. desires to have a central Board to do the examination work now done by Federal Reserve Agents.  
Aug. 11, 1926. 106

Gov. C. says Harrison told him that Gov. Strong had cabled favoring a 1% increase in New York discount rates.  
Aug. 11, 1926. 107

Gov. C. said the Federal Reserve Bank of New York adjusted discount rates with a view to the condition of the stock market, - clearly intended as a reflection upon the bank, yet shortly after he said he favored an increase in rates in order to check stock exchange speculation.  
Aug. 11, 1926. 107

## Crissinger, Governor (Cont'd)

Gov. C. voted in the Executive Committee meeting against allowing Federal Reserve Board employees to leave at 1 p.m., altho the Treasury, because of the fearful heat had granted this privilege to all of its employees. Not being unanimous the motion was defeated in Executive Committee. Gov. C. seems strangely oblivious of the comfort of others!

Aug. 12, 1926. 108

Gov. Strong writes C.S.H. that the object of his trip abroad was fully explained to Sec. Mellon and Gov. Strong and fully understood and approved by them.

Aug. 15, 1926. 110

Gov. C. told the Board he knew that Gov. Strong was going abroad but got his information from sources outside of the Board and that finally Sec. Mellon spoke to him about it. He did not mention Gov. Strong as a source of information.

Gov. C. was as bitter about it as was James.

Aug. 15, 1926. 110, 111

Voted against Miller's motion that no change should be made in the System's special open market account, and that the 10 millions running off should be replaced.

Sept. 10, 1926. 121

Voted against Platt motion that system account should be maintained at from 200 to 225 millions. Gov. C. wished to decrease the special account.

Sept. 10, 1926. 122

Vigorously objected to charge for commission on bills purchased by Federal Reserve Bank of New York under Belgian agreement.

Oct. 5, 1926. 126

Voted for Miller's motion to forbid charging a commission on Belgian bills purchased.

Oct. 5, 1926. 126

Voted against C.S.H. motion to approve the commission rate on Belgian bills purchased.

Oct. 5, 1926. 127

Voted for Platt's motion to approve the Belgian agreement, but with hope that the directors could revise the agreement so as to exclude commissions.

Oct. 5, 1926. 127

Votes to expel Campbell. Oct. 7, 1926. 130

See also - Campbell

Crissinger, Governor (Cont'd.)

Voted against Platt's motion to approve the 6% minimum rate on Belgian bills purchased. Oct. 19, 1926. 133

Voted against C.S.H. motion to lay on table James motion to tell McCrary that if he did not resign the Board would remove him. Oct. 19, 1926. 135

Voted for Cunningham's motion that the evidence did not warrant removal of McCrary. Oct. 19, 1926. 136

Voted against Miller's motion to summon McCrary and put him further questions. Oct. 19, 1926. 136

Voted for Miller motion rejecting recommendation of Open Market Committee to increase by 50 millions the system account. Nov. 11, 1926. 145

Tells Wells Committee that some leniency towards Campbell had been suggested to him. Nov. 12, 1926. 148

Asks Miller to bring before Board the question of leniency to Campbell. Nov. 12, 1926. 150

Hopkins tells C.S.H. that Gov. C. suggested to him an increase in Gov. Wellborn's salary and asked him to put it through his Board at Atlanta. Nov. 16, 1926. 154

Gov. C. tells Board that Jay is to resign. Dec. 3, 1926. 158

Gov. C. seems enthusiastic for Miller's suggestion of Warburg for Jay's place. Dec. 4, 1926. 158

Sec. Mellon tells C.S.H. he will ask Gov. C. to postpone consideration of Jay's successor until he can be present. Dec. 4, 1926. 160

Gov. C. told the Board that of course it could appoint Burgess as Jay's successor if we were willing to be dominated by the Federal Reserve Bank of New York.

Gov. C. knew Sec. Mellon wanted Burgess appointed, and was hardly playing fair with Sec. Mellon in making such a remark. Dec. 6, 1926. 161

## Crissinger, Governor (Cont'd.)

Gov. C. votes for Miller's motion to abolish the Cuban Agency after a given date.

Dec. 7, 1926. 163

Gov. C. intimates to Board that Federal Reserve Agent Curtiss will be defeated for reappointment if a direct vote were taken without notifying him that this would be his last appointment.

Dec. 15, 1926. 164

Gov. C. said he had heard objections as to Curtiss.

C.S.H. asked if they came from the Federal National Bank or from what source, but Gov. C. gave him an evasive answer.

Dec. 15, 1926. 164, 165

Gov. C. said that DeCamp, Federal Reserve Agent at Cleveland, was a great failure; that he had recommended him for reappointment, as one of the District Committee, because of the "pressure" brought for him, - evidently referring to Sec. Mellon.

Dec. 15, 1926. 165

Gov. C. asked C.S.H. to join with him in recommending DeCamp without mentioning "pressure" of any kind.

Dec. 15, 1926. 165

Gov. C. told C.S.H. he probably would not attend the Jay dinner in New York.

Dec. 15, 1926. 166

Gov. C. said Gov. Case had asked if there could be a meeting between the Board and the Open Market Committee in New York on Monday, - the day of the Jay dinner.

On C.S.H.'s motion to approve, it was lost.

Gov. C. did not vote.

Dec. 15, 1926. 167

C.S.H. believes Wing was the one who spoke to Gov. C. against Curtiss

Dec. 15, 1926. 167

Gov. C. was present in New York at the informal talk with the Open Market Committee.

He did not attend the Jay dinner as he said he felt too ill.

Dec. 20, 1926. 179

Gov. C. voted for C.S.H.'s motion to increase the salary of Burgess, Assistant Federal Reserve Agent at New York from \$10,000 to \$15,000.

Dec. 22, 1926. 180



## Crissinger, Governor (Cont'd.)

Gov. C. voted for C.S.H.'s motion to approve an increase in salary of Philbin, Assistant Counsel and Secretary of the Federal Reserve Bank of New York.

Dec. 22, 1926. 181

Sec. Mellon tells C.S.H. he will ask Gov. C. to postpone consideration of Jay's successor until he can be present.

Dec. 22, 1926. 182

Gov. C. voted for Miller's motion to displace Snyder from Federal Reserve System.

Dec. 28, 1926. 184

Gov. C. voted not to reappoint Mr. Sanders as Class C Director at New York.

Dec. 31, 1926. 185

See also -

Campbell. 116, 117, 118, 125, 128, 129  
Cuban Agency  
C.S.H.; Reappointment  
Comptroller of Currency. 70

## Crowder, Gen.

James said Gov. C. never called on, when in Cuba.

May 22, 1926. 9

## Crowdy, Dame Rachel

We dine with Mrs. Wilson at Woman's National Democratic Club to hear, speak. May 26, 1926. 14

## Cuban Agency, Havana.

Board met to consider, and to prepare a letter to Sec. Mellon to be sent to State Department.

Miller offered a draft of letter asking for an opinion by State Department as to whether the Platt amendment or the policy of the Government placed the Federal Reserve Board in a position where it was obliged to continue the agency, whether jointly or severally or to supply Cuba with our money.

C.S.H. suggested that a banking question was involved, - whether it was not our duty to caution the Agency as a protection to our banks, making it possible for them to carry lower reserves.

C.S.H. also suggested annexing a copy of President Harding's letter of three years ago, stating that he and the Cabinet unanimously favored the creation of such an Agency.

Both of these suggestions were adopted.

Cuban Agency, Havana (Cont'd.)

James suddenly flew into a fit of rage because the draft made no mention of the report of himself, Wyatt and Herson.

James said his Committee had been treated with contempt and that Goldenweiser and Smead had been "assaulted" - doubtless referring to questions put by C.S.H. as to their plan for cancelling some issued Federal Reserve notes held by the Agency and using the gold for investment in farm land bonds to secure an income out of which to keep our money in Cuba fresh and clean, - about \$40,000 per year.

James said he was going to Sec. Mellon and to President Coolidge and speak plainly of the treatment to which he had been accorded.

James said that our Board was a laughing stock, that we could not decide anything, and that Vanderlip was right in his criticism of us.

C.S.H. suggested that a copy of James' report be annexed to the letter and James cooled down perceptibly, as this was adopted.

James said if it leaked out that we were considering abolishing the agency it would cause a panic in Cuba; that a National City Bank official had written Gov. C. that such a rumor was afloat.

C.S.H. agreed with James and added that his only reason for voting to send the letter was that Gov. C. had said that he knew the State Department had changed its views and insisted on finding out as to this.

Gov. C. affirmed this.

Board voted to send the letter.

C.S.H. said he voted for this only on the understanding that, if Sec. Mellon thought the letter inexpedient, the Committee would report back to the Board.

May 21, 1926. 1, 2, 3.

James says Gov. C. is dominated by Gov. Strong; that Gov. Strong hates Mitchell, President of National City Bank, New York; that Strong wanted to have the Board at least threaten to give up the Cuban Agency, so that Mitchell, who wanted the Agency continued, must bend his knee to Gov. Strong, and ask his help to secure continuance of the Agency; that this was the real reason why Gov. C. insisted on getting the opinion of the State Department, in the hope that an adverse

Cuban Agency, Havana (Cont'd.)

opinion would enable him, - Gov. C. - to induce the Board to abandon the Cuban Agency.

May 22, 1926. 8

The Board authorizes the letter to Sec. Mellon as to the Cuban Agency.

May 25, 1926. 14

At the Board meeting, Gov. C. and James reported that they had delivered to Sec. Mellon personally the State Department letter; that Sec. Mellon said that we could not now withdraw the Agency; that the question of discontinuing the Federal Reserve Bank of Boston could wait awhile; that Boston should be given the right to be heard on the matter; that if this came up in the near future it might get into politics in Mass, which should be avoided; that they both told Sec. Mellon they agreed with him.

May 27, 1926. 15, 16

James introduced to C.S.H. Mr. Chase, of the Boston Agency at Havana. Mr. Chase said that both agencies should have one office in common; that the criticism of the vaults in the First National building was nonsense, as the Boston Agency only used the vaults as a safety deposit vault for its expense monty; that the Atlanta Agency used a part of the First National Bank vaults, separated only by a grill and that everything done by the Atlanta Agency could be and was known by the First National Bank.

C.S.H. asked Chase to prepare a plan under which Boston could pay out its own Federal Reserve notes up to a limited amount, say 25%, and divide all profits of its agency with Atlanta.

Chase said it would be difficult to do but he would try.

Chase said the Cuban Government would be willing to pay one-half of the expense of putting out clean money.

C.S.H. told Chase he feared the Board would discontinue the Boston Agency unless some such plans were agreed upon.

June 3, 1926. 25, 26

Curtiss calls up C.S.H. and objects to Federal Reserve notes in Cuba. C.S.H. said if he did not have some plan for dividing the profits, he feared the Board would abolish the Boston Agency.

June 8, 1926. 32

Board voted to receive James' final report on the Cuban Agency.

June 9, 1926. 35

Cuban Agency, Havana (Cont'd.)

Hopkins says to C.S.H. that the Atlanta directors were very much stirred up over James statement to them that 3 members of the Federal Reserve Board had told him that they would not vote to continue the Cuban Agency with the Atlanta Bank, unless Gov. Wellborn, McCrary and Campbell should resign.  
June 10, 1926. 38, 39

James reported that he had talked with Sec. Mellon who said the State Department and the Cabinet still favored the continuation of the Cuban Agency; that he was inclined to favor a consolidation of both agencies into one, but that he felt this matter should not be taken up for the present, - at least until after Congress adjourned.  
June 10, 1926. 39, 40

Gov. Harding tells C.S.H. that the letter he sent him last Thursday about the Cuban Agency (saying Boston did not want to continue unless all Federal Reserve notes were retired) - was read to his directors and fully approved by them, although not formally ratified; that his directors would fully approve if C.S.H. should move that Boston be discontinued and Atlanta given the sole agency on condition that she keep on hand at least 15 millions of lawful money other than Federal Reserve notes, and that she redeem the outstanding Federal Reserve notes as fast as presented, paying the Federal Reserve Agent for them; that this process would probably take 3 or 4 years.

Gov. Harding added that his letter was personal to C.S.H. but that he had no objection to C.S.H. showing it to individual members of the Board.  
June 20, 1926. 48, 49.

Platt, at the Executive Committee meeting, read a letter from New York stating that Atlanta was keeping an insufficient supply of currency at the Cuban Agency and asking the Federal Reserve Board to order an increase.  
June 22, 1926. 53

C.S.H. at once said he was ready to move the appointment of Magruder as Assistant Federal Reserve Agent (recommended by James in his report), so that a sufficient supply of Federal Reserve notes could be kept at the Agency.

James said he should vote against this as the set up there was unfit, meaning that Gov. Wellborn, McCrary and Campbell must first be removed.

C.S.H. reminded James that he had recommended Magruder's appointment in his report, but all to no avail.

The Board asked Eddy to wire Federal Reserve Agent Newton as to the amount of funds held at the Cuban Agency, and C.S.H. said he would make a motion tomorrow.

Cuban Agency (Cont'd.)

James was very ugly. He admitted the situation was critical and said the Federal Reserve Board was responsible, - meaning that we should have removed Wellborn, McCrary, and Campbell long ago. He was most unreasonable. June 22, 1926. 53, 54

C.S.H. tells Board that Gov. Harding wished him to go on to the directors meeting next week to discuss the Cuban Agency.

All of the Board agreed that he could go over, in confidence, the whole situation with the directors.

C.S.H. said he thought the directors would like to withdraw from the Cuban Agency if Federal Reserve notes were to be continued in circulation in Cuba.

C.S.H. asked James whether the Boston directors, if they reached this decision, should tell the Board so now or wait until the Campbell investigation was finished.

James said it would make no difference when they announced it. July 7, 1926. 79

C.S.H. attends meeting of directors of Federal Reserve Bank of Boston. The directors discussed the Cuban Agency matter and were of the unanimous opinion that they should prefer to withdraw from the Cuban Agency if the Federal Reserve notes were to remain in circulation.

Gov. Harding told the directors that it was not inconceivable that the Federal Reserve Bank of Boston might incur some liability if the Atlanta Bank should fail promptly to pay cable transfers, and C:S.H. concurred in this statement.

The directors felt strongly that they should know each week, at least, just what funds Atlanta had at the Cuban Agency, and directed Gov. Harding to write the Board and get this information.

C.S.H. said the Boston bank would be given a hearing before any decision was reached, and that he was authorized by the Board to say this. July 14, 1926. 82, 83

The Federal Advisory Council reported in favor of one Cuban Agency but was rather equivocal as to which one should be chosen. Sept. 17, 1926. 122

The Board gives a hearing on the Cuban Agency.

## Cuban Agency (Cont'd.)

## Present:

A Committee of the clearing houses of the Federal Reserve District.

A Committee of the Federal Reserve Bank of Atlanta.

Representatives of the National City Bank and the Chase National, New York.

Gov. Case

Gov. Norris

Federal Reserve Agent Curtiss

Oscar Wells made an opening argument for the Federal Reserve Bank of Atlanta and he was followed by a number of bankers from that District.

Representatives of the National City Bank and Chase National Bank spoke of the vital necessity of keeping an Agency in Cuba.

All agreed that a joint agency had been proven impracticable.

Curtiss said Boston desired to withdraw if Federal Reserve notes were to be continued in circulation; that experience had demonstrated that a dual agency was not practicable; that a single agency should be established to act for the whole Federal Reserve System, any Federal Reserve bank to be allowed to participate and to pay its share of the expense, if it so desired.

No one objected to the designation of the Federal Reserve Bank of Atlanta, except that Gov. Case, after stating that the Federal Reserve Bank of New York did not want it, said that the Board should carefully consider what Federal Reserve bank was best fitted for it. Gov. Case also filed a brief.

The National City Bank did not ask to be designated.  
Nov. 12, 1926. 146

C.S.H., at the dinner at the Metropolitan Club given to the Board by the Governors and Federal Reserve Agents asked Gov. Wellborn as to the attitude of the National City Bank on the Cuban Agency but could get no answer from him as he was plainly under the influence of liquor.  
Nov. 12, 1926. 151

James and C.S.H. reported in favor of consolidating Boston and Atlanta into a single Cuban agency to be managed by Atlanta, beginning January 1, 1927.  
Dec. 7, 1926. 161

## Cuban Agency (Cont'd.)

Miller moved that the Board give notice that the Cuban Agency would be discontinued after a given date.

Defeated:

Aye: Gov. C., Miller

No: C.S.H., Platt, James, Cunningham

C.S.H. moved that the Atlanta District Committee, - C.S.H. and James - be appointed to work out the details of a consolidation of the two agencies and future operation by Atlanta, said committee to consult with a committee to be appointed by the Atlanta bank, and to report to the Board for its final approval. Carried.

Dec. 7, 1926. 163

See also - Campbell

## Cunningham, Edward

Tells C.S.H. he had heard Gov. Morss's name mentioned for C.S.H.'s place on the Federal Reserve Board while the Federal Advisory Council was here, but that it was not seriously considered as Morss had retired from business and wanted rest and quiet. May 29, 1926. 17

Says he is to see President Coolidge on another matter Friday, and if a chance offers he will speak to him freely; that he saw him yesterday and tried to lead up to the matter but other matters got into the way.

May 29, 1926. 17

Said he saw President Coolidge in February and told him he always went to Miller and C.S.H. for advice, mentioning particularly how courteous and fair C.S.H. always was; that Coolidge said, "They are two fine men."

Cunningham said that if C.S.H. were not reappointed it would be simply because he was a Democrat, and that he would consider this very poor Republican politics.

C.S.H. went over the Mass. situation and told Cunningham, in strict confidence, that if not reappointed he might be drafted to run for Governor in order to bring about harmony in the Party in its fight against Sen. Butler.

Cunningham said that Butler would undoubtedly be guided by purely selfish motives, but he failed to see how he could view the situation other than favorably to C.S.H.'s reappointment.

He also said he should tell Coolidge that C.S.H. was a farmer and a member of the Grange.

Cunningham, Edward (Cont'd.)

He expressed perfect confidence that if reappointed, there would be no opposition in the Senate to confirmation.  
May 29, 1926. 17, 18.

Says his appointment with Coolidge has been postponed but that he will see him within a day or two.

He said he had talked with several men high up in Republican politics, within the last two days and that they all said the betting was on C.S.H.

He is very loyal and kind.  
June 1, 1926. 21

Tells Board he and James rather favored the Hull amendment to the McFadden branch bank bill, but as a matter of compromise he thought it should be eliminated in order that the bill might pass.  
June 2, 1926. 24

Tells C.S.H. he has heard definitely, a couple of days ago, that C.S.H.'s reappointment has been all "set up" and that Coolidge was to decide just when to send C.S.H.'s name to the Senate.

C.S.H. said, "Are you sure of this?"

Cunningham said "Absolutely. You need not worry any further. You are a lucky man!"

C.S.H. said he should dismiss the matter from his mind, on that assurance, and he replied, "That is right."

Cunningham did not reveal the source of his authority but C.S.H. believes it was Coolidge, as he said some time ago he was to see him last week.  
June 7, 1926. 28, 29

Is present at Board meeting when Harrison read extracts from Gov. Strong's letters as to the French situation.  
June 17, 1926. 43

Eddy tells C.S.H. that Cunningham is in Johns Hopkins hospital and will be there 3 weeks but will return next Wednesday for the Campbell hearing.  
June 19, 1926. 45, 46

C.S.H. informs Howard, Counsel for Campbell, that Cunningham can not be present at the Campbell hearing set for tomorrow.  
June 22, 1926. 53



## Cunningham, Edward (Cont'd.)

James said Cunningham had had a set back and would have to remain at the hospital for at least 80 days.

June 22, 1926. 53

Could not attend when C.S.H. took oath of office as he was still in the hospital.

July 9, 1926. 81

C.S.H. calls on Cunningham at his apartment in Washington. He has wasted to about 120 lbs. and looks almost like a skeleton.

July 22, 1926. 89

Votes with Miller and C.S.H. that the suggestion that the System account may be diminished or increased by 50 millions be not accepted by Federal Reserve Board.

Sept. 10, 1926. 121

Votes that system account should be maintained as at present - from 200 to 210 millions.

Sept. 10, 1926. 122

Votes to prohibit Federal Reserve Bank of New York from charging a commission on purchase of bills from Bank of Belgium.

Oct. 5, 1926. 126

Votes against C.S.H.'s motion to approve the commission.

Oct. 5, 1926. 127

Tells Platt he will vote to censure Campbell but not to remove him.

Oct. 7, 1926. 128, 129

Votes for James motion to expel Campbell.

Oct. 7, 1926. 130

Votes against Platt's motion to approve a 6% minimum rate for purchase of Belgian bills by Federal Reserve Bank of New York

Oct. 19, 1926. 133

Votes against C.S.H.'s motion to lay on table James motion to notify McCrary that Board will remove him if he does not resign.

Oct. 19, 1926. 135

Moves that the evidence does not warrant the removal of McCrary  
Passed.

Oct. 19, 1926. 136

Votes against Miller's motion to summon McCrary and put further questions to him.

Oct. 19, 1926. 136

Cuban Agency (Cont'd.)

Votes against Miller's motion that Cuban Agency be abolished.  
Dec. 7, 1926. 163

Says that Federal Reserve Bank of Boston needs new blood, and intimates he will vote against Curtiss.  
Dec. 15, 1926. 165

Defends Federal Reserve Agent DeCamp on ground that he has served such a short time.  
Dec. 15, 1926. 165

C.S.H. suspects Miller has been caucusing with James and Cunningham on subject of Curtiss.  
Dec. 15, 1926. 166

Votes against Gov. Case's request that the Board hold an Open Market Committee meeting in New York on the day of the Jay dinner.  
Dec. 15, 1926. 166, 167

Votes against increasing Burgess' salary from \$10,000 to \$15,000.  
Dec. 22, 1926. 180

Votes against increasing the salary of Philbin, Assistant Counsel and Secretary of the Federal Reserve Bank, New York, from \$7500 to \$9000.  
Dec. 22, 1926. 181

Cunningham, Mrs.

See - Chronological table

Curtiss, Federal Reserve Agent, Boston

C.S.H. calls up Curtiss

Curtiss said that Bowman had sent his letter about C.S.H. to Attorney General Sargent.  
June 1, 1926. 21

Said there was no truth in rumor that Gov. Morss wanted C.S.H.'s place; that he positively knew he would not accept it even if tendered to him.  
June 1, 1926. 21

Calls up C.S.H. and says Charles Tyler told him that McFadden had been in Boston and had seen him, that he came on to secure support in his effort to get C.S.H.'s position.  
June 2, 1926. 24

Curtiss said he had heard nothing new about C.S.H. reappointment; that all seemed to be well; that he had heard of no one who wanted the place and that he certainly would hear if anyone's name appeared.

Curtiss, Federal Reserve Agent, Boston (Cont'd.)

C.S.H. told him of McFadden and he said he had heard of this - evidently from Tyler.

He said the only danger was that Sen. Butler might demand the appointment of a Republican.

June 8, 1926. 33

Gov. Harding tells C.S.H. that Curtiss has a vague idea, but no proof, that Wing may have some one in mind.

June 20, 1926. 47

Curtiss tells C.S.H. in Boston that he could do nothing with Wing; that evidently some force behind Wing was pulling him back; that he had reason to believe it was Paul Warburg; that certain officers of the Federal Reserve Bank of New York were opposing C.S.H. and pushing Gov. Norris; that Gov. Case was one.

July 14, 1926. 82

Tells C.S.H. that if Bowman resigned at once from his Mutual Savings Bank and another election ordered, it would cause such surprise that it might result in a run on the bank.

July 14, 1926. 83, 84

C.S.H. feels that Curtiss must have been mistaken about Gov. Case as he received a very warm note from him and another note from him conveying Gov. Strong's congratulations.

July 16, 1926. 85

James violently opposed granting of Curtiss's application for an extra month's leave to go abroad because of illness.

Finally the application was approved.

July 23, 1926. 91, 92

Curtiss, speaking of Miller's dislike for him, said that the reason for it was that Miller, at some meeting at which he, Wills and others were present, made such a shocking pro-German remark, that some one of those present informed the Attorney General's Department which at once ordered an investigation by the Secret Service; that a Secret Service man came to him but he gave him no satisfaction; that he was not the one who informed the Attorney General, nor does he remember, if he ever knew, who the informer was; that he believed that Miller thought he must have been the informer, and hence violently disliked him.

Nov. 6, 1926. 144

Curtiss, Federal Reserve Agent, Boston (Cont'd.)

Curtiss is present at the Board's hearing on the Cuban Agency.  
Nov. 12, 1926. 146

See - Cuban Agency

Board takes up the appointment of Chairmen and Federal Reserve Agents.

C.S.H. and Platt reported - for the Boston Committee- that Curtiss should be reappointed.

Miller made a savage attack on Curtiss.

C.S.H. and Platt said Curtiss was one of the best in the System.

James said he should vote against Curtiss unless the Board agreed to tell him that it elected him only to give him an opportunity to arrange his affairs as he would not be designated for 1928.

C.S.H. and Platt asked for time in which to prove the justness of their report in favor of Curtiss and reiterated that he was one of the best chairmen in the system.

Gov. C. intimated that if a vote were taken now, Curtiss would be defeated, unless he was notified as James suggested.

Gov. C. said he had heard objections to Curtiss.

C.S.H. asked if they came from the Federal National Bank, but Gov. C. would give no answer.

Even Cunningham said he felt Boston needed new blood, although he admitted that he knew nothing about Curtiss.

C.S.H. said the only course to follow was to elect Curtiss and others unqualifiedly, for otherwise he, and the other Chairmen, Austin, etc., would immediately resign and it would seriously affect the Federal Reserve System to have 3 or 4 simultaneous resignations.

C.S.H. added that the Board had a perfect right, at any time, after the designation of Curtiss or anyone else, to take up the question of what the Board would do as to them for 1928.

C.S.H. suggested an unequivocal designation of Curtiss, Austin, Heath, and others, and that the Board vote to take up the question of 1928, on say Jan. 15, 1927. Finally, this was agreed to.  
Dec. 15, 1926. 164, 165

## Curtiss, Federal Reserve Agent (Cont'd.)

C.S.H. believes Miller has been caucusing with James and Cunningham for they know nothing about Curtiss.

Dec. 15, 1926. 165, 166

C.S.H. believes Miller hates Curtiss because of the Secret Service inquiry above referred to. Dec. 15, 1926. 166

See - Cuban Agency

-D-

Davis, Mrs. John W.

62, 63, 64

See - Brewster, Sidney

## Dawes Commission

Jay has resigned as Chairman and Federal Reserve Agent of New York to accept a place on the, tendered him by Gilbert.

Dec. 20, 1926. 179

## Dawes, Vice President

Speaks at dinner given to the Federal Reserve Board by the Chairmen and Governors at the Metropolitan Club, on conditions in Europe.

He paid a high tribute to President Wilson, saying he was one of the greatest men in the world, and the greatest leader of idealism, but that he was ahead of his time.

He also said that the elections of 1920 and 1924 merely represented the desire of the people for quietude and rest.

Nov. 11, 1926. 149

Dear, Mrs. 62, 63

See - Brewster, Sidney

## DeCamp, Federal Reserve Agent, Cleveland

Gov. C. says DeCamp is a conspicuous failure, but that he had recommended him for reappointment because of the great pressure brought in his behalf, evidently referring to Sec. Mellon.

Miller and Cunningham began to make excuses for DeCamp, saying he had served such a short time, evidently to avoid antagonizing Sec. Mellon.

## DeCamp, Federal Reserve Agent, Cleveland (Cont'd.)

Gov. C. had asked C.S.H., as one of the Cleveland Committee, to join with him in recommending DeCamp without saying anything about great or any pressure.

Dec. 15, 1926. 165

## Delano, F. A.

Glass says he wrote, a letter objecting to cutting down the number of Federal Reserve banks which Attorney General Gregory borrowed while preparing his opinion.

Glass said he liked Delano and originally thought he would make a good member of the Board, but later was gravely disappointed in him.

June 7, 1926. 34, 35

Writes C.S.H. a warm letter of congratulation on his reappointment.

Aug. 2, 1926. 96

Delano told H.P.H. that Castle told him he would not insult his friends by not providing them with wine for dinner.

Dec. 3, 1926. 158

## Denman

We meet Mr. Denman at lunch with Dr. Miller.

Denman asked Miller when he was to bring out his eulogy on Wilson!

May 30, 1926. 20

## Dewey, Assistant Secretary

Was present at Board meeting when Harrison read extracts from Gov. Strong's letters about the European situation.

June 17, 1926. 43

## Discount rates

Harrison telephones Gov. C. that the New York directors are in doubt as to increasing, and wish to know if the Board will sustain them if they ask for an increase.

Aug. 4, 1926. 99

Gov. C. gave a very patchy account of his talk with Harrison, mentioning no directors by name; he said Gov. Case was away.

Gov. C. strongly favored an increase.

Goldenweiser was present and also favored an increase, but said there was no need for this on purely commercial grounds. He said the Bank of England rate was 5%; that customers rates were about 4½% as against the Federal Reserve rate of 3½%; that there was much speculation on the stock exchange.

In reply to C.S.H. he admitted that production was increasing and prices practically stable.

## Discount rates (Cont'd.)

- ✓ C.S.H. said he must know more about New York conditions from the directors before deciding the question.
- ✓ All agreed that if rates needed to be increased this was a good psychological time to make an increase.
- James said the New York directors evidently wished to "pass the buck" to the Board so that, if anything went wrong, the Board and not the directors would be responsible.
- James also said he was ready to vote to put in a 4% rate on our own initiative, whether or not the directors wanted it.
- C.S.H. suggested that we inform the directors that if they reached the conclusion that rates should be increased and should so advise the Board, it would give careful consideration to such a recommendation, and that we should add that if it be finally determined that an increase should be made, the present was a good psychological time for the increase.
- All objected to this.
- Finally it was proposed that the Board should reply that if the directors recommend an increase, the Board will approve it.
- C.S.H. objected on the ground that the Board had not sufficient knowledge of conditions to announce in advance what it will do.
- ✓ Finally it was decided to inform them that if they recommended an increase, a majority of those present would approve it.
- ✓ C.S.H. insisted on putting in the word "majority."
- ✓ C.S.H. is amazed that the Board members favored an increase, for if made it would look as if the Board were at odds with President Coolidge who has just given out an interview proclaiming the prosperous and sound condition of the country.
- ✓ If rate increases were really necessary, we should approve them, but C.S.H. sees no necessity at the present time.  
Aug. 4, 1926. 99, 100, 101
- ✓ Gov. C. says that Harrison told him that Gov. Strong had cabled favoring an increase of discount rates and suggesting careful consideration whether the increase should not be 1% instead of 1/2 of 1%.  
Aug. 11, 1926. 107
- ✓ C.S.H. thinks the Bank of England wants to increase its discount rate and wants it made easier to do by first having the Federal Reserve Bank of New York increase its rate.  
Aug. 11, 1926. 107

Discount rates (Cont'd.)

Gov. C. said rather contemptuously that the directors of the Federal Reserve Bank of New York fixed discount rates with principal regard to stock market conditions, yet a minute later he said he favored higher rates in order to stop stock exchange speculation.

Aug. 11, 1926. 107

C.S.H. does not believe in increasing discount rates, where there is no commercial necessity, thus possibly penalizing business and agriculture, for the sole purpose of regulating the N. Y. stock exchange.

Aug. 11, 1926. 107

C.S.H. realizes, however, that at the present time there is a spread of 1% between customers rates and our discount rate and it may be wise to take up this slack.

Aug. 11, 1926. 107, 108

*Aug 13 '26, N.Y. increased to 4 3/8%*

Gov. Seay protests to Open Market Committee against taking funds from the market by sales of securities at this time when interest rates are rising and crops are being moved. Such action, he says, coming on top of the increase in discount rates, will further put up customers rates and will cast a chill over business which has managed to survive splendidly in spite of the oracles and sign readers who depicted decline and depression. He said that business does not need a chill but rather encouragement at a time when commodity prices and construction work are showing hesitancy and declining tendencies; that rising interest rates will have an unfavorable influence on Treasury September financing. Gov. Seay asked that this be shown to the Federal Reserve Board and other Federal Reserve banks.

Aug. 18, 1926. 111, 112

C.S.H. believes Gov. Seay is right and should have so voted had he been present.

Aug. 18, 1926. 112

C.S.H. voted for the rate increase but very regretfully and only because Gov. Strong favored a 1% increase.

Aug. 18, 1926. 112

Winston also favored the increase.

Aug. 18, 1926. 112

See also - Bank of Belgium



**Early**

Mr. Early, a member of the Tenn. legislature and a lobbyist, calls on C.S.H. with Cordell Hull and Cong. Byrnes, and urges the Board to suggest to the Federal Reserve Bank of Atlanta some settlement of the claim of Caldwell, of the Fourth-First National Bank of Tenn.

C.S.H. said the matter was absolutely for the Federal Reserve Bank of Atlanta to decide; that the Board had so ruled in the same case many times before, but he would be glad to go over the record with them again at their convenience.

July 7, 1926. 78

Later in the day Early called alone on C.S.H., who asked him to put what he had to say in writing, which he did not seem willing to do. He denied that the repurchase agreement authorized the Federal Reserve Bank to force Caldwell to buy back the bonds in 60 days notice, whenever their price rose to the book value on the bank's books.

He tried to wheedle C.S.H., saying he had worked hard to get him confirmed, speaking to many Senators.

James said that some time ago he threatened to block the McFadden bill as to the recharter of the Federal Reserve banks, if he (James) did not direct the Federal Reserve Bank of Atlanta to settle the case or to agree to arbitrate Caldwell's claim.

C.S.H. feels that the Federal Reserve bank went almost too far in helping Caldwell. It bought these bonds from him at a price far above their market value, with an agreement that he would repurchase them, on 60 days notice, whenever the price rose to the book value on the bank's books. Caldwell, however, was not satisfied with this, but wanted to hold them for a further advance.

Later he sent a notice to his stockholders showing a large profit from the transaction.

July 7, 1926. 78, 79

**Election day, 1926**

Gaston defeated by 187,000.

Walsh elected by over 50,000.

Nov. 2, 1926. 143

C.S.H. voted the straight Democratic ticket.

Nov. 2, 1926. 143

**Ellis, Franklin**

Unable to serve as ball bearer at funeral of Canon Walden Myer.

Aug. 14, 1926. 109

Examination of state banks. 102, 105, 106

See - State banks

Executive officers, Right of President to remove. 163

See - Brandeis.

Expiration of office of C.S.H. Second term.  
Aug. 9, 1926. 103

-F-

Fancher, Gov.

Strongly favors C.S.H. for reappointment. Says Cleveland  
bankers are all for him.

June 21, 1926. 52

Federal Advisory Council

Board meets with. May 21, 1926. 1

In answer to the question, "What is the function of New York  
call loans in our banking system as modified by the  
Federal Reserve Act," the Council replied:-

The New York call money market affords the basis of a  
desirable secondary reserve for banks throughout the  
country.

Miller objected to this as not going far enough, evidently  
wanting to fortify his statement to the Banking and Currency  
Committee that the Act should be amended to forbid redis-  
counts for member banks carrying speculative loans.

A long debate followed but the Council refused to add anything  
to its reply.

Alexander said that as a general principle banks should reduce  
call loans and holdings of Government securities before  
rediscounting, but where deposits were suddenly reduced and  
cash needed only for a few days, it would be perfectly  
proper to rediscount rather than to disturb the market by  
calling loans which would merely result in new loans to  
replace the ones called.

Alexander said that banks should sell liquid paper as well as  
calling in loans when in need of funds; that the whole  
question was one of banking prudence and judgment; that if  
any bank should rediscount to invest the proceeds in call  
loans a word from the Federal Reserve bank would be sufficient;

Federal Advisory Council (Cont'd.)

that he believed such practice was not frequent; that no prudent banker would incur a debt to the Federal Reserve bank for such a purpose. The feeling in the Council was unanimous against any change in the Federal Reserve Act.

C.S.H. explained that the Federal Reserve Act did not prevent member banks from sending funds to New York banks, but merely provided that funds so sent could not serve as reserves.

Wetmore said the damage caused by the break in the New York Stock Exchange was not nearly as great as the recent real estate speculation.

Alexander said it was marvellous that 700 millions could be taken from the call loan market without any appreciably injury to agriculture and commerce.

The attempt to check stock exchange speculation by increasing discount rates was generally deprecated. Rue pointed out that higher discount rates meant higher call loan rates.

Alexander said C.S.H. was right in inferring that the Council did not intend to lay down as any rigid rule of procedure:  
1. Call loans. 2. Sell investments. 3. Rediscounts.

Alexander said the break on the stock exchange was caused by an inflation of stock values.

May 21, 1926. 1 to 6

Platt says he thinks the Council has taken no action as to C.S.H.'s reappointment, but that he had talked with many of them and that they were all unanimous in the feeling that C.S.H. should be reappointed, - especially Mr. Wetmore of Chicago and Mr. Coulton of Cleveland; that they all agreed that McFadden would be impossible.

May 24, 1926. 13

Miller tells C.S.H. that Warburg and Mitchell of Chicago had a resolution drawn in his favor for reappointment, which they wished the Council to pass (then in session, May 1924); that he objected on the ground that the Council had no right to make recommendations for office.

See - Miller.

Aug. 26, 1926. 113

Federal Advisory Council (Cont'd.)

Board has preliminary conference with Federal Advisory Council.  
Sept. 16, 1926. 122

Board meets formally with the Council.

The Council reported in favor of only one agency in Cuba, and rather dephically as to what Federal Reserve bank should have it.

Miller gave an address on his European trip.  
Sept. 17, 1926. 122, 123

The Council gathered for tomorrow's meeting.

Mr. Coulton fell down Treasury stairs and was taken to Emergency Hospital unconscious. Nov. 18, 1926. 155

Meeting of Council. Nov. 19, 1926. 155

Glass prepares a new chapter for his book, - the conference of May 1926, between Federal Reserve Board, Federal Advisory Council and Class A directors. Asks C.S.H. to look it over.  
Dec. 7, 1926. 161, 162

Federal National Bank

C.S.H. asks Gov. C. if the, objected to Curtiss as Chairman.

Gov. C. later said he had not, and spoke pleasantly about him if not enthusiastically. Dec. 15, 1926. 164

Federal Reserve Act

C.S.H. explains to Federal Advisory Council the effect of, on funds sent to New York correspondents, - that they could not serve as reserves, but they could still send them.  
May 21, 1926. 5

The Federal Advisory Council unanimously oppose any amendment prohibiting use of rediscounts for speculative purposes.  
May 21, 1926. 5

C.S.H. sends Glass suggestions after reading his book on Federal Reserve Act.  
Aug. 27, 1926. 114, 115

Federal Reserve Agent, New York

Board considers successor to Jay.  
See - Federal Reserve Bank, New York

Federal Reserve Agent, Assistant. 97, 99

See - Federal Reserve Bank, Atlanta.

**Federal Reserve Agents**

Board has conference with.

Nov. 14, 1926. 143

Give a dinner to Board with the Governors, at Metropolitan Club. C.S.H. and Vice President Dawes speak.

Gov. Norris presides. Nov. 11, 1926. 149

Board takes up appointment of, for 1927.

Reappoints all whose terms are expiring but votes to take up on January 15, 1927, question of advising some of them that they will not be designated for 1928.  
Dec. 15, 1926. 164, 165, 166

See - Curtiss

**Federal Reserve Bank of Atlanta**

Board directs Herson to examine, with the help of the Department of Justice, the bank especially as to all sales of collateral pledged by embarrassed banks.  
July 2, 1926. 71

Board confers with two agents of Department of Justice as to their examination of the Federal Reserve Bank of Atlanta, they to be appointed Assistant Examiners.

Gov. C. tells them of one case where the bank sold collateral pledged by the President to the wife of the President, to whom he had transferred all his property, for a nominal sum and also transferred to her its claim against the President's bank.

The Board directed them also to investigate all charge-offs for bad debts.  
July 7, 1926. 76, 77

See - McCrary

Herson tells Board that the practice of the Federal Reserve Bank of Atlanta to give an attendance fee to all directors who happen to come to meeting of the Executive Committee is common to all banks.  
July 7, 1926. 77, 78.

Federal Reserve Bank of Atlanta (Cont'd.)

Mr. Early, Cong. Hull and Cong. Byrne, call and discuss Caldwell's claim vs. Federal Reserve Bank of Atlanta. July 7, 1926. 78, 79

See - Early

Herson gives Board copy of a letter, taken from the files of the Federal Reserve Bank of Atlanta, from Under Secretary Winston to Gov. Wellborn, urging him to do all in his power to assist embarrassed banks, also copy of Gov. Wellborn's reply, dated July 20, 1926, giving a review of what the bank had done, also quoting a letter of Governor Wellborn, written some time ago, strongly praising his work. July 23, 1926. 91

Board appoints an Assistant Federal Reserve Agent for Atlanta bank. Gov. C. made the suggestion but Board did not act until Federal Reserve Agent Newton and Gov. Wellborn asked for it.

His duties will be to help the member banks put their paper into eligible shape and give them general assistance.

James at first approved this but voted against it in the Executive Committee meeting.

Finally he voted for it very reluctantly, saying nothing could be done until the whole Atlanta outfit was cleaned out. Aug. 3, 1926. 97, 98

Herson's report on Atlanta Bank was laid before the Board. It disclosed little that was new. It made some criticisms, some of real importance, but most of which were not vital.

He said in the report that there was no hope of satisfactory operation until the "one man power" - meaning Gov. Wellborn - was eliminated.

The report was referred to the Atlanta Committee.

James said he had read it and C.S.H. said he wanted to study it. Aug. 3, 1926. 98

Board appointed an Assistant Federal Reserve Agent for Atlanta in accordance with a request from Federal Reserve Agent Newton and Gov. Wellborn. Aug. 4, 1926. 99

## Federal Reserve Bank of Atlanta (Cont'd.)

C.S.H. files a memorandum asking that Herson explain his reference to "one man power" and state briefly just what his conclusions were as to the standard of efficiency of the Atlanta Bank.  
Aug. 4, 1926. 101, 102

James raised no objection to the inquiries made by C.S.H.  
Aug. 6, 1926. 102

The Atlanta Committee said that Gov. Wellborn, if reelected, would positively refuse to serve longer than to the end of 1927.  
Dec. 6, 1926. 161

See - Campbell  
Cuban Agency  
Hopkins

## Federal Reserve Bank of Boston

Boston directors ask C.S.H. to attend meeting next week.  
July 7, 1926. 79

C.S.H. attends meeting of Boston directors.  
July 14, 1926. 82, 83, 84

See - Bowman  
Cuban Agency

Board takes up question of a pamphlet issued by the Federal Reserve bank on the Federal Reserve System.

All agreed pamphlet was a very poor one.

Gov. C. and James wanted Board to notify every member bank in district of its disapproval.

Goldenweiser gave a memorandum of criticisms.

C.S.H. doubted powers of Board to interfere; that it was not a good article.

C.S.H. moved, as a compromise:

1. Bank be advised it should have submitted the article for approval before sending it out.
2. Copy of Goldenweiser's criticism be sent to bank.
3. Advise bank Board does not approve it in present form.

Federal Reserve Bank of Boston (Cont'd)

- 4. Bank to be told it should be revised before any further use made of it.

Goldenweiser suggested that he write a letter instead of his memorandum.

James said the memorandum should be sent.

C.S.H. pointed out that the memorandum stated that the pamphlet tried to diminish the importance of the Federal Reserve Board; that if the Board publicly assigned this as one reason of disapproval it would make us ridiculous throughout the country.

James said we were that already, but withdrew his objection and C.S.H.'s motion was passed.

July 23, 1926. 92, 93, 94

C.S.H. attends stockholders meeting of Federal Reserve bank and delivers an address.

Oct. 29, 1926. 142

See - Curtiss  
Cuban Agency  
Hamlin; Reappointment

Federal Reserve Bank of New York

Comptroller of currency says that McFadden wants passage of a resolution of investigation of Federal Reserve Board and Federal Reserve Bank of New York to show that their credit policy had caused prices to advance.

July 2, 1926. 70.

Curtiss tells C.S.H. that certain officers of, opposed C.S.H.'s reappointment, mentioning specifically Gov. Case.

July 14, 1926. 82

See - Case  
Curtiss

Board grants application of Capital National Bank for trust powers over protest of Jay and the directors.

Aug. 11, 1926. 104

Gov. C. says that directors of Federal Reserve Bank of New York adjust discount rates solely with a view to the condition of the New York Stock exchange market.

Aug. 11, 1926. 107

See - Discount rates



## Federal Reserve Bank of New York (Cont'd.)

Board approves application of Federal Reserve Bank to increase discount rates from  $3\frac{1}{2}\%$  to  $4\%$ .

Aug. 12, 1926. 108

See - Discount rates

Miller and James seem determined never to grant any request of the Federal Reserve Bank of New York.

Oct. 5, 1926. 127

Sec. Mellon tells C.S.H. he is much disturbed as to the lack of confidence of certain members in the directors of the Federal Reserve Bank of New York.

Oct. 5, 1926. 127

Miller says he would have been disposed to agree to the  $6\%$  minimum rate for purchase of bills from the Bank of Belgium, if the directors of the Federal Reserve Bank of New York had treated with respect the suggestion of the Board as to eliminating commissions.

Oct. 19, 1926. 132

Miller tried to have Board's minutes on the Belgian agreement changed so that it would not show that Board authorized the Federal Reserve Bank of New York to enter into a consortium with European central banks as to the Belgian credit.

Miller said he would never agree to the Federal Reserve bank entering such a consortium.

C.S.H. objected to changing the records, pointing out that the Board had approved this consortium.

Oct. 20, 1926. 137

Board considers successor to Jay as Chairman and Federal Reserve Agent.

Miller said Warburg should be offered it.

James said the New York district should report on this.

C.S.H. suggested Alexander as a possible choice.

As Platt was away, nothing further was done.

Dec. 3, 1926. 158

Gov. C. seems enthusiastic for Warburg.

Miller asked C.S.H. to come into his office.

He was enthusiastic for Warburg.

Federal Reserve Bank of New York (Cont'd.)

He said the New York directors had suggested Gov. Case, Harrison and Burgess; that Gov. Case did not want it but would take it as a matter of duty, if offered; that Harrison did not want it; that the New York directors really wanted Burgess; that Burgess was a good man for Federal Reserve Agent, but would be dominated by Gov. Strong if made Chairman.

C.S.H. said that of course Warburg was eminently qualified for the place but he feared he would not work in cooperation with Gov. Strong; that while the Federal Reserve Act looked on the Chairman as the highest officer, a status had been created in New York where Strong was a potent factor, perhaps overbalancing Jay, although they cooperated together perfectly; that he feared Warburg would seek to dominate Strong, and, with his lack of tact, there might be trouble from the start; that no one should be appointed offensive to Gov. Strong or to the directors.

C.S.H. also said he regarded Burgess as well qualified, and he felt he would cooperate with Gov. Strong; that in view of the existing status at New York, he felt the Board should carefully consider whether Burgess would not be the best man; that he believed Gov. Strong would cooperate with him without dominating him.

Miller said that Alexander refused to take Warburg back into his bank after he had left the Federal Reserve Board on the ground that he did not want any director who had been closely affiliated with a prominent banking house such as Kuhn, Loeb & Company. Dec. 4, 1926. 158, 159, 160

C.S.H. then went in to see Sec. Mellon.

Sec. Mellon strongly favored Burgess and seemed rather disturbed at the suggestion of Warburg. He said he would tell Gov. C. he wished to be present when the matter was taken up. Dec. 4, 1926. 160

C.S.H. believes the appointment of Warburg would throw the New York bank into confusion and that probably Gov. Strong would resign, altho he believes Warburg is qualified for the position. Dec. 4, 1926. 160

C.S.H. believes James and Miller will do anything to thwart the New York directors. Dec. 15, 1926. 167

C.S.H. leaves for New York to confer with the New York directors and attend the Jay dinner. Sunday, Dec. 19, 1926. 178

Federal Reserve Bank of New York (Cont'd.)

C.S.H. spends day at Federal Reserve Bank, New York

Drove from University Club with Mr. Treman, a director.

Has an informal conference with Open Market Committee.

All of the Open Market Committee except Gov. H. were present.

Gov. C., Miller, and Platt were also there.

We lunched together at 1 p.m. and later attended meeting of Executive Committee.

At 7:30 we attended the dinner to Jay at the University Club.

Miller did not attend the dinner, pleading an "engagement in Washington in the evening."

Miller dislikes Jay so that he evidently does not wish to dine in his honor. He did, however, stay for the lunch.

Gov. C. said he was too ill to attend the dinner.

At the dinner there were about 50 in all.

C.S.H. spoke, and also Platt, Owen Young, Treman, Gilbert and Gov. Case. Gov. Calkins and Federal Reserve Agent Newton came on from San Francisco for the dinner, returning the next day.

C.S.H. left for Washington on the midnight train.  
Dec. 20, 1926. 179

Board took up consideration of salary increases recommended by the New York directors.

C.S.H. moved approval of the proposed increase in salary of Burgess, Assistant Federal Reserve Agent from \$10,000 to \$15,000.

Miller and James strenuously opposed this.

Lost on tie vote:  
Aye: Gov. C., Platt, C.S.H?  
No: Miller, James, Cunningham

Finally Miller suggested a \$3000 increase which was voted.  
Dec. 22, 1926. 180

## Federal Reserve Bank of New York (Cont'd.)

C.S.H. feels that the New York directors, who all wanted Burgess to succeed Jay, will take this as a direct blow at them, - which was undoubtedly what was intended by Miller and James.  
Dec. 22, 1926. 180

C.S.H. moved approval of proposed increase of salary for Philbin, Assistant Counsel and Secretary of the Bank, from \$7500 to \$9000.

C.S.H. said Wyatt did not approve this increase for his services as Counsel but said he thought the work as secretary warranted this increase of \$1500.

## Lost on vote:

Aye: C.S.H., Platt

No: Miller, James, Cunningham

Not voting: Gov. C.

Dec. 22, 1926. 180, 181

Board considers recommendation to increase the salary of the Chief Engineer from \$6500 to \$7000 and of the Superintendent of the building from \$9000 to \$10,000.

The Committee on Expenditures reported these to the Board without recommendation.

The majority at first voted against both recommendations, but finally directed Eddy to ascertain from outside sources, and not through the Bank, what salaries were paid in other comparable buildings in New York.

There was another slap at the directors.

Dec. 28, 1926. 183

Board, at Miller's request, takes up the report of Goldenweiser that Carl Snyder, Statistician, be dropped from the rolls of the Federal Reserve Bank.

Dr. Stewart also, it seems, had made a similar report.

Miller said Snyder was an able man and that his work on production and price trends was well done and may be of future importance; that he was not sure that Snyder's predictions were not correct, but that it was not work the Federal Reserve Bank should undertake.

C.S.H. and Platt said the Board had no authority to forbid a Federal Reserve bank engaging in this kind of statistical work, if it desired to do so, and pointed out the valuable work of Snyder on the bi-weekly summaries issued by the Bank.

Federal Reserve Bank of New York (Cont'd.)

Miller moved to approve the recommendation of Goldenweiser.

On vote, this was passed:

Aye: Gov. C., Miller, James, Cunningham.

No: C.S.H., Platt

Dec. 28, 1926. 183, 184

C.S.H. can not avoid the feeling that Dr. Stewart and Goldenweiser are professionally jealous of Snyder, as his work is quoted over the country more than any work of our Statistical Division. Dec. 28, 1926. 184

Board grants Gov. Strong leave of absence with full pay until April 1, 1927. Gov. Strong has gone to Asheville, and is in close touch with the Federal Reserve Bank.

C.S.H. thought James would oppose this, but, on the contrary, he asked C.S.H. to make the motion and it was carried unanimously. Dec. 28, 1926. 184

The Board voted informally not to reappoint Mr. Sanders as Class C director, although practically all of the directors asked us to do it. The majority felt that his age - 72 - and the fact that he had served three terms, was good reason for a change.

C.S.H. and Platt voted in favor of reappointing him. Dec. 31, 1926. 185

In the afternoon the Board took up again the appointment of Jay's successor.

Sec. Mellon was present.

C.S.H. presented Burgess' name and gave a sketch of his life.

Sec. Mellon warmly praised Burgess and hoped he would be appointed.

Platt suggested Gates McGarrah as a better man.

Adjourned without action.

Dec. 31, 1926. 185

See also - Belgium  
Cuban Agency  
Discount rates  
Open Market Committee

## Federal Reserve Board (Cont'd.)

McFadden writes Board as to the dispute over the McFadden bill in the Conference Committee, and asks the Board to give him its opinion of the Hull amendment.

James and Cunningham said they rather favored the Hull amendment; the other members were opposed to it.

All agreed, however, that there would be no bill unless the Hull amendment was eliminated.

We finally voted to advise him that we believed it should be eliminated.

June 2, 1926. 24

The Comptroller said McFadden was embarrassed by the Board's reference to his letter, and wanted us to write another, which the Board voted to do.

It seems to C.S.H. extraordinary for our Board to address a letter to a Conference Committee.

June 3, 1926. 25

With Governor C. and Cunningham ill, and Miller abroad, the Board is all shot to pieces.

June 19, 1926. 46

Gov. C. says that Hoover once told a representative of the Whaley service that he really controlled the Federal Reserve Board.

July 2, 1926. 70

All members of the Board except James congratulate C.S.H. on his reappointment.

July 2, 1926. 71

Suspicion and distrust of Federal Reserve Bank, New York, by certain members of the Board.

Granting application of National City Bank, N. Y. for trust powers.

Aug. 11, 1926. 104

Gov. C. says New York directors adjust discount rates solely with reference to the New York Stock Exchange.

Aug. 11, 1926. 145

Miller and James seem determined never to grant any request of Federal Reserve Bank of New York.

Oct. 5, 1926. 127

## Federal Reserve Board (Cont'd.)

## Suspicion and distrust (Cont'd.)

Sec. Mellon is much disturbed as to attitude of certain members towards Federal Reserve Bank of New York.  
Oct. 5, 1926. 127

Miller says he would have been disposed to vote for the 6% minimum rate on Bank of Belgium bills had it not been for the discourteous treatment by the New York directors of the Board's suggestion of eliminating charge of commissions on Belgian credit.  
Oct. 19, 1926. 132

Action of Board members in opposing Burgess for successor to Jay.

Gov. C. says Board can appoint Burgess if it wishes to be dominated by Federal Reserve Bank of New York.  
Dec. 6, 1926. 161

Refusal to hold Open Market Committee meeting in New York on day of Jay dinner.  
Dec. 15, 1926. 166

Refusal of Miller and James to attend Jay dinner.  
Dec. 9, 1926. 179

Refusal to increase Burgess's salary.  
Dec. 22, 1926. 180

Refusal to increase Philbin's salary.  
Dec. 22, 1926. 181

Refusal to increase salaries of Chief Engineer and Superintendent of New York building.  
Dec. 28, 1926. 183

Directing Eddy to find out about salaries of similar officers in New York buildings by himself without knowledge of the directors.  
Dec. 28, 1926. 183

Vote of majority to discontinue the services of Carl Snyder, statistical expert of Federal Reserve Bank of New York.  
Dec. 28, 1926. 183, 184

Refusal to reappoint Mr. Saunders as Class C Director.  
Dec. 31, 1926. 185

See - Campbell  
Cuban Agency  
McCrary

Federal Reserve notes

Curtiss tells C.S.H. he does not believe that, should be issued in Cuba either by Boston or Atlanta.

June 8, 1926. 32

See - Cuban Agency

Gov. Harding writes C.S.H. that his bank did not wish to put out its own, in Cuba, and that Atlanta should be directed to retire its, now in circulation in Cuba.

June 9, 1926. 36

Gov. Harding tells C.S.H. that his directors would fully approve if C.S.H. should move that Boston's Cuban Agency be discontinued and Atlanta given the sole functions provided that Atlanta keep in hand an adequate supply of lawful money and should turn back to the Federal Reserve Agent all Federal Reserve notes now in circulation in Cuba as fast as they came in.

June 20, 1926. 48

Platt reads letter from a New York banker stating that Atlanta was keeping an insufficient supply of currency in Cuba, and begging the Board to have it increased.

C.S.H. said he was ready to move the appointment of Magruder as Assistant Federal Reserve Agent, as recommended by James in his report, so that a supply of unissued Federal Reserve notes could be kept in Cuba for an emergency.

James objected saying the "set up" was so unfit (referring to Gov. Wellborn, McCrary and Campbell) that nothing should be done until it was cleaned out.

June 22, 1926. 53, 54

Board asks Eddy to wire Federal Reserve Agent Newton and ask just what currency he now has in Cuba.

C.S.H. says he will make his motion tomorrow.

June 22, 1926. 54

C.S.H. states to Board the position of the Federal Reserve Bank of Boston, as told him by Gov. Harding, in opposition to the continuance of Federal Reserve notes in circulation in Cuba.

July 7, 1926. 79

The Directors of Federal Reserve Bank of Boston tell C.S.H. that if the Federal Reserve notes were to be maintained in circulation in Cuba they should prefer to give up the Agency.

July 14, 1926. 82



## Federal Reserve notes (Cont'd.)

The directors asked Gov. Harding to ask the Federal Reserve Board to keep them advised each week of the amount of funds the Atlanta Bank had in Cuba.

July 14, 1926. 83

At the Board's hearing on the Cuban Agency, Curtiss, on behalf of the Federal Reserve Bank of Boston, said that if Federal Reserve notes were to be kept in circulation in Cuba, his bank desired to give up its agency there.

Nov. 12, 1926. 146

## Fiduciary powers

See - Capital National Bank

## First National Bank, Boston 25

See - Chase

Cuban Agency

See also - Wing

## Fiscal Agency

Board decided that Gov. Strong's expenses in Europe testifying before a Parliamentary Committee were a proper charge against the Federal Reserve Bank of New York as fiscal agent, it being approved by Sec. Mellon.

July 20, 1926. 88

## Forbes, War Veterans Bureau

Sen. Walsh, at dinner at Justice Brandeis', said that the Committee investigating Forbes came across a trail of corruption involving Mrs. Votaw, President Harding's sister, and that they declined to follow it up.

Dec. 9, 1926. 163, 164

## Forest Hills Cemetary

See - Hamlin, Anna

## Fourth-First National Bank

See - Caldwell

Early

78

## Franc

Miller says, addressing the Federal Advisory Council, that Poincaré can never stabilize the franc.

Sept. 17, 1926. 122

## France

See - Harrison

Miller

Fraser, Mrs.  
We lunch with.  
Dec. 19, 1926. 178

Fuller, Gov.  
Defeats Gaston by 187,000.  
Nov. 3, 1926. 143

Fuller, Mrs. George  
Gov. Fuller owed his large majority over Gaston because his wife  
is a Catholic.  
Nov. 3, 1926. 143

-G-

Galt, Mrs.  
Mrs. Wilson takes a drive with Mrs. Galt.  
June 25, 1926. 58

Gaston, W. A.  
Defeated for Governor by Gov. Fuller by 187,000.  
Nov. 3, 1926. 143

Mrs. Wilson says C.S.H. did the right thing in voting for.  
Nov. 4, 1926. 144

H.P.H. could not vote for.  
Nov. 4, 1926. 144

Germany  
See - Miller, Adolph

Gilbert, S. Parker  
Offers Jay a position on Dawes Transfer Committee which Jay accepts.  
Attends Jay dinner and speaks.  
Dec. 20, 1926. 179

Gillette, Sen.  
Tells Glass he will call on President Coolidge at once and ask him  
to reappoint C.S.H.  
May 26, 1926. 14

Telephones Sec. Mellon and urges C.S.H.'s reappointment.  
June 1, 1926. 21

C.S.H. tells Comptroller that, has indorsed him for reappointment.  
June 2, 1926. 24

## Gillette, Mrs. Senator

Nancy Warren tells H.P.H. that, told her that Mrs. Sen. Butler wanted her to lunch in Boston at the Woman's Republican Club for the day after election; that at great inconvenience she came in from Worcester, but that Mrs. Butler never appeared and the guests finally lunched together without her; that she received word of the postponement only the day after; that she was very angry.

Dec. 25, 1926. 182, 183

## Glass, Sen.

We dine with Mrs. Wilson at the Woman's Democratic Club to hear Dame Rachel Crowdy of the L. of N. speak on the opium question. Sen. Glass and Mrs. Banister were also at dinner.

May 26, 1926. 14

Glass said he had talked with Sen. Gillette who agreed to call on President Coolidge at once and urge him to reappoint C.S.H.

May 26, 1926. 14

Glass said he had written Sen. Bruce and Sec. Mellon urging prompt action.

May 26, 1926. 14

Glass said everything looked promising; that while Coolidge had not specifically promised to reappoint C.S.H., he had indicated that he would and that Sec. Mellon had specifically so promised.

May 26, 1926. 14

C.S.H. writes Glass telling him of the rumor about Gov. Morss and pointing out that he is really the only Democrat on the Board and that not to appoint him would be a clean sweep for Republicans. H.P.H. typewrote the letter and we kept a copy.

May 31, 1926. 20

C.S.H. tells Glass and says Curtiss says he knows Gov. Morss would not accept it.

June 1, 1926. 21

Glass said Gillette has telephoned Sec. Mellon, who said he would take the matter up shortly.

June 1, 1926. 21

Glass says he is very hopeful; that it would be a crime not to continue to avail of my 12 years service on the Board; that he would do his best to expedite the matter.

June 1, 1926. 21

C.S.H. begins to lose hope as Glass and other Democrats are opposing the confirmation of the 13 appointments to the new tax appeal Board, and Coolidge had to withdraw his nominations of two Federal Judges for Aslaska, and also a U.S. Marshall because of the opposition of the anti-saloon League.

June 5, 1926. 27, 28

## Glass, Sen. (Cont'd.)

We dine at the Mayflower with Mrs. Banister; Sen. Glass was also there, and Ray Stannard Baker.

June 7, 1926. 33

Glass says he is preparing an article demolishing Col. House's claim to authorship of the Federal Reserve Act; that he would handle House without gloves were it not for the fact that he had one of his sons transferred from the front to the Paris Commission.

June 7, 1926. 33, 34

Glass said the order of transfer was given to his son just as he was entering on an engagement with his regiment; that his son gave the order back saying, "Keep this until the engagement is over. If I come out alive then you can give it to me."

June 7, 1926. 34

Glass spoke of President Wilson's determination to call for Miller's resignation after the controversy as to cutting down the number of Federal Reserve banks. He said the President wanted him to take Miller's place on the Board, but that he declined and strongly urged him to make no change at that time, as it would be claimed that it was political.

June 7, 1926. 34

Glass said he wrote Delano a letter objecting to the cutting down, which Attorney General Gregory borrowed a copy of, using it in his opinion.

June 7, 1926. 34

Glass said he liked Delano and thought he would make a valuable member of the Board, but that he was gravely disappointed in him. He said he was very glad to learn from C.S.H. how Delano had come to respect President Wilson and his enthusiasm for the L. of N.

June 7, 1926. 35

C.S.H. tells Glass that Sec. Mellon has gone away for three weeks. Glass said he had no news but would write Coolidge today and urge him to send in C.S.H.'s name at once.

June 19, 1926. 45

Winston tells C.S.H. that Glass was about the only man to act as a friend of the Administration in fighting the bill to purchase more silver bullion.

June 22, 1926. 55

Glass calls up Platt and says the Senate will never yield on the McFadden bill.

June 25, 1926. 58

## Glass, Sen. (Cont'd.)

Platt says the Comptroller told him that Sec. Mellon wished him (Platt) to talk with Glass and urge him to yield in his opposition to the Hull amendment.

Platt said the trouble was that Glass would have to accept the whole H.R. bill, which Glass, he was certain, would never do.  
June 25, 1926. 58

Glass tells C.S.H. he will find out today about his appointment and will let him know at once. June 25, 1926. 58

Glass calls up C.S.H. at 3 p.m. at the Lee House, stating that he had a frank talk with Sec. Mellon, who gave him his word that he would take up the matter at once with Coolidge and said, confidentially, that he had not the slightest doubt but that C.S.H.'s name would be sent to the Senate at once.  
June 26, 1926. 60

The Comptroller asks C.S.H. to call up Glass and see if he would not yield on the Hull amendment to the McFadden bill.

C.S.H. did this and Glass said that even if he were willing to yield, the Senate never would.

Glass said C.S.H. could say to the Comptroller that the Conference Committee would agree on a bill, but that the Comptroller should drop the Hull amendment.

C.S.H. told this to the secretary of the Comptroller, the latter being out at lunch.

June 29, 1926. 61

Glass tells C.S.H. he has heard nothing more about C.S.H.'s appointment.  
June 29, 1926. 61

C.S.H. asks Glass if he considers that Sec. Mellon gave him an absolute promise as to him. Glass replied, "Unqualifiedly yes!"  
June 29, 1926. 61

Sec. Mellon tells C.S.H. he assumes there will be no trouble in the Senate as to his confirmation.

C.S.H. said Glass had told him there would be no trouble whatsoever.  
July 1, 1926. 67, 68

Glass telephones C.S.H. at Lee House at 5 p.m., stating that C.S.H.'s nomination had been sent to the Senate; that he had already polled the members of the Banking and Currency Committee; that every member had agreed that Glass could move, at the next executive

Glass, Sen. (Cont'd.)

session, for unanimous consent for confirmation of C.S.H. without reference to the committee.

Glass said there will probably be no executive session today, Thursday, but that there would surely be one tomorrow.

Glass added, "It will go through promptly. It is all right." Thursday, July 1, 1926. 69

Glass calls C.S.H. up and tells him that he brought his name up before the Senate and asked unanimous consent but that Sen.Heflin objected and that this objection threw the matter over until tomorrow, when he could make the motion without unanimous consent and he felt it would go through all right.

He said the Democrats all expressed their feelings to Heflin and deplored his action.

Heflin said he wished to get in touch with John Skelton Williams before he would consent to vote for C.S.H. Friday, July 2, 1926. 72

C.S.H. calls up Glass who said that great pressure had been brought to bear upon Heflin and that he had agreed to withdraw his opposition. Sat. July 3, 1926. 72

C.S.H. sends Glass a letter for him to use if C.S.H. were attacked for deflation of the farmer in 1920. C.S.H. pointed out that at the time of Federal Reserve Board convention in May, 1920, he was in the hospital and did not know of the convention until months later; that he also thought John Skelton Williams would not oppose his confirmation; that we had worked together in the Board to make factors paper eligible; that altho we had a radical falling out just before he left the Board over the letters he had written and published attacking the Board, C.S.H. thought he would not harbor any personal feeling about this, as he had seen him once or twice since and he seemed to harbor no resentment. C.S.H. also sent Glass a copy of Williams' letter to him after Anna's death.

C.S.H. also reminded Glass that he had a farm, that his father as a young man was a farmer, as also his grandfather and great-grandfather; that for 25 years he and H.P.H. had been active members of the Grange. Sat. July 3, 1926. 72

## Glass, Sen. (Cont'd.)

C.S.H. called up Glass at 1:30 and told him of Sen. Heflin's talk on the telephone.

Glass said he was much pleased altho he knew Heflin had promised to withdraw his opposition; that this would make C.S.H.'s confirmation certain and that he would go right over to the Senate and try to arrange it.

Sat. July 3, 1926. 74

Glass telephones at 2:30 p.m. that C.S.H. had just been confirmed without a ripple.

C.S.H. asked if reconsideration was possible.

Glass said no, not for 10 years, as notice to the White House had been ordered, thus preventing any motion to reconsider.

Sat. July 3, 1926. 74

C.S.H. receives a charming not of congratulation from Glass.  
(See scrap book.) July 16, 1926. 85

Glass calls C.S.H. up and later sent him the manuscript of his book on the Federal Reserve Act, asking C.S.H. to read it and make any suggestions which might occur to him.

It is really wonderfully done and tears House and Seymour to pieces.  
Aug. 27, 1926. 114

C.S.H. sends Glass a number of suggestions. The most important were:

1. Strike out the statement that Wilson originally distrusted Sen. Swanson.
2. Change the statement that "Wilson so operated on the vanity of a Congressman that he left him thinking Glass was to be deposed, etc." and substitute, "Wilson was so persuasive and skilled in reasoning, etc."  
(See scrap books for full letter to Glass.)

Aug. 27, 1926. 114, 115

Ray Stannard Baker, lunching with C.S.H., said he thought that Glass in his opening chapters, had treated House and Seymour rather roughly and that it might defeat his desire to obtain from House the Wilson letters.

Oct. 22, 1926. 139

Baker said Mrs. Wilson had told him she had not read Glass' manuscript.

Oct. 22, 1926. 139

Glass, Sen. (Cont'd.)

Glass calls at C.S.H.'s office. He said that while he had great respect for Gov. Al Smith and should, of course, support him if nominated, nevertheless he felt his nomination would mean certain defeat; that he was a wet and a Catholic; that he could not carry a single southern state except Louisiana; that his wet record would make every southern Pastor denounce him from the pulpit.  
Nov. 13, 1926. 151

Glass asks C.S.H. to read over a new chapter for his book, - on the Convention of May 1920, between the Federal Reserve Board, the Federal Advisory Council, and the Class C Directors.

C.S.H. went over this carefully. Dec. 7, 1926. 161, 162

Glass calls in the evening on C.S.H.

C.S.H. points out that in his new chapter, Glass says the Board can fix rates only after the Federal Reserve bank has submitted them for approval; that Glass is in error as the Attorney General ruled in 1919 that the Board can fix rates on its own initiative.

Glass said he had no recollection of this and C.S.H. pointed out that this opinion was given while Glass was Secretary of the Treasury, and at his earnest request.  
Dec. 7, 1926. 161, 162

Glass said Doubleday, Page & Co. had shown him an opinion of their Attorney that certain phrases in his history of the Federal Reserve Act were libellous; that they did not worry about the matter as Glass had contracted to save them harmless from any libel suit. Glass said he had already softened some of the expressions the Attorney referred to, but he would be ready to respond to a libel suit as to the rest.  
Dec. 7, 1926. 162

C.S.H. said to Glass that he had always supposed that Seymour was friendly to Wilson.

Glass said this was no so; that Col. House, without the knowledge or consent of Wilson, had arranged for his son-in-law Auchincloss and Seymour to go over on the "George Washington"; that Wilson learned of this only when the ship was well out; that Wilson was very angry and at first almost decided to order the ship back to the dock and order them ashore.  
Dec. 7, 1926. 162

Glass said Mrs. Borden Harriman had told him that her kinsman Harry Payne Whitney, came to Washington to beg her to use her influence with Sen. Walsh to cancel the subpoena served on him to testify before a Senate Committee, saying that if he did



Glass, Sen. (Cont'd.)

testify he would have to say, of his own knowledge, that President Harding owed over \$200,000 as the result of oil speculations; that Sen. Walsh had the subpoena cancelled.  
Dec. 7, 1926. 162, 163

Glass attends the dinner to Jay tendered by the directors of the Federal Reserve Bank of New York.  
Dec. 20, 1926. 179

Goldenweiser

James says, was "assulted" by some members of the Board, - presumably referring to certain civil questions put to him by C.S.H. and others on the Cuban Agency.  
May 21, 1926. 2

Gives Board a memorandum of his criticisms of the pamphlet issued, without prior approval of the Board, on the Federal Reserve System.  
July 23, 1926. 92

Suggests that he prepare a letter to be sent to Curtiss instead of his memorandum.

James insists on sending the memorandum.

C.S.H. points out that the memorandum, among other things, states that the article attempts to belittle the Federal Reserve Board, and that to publish it would make the Board ridiculous.

This latter argument finally prevailed.  
July 23, 1926. 93, 94

Favors an increase in discount rate at New York, but not on any commercial or industrial necessity, but merely to control stock speculation.  
Aug. 4, 1926. 99

Reports in favor of dropping Carl Snyder from rolls of Federal Reserve bank of New York. Dec. 28, 1926. 183, 184

C.S.H. fears professional jealousy is at the bottom of this, as Snyder's articles are more widely read than any put out by our Statistical Division.  
Dec. 28, 1926. 184

Governors Conference

The Governors and Federal Reserve Agents jointly give a dinner to the Board at the Metropolitan Club.

Gov. Norris presides and Vice President Dawes, C.S.H., et als speak  
Nov. 11, 1926. 149

Great Britain  
See - India  
Miller

Gregory, Ex-Attorney General  
Uses a letter of Glass to Delano in preparing opinion on right  
of Board to cut down the number of Federal Reserve banks.  
June 7, 1926. 34

-H-

Hale, Mrs. Chandler  
C.S.H. tells, over the telephone that Gertrude Myer has  
dismissed her Attorney in violation of the promise given  
by her to C.S.H.

Mrs. Hale said she had told her sister, Mrs. Rogers, what I told  
her, and that Mrs. Rogers was very indignant, saying that  
Gertrude had never consulted her as to inviting C.S.H.  
to move into her (Gertrude's) house until Bertie arrived  
in Washington.  
Nov. 24, 1926. 156

Very respectfully,  
J. M. [Name]  
[Address]

Mr. [Name],  
[Address]

Dear Sir:  
I have the honor to acknowledge the receipt of your letter of the 15th inst. in relation to the [subject] and in reply to inform you that the same has been forwarded to the [authority] for their consideration. I am, Sir, very respectfully,  
Yours truly,  
[Name]

Hamlin, C. S.

Reappointment to Federal Reserve Board.

1. If not appointed within a few days I shall feel that for political reasons Coolidge will not appoint me at all. May 22, 1926. 9
2. C.S.H. tells Tyler- who had asked if a Clayton Act bill could not be introduced next winter, - that he may not be on the Board then as his term expires on Aug. 9.  
  
Tyler was greatly astonished and said Coolidge could not do otherwise than reappoint me. He added that he would at once get Sen. Moses and some of the larger banks interested. May 24, 1926. 12
3. C.S.H. tells Tyler that he will not lift a finger in his own behalf; that, naturally, any who were interested had the right to do anything they pleased, but without any suggestion from C.S.H. either directly or indirectly. May 24, 1926. 12
4. Platt tells C.S.H. he feared the Federal Advisory Council had taken no action about C.S.H.'s appointment but that he had talked with many of them and that they were unanimously in favor of C.S.H., - especially mentioning Mr. Wetmore, the President, and Mr. Coulton of Cleveland; that they all regarded McFadden's candidacy as absolutely impossible. May 24, 1926. 13
5. Gov. C. tells C.S.H. that Eddy told him that Sen. Pepper was being seriously considered. He thought, however, that this rumor was absurd, as Pepper would have to resign from the Senate in such event, which would necessitate a new election or a temporary appointment of his successor by Gov. Pinchot, which clearly the administration would not want. May 24, 1926. 13
6. Glass tells C.S.H. that he talked with Sen. Gillette yesterday; that he had agreed to call on Coolidge at once and ask him to send in C.S.H.'s name. May 26, 1926. 14
7. Glass said he had written Sen. Bruce and Sec. Mellon, urging prompt action. May 26, 1926. 14
8. Glass said everything seemed all right; that while Coolidge had not in so many words promised to reappoint C.S.H., yet had indicated that he would; that Sec. Mellon had unequivocally so promised. May 26, 1926. 14

Hamlin, C. S. (Cont'd.)  
Reappointment to Board (Cont'd.)

9. Eddy tells C.S.H. that he had heard a rumor that Gov. Morss, of Boston, wanted the appointment.

C.S.H. can scarcely credit this for Morss resigned as Governor of the Federal Reserve Bank of Boston because of ill health, and has since kept out of all business matters.

Morss was once a director of Wing's bank and presumably would have his support if he wanted it.

Morss's appointment would probably please Sen. Butler, as he is a Republican.

May 27, 1926. 15

10. Gov. C. tells C.S.H. that he reminded Sec. Mellon that C.S.H.'s term expired August 9 and that if a new appointment were not made before Congress adjourned, only a recess appointment could be given; that he said he knew this and would talk with him about it in a few days.

May 27, 1926. 16

11. Eddy tells C.S.H. he first heard of the Gov. Morss rumor in Chicago some weeks ago.

May 29, 1926. 16

12. Cunningham told C.S.H. he heard Gov. Morss's name mentioned while the Federal Advisory Council was here but said no one seriously considered it as Gov. Morss had given up all business and wanted quiet and rest.

May 29, 1926. 16

13. Cunningham said he was to see President Coolidge on Tuesday on another matter, and if he got a chance he would speak his mind freely. He said he saw him yesterday and tried to lead up to it but the other matter blocked his way.

May 29, 1926. 16

14. Cunningham said he saw Coolidge in February and told him he always went to Miller and C.S.H. for advice, and spoke especially of the courtesy and fairness of C.S.H.; that Coolidge replied, "They are two fine men."

May 29, 1926. 17, 18

15. Cunningham said if C.S.H. were not reappointed it would be simply because he was a Democrat, - and that he considered this very poor Republican politics.

May 29, 1926. 18

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

16. C.S.H. went over the Mass. situation with Cunningham, telling him, in strict confidence, that if not reappointed, he might very probably be drafted to run as Governor, thus bringing the whole Democratic Party into harmony as against Sen. Butler.

May 29, 1926. 18

17. Cunningham said that Butler undoubtedly was guided purely by selfish interests, but that he could not see how he could view the situation in any other way than favorably to C.S.H.'s appointment.

May 29, 1926. 18

18. Cunningham also said he would let Coolidge know that C.S.H. was a farmer and a Grange member.

May 29, 1926. 18

19. Cunningham said that he had perfect confidence that, if reappointed, C.S.H. would have no opposition in the Senate.

May 29, 1926. 18

20. C.S.H. fears that Butler and Wing may have appealed to Gov. Morss's vanity, holding out the bait of the Governorship.

C.S.H. feels that Gov. Morss's appointment would be considered by many as a good one, altho he is a very narrow man. He has always fought for the right of the banks against the Board, has always opposed rate reductions, and favored rate increases.

C.S.H. feels that he would stand with Miller for deflation and would give Sec. Mellon trouble from the start.

21. He has several times told C.S.H. that he was tired out, had retired from business, and wanted a complete rest. He resigned as Governor of the Federal Reserve Bank of Boston some years ago, because of ill health, completely broken down.

May 29, 1926. 18, 19

22. Gov. Morss was born July 13, 1857 and is now about 69 years of age. C.S.H. believes he would accept the position only upon the distinct understanding that it would be only for a short time and that he would be at liberty to resign at any time.

May 29, 1926. 19

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

- 23. C.S.H. fears that everything will be done to put a Democrat and a Republican in and hopes Coolidge will see the folly of this.  
May 29, 1926. 19
- 24. C.S.H. writes Glass about the rumor as to Gov. Morss, and points out that he is the only pure Democrat on the Board; that to appoint a Republican would be to make a complete sweep of the Board; that Miller was appointed originally as an Independent, that James, altho nominally a Democrat, told C.S.H. he had voted for President Harding; that Gov. C. voted for Harding, and the others were simon pure Republicans.
- 25. H.P.H. wrote this on the typewriter and C.S.H. kept a copy.  
May 30, 1926. 20
- 26. Curtiss calls up C.S.H. and says Bowman has sent a strong letter to Attorney General Sargent.  
June 1, 1926. 21
- 27. C.S.H. told Curtiss of the Gov. Morss rumor. Curtiss said there was nothing in it. C.S.H. asked if he was sure of this and Curtiss said "Positively yes. I know he would not take it even if offered to him."  
June 1, 1926. 21
- 28. C.S.H. called up Glass and told him as to above.  
Glass said Sen. Gillette had telephoned Mellon who said he would take up the matter very shortly.  
June 1, 1926. 21
- 29. Glass told C.S.H. he was very hopeful; that it would be a crime not to continue to avail of C.S.H.'s services, and that he would do all he could to expedite matters.  
June 1, 1926. 21
- 30. Cunningham told C.S.H. that his appointment with Coolidge had been postponed, but that he would see him within a day or two. June 1, 1926. 21
- 31. Cunningham said he had talked with several men high up in Republican politics within the last two days, and that they all said the betting was on C.S.H.  
Cunningham is most kind and loyal.  
June 1, 1926. 21

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

32. Curtiss calls up C.S.H. and says Tyler has told him that McFadden had seen him in Boston and asked his support for C.S.H.'s place.  
June 2, 1926. 24
33. C.S.H. tells above to the Comptroller who said Sec. Mellon told him that the thought of appointing McFadden was ridiculous; that Mellon was very bitter because McFadden had kept Brewer in the employ of his Committee after his charge against Mellon of bond duplications.  
June 2, 1926. 24
34. C.S.H. told Comptroller that Sen. Gillette has asked Mellon to appoint C.S.H. The Comptroller said he knew that Butler had done the same  
June 2, 1926. 24
35. C.S.H. is beginning to lose hope as Glass and other Democrats are fighting the confirmation of the 13 appointments to the new Tax Appeal Board, the judges nominated for Alaska, which Coolidge had to withdraw, and also a U. S. Marshall, because of the opposition of the Anti-Saloon League.  
June 4, 1926. 27, 28
36. C.S.H. sometimes fears that Coolidge intends to make no appointment before Congress adjourns, when he can give a recess appointment to some Republican who could then hold office until the end of the next session of Congress. C.S.H. hopes this will not prove true in fact.  
June 5, 1926. 28
37. Cunningham tells C.S.H. that he had heard definitely a couple of days ago, that his appointment had been all "set up" and that Coolidge was to decide just when to send his name to the Senate.
- C.S.H. said, "Are you sure of this?" and he replied, "Absolutely. You need not worry further. You are a lucky man!"
- He did not tell C.S.H. the source of his authority, but C.S.H. feels he must have got it from Coolidge as he told C.S.H. some time ago he was to see Coolidge last week.  
June 7, 1926. 28, 29



Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

38. Tyler called up C.S.H. from Boston. He said McFadden called him up last week and said he had given up all hope as he had learned it was settled that C.S.H. was to be reappointed.

June 7, 1926. 29

39. Tyler said there were rumors that some Republicans in Mass. felt that C.S.H.'s appointment might injure Sen. Butler in his fight, and he mentioned Liggett and the Shawmut Bank crowd.

He said Butler was in a desperate predicament, and there was some danger that he might demand the appointment of a Republican.

June 7, 1926. 29

40. Tyler spoke of Frank Stearns but did not seem to know where he stood.

He said that Philip Stockton, of the Old Colony Trust Company, was very much interested and asked if there would be any harm in wiring Coolidge and Butler.

C.S.H. said No, but that, of course he would not request such action from any one.

June 7, 1926. 29, 30

41. Tyler said there was some doubt where Wing stood, - that he was very near Butler.

C.S.H. said Wing had been reported as very friendly.

Tyler said that meant nothing; that Wing will do whatever he wishes, no matter what he says.

He said Stockton would get in touch with Wing at once.

June 7, 1926. 30

42. C.S.H. told Tyler he had heard that Butler had indorsed him to Coolidge.

June 7, 1926. 30

43. Curtiss called up C.S.H. and said he had heard nothing new; that all seemed well; that he knew of no one who wanted the place; that he certainly would know if there was any one.

C.S.H. told him McFadden had withdrawn, and he said he knew this, - evidently from Tyler.

Hamlin, C.S. (Cont'd.)

Reappointment to Board (Cont'd.)

43. (Cont'd.)

He said the only danger was that Butler might demand the appointment of a Republican.  
June 8, 1926. 33

44. Dr. Miller told C.S.H. just before leaving for Europe that he had just heard on the highest authority that he was to be reappointed.

C.S.H. thinks his authority must have been Hoover.  
June 9, 1926. 36

45. C.S.H. fears his appointment seems further away than ever as Eddy says Sec. Mellon has gone away for 3 weeks.  
June 19, 1926. 45

46. C.S.H. tells Glass of above.

Glass says he has no news but will write Coolidge today and urge him to send in C.S.H.'s name at once.  
June 19, 1926. 45

47. C.S.H. fears Coolidge does not want to reappoint him.  
June 19, 1926. 46

48. Gov. Harding calls on C.S.H. at Lee House. He said he had talked with Gov. Morss who said that he would be 70 years old in July; that he had not sought nor would he think of accepting a position on the Federal Reserve Board; that even if he were disposed to accept, which he was not, nothing would induce him to go onto a Board of which James was a member!  
June 20, 1926. 47

49. Gov. Harding told C.S.H. that Curtiss had a vague idea, but no proof, that Wing may have some candidate in mind. Gov. H. said the only one he could conceive of would be Gov. Channing Cox, now a Vice-President of the First National (Wing's) bank; that he believed the bank was over officered and that possibly Wing might want to unload Cox onto the Federal Reserve Board; that Cox, however, could not afford to give up a salary of \$25,000 he was now receiving; that he could have had the Senatorship but felt the need of making money.  
June 20, 1926. 47

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

50. C.S.H. believes Butler would be glad thus to reward Cox for appointing him as Senator to fill the Lodge vacancy. June 20, 1926. 47, 48

Gov. Harding said the appointment of Gov. Cox would be so palably political that he did not for a moment believe Coolidge would dare to make it. June 20, 1926. 47, 48

51. Gov. Harding said Winston had just told him that C.S.H. was a most valuable man and should be reappointed, but that he did not know what Coolidge's decision was. June 21, 1926. 50

52. Gov. McDougal tells C.S.H. that the Chicago bankers were a unit in his favor, especially Wetmore, the President of the Federal Advisory Council.

He said he was to lunch with Winston and would ask him to suggest what the bankers could do. June 21, 1926. 51, 52

53. Gov. Fancher said the same as the above as to the bankers of Cleveland. June 21, 1926. 52

54. This morning C.S.H. found a message from Gov. McDougal, as follows:

"I was very much pleased with the Conference I had with the gentleman I spoke of. The result of the Conference was such that I am sure you would be pleased."

This reference was to Winston. June 22, 1926. 52

55. Tyler calls up C.S.H. and says that Philip Stockton had had 4 or 5 strong letters sent to Washington in C.S.H.'s behalf.

He said he had heard that Coolidge did not intend to make any appointment before Congress adjourned.

He said he should get in touch with Sen. Metcalf.

He also said he would not go to Sen. Moses, as if he thought he could work in any friend of his, he would do it without the least compunction.

Hanlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

55. (Cont'd.)

He asked if Robert Winsor was friendly to C.S.H. and C.S.H. said he was, as far as he knew.

He said Winsor was very close to Butler.

C.S.H. thinks he will take up the matter with Winsor.  
June 22, 1926. 52, 53

56. Gov. McDougal calls up C.S.H. from Chicago and said that Winston told him that Sec. Mellon and he were a unit in advocating C.S.H.'s appointment; that he knew the situation pretty well and that matters were progressing very satisfactorily.

June 23, 1926. 56

57. Gov. Harding writes C.S.H.:

"I think you will be interested in hearing of a talk I had this morning with Mr. Wing. I showed him a copy of my recent letter to you and explained what you proposed to do in the matter of the Cuban Agency.

"He was exceedingly interested in this and approved the programme in toto.

"I took occasion to remark that you are an exceedingly valuable man on the Federal Reserve Board, and particularly valuable to this District. In this he concurred with the qualifying statement that his only objection to you was that you would be prone to line up always with the administration, and that if McAdoo should be the next President and John Skelton Williams the next Secretary of the Treasury, you would be hand in glove with them. He admitted, however, that this was a very remote contingency and agreed that if any Democrat should be elected in 1928, it would probably be Gov. Al Smith, in whom he had great confidence.

"He told me that Sen. Butler would be interested only in case some outstanding Republican should be suggested for your position, and that he and Gov. Cox had canvassed the situation some months ago but had found no one at all available and that they had dropped the matter.

"Mr. Wing also expressed the opinion that as matters now stand you will be reappointed, and said he would interpose no objection. This, of course, is strictly confidential."

June 24, 1926. 56, 57

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

58. Glass tells C.S.H. he will find out today about his reappointment and would let him know what he learned.  
June 24, 1926. 58

59. Mrs. Wilson tells C.S.H. that the moment his name is sent in, she will ask Sen. Swanson to do his utmost to have C.S.H. promptly confirmed.  
June 24, 1926. 59

60. Glass calls up C.S.H. he said he had had a frank talk with Sec. Mellon; that he gave him his word that he would take the matter up at once with Coolidge; and added, confidentially, that he had not the slightest doubt but that C.S.H.'s name would be sent in at once.  
June 26, 1926. 60

61. Edward Hamlin calls up H.P.H. from Boston. He said he had just had a talk with Frank Stearns who said C.S.H. and H.P.H. had always treated him and his wife most kindly in Washington; that he would be delighted to do anything in his power to help C.S.H.; that he would at once call up President Coolidge over the telephone; that he was sure Sec. Mellon would be the one to settle it, as Coolidge would surely follow his recommendation, as whatever he said in that line "went."  
June 29, 1926. 60 61

62. The Comptroller tells C.S.H. that Sec. Mellon had spoken to him asking if he did not think C.S.H. should be reappointed; that he said "Yes" that C.S.H. had been absolutely fair and helpful on the Board; that Mellon told him that he felt that C.S.H. deserved a reappointment; that even if he did not feel so it would be almost an impossibility for him to recommend anyone else, as he felt C.S.H. was a close friend, and, moreover, he had a feeling of great affection for C.S.H.'s daughter Anna, who was one of his daughter Ailsa's dearest friends; that he had seen very much of Anna at his house and really loved the girl.

The Comptroller said he saw the tears run down his cheeks while he was talking.  
June - 1926.

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

63. Glass tells C.S.H. he has heard nothing more.

C.S.H. asked him - "Do you consider that an absolute promise was made to you by Sec. Mellon?"

Glass said "Yes, unqualifiedly."

June 29, 1926. 61

64. C.S.H. calls up Mrs. Wilson and tells her there is no news.

June 30, 1926. 66

65. Sec. Mellon asked C.S.H. to come into his office. He said he wanted to talk with C.S.H. about his reappointment, - which he assumed would be agreeable to C.S.H., who replied that it would.

Sec. Mellon said he spoke to the President about it over a month ago and that he said he would be very glad to reappoint C.S.H.

Sec. Mellon said it was his own fault entirely that the matter had not gone through sooner, but that he being very busy had allowed it to drag along, knowing C.S.H.'s term did not expire until August 9 and that he would in any even receive a recess appointment; that tomorrow would be Cabinet day and he would bring with him the nomination and would put it through.

C.S.H. said he would be very frank and say that every hour was precious and that Glass had said if his name were sent in today he could have it confirmed by the Senate before adjournment.

Sec. Mellon said he would be glad to arrange this and called in Kiley and asked him to prepare the nomination at once and he would send it to the White House.

Sec. Mellon said he assumed there would be no opposition and C.S.H. replied that he was on most cordial terms with President Coolidge.

Sec. Mellon said he was referring to confirmation by the Senate, as there would certainly be no trouble as to President Coolidge, as the matter was long ago settled by him.

C.S.H. said Glass had told him there would be no trouble about confirmation. C.S.H. then said, "If there should be any delay as to confirmation at this late hour, can

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

I accept it as settled that I shall have a recess appointment? I ask this in order to know as to my necessary business arrangements."

Sec. Mellon said, "Most assuredly you will have a recess appointment."

C.S.H. thanked Sec. Mellon most gratefully and said the appointment would give him the first ray of pleasure since Anna was taken away.

Sec. Mellon then spoke most affectionately of Anna, how well he knew her as one of Ailsa's closest friends, and how he loved her.

C.S.H. then spoke of Tracy Brewster's death and Sec. Mellon asked him to send him the newspaper clippings about her so that he could send them to Ailsa Mellon.

July 1, 1926. 66, 67, 68

66. Kiley told C.S.H. later that the nomination had been sent to the White House via the State Department; that there would be no delay as the same messenger would take it to the State Department to be checked and then to the White House, and that by this time (1 p.m.) it was undoubtedly at the White House. July 1, 1926. 68

67. Kiley calls up C.S.H. to say that President Coolidge had signed the nomination and that it was now on the way to the Senate.

68. Glass telephones C.S.H. at the Lee House at 5 p.m. He said the nomination had reached the Senate; that he had polled the Banking and Currency Committee, and that every member had agreed that Glass could move at the next executive session, for unanimous consent to confirmation without reference to the committee.

Glass said there would probably be no executive session today but that there would surely be one tomorrow, when he would make the motion. Glass added, "It will go through promptly,- it is all right."

July 1, 1926. 69

69. C.S.H. wires Col. Rice, Gov. Harding, and Harriet Hamlin. July 1, 1926. 69

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

70. C.S.H. sends following letter to President Coolidge:

"Dear Mr. President:

I want to thank you most gratefully for the confidence you have shown in me by reappointing me to the Federal Reserve Board.

My first impulse was at once to go over to express my thanks in person, but realizing how busy you are in these closing days of Congress, I thought it would be better to content myself with this note, in the hope of expressing later, more fully, my deep appreciation of your action.

With again my most grateful thanks, and with best wishes for a restful summer to you and Mrs. Coolidge, believe me

Very sincerely yours,  
Charles S. Hamlin."

July 1, 1926. 75

71. Gov. Crissinger tells C.S.H. that Sen. Moses of New Hampshire had protested against C.S.H.'s appointment to Coolidge on the ground that C.S.H., a Democrat, had brought it about that all of the directors and officers of the Federal Reserve Bank of Boston were Democrats!

C.S.H. told Gov. C.:

1. Not a single director is a Democrat.
2. C.S.H. does not know of a single officer who is a Democrat except Gov. Harding.
3. Gov. Harding was elected by a board of directors exclusively Republican.

July 2, 1926. 69

72. Gov. Crissinger told C.S.H. that Miller had spoken to him very sneeringly about C.S.H., saying that he took little interest in Board matters and devoted himself chiefly to indexing and other unimportant details.

July 2, 1926. 69

73. Gov. C. told C.S.H. that some one who had talked with Coolidge told him that some one in the Cabinet was not friendly to C.S.H.

C.S.H. thinks this might have been Hoover.

July 2, 1926. 70

74. All of the Board members congratulated C.S.H. this morning except James, who was silent.



Hamlin, C. S. (Cont'd.)  
Reappointment to Board (Cont'd.)

## 74. (Cont'd.)

James spoke rather critically of C.S.H. leaving the meeting yesterday, and C.S.H. said he was sorry he had to leave but that Sec. Mellon had sent for him to tell him of his reappointment.

James made no reply.

July 2, 1926. 71

75. C.S.H. believes that if any opposition appears in the Senate it will be because James has a hand in it.  
July 2, 1926. 71

76. Glass called up C.S.H. late to say that he had made his motion for unanimous consent, in the Executive session, but that Sen. Heflin objected and that this objection threw it over until tomorrow; that he could move tomorrow without having to ask for unanimous consent; that he felt sure it would go through all right.

Glass said the Democrats and even also many Republicans bitterly assailed Heflin, deploring his action.

Some one later told C.S.H. that Heflin said he wished to consult John Skelton Williams before he would withdraw his objection to C.S.H.!

July 2, 1926. 72

77. We dine with Mrs. Wilson and C.S.H. tells her what had occurred.  
July 2, 1926. 72

78. C.S.H. calls up Glass who said that tremendous pressure had been brought to bear on Heflin last evening and that he had practically agreed to withdraw his opposition.

July 3, 1926. 72

79. C.S.H. sends Glass a letter for his use in case anyone should attack C.S.H. in connection with the Federal Reserve Board conference of May, 1920.

C.S.H. pointed out in the letter that at the time of that conference he was in the hospital in Boston; that he did not even know of it until months later; that he felt reasonably sure that Williams would not object to his confirmation; that he and Williams had worked together in the Board to make factors paper eligible and for many other agricultural reforms;

Hamlin, C. S. (Cont'd.)  
Reappointment to Board (Cont'd.)

## 79. (Cont'd.)

that altho we had a falling out, just before Williams left the Board, growing out of his letters attacking the Board, C.S.H. did not believe he cherished any personal resentment; that he had seen him several times since and that their relations had been apparently friendly.

C.S.H. also sent Glass a copy of Williams letter to C.S.H. after Anna's death. C.S.H. also pointed out to Glass that his father, as a young man, his grandfather, and his great grandfather, had all been farmers, and that for 25 years he and H.P.H. had been active members of the Grange.

July 3, 1926. 72, 73

80. C.S.H. was at the Lee House at 1 p.m. when the telephone rang. H.P.H. took it and said "some one wants to speak with you. It sounds like Sen. Heflin!"

C.S.H. took the telephone and found that it was Sen. Heflin.

Sen. Heflin expressed regret that he had felt obliged to object to C.S.H.'s name yesterday. He said he had not been consulted by Coolidge or any one as to C.S.H.'s appointment; that he had a feeling that C.S.H. was unduly influenced, if not absolutely dominated by Gov. Harding, against whom he spoke very bitterly.

C.S.H. said he first met Gov. Harding on the Federal Reserve Board; that while their relations had always been most cordial, Gov. Harding had never attempted to influence C.S.H. unduly nor to dominate him; that his own conscience and his oath of office were the only dominating influences over his actions on the Federal Reserve Board.

Sen. Heflin then said he should withdraw his opposition and added, "I shall see that you are confirmed this afternoon." C.S.H. thanked him for this assurance.

July 3, 1926. 73, 74

81. C.S.H. called up Glass and told him the above.

Glass said he was very much pleased at this assurance of Heflin; that this made confirmation certain; that he would at once go over to the Senate and put it through. (1:30 p.m.)

July 3, 1926. 74

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

82. Glass calls up C.S.H. at 2:30 p.m. and says the Senate has just confirmed C.S.H. without a ripple.

C.S.H. asked Glass if any reconsideration were possible.

Glass replied with a chuckle "Not for 10 years, as they voted to notify the White House, thus precluding reconsideration."

July 3, 1926. 74

83. C.S.H. calls up Mrs. Wilson and tells her the news. She said it made her supremely happy.

July 3, 1926. 74

84. Chronology:

July 1. Thursday. Nomination sent to Senate  
Banking and Currency Committee unanimously  
authorize Glass to move for unanimous  
consent to confirm without reference to it.

July 2, Friday  
Glass asks unanimous consent.  
Heflin objects.

July 3, Saturday, 2:30 p.m.  
Heflin withdraws all opposition.  
C.S.H. unanimously confirmed.  
3: p.m. Congress adjourns.

74

85. Mr. Earley, a Tennessee lobbyist, tries to wheedle C.S.H. by telling him he had worked hard to get him confirmed and had spoken to many Senators.

July 7, 1926. 78

86. C.S.H. calls up Mrs. Wilson in the evening and later calls.

Mrs. Wilson said that Sen. Swanson induced Heflin to call C.S.H. on the telephone; that he urged him to withdraw his objections, saying that C.S.H. was one of the ablest and best men in the Democratic Party and that H.P.H. held a similar position among the women; that Mrs. Wilson was very strongly interested in C.S.H.; that Heflin said, "Is Mrs. Wilson strongly interested?"; that Swanson said that Mrs. Wilson had said to him only a few days ago, that C.S.H. was the best friend she had in the world; that Mrs. Wilson said she visited

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

86. (Cont'd.)

.. C.S.H. and H.P.H. every summer; that Heflin then said he would withdraw his opposition; that Swanson then asked Heflin to call up C.S.H. on the telephone and he said he would do so.

July 7, 1926. 80

87. Kiley tells C.S.H. that his commission is ready, and shortly afterwards the Board met in Sec. Mellon's office and the oath of office was administered to C.S.H.

Sec. Mellon said he would now invite the Board to attend C.S.H.'s fourth inauguration - on August 10, 1936!

There were present: Sec. Mellon, Platt, Comptroller of Currency, and James, - a quorum of the Board.

Gov. C. was ill in Ohio and Cunningham was in Johns Hopkins hospital; Miller was abroad. James did not even then congratulate C.S.H.

July 9, 1926. 80, 81.

88. Curtiss tells C.S.H. in Boston that he was not able to make any impression on Wing; that there was evidently some force behind him pulling him back; that he had reason to believe it was Paul Warburg; also that certain officers of the Federal Reserve Bank of New York had opposed C.S.H. and had pushed Gov. Norris, mentioning Gov. Case as one.

July 14, 1926. 82

89. Bowman told C.S.H. that he had a talk with Attorney General Sargent just after C.S.H.'s name was sent to the Senate; that Sargent said, - "I am glad your friend got it, but he will never know how near he came to losing it!"

Bowman said he would get the whole story from Sargent later and would tell C.S.H. about it.

The Boston directors were all very cordial and congratulatory.

July 14, 1926. 82

90. C.S.H. receives a charming note from Glass in reply to his note thanking him for all he had done.

(See scrap book)

July 16, 1926. 85

Hamlin, C. S. (Cont'd.)

Reappointment to Board (Cont'd.)

91. C.S.H. receives two very cordial notes from Gov. Case, one containing his own congratulations and the other sending Gov. Strong's congratulations sent by cable.  
July 16, 1926. 85
92. C.S.H. believes Curtiss must have been mistaken in believing that Gov. Case opposed him.  
July 16, 1926. 85
93. C.S.H. also receives many other notes of congratulation from all over the country.  
July 16, 1926. 85
94. C.S.H. notes that his commission reads, for a term of 10 years from August 10, 1926 etc. "during the pleasure of the President of the United States for the time being."

Copy of C.S.H.'s commission.

July 19, 1926. 86

95. C.S.H. notes that the two commissions given him by President Wilson read:

"During the term of (2), (10) years from the date of his oath of office, unless a successor shall have been sooner appointed and duly qualified, etc. etc."

July 19, 1926. 87

96. C.S.H. found on examination that President Wilson first used the phrase, "During the pleasure of the President of the U.S. for the time being." in the commission he gave to Platt.

July 19, 1926. 87, 88

97. The above language shows the desire of both Presidents Wilson and Coolidge to keep control over all executive officers.

C.S.H. can not believe that an executive officer such as a member of the Federal Reserve Board, holds merely a tenancy at will at the pleasure of the President, in spite of the Federal Reserve Act stating he can be removed for "cause."

(The later decision of the U.S. Supreme Court seems to support the language used in C.S.H.'s commission)

July 19, 1926. 87, 88

## Hamlin, C. S. (Cont'd.)

## Reappointment to Board (Cont'd.)

98. Delano writes C.S.H. a very cordial letter of congratulation.  
August 2, 1926. 96
99. C.S.H.'s second term of office expires.  
Aug. 9, 1926. 103
100. Gov. Strong sends C.S.H. a letter of congratulation.  
Aug. 15, 1926. 110
101. Miller, returning from abroad, tells C.S.H. how pleased  
he was at my appointment.  
Aug. 26, 1926. 113
102. Gov. Norris tells C.S.H. that he never authorized the use  
of his name for C.S.H.'s office; that even if he had  
wanted it, - which he did not, - he would not have  
considered it honorable or consistent with his friendship  
for C.S.H. to allow his name to be used.  
Nov. 11, 1926. 149
103. Gov. Norris presides at dinner given by the Governors and  
Federal Reserve Agents to the Board at the Metropolitan  
Club and in his opening address said that C.S.H.'s  
appointment was a most fortunate thing for the country.  
Nov. 11, 1926. 149

## Hamlin, C. S.

See - Belgium  
Brandeis  
Burgess  
Campbell  
Capital National Bank  
Chronological Table  
Comptroller of Currency  
Crissinger, Gov.  
Cuban Agency  
Cunningham  
Discount rates  
Examinations  
Federal Advisory Council  
Federal Reserve Agents  
Federal Reserve Bank, Atlanta  
Federal Reserve Bank, Boston  
Federal Reserve Bank, New York  
Federal Reserve notes  
Governors

## Hamlin, C. S. (Cont'd.)

See - Hamlin, C. S.; Reappointment  
 Harding, Gov.  
 Hopkins  
 James  
 Jay  
 Joslin, Dr.  
 McCrary  
 Miller  
 Moore, J. P.  
 Myer  
 Open Market Committee  
 Pennington  
 Platt  
 Strong, Gov.  
 Warburg, Paul  
 Wilson, Mrs.

## Hamlin, Anna

The Comptroller tells C.S.H. that Sec. Mellon told him how he loved Anna and that a tear ran down his cheek while talking. He said that Anna was one of his daughter Ailsa's dearest friends and that he had seen very much of her at his house; that he felt C.S.H. was clearly entitled to reappointment but even if he did not, he felt it would be almost impossible to recommend anyone in place of the Father of Anna Hamlin.

June - 1926.

(Not in diary)

C.S.H. went to Forest Hills Cemetery with Edward Hamlin and from there to the crematory. All arrangements had been made and the casket containing Anna's body was there awaiting us, in the mortuary chapel.

The attendant asked C.S.H. if he wished to view the remains before cremation. C.S.H. said he felt he ought to make identification positive. The top of the casket was then opened and C.S.H. looked at the body through the glass top. The body was in a very fair state of preservation although white and emaciated. It was perfectly recognizable. C.S.H. felt little shock at viewing the body as he felt that Anna was not there, but more alive and with us than ever.

We were then told that the casket would have to be opened in order to take out the metal lining which could not be burned, and that this would necessitate taking out the body and later replacing it in the casket.

## Hamlin, Anna (Cont'd.)

We were advised not to stay to see this done, so we went out doors and waited, and when we returned, the casket and body were in the crematory ready for the fires to be lighted, and the doors were closed.

My brother begged C.S.H. not to wait longer, so he drove away, and later took the train for Mattapoisett where Bertie was awaiting him.  
Friday, Oct. 29, 1926. 141, 142

Bertie and C.S.H. took the morning train from New Bedford, and, arriving in Boston, drove at once to the cemetery. Anna's ashes were there in an urn, duly inscribed, and were buried in our family lot at Forest Hills Cemetery.

Harriet and Jane, and Edward and George were there, the former driving up from Marion.

Bertie brought up some holly from Mattapoisett and placed it on the grave, as did also Harriet and Jane.

We had no services; Edward recited the Lord's Prayer, in which we all joined.

Bertie and C.S.H. went immediately back to Mattapoisett.  
Sat. Oct. 30, 1926. 142

Hamlin, Edward.  
60, 61, 141, 142.

See - Hamlin, Anna  
Stearns

Hamlin, George  
Daniel, the chauffeur of, voted for Gov. Fuller, although he is an old-time Democrat.

C.S.H. believes he did this because Mrs. Fuller is a Catholic.  
Nov. 3, 1926. 143

See also - Hamlin, Anna

Hamlin, Harriet  
Writes that she is coming to Washington this afternoon.  
June 20, 1926. 49

C.S.H. wires, of his reappointment.  
July 1, 1926. 69



## Hamlin, Harriet (Cont'd.)

Meets C.S.H. at Wareham and, with Jane, drives C.S.H. to Mattapoisett.  
July 10, 1926. 81

C.S.H. has Harriet's passports viseed for Italy and France. Neither  
Ambassador would accept any fee and each gave Harriet a general  
letter of introduction to show to the customs officials.  
Oct. 23, 1926. 140

Is present at burial of Anna's ashes at Forest Hills Cemetery.  
Oct. 30, 1926. 142

Daniel, George's chauffeur, told Harriet he was going to vote for  
Gov. Fuller, - as we believe because Mrs. Fuller is a Catholic.  
Nov. 3, 1926. 143

## Hamlin, Jane

See - Hamlin, Harriet

## Hamlin, Mrs. C.S.

Leaves for Albany, 9 a.m.

July 5, 1926. 76

See - Castle

Chronological table

Harriman

Pennington, Mrs.

## Hapgood, Norman

Dr. Miller says, was to have lunched with him today but was invited  
to lunch by President Coolidge, - an extraordinary invitation  
in view of Hapgood's extreme radicalism.

May 30, 1926. 20

## Harding, Gov.

Gov. C. tells Eddy that before appointing him, President Harding  
polled the Senate and found that Gov. Harding could not be  
confirmed.

C.S.H. earlier diaries show that Sen. Reed polled the Senate at  
Sec. Mellon's request and reported that Gov. Harding would  
be confirmed.

May 28, 1926. 16

James did not want Gov. Harding's name dragged into the Campbell case.  
June 8, 1926. 31

Wyatt's resume of the Campbell case does not mention Gov. Harding.  
June 8, 1926. 32

## Harding, Gov. (Cont'd.)

Gov. Harding calls on C.S.H. at Lee House  
June 20, 1926. 47, 48

See - Cuban Agency  
Hamlin, C.S.: Reappointment

Sen. Heflin attacks Gov. Harding over telephone to C.S.H.  
See - Hamlin, C.S.H.; Reappointment

Invites C.S.H. to attend directors meeting in Boston.  
July 7, 1926. 79

C.S.H. and H.P.H. call on Gov. Harding at his daughter,  
Mrs. Pell's house.  
Dec. 25, 1926. 182

See - Campbell  
Cuban Agency  
Hamlin, C.S. appointment  
McCrary

## Harding, President

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Senate at request of Sec. Mellon and that his poll showed  
he would be confirmed.  
May 27, 1926. 16

On the very day when Sec. Mellon told the Board that no appointment  
of a Comptroller of the Currency would be made without  
fullest conference with the Board, he received word from  
the White House that Crissinger had been appointed.  
May 27, 1926. 16, 17

Glass says that Mrs. Borden Harriman once said that her kinsman,  
Harry Paine Whitney, came to Washington to beg her to use  
her influence with Sen. Walsh (Mont.) to have him cancel  
his subpoena to testify before a Senate Committee, stating  
that if he testified he would have to testify that on  
his own knowledge President Harding owed \$200,000 as the  
result of oil speculation; that the subpoena was cancelled!  
Dec. 7, 1926. 162

Sen. Walsh (Mont.) tells us at dinner at Judge Brandeis's, that  
the Senate Committee investigating Forbes, of the War  
Veterans Bureau, came across a trail of corruption  
involving Mrs. Votaw, sister of President Harding, and that  
the Committee decided not to follow up the trail!  
Dec. 9, 1926. 163, 164

## Harding, Gov. (Cont'd.)

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June 20, 1926. 47, 48

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Hamlin, C.S.: Reappointment

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the Committee decided not to follow up the trail!  
Dec. 9, 1926. 163, 164

Harriman, Mrs. Borden

Glass tells us that, said her kinsman, Harry Payne Whitney, came down to Washington to beg her to use her influence with Sen. Walsh (Mont.) to induce him to have cancelled his subpoena to testify before a Senate Committee; that he told her that if he testified he would have to say, - on his own knowledge, that President Harding owed over \$200,000 on the result of oil speculation; that the subpoena was cancelled!

Dec. 7, 1926. 162, 163

Is appointed on Sepcial Committee to examine the chronological table of Wilson.

Dec. - 1926. 172

Mrs. Wilson telephones the Governors of the Woman's Democratic Club that a member of the Club (Mrs. Harriman) had told her that the chronological table was fulsomly eulogistic; that it would be inadvisable for her, as honorary President, to approve its publication unless that part were eliminated.

Friday, Dec. 17, 1926. 173

Mrs. Harriman told the Board of Gove nors that it was she who spoke to Mrs. Wilson. She said to Bertie, "I want to see you after the meeting."

Later she told Bertie that she said to Mrs. Wilson that she knew how she revered Mr. Wilson, but that if as a stranger she had read the stuff of Mrs. Pennington she would have exclaimed, "Oh Hell!"

Dec. 17, 1926. 173

C.S.H. tells Mrs. Pennington that after Mrs. Harriman's talk with Mrs. Wilson there was no other course open except for her to withdraw the book.

Sat. Dec. 18, 1926. 175, 176

C.S.H. tells Mrs. Wilson he is very sorry that Mrs. Harriman spoke to her when she did, but Mrs. Wilson defended her warmly saying she was a true friend.

C.S.H. replied that he appreciated that fact, but that if she had not gone to Mrs. Wilson, the Democratic Club Committee would have raised the same objections directly with Mrs. Pennington and the matter would very likely have been adjusted, without dragging Mrs. Wilson into it.

Sat. Dec. 18, 1926. 177

C.S.H. feels strongly that Mrs. Harriman should have conferred with her Committee before going to Mrs. Wilson; that she was false to both Mrs. Wilson and the Committee; that if she had been a true friend of Mrs. Wilson she would not have taken such an extraordinary course.

Dec. 18, 1926. 178

## Harrison, George

Comes from New York to Board to read extracts from some of Governor Strong's letters as to the French and Italian situation.  
June 17, 1926. 43

See - Strong, Gov.

Telephones Gov. C. that the New York directors are in doubt as to increasing the discount rates and asks if the Board will sustain them if they vote to increase.  
Aug. 4, 1926. 99

See - Discount rates

Tells Gov. C. that Gov. Strong has cabled suggesting an increase of  $1\frac{1}{2}$  instead of  $1\frac{1}{2}$  of  $1\frac{1}{2}$ .  
Aug. 10, 1926. 107

Gov. Strong writes C.S.H. that Harrison has told him of James's resolution to ask the New York directors as to the reason and need of his stay in Europe. Aug. 15, 1926. 110

Board finally agreed that Harrison's talk with it and Gov. Strong's letters had cleared up the matter.  
Aug. 15, 1926. 111

Harrison lays before the Board an agreement between the Federal Reserve Bank of New York, certain central banks of Europe and the Bank of Belgium, for its approval.  
Oct. 5, 1926. 125

See - Belgium

Harrison tells C.S.H. that he has cabled Jay that the expression of the Board as to commissions in the Belgium agreement was not a condition of approval. Oct. 5, 1926. 127

Harrison appears before Board to have it ratify a 6% minimum rate in purchase of Belgian bills, it having been discovered that the 5% passed on by the Board on Oct. 5th was an error.  
Oct. 19, 1926. 132, 133

Miller tells C.S.H. that the New York directors would like either Gov. Case, Harrison, or Burgess appointed as Chairman in place of Jay, resigned, but that Harrison did not want it.  
Dec. 4, 1926. 158, 159

Hayes. 8, 9

See - Crissinger, Gov.

Heath, Federal Reserve Agent, Chicago

Many in Board feel that, should be notified that he would not be reappointed for 1928. Agreed to consider this later.  
Dec. 15, 1926. 164

Heflin, Sen. 72, 73, 74, 80

See - Hamlin, C.S.: Reappointment

Helm, Admiral and Mrs.  
C.S.H. lunches with.

Nov. 21, 1926. 155

Henry, Captain

Visits us at Mattapoisett. Sept. 4, 1926. 115

Herson, Chief Examiner

Tells Board that the practice of paying directors who attend Executive Committee meetings, although not members, was almost universal among banks, both Federal Reserve, National and State.  
July 7, 1926. 77, 78

Gives Board copy of a letter dated July 17, 1926, from Winston to Gov. Wellborn urging him to do all in his power to help banks in distress. He found this when examining the Federal Reserve Bank of Atlanta.

He also gave in a copy of Gov. Wellborn's reply dated July 20, 1926, giving a review of what the Federal Reserve Bank had done, also quoting from an old letter of Crissinger extravagantly praising him.

July 23, 1926. 91

Herson's reply on Federal Reserve Bank of Atlanta laid before Board. It disclosed little that was criticised.

He said there was no hope of satisfactory operation until "one man power", - meaning Governor Wellborn, - was eliminated.

Referred to Atlanta Committee.

Aug. 2, 1926. 98

C.S.H. files with Board a memorandum, asking Herson to give a general resume of his report, stating his conclusions as to the standard of efficiency of the bank and the facts upon which he based his statement as to "one man power."

Aug. 4, 1926. 101, 102

Eddy says Herson is just going away on his annual leave to Bampf, and as he goes from there to San Francisco he will not be back in Washington much before Christmas; that Herson wished to know whether he must prepare his answer to C.S.H. memorandum during his leave or could it wait until his return.

## Herson, Chief Examiner (Cont'd.)

C.S.H. told Eddy to consult James, that he would do as James suggested, but that he could not vote on questions pending concerning the Federal Reserve Bank of Atlanta, until he received Herson's answer.

Aug. 9, 1926. 103

## Hines, Gen.

Was pall bearer at funeral of Walden Myer.

Aug. 14, 1926. 108, 109

## Hoover, Sec.

Miller tells C.S.H. he has just heard on the highest authority that he is to be reappointed.

C.S.H. thinks his authority must have been Hoover.

June 9, 1926. 36

Gov. C. says a press representative recently told him that Hoover told him he really controlled the Federal Reserve Board!

The man was a representative of the Wholly service.

July 2, 1926. 70

Miller tells CSH that he did not think that Hoover was responsible for his (Miller's) reappointment; that Hoover was ill at the time, and learned of it only through his wife; that Hoover, however, was strongly for him.

Aug. 26, 1926. 114

## Hopkins

37, 38, 39, 152, 153, 154, 155.

See - Campbell

## House, Col.

Glass tells C.S.H. that he was preparing an article on the Federal Reserve Act demolishing House's claim to authorship of the Act; that he would handle House without gloves were it not that House had one of his sons transferred from the front to the Paris Commission.

June 7, 1926. 33, 34

See - Glass

Mrs. Wilson reads aloud to us Smith's article on, from the Saturday Evening Post for Saturday, July 17.

July 22, 1926. 90

Mrs. Wilson said Mr. Wilson had never read "The real Col. House" and that if, as the article said, it had been suppressed, it must have been done without the knowledge of Mr. Wilson.

July 22, 1926. 90

## House, Col. (Cont'd.)

Glass calls up C.S.H. and later sends him the manuscript of his book on the Federal Reserve Act in which he attacks Seymour and Col. House. Aug. 27, 1926. 114

See - Glass

C.S.H. writes Mrs. Wilson telling her of Glass' criticisms of Seymour and Col. House. Sept. 1, 1926. 115

Ray Stannard Baker lunched with C.S.H. and said he thought that Glass, in his opening chapters, had treated Seymour and Col. House rather roughly and he feared it might prevent his getting Mr. Wilson's letters from Col. House, which ultimately he hoped to do. C.S.H. did not agree with him. Oct. 22, 1926. 139

Glass calls on C.S.H. and said that Doubleday, Page & Co. showed him an opinion from their Counsel that certain phrases in his book were libellous as regards Seymour and Col. House; that they did not hesitate to publish them as Glass had agreed to indemnify them against libel suits.

Glass replied that he had already softened some of the phrases complained of, but as to the rest, he was willing to respond in a libel suit. Dec. 7, 1926. 162

Houston, D. J.

C.S.H. meets, at Jay dinner, New York. Dec. 20, 1926. 179

Howard.

53, 66, 116

See - Campbell

Hull amendment, McFadden bill

At request of McFadden Board writes conference committee advising dropping of. June 2, 1926. 24

McFadden says the references in Board's letter to him embarrass him and asks Board to write another letter, which it did. June 3, 1926. 25

Hull, Cordell 78

See - Earley



-I-

## India

Winston told us that Gov. Strong had testified before a British Parliamentary Commission against the proposed absolute gold standard for India.

Winston said India wanted this but that it would require an enormous supply of gold which would drive Great Britain from the gold standard and take much gold from us, to our injury; that it would turn silver in India into a commodity and ruin the Indian people.

Winston said Sec. Mellon tried to induce J. P. Morgan to testify but that he said he would have to say that it would injure the U.S. which would make the Indians on the Commission even more strongly in favor of it; that Sec. Mellon asked Gov. Strong to testify as to the injury it would cause India and that Gov. Strong, who had carefully studied the question, had so testified.

June 22, 1926. 54, 55

Board voted to pay Gov. Strong's expenses in connection with above testimony as a fiscal agency matter.

July 20, 1926. 88, 89

## Italy

See - Mussolini  
Strong, Gov.

-J-

## James, George R.

Flew into a rage and almost foamed at the mouth because the proposed letter to the Secretary of the Treasury to be forwarded to the Secretary of State as to the Cuban Agency - had ignored his report.

May 21, 1926. 2

Said that his Committee had been treated with contempt; that Goldenweiser and Smead had been assaulted (referring to civil questions put by C.S.H.); that he had made up his mind to go to Sec. Mellon and President Coolidge and tell them how he had been treated.

May 21, 1926. 2

Said that our Board was a laughing stock, that it could not decide anything and that Vanderlip was right in his criticism.

May 21, 1926. 2

## James, George R. (Cont'd.)

He became pacified when C.S.H. moved that a copy of his report be annexed to the proposed letter.

May 21, 1926. 3

Said that if it leaked out that we were even considering abolishing the Cuban Agency a panic would spring up in Cuba.

May 21, 1926. 3

James is temperamentally impossible; whenever he makes a Committee report he takes any criticism as a personal affront and "refuses to play." May 21, 1926. 3

Tells C.S.H. that Gov. C. is absolutely dominated by Gov. Strong; that Strong hated Mitchell of the National City Bank and wanted our Board at least to threaten to abolish the Cuban Agency so that Mitchell would have to bend his knees to Strong and ask his help; that this was why Gov. C. insisted on asking the State Department as to the Cuban Agency.

May 22, 1926. 8

Tells C.S.H. that when he first went into the Federal Reserve Board, Baruch warned him not to be dominated by Strong.

May 22, 1926. 8

Says that a year ago Gov. C. went to Cuba with a man named Hayes, a tricky contractor who wanted to get contracts in Cuba; that some years ago Hayes came to Washington with a Cuban delegation and delivered addresses to the Federal Reserve Board, and a photograph was taken, which Hayes has been using to show that the Federal Reserve Board was behind him in his efforts to secure Cuban contracts!

May 22, 1926. 8, 9.

He also said Gov. C. never called on Ambassador Crowder while in Cuba but was presented to the President of Cuba by Hayes, who told the President, in Spanish, which Gov. C. did not understand, that Gov. C. and the Federal Reserve Board were behind him.

May 22, 1926. 9

James said Mitchell would be here in a few days and would go direct to President Coolidge. Evidently James is as thick with Mitchell as he claims Gov. C. is with Strong.

May 22, 1926. 9

James said Gov. C. was intoxicated at a public dimer in Cuba.

May 22, 1926 9

## James, George R. (Cont'd.)

James said Gov. Strong was trying to cripple the Federal Reserve Board; that he arranged to have Dr. Stewart taken from us and placed in a New York firm at an absurdly high salary; that he had taken Warren away from our Statistical Division, for the same reason; that Gov. Strong felt they were too able to be permitted to remain with the Board.

May 22, 1926. 10

James and Cunningham say they favor the Hull amendment but will vote to the Conference Committee that if should be dropped from the McFadden bill in order to have any legislation.

June 2, 1926. 24

James says he does not want Gov. Harding's name dragged into the Campbell controversy.

June 8, 1926. 31

Hopkins tells C.S.H. that the Atlanta Directors took as a personal blow at themselves James' statement that 3 members of the Board had stated to him that they would not vote to continue the Cuban Agency unless Campbell, McCrary, and Gov. Wellborn were eliminated; that James said he made this statement personally on his own responsibility.

June 10, 1926. 38, 39

James was present when Harrison read to Board letters from Gov. Strong as to the situation in France and Italy.

June 17, 1926. 43

Gov. Morss said he would go on any Board of which James was a member.

June 20, 1926. 47

James says he will vote against the appointment of an Assistant Federal Reserve Agent for the Cuban Agency as the set up in the Atlanta Bank was so unfit, - meaning Campbell, McCrary and Gov. Wellborn.

June 22, 1926. 54

James read his report on McCrary and moved that the Attorney General be asked to continue his investigation, without any limitation as to secrecy.

June 30, 1926. 65

James was irritable and insulting. He told Platt he was so "white livered" he would bet he would not dare to remove McCrary, no matter how strong the evidence against him might be.

June 30, 1926. 65, 66

James flew into a rage when C.S.H. mentioned Howard's request that all of the appointive members should sit in the Campbell case.

June 30, 1926. 66

## James, George R. (Cont'd.)

James was the only member of the Board who failed to congratulate C.S.H. on his reappointment.

July 2, 1926. 71

C.S.H. feels that, if any opposition is made to his confirmation, James will have had a hand in it.

July 2, 1926. 71

Gov. C. tells C.S.H. that the member banks of the Federal Reserve District of Atlanta felt that James was playing politics and trying to put his own friends into the Federal Reserve bank; that some said James wanted to be Governor; that he (Gov. C.) believed that James wants to work in Mr. Pole, of the Comptroller's office for Governor.

July 7, 1926. 77

Eddy told Gov. C. that James is getting on the nerves of Herson and Wyatt.

July 7, 1926. 77

James said that some time ago Earley threatened to black the McFadden bill, if the Board did not direct the Federal Reserve Bank of Atlanta to arbitrate Caldwell's claim.

July 7, 1926. 79

James is present when C.S.H. takes his oath of office.

July 9, 1926. 81

James and Gov. C. were very bitter against Sec. Mellon for not consulting the Board before asking Gov. Strong to testify before the British Parliamentary Committee.

July 20, 1926. 89

James almost violently opposed Federal Reserve Agent Curtiss's application for an extra month's leave to go abroad because of ill health, and suggested that we vote that, hereafter, all leaves of absence beyond 30 days shall be without pay.

A majority of the Board seemed to favor this until C.S.H. suggested that we certainly would never think of doing this without at the same time passing a similar vote governing leaves of the Board members.

This apparently somewhat dampened James' enthusiasm for he ceased his opposition and on vote the leave was granted.

July 23, 1926. 91, 92

James was very bitter about the pamphlet descriptive of the Federal Reserve System published by the Federal Reserve Bank of Boston without the prior approval of the Board.

He moved that the Board write each member bank of the District that the pamphlet was not approved, giving our reasons in full.

James, George R. (Cont'd.)

James then moved to direct the Federal Reserve bank to notify each member bank of the district withdrawing the pamphlet.

July 23, 1926. 92, 93

C.S.H. moved a compromise substitute to James's motion.

Goldenweiser suggested that he prepare a letter leaving out certain statements in his report on the pamphlet.

James bitterly objected saying every criticism should be sent.

C.S.H. pointed out that one of Goldenweiser's criticisms was that the pamphlet sought to diminish the influence of the Federal Reserve Board and that it would make our Board a butt of ridicule to write such criticism.

James said we were already that, but withdrew his objection and C.S.H.'s motion was passed.

July 23, 1926. 93, 94

James at first approved the appointment of an Assistant Federal Reserve Agent to help the Atlanta Bank examine weak banks, but voted against it in the Executive Committee which killed it. Finally with deep regret he voted for it but said nothing could be done until the whole Atlanta outfit was cleaned out, - meaning Campbell, McCrary and Gov. Wellborn.

Aug. 3, 1926. 97, 98

James is evidently out on a vendetta against the Federal Reserve Bank of Atlanta, and C.S.H. believes, would like to have trouble there to vindicate himself.

Aug. 3, 1926. 98

James said the New York directors, in asking if the Board would approve an increase in discount rates, - evidently intended to "pass the buck" to the Board so that if anything went wrong the Board would have to take the blame.

Aug. 4, 1926. 100

James said he was ready to move to put in a 4% rate over the heads of the Directors, whether they wanted it or not.

James finally voted with the majority that a majority of the Board would approve an increase if the directors should recommend it.

Aug. 4, 1926. 100, 101.

James did not object to C.S.H.'s proposed inquiry to Herson as to what he meant in his report as to "one man power" in the Federal Reserve Bank of Atlanta.

Aug. 6, 1926. 102

## James, George R. (Cont'd.)

C.S.H. agreed that Herson could delay his answer until he returned from his leave, if James did not object, but said he must have the answer before he could vote on the Atlanta questions.  
Aug. 9, 1926. 103

James votes to grant the application of the Capital National Bank of New York for trust powers, over the adverse report of Jay and the New York directors.  
Aug. 10, 1926. 104

James favors appointment of an examiner to study the reports of examination of state banks.

James would not agree to C.S.H.'s statement that he would agree to a chief and other examiners if its duty was to cooperate with Federal Reserve Agents.  
Aug. 11, 1926. 105

C.S.H. fears that James and Gov. C. mean ultimately to have such a Board take over the entire burden of state bank examinations, by construing the vote to appoint examiners for special examinations to cover all examinations.  
Aug. 11, 1926. 106

James said that some of the largest St. Louis member banks had not been examined by the state authorities for 4 or 5 years.  
Aug. 11, 1926. 106

James votes against Jay's request for six weeks leave to go abroad for his vacation, on the ground that no officer of a Federal Reserve bank should have more than 30 days leave.  
Aug. 12, 1926. 108

Gov. Strong writes C.S.H. that Harrison has told him of James resolution calling on the N. Y. directors to explain as to the object and need of his stay in Europe.

This resolution was moved while C.S.H. was on his vacation.

James is very jealous of Gov. Strong.  
Aug. 15, 1926. 110

Votes against Miller's motion that there should be no change in the System's Open Market account. (The Open Market Committee recommended authority to it to increase or diminish by 200 millions.)  
Sept. 10, 1926. 121

James, George R. (Cont'd.)

Votes for Platt's motion that it be maintained at from 200 to 235 millions.  
Sept. 10, 1926. 121, 122

C.S.H. puts James the direct question - who were the 3 members of the Board who told him they would not vote to continue the Cuban agency unless Campbell, McCrary, and Gov. Wellborn were eliminated.

James said he was one but he would not mention the others without their consent.  
Sept. 23, 1926. 124

Votes in favor of Miller's motion to substitute for C.S.H.'s motion of approval, a direct prohibition of commissions in connection with the purchase of Belgian bills by Federal Reserve Bank of New York. Lost on tie.

Oct. 5, 1926. 126

Voted against C.S.H.'s motion that Board approve the Belgian agreement but expresses the hope, without making it a condition, that commission would not be charged by Federal Reserve Bank of New York.

Oct. 5, 1926. 126, 127

Votes for Platt's compromise motion.

Oct. 5, 1926. 127

James and Miller seem determined never to grant any request of the Federal Reserve Bank of New York

Sec. Mellon told C.S.H. he was very much disturbed at their evident feeling.  
Oct. 5, 1926. 127

James was most offensive, and browbeating, as usual. In a loud voice, evidently fearing that C.S.H.'s resolution of censure might carry, he cried out, "I told you months ago you would vote to whitewash Campbell."

Oct. 5, 1926. 129

James moves a substitute for C.S.H.'s motion of censure, that Campbell be removed, to take effect Nov. 18, 1926.

Oct. 5, 1926. 129

James said, on moving as above, in a lowering, threatening voice, "This is the last motion I expect to make as a member of this Board." - meaning that if the Board did not expel Campbell he would resign.

This threat evidently scared Gov. C. and Cunningham, who meekly said they would vote for the expulsion, altho Gov. C. told C.S.H. just before the meeting he should not vote to expel Campbell, and Cunningham had said the same to Platt yesterday or the day before.

Oct. 7, 1926.

James, George R. (Cont'd.)

Votes to expell Campbell.

Oct. 7, 1926. 130

Gives notice that he will move on a certain date in November for the removal of McCrary.

Oct. 7, 1926. 131

James has repeatedly said he was on trial more than Campbell and he literally forced Gov. C. and Cunningham to vote for Campbell's removal.

Oct. 7, 1926. 131

Platt confirms C.S.H.'s recollection that James specifically threatened to resign if his motion to expel Campbell were voted down.

Oct. 7, 1926. 131

Opposes fixing the minimum rate in the Belgian agreement at 6%. (When Board approved the Belgian agreement it was stated by error to be 5%.)

Votes against Platt's motion to approve the 6% minimum rate.

Oct. 19, 1926. 133

Board took up James report on McCrary.

James said the record showed evidence sufficient to remove McCrary.

C.S.H. reminded James that his report did not recommend removal of McCrary, but merely advised considering the whole record and determining what action should be taken.

Oct. 19, 1926. 134

James moved to inform McCrary that he should resign and that if he did not, the Board would remove him.

Oct. 19, 1926. 134

James votes against C.S.H.'s motion to lay on table, to be taken up at any time on a week's notice.

C.S.H. explained that this would not be a finding of not guilty, but James would not accept it.

Oct. 19, 1926. 135

James finally accepted Miller's motion to summon McCrary and put further questions to him.

Oct. 19, 1926. 136

James votes against Cunningham's motion that the evidence does not warrant removal of McCrary.

Oct. 19, 1926. 136



## James, George R. (Cont'd.)

Votes in favor of Miller's motion to put further questions to McCrary. Oct. 19, 1926. 136

Votes with C.S.H. against approval of Open Market Committee's request for authority to increase System account by 50 millions, in December, to be sold later when money demand falls off. Nov. 11, 1926. 145

Hopkins tells C.S.H. that the Atlanta Board is much disturbed by James statement that 3 members had told him they would not vote to continue the Cuban Agency unless Campbell, McCrary and Gov. Wellborn were eliminated. Nov. 16, 1926. 153

James said the New York Committee should report as to a successor to Jay and he would vote in favor of this report. Dec. 3, 1926. 158

James accepts assurance of Atlanta Committee that Gov. Wellborn, if reelected, will not serve after 1927. Dec. 6, 1926. 161

James and C.S.H. report in favor of consolidating the Boston and Atlanta Cuban Agency into one agency to be managed by Atlanta alone, beginning Jan. 1, 1927. Board tentatively approved.

James and C.S.H. appointed a Committee to work out details with Atlanta Committee. Dec. 7, 1926. 161

Votes against Miller's motion to abolish the Cuban Agency Dec. 7, 1926. 163

James says he will vote against designating Curtiss as Chairman and Federal Reserve Agent of Federal Reserve Bank of Boston unless Board agreed to tell him he would not be redesignated for 1928. Dec. 15, 1926. 164

C.S.H. believes Miller has been caucusing with James, who knows nothing about Curtiss except what Miller tells him. Dec. 15, 1926. 166

James said contemptuously that he should not attend the Jay dinner in New York. Dec. 15, 1926. 166

## James, George R. (Cont'd.)

James votes against an Open Market Committee meeting in New York on day of Jay dinner.

Dec. 15, 1926. 166

James and Miller are apparently so jealous of the New York bank they will do anything to thwart it.

Dec. 15, 1926. 167

Violently opposes increase of salary for Burgess, Asst Federal Reserve Agent, New York. Votes against it.

Dec. 22, 1926. 180

Finally votes for Miller's motion to increase by \$3000.

Dec. 22, 1926. 180

C.S.H. believes James wanted to show his authority to New York directors.

Dec. 22, 1926. 180

Votes against increase of salary of Philbin, Assistant Council and Secretary of Federal Reserve Bank of New York.

Dec. 22, 1926. 181

Sec. Mellon says he is satisfied that James et als merely wanted to hit the Federal Reserve Bank of New York.

Dec. 22, 1926. 182

Votes that Eddy ascertain salaries in New York comparable with salaries of Superintendent and Chief Engineer of Federal Reserve Bank of New York directly and not through the New York directors.

Dec. 28, 1926. 183

Votes to approve Goldenweiser report recommending dropping from the rolls of Carl Snyder, statistician of the Federal Reserve Bank, New York.

Dec. 28, 1926. 184

Votes, much to C.S.H.'s surprise, in favor of C.S.H.'s motion to give Gov. Strong leave of absence with full pay, until April 1, 1927.

Dec. 28, 1926. 184

Votes against reappointing Saunders as Class C. Director, Federal Reserve Bank, New York. An informal vote.

Dec. 31, 1926. 185

## Japan

See - Teuster, Dr.  
Wilson, Mrs.

Jay, Pierre  
Reports against granting trust powers to Capital National Bank,  
New York.

Board grants powers.

Aug. 11, 1926. 104

Board approves request for 6 weeks leave to go to Europe for  
vacation. James votes No. Aug. 12, 1926. 108

Board discusses Belgian agreement based on a cable from Jay.

Federal Reserve Bank, New York, asks authority to reply to Jay.

Board insists on reference to Jay's cable in any approval.

Harrison tells C.S.H. that he has cabled Jay that what Board said  
about commissions was not a condition of approval.

Oct. 5, 1926. 125, 126, 127

C.S.H. tells Miller the Board approved the consortium agreement by  
its reference to Jay's cable.

Oct. 20, 1926. 137

Gov. C. tells Board that Jay is to resign.

Dec. 3, 1926. 158

C.S.H. tells Board that Gov. Strong had a potent personality  
perhaps at times overbalancing Jay.

Dec. 4, 1926. 159

Board discusses Jay's successor.

Dec. 6, 1926. 161

Miller attacked Jay and said he was not fit for Chairman or  
Federal Reserve Agent.

Dec. 15, 1926. 164

C.S.H. believes Miller, Cunningham, and James would have refused to  
vote to redesignate Jay, had he not resigned.

Dec. 15, 1926. 166

James said contemptuously that he will not attend the Jay dinner  
in New York.

Dec. 15, 1926. 166

Gov. C. said he probably would not attend the dinner.

Dec. 15, 1926. 166

Miller said he would be at the Federal Reserve Bank on the morning  
of the dinner but would not be at the dinner because of an  
engagement in Washington.

Dec. 15, 1926. 166

## Jay, Pierre (Cont'd.)

C.S.H. and Platt attend dinner to Jay given by the New York directors, and each delivers an address.

Gov. C. was at the directors lunch but was too ill to remain for the dinner.

Miller was at lunch but left in afternoon pleading an engagement in Washington in the evening, - evidently an excuse for avoiding the dinner; as Miller dislikes Jay this course was not surprising.

Dec. 20, 1926. 179

Jay sends C.S.H. a report on the Philbin increase of salary.  
Dec. 22, 1926. 182

Jerome, Mrs. 64  
See - Brewster

Johns Hopkins Hospital  
See - Cunningham

Jones, Mrs. Andreas

Calls up Bertie and says Mrs. Pennington had written her asking her to return the manuscript of the proposed book on Wilson, as in view of Mrs. Wilson's statement that she could not endorse it, she, Mrs. Pennington, desired to withdraw it immediately. C.S.H. has a copy of this letter.

Friday, Dec. 17, 1926. 168

CSH calls up Mrs. Jones and said, in reply to her request, that he would try to clear up the matter with Mrs. Wilson.

Mrs. Jones said she particularly hoped Mr. Bolling could be eliminated from connection with the matter.

Sat. Dec. 18, 1926. 173

See - Chronological table

Joslin, Dr. E. P.

C.S.H. is thoroughly examined by, and he said he was in fine condition, - heart, liver, blood pressure, etc. normal.

Oct. 25, 1926. 140

-K-

Kettig 13  
See - Campbell

## Kuhn, Loeb &amp; Co.

Alexander, of National Bank of Commerce, Miller told C.S.H., would not take back Warburg as a director after he had left the Federal Reserve Board, because he did not want any director now or heretofore connected with such a large banking firm as.  
Dec. 4, 1926. 160

-L-

## Laning, Miss Margaret

C.S.H. announces to the Board that he has appointed Miss Laning his private secretary at a salary of \$2500, subject to the annual increase as per regulations of the Board.  
Aug. 3, 1926. 97

## Lansing, Robert

We lunch with Mr. and Mrs.

June 6, 1926. 28

## Lausanne Treaty

Admiral Bristol has convinced Mrs. Wilson that the, should be ratified.  
Nov. 18, 1926. 155

## League of Nations

C.S.H. voted regretfully for Gaston and Walsh, although he never can forget that they were both opposed to the.  
Nov. 2, 1926. 143

The authorities of the L. of N. told Mrs. Wilson they would not accept Baker's bust of Wilson, if not satisfactory to her. Baker agreed to make another, and Mrs. Wilson felt obliged to say he could consult her from time to time.

Nov. 27, 1926. 157

## Leonard, Mrs.

C.S.H. and Charles Warren drive out to country house of Mrs. Major Leonard and dine with her.

Aug. 10, 1926. 104

Mrs. Leonard helps Gertrude Myer at funeral of Walden Myer. She drives C.S.H. to the station to meet her.

Aug. 14, 1926. 108, 109

## Liggett

Tyler tells C.S.H. he suspects that Liggett and the Shawmut Bank crowd feel that C.S.H.'s appointment will injure Butler.

June 7, 1926. 29

## Lyon, Mrs. 64

See - Brewster

## Lyon, Tracey

See - Brewster

-M-

Magruder 54

See - Cuban Agency

Mattapoissett

C.S.H. leaves Washington for.

July 9, 1926. 81

C.S.H. leaves Mattapoissett for Washington.

July 18, 1926. 85

Leave Washington for.

July 23, 1926. 94

Leave Washington for.

Aug. 14, 1926. 110

Leave Washington for.

Aug. 28, 1926. 115

Captain Henry visits us at. Sept. 4, 1926. 115

Leave, for Washington.

Sept. 15, 1926. 122

Leave Washington for.

Sept. 25, 1926. 125

Oct. 8, 1926. 132

Oct. 22, 1926. 140

Leave, for Washington.

Nov. 3, 1926. 143

McAdoo, W. G.

Wing expresses fear that C.S.H. would be hand in glove with, if he were elected President in 1928.

June 24, 1926. 57

McCrary, Director, Federal Reserve Bank, Atlanta

Explains to James that he went to Cuba on his own motion.

June 2, 1926. 22

James told Board he had told Atlanta directors that 3 members of Federal Reserve Board had told him that they would not vote to continue the Cuban Agency with Atlanta unless Gov. Wellborn, Campbell, and McCrary should resign.

June 2, 1926. 22

Hopkins says above statement was considered by the Atlanta directors as a direct blow at them and that they would be forced to defend themselves.

June 10, 1926. 38, 39

C.S.H. tells Hopkins that James had no authority to make such a statement.

Hopkins said James said he made it personally on his own responsibility.

June 10, 1926. 39

McCrary, Federal Reserve Bank Director, Atlanta (Cont'd.)

Hopkins tells C.S.H. that if his Board was given time it might work out the matter along the lines James wanted but it could not be done under duress.

June 10, 1926. 39

Mr. Black repeats to our Board the above statement of James.

C.S.H. said that, up to the present time, the Board had raised no issue as to the fitness of Gov. Wellborn or McCrary.

June 15, 1926. 41

Gov. Harding tells C.S.H. that McCrary was appointed a committee of one to buy from the Presbyterian Church a lot for the Federal Reserve bank; that the amount paid was an even sum but \$2500 was added; that he suspected the latter sum might be a commission for McCrary; that the Board could look this up.

June 20, 1926. 49

James said he would vote against Magruder as Assistant Federal Reserve Agent in Cuba as the Atlanta outfit was so unfit, - meaning Campbell, Gov. Wellborn, and McCrary.

June 22, 1926. 54

James reads a report on McCrary and moves that the Attorney General be requested to renew his investigation, suspended two years ago, without the previous warning against publicity.

June 30, 1926. 65

James told Platt he was so "white livered" he would not dare to remove McCrary, no matter how strong the evidence might be.

June 30, 1926. 65, 66

Board approves a letter to the Attorney General asking him to continue the investigation of McCrary.

July 2, 1926. 71

Board sits with two agents of Department of Justice and asks them to continue the investigation of McCrary, especially his purchase of the lot for the Federal Reserve bank.

July 7, 1926. 76, 77

Board also asked the agents to investigate as to directors fees paid McCrary for attendance on Executive Committee meetings while not a member of the Executive Committee. Stated that McCrary received \$1000 more per annum than any other director.

July 7, 1926. 77

James gave notice that he should move, on a date to be fixed in November, for the removal of McCrary.

Oct. 7, 1926. 131

McCrary, Director, Federal Reserve Bank of Atlanta (Cont'd.)

The Board takes up the McCrary matter.

James said the record disclosed ample reasons for removing him.

C.S.H. pointed out that in his report James did not ask for McCrary's removal but merely asked the Board to consider the whole matter and determine what should be done.

Oct. 19, 1926. 134

C.S.H. said his feeling as to McCrary would prompt him to vote against his election as a director if the choice lay with him; that if the Board had been given power to approve or disapprove the choice of the stockholders for directors, he would vote not to approve McCrary's election; that on the question of removing McCrary for cause, the evidence was clearly insufficient; that all that had been shown was:

1. Going to Cuba. 2. Taking a friend with him.
3. Drinking on board the gun boat, but not the slightest evidence of intoxication. 4. Refunding to the Federal Reserve Bank part of his expenses or those of his friend; that, apart from this record, there was 5. the fact that he received fees for attendance at executive committee meetings when not a member; that there was also 6. the charge of using his position on the Board to induce member banks to buy his bonds; that the first four were plainly insufficient to warrant removal; that Herson had reported that 5 was an universal custom among banks, both Federal Reserve and member; that while there was enough to raise suspicion the Agents of the Department of Justice reported that nothing was proved and that this conclusion also applied to the further fact 7. that he might have received a commission from the purchase of real estate for the Federal Reserve bank.

C.S.H. pointed out that under the Federal Reserve Act the Board must state the cause of removal, and expressed the opinion that we could not assign a valid cause for removal on this record.

C.S.H. also pointed out that if we were to remove McCrary on such insufficient grounds, the member banks might consider our action unjust and that if they did they would doubtless immediately reelect McCrary and the Federal Reserve Board would be involved in a very unfortunate conflict with them.

The Comptroller, Platt and Cunningham said they could not vote for removal on this record.

Oct. 19, 1926. 134, 135



McCrary, Director, F.R. Bank of Atlanta (Cont'd.)

James then moved to summon McCrary before the Board and inform him that the Board felt he should resign and that if he refused the Board would remove him.

Oct. 19, 1926. 135

C.S.H. moved to lay James motion on the table, to be taken up at any time, on week's notice.

Vote:

Aye - C.S.H., Platt

No - Gov. C., Miller, James, Cunningham, Comptroller of Currency

C.S.H. explained that his motion would at least deprive McCrary of getting the benefit of a favorable finding by the Board, but all to no avail.

James would not listen.

Oct. 19, 1926. 135

Miller moved to summon McCrary to Washington and put further questions to him.

James said finally he would accept this.

Cunningham moved as a substitute that the evidence before the Board did not warrant the removal of McCrary.

Vote:

Aye: Gov. Crissinger, Platt, C.S.H., Cunningham

No: James

Not voting: Miller, Comptroller of Currency.

Oct. 19, 1926. 136

Oscar Wells, representing a Committee of the stockholders of the Federal Reserve Bank of Atlanta came before the Federal Reserve Board. They said they wanted to clean up the friction between their bank and the Board; that, if the Board would so indicate, they would do all in their power to secure the defeat of McCrary and the resignation of Gov. Wellborn.

C.S.H. said the Board had no right and certainly would not seek to interfere, directly or indirectly, in the election of a director or the appointment of a Governor; that all the Board could properly do was to let the Committee know that some members had no confidence either in McCrary or Gov. Wellborn; that the stockholders had a clear right to reelect McCrary and the directors to reappoint Gov. Wellborn,

McCrary (Cont'd.)

subject only to the right of the Federal Reserve Board to remove any officer for cause.

Wells said he believed that McCrary would not be reelected when his present term expired.

Nov. 12, 1926. 147, 148

Hopkins tells C.S.H. that his Board was very much disturbed at James statement that 3 members had told him they would not vote to continue the Cuban Agency with Atlanta unless, Campbell, Gov. Wellborn, and McCrary were eliminated.

C.S.H. said the Federal Reserve Board had never authorized such a statement and that it must have been purely personal.

Nov. 16, 1926. 153

McDougal, Gov. 51, 52, 56

See - Hamlin; Reappointment  
Open Market Committee

McFadden, McFadden bill

Tyler says, has told him that something may be done towards broadening the Clayton Act in the McFadden bill.

C.S.H. says it is now in conference and nothing can be done.

Platt says the Federal Advisory Council all feel that McFadden's appointment in C.S.H.'s place is impossible.

May 24, 1926. 13

Curtiss tells C.S.H. that McFadden has been in Boston to secure indorsements for C.S.H.'s position.

June 2, 1926. 24

Comptroller of Currency tells C.S.H. that Sec. Mellon told him the thought of appointing McFadden in C.S.H.'s place was ridiculous.

He said Sec. Mellon was very bitter towards McFadden because he had kept Brewer in the employ of his Committee after his attack on Sec. Mellon as to alleged bond duplications.

June 2, 1926. 24

McFadden asks Board to write to the Conference Committee and express its opinion on the Hull amendment to McFadden bill.

The Board wrote such a letter.

June 2, 1926. 24, 25

## McFadden, McFadden bill (Cont'd.)

McFadden says the references to himself in the Board's letter are embarrassing and asked us to send another, which the Board voted to do.

June 3, 1926. 25

Tyler tells C.S.H. that McFadden called him up last week and said he had given up all hopes of C.S.H.'s place as it was settled that C.S.H. was to be reappointed.

June 7, 1926. 29

Curtiss tells C.S.H. that he has heard of above, - evidently from Tyler.

June 8, 1926. 33

The Comptroller asks C.S.H. to call up Glass and ask him to yield on the Hull amendment to McFadden bill.

June 29, 1926. 61

The Comptroller tells C.S.H. that Sec. Mellon called up McFadden yesterday and blamed him for the failure of the McFadden bill; that he asked McFadden if he would get the Conference Committee to report to the H.R.; that McFadden said he could not unless a majority would join him; that Mellon asked if he would do it if King would join; that McFadden said he resented this as not a fair question.

July 2, 1926. 70

The Comptroller said that he and Sec. Mellon believe McFadden has not played fair; that he wants a resolution for an investigating committee to investigate the Federal Reserve Board and Federal Reserve Bank of New York to show that their credit policy has put up prices; that they both have supreme contempt for McFadden.

July 2, 1926. 70, 71

James said Earley threatened to block the McFadden bill.

See - Earley.

July 7, 1926. 79

McGarrah, Gates

At Board meeting Platt suggested McGarrah as being a better man than Burgess for Chairman and Federal Reserve Agent of Federal Reserve Bank of New York.

Dec. 31, 1926. 185

Mellon, Sec.

Board meets to prepare draft of a letter to, asking him to obtain opinion of State Department as to the necessity for a Cuban Agency.

May 21, 1926. 1

James says he intends to tell, and the President about the treatment of his Cuban Agency report by the Board.

May 21, 1926. 2

Board voted to send the letter to, C.S.H. saying he voted for it on the understanding that if, did not approve it, the Committee would so report to the Board.

May 21, 1926. 3

Board finally approved draft of above letter to.

May 25, 1926. 14

See - C.S.H.; Appointment  
May 26, 1926.

14

Gov. C. and James report that they had delivered the letter to Sec. Mellon as to the Cuban Agency; that Sec. M. said he felt that we could not now withdraw from Cuba; that the question of doing away with the Boston Agency could well wait awhile; that Boston should be given the right to be heard; that if this question were raised now it might result in political agitation in Massachusetts which should be avoided.

May 27, 1926. 15, 16

Sec. Mellon got Sen. Reed to poll the Senate and he reported that Gov. Harding could be confirmed. (Old diary).

May 27, 1926. 16

Old diaries show that Sec. Mellon promised our Board that no appointment of a Comptroller would be made without consultation with it, but that on that very day Sec. Mellon received word that Crissinger had been appointed.

May 27, 1926. 16, 17

C.S.H. feels that Gov. Morse, if appointed, would give Sec. Mellon much trouble, he is so insistent on the rights of the banks against the Board and so set on high discount rates.

May 29, 1926. 19

## Mellon, Sec. (Cont'd.)

Glass says Gillette had telephoned Mellon recommending C.S.H. for reappointment, who said he would take the matter up shortly.

June 1, 1926. 21

Sec. Mellon tells Comptroller that the thought of appointing McFadden in C.S.H.'s place was ridiculous. Comptroller says Sec. Mellon is very bitter because McFadden kept Brewer in the employ of his Committee after Brewer had charged duplication of U.S. Bonds.

June 2, 1926. 24

Comptroller of Currency tells C.S.H. he knows both Gillette and Sen. Butler have asked Sec. Mellon to appoint C.S.H.

June 2, 1926. 24

James says he has talked with Mellon about the Cuban Agency; that he said the Cabinet and State Department still favored an Agency; that personally he favored one consolidated agency but he felt that matter should rest for the present, -at least until Congress adjourned.

June 10, 1926. 39, 40

Eddy tells C.S.H. that Mellon has gone away for three weeks.

June 19, 26, 45

Winston says Mellon tried to get J.P. Morgan to testify before the British Parliamentary Committee as to the proposed gold standard for India; that Mellon also asked Gov. Strong to testify as to the injury it would cause India; that Gov. Strong carefully studied the matter and so testified; that Mellon did not want this to get out but thought the Board ought to know of it.

June 22, 1926. 55

See - Morgan  
Strong

Platt says Comptroller McIntosh told him that Mellon wanted him to try to persuade Glass to yield in his opposition to the Hull amendment.

June 25, 1926. 58

Sec. Mellon returns to Washington, having received honorary degree from Yale, Harvard, and other Colleges.

June 25, 1926. 58

June 26, 1926.

See - C.S.H.; Appointment. 60

June 29, 1926.

See - C.S.H.; Appointment. 61

Mellon, Sec. (Cont'd.)

The Comptroller tells C.S.H. that Sec. Mellon told him that C.S.H. deserved a reappointment; that his daughter Anna was one of Ailsa's closest friends; that he had seen much of Anna at his home with Ailsa; that he loved the child; that wholly apart from merit, he could not have recommended anyone else, because of his regard for Anna. The Comptroller said he saw tears in Sec. Mellon's eyes when he said this. June - 1926.

Sec. Mellon offers reappointment to C.S.H.  
July 1, 1926. 66, 67, 68

See - C.S.H.; Appointment

The Comptroller tells Gov. C. that Mellon called up Cong. McFadden and blamed him for failure of the McFadden bill; that he asked McFadden to call the Conference Committee together and report on the bill; that McFadden said he could not unless he had a majority with him; that Mellon asked him if he would do this if King joined him; that McFadden said this was not a fair question and resented it.

July 2, 1926. 70

The Comptroller said that Mellon and he believed McFadden had not played fair; that McFadden is working for an H.R. resolution for a Committee to investigate the Federal Reserve Board in an attempt to show that its credit policy had put up prices.

The Comptroller and Mellon each have a supreme contempt for McFadden.  
July 2, 1926. 70

C.S.H. takes oath of office before Sec. Mellon in his office.

Sec. Mellon invited the Board to attend C.S.H.'s next oath of office in 1936!  
July 9, 1926. 80, 81

The Board considered a letter from Sec. Mellon with relation to an expense voucher of Gov. Strong in connection with his testimony before the British Parliamentary Commission on the subject of a gold standard for India.

Sec. Mellon said the matter was a fiscal agency matter.

The Board decided that, Sec. Mellon having approved it, its approval was not necessary; that nothing more than forma acknowledgment was necessary.

July 20, 1926. 88, 89

Gov. C. and James were very bitter towards Mellon, saying he should have consulted the Board before asking Gov. Strong to testify. Gov. C. said he heard of it before Gov. Strong sailed, but not from Sec. Mellon nor from the Board.

July 20, 1926. 89

Mellon, Sec. (Cont'd)

The Comptroller said the language of Winston in his letter to Gov. Wellborn urging relief from embarrassed banks was almost exactly what he (the Comptroller) had used in talking with Sec. Mellon.

C.S.H. thinks possibly Mellon asked Winston to write this letter.  
July 23, 1926. 98

Gov. Strong writes C.S.H. that the object of his visit to Europe was fully explained to Sec. Mellon and Gov. C. and fully approved by them. Gov. C. finally admitted to Board that Sec. Mellon did speak to him about it.  
Aug. 15, 1926. 110

Miller says Warburg told him he should speak to Sec. Mellon about his reappointment, and that Warburg's statement to Mellon brought about his reappointment more speedily.  
Aug. 26, 1926. 113, 114

See - Miller

Sec. Mellon was present when Harrison came before Board as to Bank of Belgium consortium agreement. Sec. Mellon voted with C.S.H., Platt, and Comptroller of Currency against the prohibition of any commission to the Federal Reserve bank in connection with its purchase of bills indorsed by Bank of Belgium.

Lost on tie vote.

Aye: Gov. C., Miller, James, Cunningham  
No: Sec. Mellon, C.S.H., Platt, Comptroller

Oct. 5, 1926. 125, 126

Sec. Mellon tells C.S.H. he is very much disturbed at the lack of confidence in the Federal Reserve Bank of New York shown by certain members of the Board.

Oct. 5, 1926. 127

Harrison again appears before Board as to Bank of Belgium consortium agreement.

Sec. Mellon votes with C.S.H. to ratify the minimum rate at 6% instead of 5%.

Lost

Aye: Sec. Mellon, C.S.H., Platt  
No: Gov. C., Miller, James, Cunningham

Comptroller was absent.

Oct. 19, 1926.

See - Belgium

Mellon, Sec. (Cont'd.)

C.S.H. feels above action gives Sec. Mellon another picture of the Board, in its refusal to consider the matter from a banking standpoint, and its insistence on treating it from an eleemosynary standpoint; that it was really a gratuitous gift to the private stockholders of the Bank of Belgium.  
Oct. 19, 1926. 134

C.S.H. tells Mellon that, as an alleged free trader, he could not see that the bankers appeal for lower customs duties in Europe was an argument against a protective tariff for the U.S.; that prior to the Constitution the states levied duties against one another and nearly got into war; that under the Constitution an enormous free trade area was created, but that the nation levied protective duties against foreign nations; that the bankers appeal favored an enlarged customs zone but left untouched the question of duties to be levied against the rest of the world.  
Oct. 22, 1926. 137, 138

Sec. Mellon said to C.S.H. "You are not really a free trader, are you?"

C.S.H. said he had been called a free trader so long that he had become fond of the name, just as eels are said finally to love skinning, - they become so used to it.

C.S.H. added that he would be willing to compromise on a duty equal to the difference between unit costs, - which, however, would entail a radical reduction of present duties.  
Oct. 22, 1926. 137

Sec Mellon said he was shocked at Miller's statement that he might have voted for a minimum rate of 6% on the Belgian bills, if the Federal Reserve Bank of New York had treated with respect the Board's recommendation as to wiping out all commissions.  
Oct. 22, 1926. 138, 139

C.S.H. consults Sec. Mellon as to appointment of Chairman of Board of Federal Reserve Bank, New York.

Sec. Mellon strongly favored appointment of Burgess and said he would ask Gov. C. to tell the Board he wished to confer with them when the matter was taken up.

Sec. Mellon seemed disturbed at the suggestion of Warburg's name.  
Dec. 4, 1926. 160



## Mellon, Sec. (Cont'd.)

Board discussed matter of appointment of Chairman of Federal Reserve Bank of New York. Gov. C. did not play fair with Sec. Mellon, who, he knew wanted Burgess, for he said of course the Board could appoint Burgess if it wished to be dominated by the Federal Reserve Bank of New York. This in Sec. Mellon's absence!

Dec. 6, 1926. 161

Gov. C. said Federal Reserve Agent DeCamp of Cleveland had proved a great failure; that he recommended him for appointment only because of the "great pressure" brought on him,- evidently referring to Sec. Mellon.

Miller and Cunningham then began to make excuses for DeCamp, speaking of the short time he had held office, evidently to avoid any clash with Sec. Mellon.

Dec. 15, 1926. 165

C.S.H. tells Sec. Mellon of the action of the Board in refusing to increase the salaries of Burgess and Philbin of the Federal Reserve Bank of New York.

Sec. Mellon was greatly disturbed. C.S.H. said there was no possibility of securing the appointment of Burgess for Chairman.

Sec. Mellon said he would gladly give Burgess a position in some Pittsburg bank at as high a salary as the Federal Reserve Bank of New York could ever give him.

Sec. Mellon said he was satisfied that the majority of the Board wanted to hit the Federal Reserve Bank of New York.

Sec. Mellon said he was going away for Christmas but would tell Gov. C. he wished to be present when the Chairman was taken up.

Sec. Mellon said it might be possible to secure an increase of salary for Burgess and Philbin at some later meeting when he was present. He said he did not want to go into the meeting this afternoon and be put in the position of breaking a tie vote.

Dec. 22, 1926. 182

Board meets to consider appointment of Chairman of Federal Reserve Bank of New York. Sec. Mellon was present.

C.S.H. presented name of Burgess and gave a sketch of his life.

Sec. Mellon praised Burgess highly.

Platt said later McGarrah would be a better man.

Meeting adjourned without action.

Dec. 31, 1926. 185

Metcalf, Sen.

Tyler says he will get in touch with, as to C.S.H. reappointment.  
June 22, 1926. 52

Miller, A. C.

Reads draft of letter to Sec. Mellon to obtain opinion of State  
Dept. as to Cuban Agency,  
Platt amendment.  
C.S.H. suggests additions.  
May 21, 1926. 1, 2

See - Cuban Agency

Objects to recommendation of Federal Advisory Council that call  
loans are a desirable secondary reserve, evidently wishing  
to fortify his testimony before the Banking and Currency  
Committee that the Federal Reserve Act should be amended so  
that the Federal Reserve banks may refuse rediscounts when banks  
are carrying speculative loans.  
May 21, 1926. 4

Cunningham tells President Coolidge he always went to Miller and  
C.S.H. for advice, and Coolidge said, "They are two fine men."  
May 29, 1926. 18

C.S.H. believes that Gov. Morss, if appointed in C.S.H.'s place will  
always stand with Miller for deflation and higher discount rates.  
May 29, 1926. 19

C.S.H. and H.P.H. lunch with Miller at his house. Miller said he  
was "out" of California, that he had sold all of his property  
there except some woodland; that the newspaper representatives  
had decided from now on to speak the truth about Coolidge and  
refrain from withholding facts as they had been doing; that  
Norman Hapgood was to have lunched with him today but was invited  
to lunch at White House; that this was extraordinary as Hapgood  
was such an extreme radical.

Denman, formerly of the Shipping Board was also at lunch and asked  
Miller, satirically, when he was to publish his "appreciation"  
of Woodrow Wilson.

May 30, 1926. 20

Glass tells C.S.H. of Wilson's desire to remove Miller from Federal  
Reserve Board after the fight for cutting down the number of  
Federal Reserve banks. Glass said Wilson offered him Miller's  
place but Glass declined and urged Wilson to make no changes  
at that time, as it would be claimed to be political.

June 7, 1926. 34

## Miller, A. C. (Cont'd.)

Bitterly objects to giving Atlanta Committee any evidence in Campbell matter except Campbell's testimony.  
June 9, 1926. 35

C.S.H. bids good-bye to Miller, just sailing abroad.

Miller says he has just heard on the highest authority that C.S.H. is to be reappointed.

C.S.H. believes Hoover must be the authority.  
June 9, 1926. 36

With Miller abroad, and Gov. C. and Cunningham ill, the Federal Reserve Board is shot to pieces.  
June 19, 1926. 46

Gov. C. says Miller before going abroad, spoke to him very sneeringly about C.S.H., saying that he took very little interest in Board matters, devoting himself to indexing and other unimportant matters.  
July 2, 1926. 69

Miller was abroad when C.S.H. took new oath of office.  
July 9, 1926. 81

Miller sailed from Europe Aug. 11th on the Leviathan.

Expressed his pleasure to C.S.H. on his reappointment.

Miller said he did nothing to secure his own reappointment a year ago; that Mitchell and Warburg, of the Federal Advisory Council had a resolution prepared and wanted the Federal Advisory Council to pass it, they being then in session (May 1924); that he (Miller) objected saying the Council had no right to make recommendations for office; that Warburg said he would see Sec. Mellon and ask him to recommend him to Coolidge for reappointment; that Warburg asked him what he should say to Mellon; that he told Warburg he should be glad to be reappointed, but that he did not wish to be held up as Gov. Harding was, and he felt it only fair to say that, if not reappointed before July 1, he should at once resign.

Miller told C.S.H. he was perfectly independent, so far as salary went, and he could thus afford to speak frankly.

Miller said he thought Warburg's statement to Mellon brought about his reappointment more speedily than otherwise; that Mitchell saw Coolidge, shortly after, on another matter, and mentioned his name, and Coolidge said his reappointment was settled.

Miller, A. C. (Cont'd.)

C.S.H. said he supposed Hoover was the guiding force.

Miller said Hoover was ill at the time and only learned of it through his wife, although, of course, he strongly favored it.  
Aug. 26, 1926. 113, 114

Bitterly opposes letting Campbell have a copy of the evidence against him; said he had made up his mind to vote to remove Campbell and said he would only agree to let him see the evidence if the Board would now agree to remove him.  
Sept. 8, 1926. 115, 116

C.S.H. objected to Miller's position saying that Campbell was on trial for his official life and should see all the evidence against him.

C.S.H. agreed with Miller that under the Federal Reserve Act the Board could remove without any hearing but pointed out that the Board, while Miller was in Europe, had promised the Atlanta Committee and Campbell to lay before them all the evidence.  
Sept. 8, 1926. 116

Miller admits the Board agreed to submit all the evidence against Campbell to the Atlanta Committee and to Campbell, but said that he was not present then, and was not bound by the agreement, and urges a refusal, although rather weakly.  
Sept. 9, 1926. 118

Miller finally drew up a resolution:

1. Board not bound to give a hearing.
2. A hearing will embarrass Board in future cases of removal.
3. Will give the evidence, because of the Board's agreement, to the Atlanta Committee as a privileged and confidential matter, to help it in its independent investigation.  
Sept. 9, 1926. 118

C.S.H. asked Miller if he meant by the resolution that Campbell was not to be allowed to see the evidence and he replied Yes.

C.S.H. said he would accept Miller's motion as a compromise if amended so that Campbell should be allowed to see the evidence.

Miller then withdrew his motion.

Finally it was agreed that the evidence should be shown to the Atlanta Committee and Campbell, the Governor to make a statement to them as to its privileged character, etc. to be agreed upon in writing by the Atlanta Committee and Campbell. Miller asked to be recorded as "not voting."  
Sept. 9, 1926. 119

Miller, A. C. (Cont'd.)

Miller, at Open Market Committee meeting, to C.S.H.'s surprise, took the grand that the money in the market should neither be increased or diminished, favoring a replacement of the 10 millions to be paid by Treasury on Sept. 15th, and also of the 12 millions held on foreign account, running off on Sept. 15. Sept. 10, 1926. 120

Miller moves that the System account be maintained as at present, the 10 millions maturing Sept. 15th to be replaced.

Lost: Aye - Miller, C.S.H., Cunningham  
No - Gov. C., Platt, James, Comptroller  
Sept. 10, 1926. 121

Platt moved that special account be maintained at from 200 to 225 millions.

Carried:  
Aye: Platt, James, Cunningham, Comptroller  
No: Gov. C.  
Not voting: Miller  
C.S.H. had left for Mattapoisett when above vote was taken.  
Sept. 10, 1926. 122

Miller addresses Federal Advisory Council on his European trip.

Miller said that, speaking generally, the European nations had made a distinct economic development; that Germany had progressed marvelously and was filled with the determination to work out its salvation; that Belgium had also made remarkable progress; Miller was very pessimistic, however, as to France, saying that Poincaré could never succeed in stabilizing the franc; that a dictatorship seemed almost necessary. Miller was also very pessimistic about Great Britain; he said the English were a "sporty" people and were doing their best, but he feared the Nation could never bridge the gap.  
Sept. 17, 1926. 122, 123

Board takes up Bank of Belgium agreement.

C.S.H. moved approval

Miller and James insisted that the exact terms be stated.

C.S.H. then put into his motion a reference to Federal Reserve Agent Jay's cable.

Miller and James objected to charging any commission on bills purchased.

Miller, A. C. (Cont'd.)

C.S.H. then added to his motion a clause that, without imposing it as a condition, the Board hoped that no commission be charged.

Miller moved to insert a direct prohibition of commissions.

Lost: Tie vote

Aye: Gov. C., Miller, James, Cunningham  
No: Sec. Mellon, C.S.H., Platt, Comptroller

Oct. 5, 1926. 126, 127

Platt moved a resolution much like C.S.H.'s but adding at end that the Board desires to have the Federal Reserve Bank revise the agreement as to commissions as the Board considers a commission on purchase of bills indorsed by a central bank as not consistent with the Federal Reserve Act or its principles.

All, including Miller, voted for this.

All understood, however, that this was not a condition and Harrison so cabled Jay.

C.S.H. agrees to this but fears it may result in bringing the question again before the Board.

Oct. 5, 1926. 127

Miller and James seem determined never to grant any request of the Federal Reserve Bank of New York and Sec. Mellon told C.S.H. he is much disturbed at this lack of confidence in the Federal Reserve Bank, New York.

Oct. 5, 1926. 127

Miller says he will agree to advise Atlanta that the Board had decided to remove Campbell unless he resigned at once, but if this was not unanimously agreed to, he should second James' motion for removal.

Oct. 7, 1926. 129, 130

C.S.H. declined to agree to this, giving his reasons in full, and Miller seconded James' motion.

Carried.

Aye: Gov. C., Miller, James, Cunningham, Comptroller  
No: C.S.H., Platt

Oct. 7, 1926. 130

Miller, A. C. (Cont'd.)

Board takes up Bank of Belgium credit.

Harrison says Federal Reserve Bank tried to have commissions removed from the agreement; that they finally had to agree to collect the commissions but had agreed to rebate them for a period up to the time of the expiration of the British credit, which had no provision for commissions.

Harrison also said the minimum rate provided for was 6% and not 5% as he had erroneously informed the Board when last before it.

Platt moved to approve the 6% minimum.

Miller said he would be disposed to agree, had the Federal Reserve Bank of New York shown proper respect to the Board's suggestion as to striking out the provision for commissions.  
Oct. 19, 1926. 132

Harrison told Miller the directors had shown all respect to the Federal Reserve Board; that the Board had put the matter in the form of a suggestion and not as a condition; that his directors had done the best they could; that the above was the only way they could work it out.  
Oct. 19, 1926. 132, 133

Miller then said he agreed with James that a 6% minimum rate on bills purchased was wrong.

Sec. Mellon and C.S.H. defended the rate.

Platt's motion to approve the 6% minimum rate was lost.

Aye: Sec. Mellon, C.S.H., Platt  
No: Gov. C., Miller, James, Cunningham

The Comptroller was absent.  
Oct. 19, 1926. 133

James moves to summon McGrary to Washington and to notify him that if he did not resign the Board would remove him.

C.S.H. moved to lay on table, to be taken up at any time on a week's notice.  
Lost.

Aye: C.S.H., Platt  
No: Gov. C., Miller, Cunningham, James, Comptroller.  
Oct. 19, 1926. 135

Miller, A. C. (Cont'd.)

Miller moved to summon McCrary to Washington and put further questions to him.

James accepted Miller's motion.

Suddenly Cunningham moved in substitution that the evidence did not warrant the removal of McCrary.

Carried:

- Aye: Gov. C., C.S.H., Platt, Cunningham
- No: James
- Not voting: Miller, Comptroller

Oct. 19, 1926. 136

Board took up question of approving the minutes of the meeting on the Belgium credit

Miller tried unsuccessfully to have the records amended so that it would appear that the only matter before the Board was the question of authorizing the Federal Reserve Bank of New York to buy certain bills.

Miller said he would never agree to having the Federal Reserve Bank join a consortium of European banks

C.S.H. pointed out that the Board in fact had approved the Federal Reserve Bank entering into the consortium agreement, as was clearly shown by the reference in the record to Jay's cable to the Federal Reserve Bank of New York which set out the agreement.

Oct. 20, 1926. 137

Sec. Mellon speaks to C.S.H. as to Miller's statement that he would have voted for the 6% minimum rate for the Belgian bills, had the Federal Reserve Bank of New York treated with respect the Board's suggestions as to striking out commissions.

Sec. Mellon was very much disturbed at such a statement.

Oct. 22, 1926. 138, 139

Federal Reserve Agent Curtiss told C.S.H. that he believed Miller's dislike for him grew out of a pro-German remark of Miller, just after we entered the war, made at a gathering where Wills, et als were present; that he could not now remember Miller's exact words, but that they were shocking, expressing sympathy for Germany and lack of sympathy for the U.S., then engaged in war with Germany; that his remarks were distinctly disloyal;



Miller, A. C. (Cont'd.)

that some one must have informed the Government as a little later a Secret Service Agent visited him in Boston and questioned him about the incident; that he felt that Miller must have learned of this and have suspected that he, Curtiss - had given the information to the Government, - which, in fact, was not true.  
Nov. 6, 1926. 144

Open Market Committee meeting.

Committee asked authority to increase purchases of Government securities by 50 millions in December, to be sold later when money demand fell off.

Miller strongly objected.

C.S.H. moved approval.

Miller moved against changing amount authorized in October - 200 to 215 millions.

Carried:

Aye: Gov. C., Miller, Cunningham, Comptroller  
No: C.S.H., James  
Nov. 11, 1926. 145

Miller speaks on conditions in Europe at dinner given to Board at Metropolitan Club by the Governors and Federal Reserve Agents.  
Nov. 11, 1926. 149

Miller says Gov. C. asked him to call a special meeting of Board in his absence, to consider extending time of Campbell's removal.

All deemed extension inexpedient.  
Nov. 12, 1926. 150

Miller and C.S.H. go to Emergency Hospital to see Mr. Coulton, of Federal Advisory Council.  
Nov. 18, 1926. 155

Miller advocates appointment of Warburg as Chairman and Federal Reserve Agent in place of Jay resigned.  
Dec. 3, 1926. 158

Miller asks C.S.H. to come into his office.

Miller was enthusiastic for Warburg.

Miller said the N. Y. Directors had suggested Case, Harrison, and Burgess; that Case did not want it and would take it only as a matter of duty; that Harrison did not want it; that the directors really wanted Burgess; that Burgess would be good

Miller, A. C. (Cont'd.)

as Federal Reserve Agent, but as Chairman would be dominated by Gov. Strong.

C.S.H. told Miller that Warburg was, of course, well qualified but that he feared he would not cooperate with Gov. Strong; that while the Federal Reserve Act undoubtedly regarded the chairman as the principal officer, yet that a status had been created and that Gov. Strong was undoubtedly a potent factor, perhaps overbalancing Jay, although they cooperated perfectly together; that he feared Warburg would try to dominate Strong and, with his lack of tact, there might be trouble from the start; that no one offensive to Strong should be appointed, although he did not feel that this would be offensive if Warburg were appointed, but would like to ascertain as to this; that he, C.S.H., felt that Burgess was a good man and a growing man and one who would cooperate with Strong; that he thought Strong would cooperate with Burgess rather than dominate him.

Dec. 4, 1926. 158, 159, 160

Miller told C.S.H. that Alexander, of the National Bank of Commerce, told him that after Warburg had left the Federal Reserve Board Alexander refused to take Warburg back as a director, for the reason that he did not want to have as a director any one who had been connected with a large and important banking house such as Kuhn, Loeb & Co.

Dec. 4, 1926. 160

Miller moves that the Cuban Agency be abolished on and after a fixed date, to be agreed upon.

Lost:

Aye: Gov. C., Miller  
No: C.S.H., Platt, James, Cunningham  
Dec. 4, 1926. 163

C.S.H. moved designation of Atlanta as sole agent.

Carried unanimously.

C.S.H. thinks Miller did not vote.

Dec. 4, 1926. 163

Miller, at Board meeting, makes a savage attack on Federal Reserve Agent Curtiss.

C.S.H., and Platt of the Boston Committee, unanimously report favoring his reappointment.

Finally agreed to reelect all Federal Reserve Agents for 1927 but to consider cases of Curtiss, Heath, Hoxton et als on

Miller, A. C. (Cont'd.)

Jan. 15, 1927, as to notifying them they would not be elected for 1928, so as to give them time to make necessary arrangements.

Dec. 15, 1926. 164

DeCamp's name was brought up and Miller and Cunningham began to make excuses for him, evidently realizing that Sec. Mellon favored him.

Dec. 15, 1926. 165

C.S.H. believes Miller is determined to revenge himself against Curtiss because of the pro-German statement made by him to Curtiss, Wills, et als.

Dec. 15, 1926. 165

C.S.H. moves that Board hold an open market meeting on Monday, the day of the Jay dinner.

Lost:

Aye: C.S.H., Platt  
No: Miller, James, Cunningham

Gov. C. would not vote but was evidently opposed.

Dec. 15, 1926. 166

Miller and James are so jealous of the Federal Reserve Bank of New York that they seem ready to do anything to thwart it.

Dec. 15, 1926. 167

Miller tells C.S.H. that Wing of the 1st National, Boston, has just called on him, and said he was sorry he had not time to call on C.S.H.

C.S.H. believes Wing called on Miller to oppose Curtiss.

Dec. 15, 1926. 167

See - Wing

Miller, Gov. C., Platt and C.S.H. have an informal meeting with Open Market Committee in New York, and lunched together at the Bank.

Miller did not attend the dinner to Jay, pleading an engagement that evening in Washington.

Dec. 20, 1926. 179

Miller vigorously opposed any increase in salary of Burgess, Assistant Federal Reserve Agent, New York. The Bank had recommended an increase from \$10,000 to \$15,000.

C.S.H. moved approval of increase.

Lost: Aye: Gov. C., C.S.H., Platt  
No: Miller, James, Cunningham

Dec. 22, 1926. 180

Miller, A. C. (Cont'd.)

Miller finally said he would compromise on a \$3000 increase.

Voted unanimously.

Dec. 22, 1926. 180

Another proof of Miller's hatred and jealousy of the Federal Reserve Bank, New York.

Dec. 22, 1926. 180

Miller also opposed increase in salary of Philbin, Assistant Counsel, and Secretary of Federal Reserve Bank, New York.

C.S.H. moved approval of increase.

Lost

Aye: Platt, C.S.H.  
No: Miller, James, Cunningham  
Gov. C. would not vote

Another exhibition of hatred and jealousy.

Dec. 22, 1926. 181

C.S.H. tells Sec. Mellon who is shocked.

Dec. 22, 1926. 181

Miller moved to approve a report of Goldenweiser that the work of Carl Snyder, Statistician, of the Federal Reserve Bank of New York carried on the rolls of the Federal Reserve Agents office, be discontinued and that Snyder be dropped from the rolls of the bank.

Carried:

Aye: Miller et als  
No: C.S.H., Platt

Dec. 28, 1926. 183, 184

Miller said that Snyder was an able man and that his work on trends of prices and production was well done and might be of future importance, but that the Federal Reserve banks should carefully avoid work involving forecasts of the future.

Miller admitted that Snyder's work was quoted more over the country than our Statistical Division's work.

Dec. 28, 1926. 183, 184

Miller and the other members voted informally not to reappoint Saunders as Class C Director of the Federal Reserve Bank, New York. C.S.H. and Platt voted contra.

Dec. 31, 1926. 185

Miller, David Hunter  
C.S.H. takes tea with Mrs. Wilson to meet.

Mrs. Wilson said Admiral Bristol had satisfied her that the  
Lausanne Treaty should be ratified.

Miller said he was absolutely opposed to ratification.  
Nov. 18, 1926. 155

Mrs. Wilson tells C.S.H. she is to accept Mrs. Rice's invitation  
to visit her in Albany on the occasion of the Wilson  
ceremonies on Dec. 27th, at which Mr. Miller is to speak.  
Dec. 17, 1926. 175

Mitchell, Federal Advisory Council  
Helped Miller get his reappointment to Federal Reserve Board.  
Aug. 26, 1926. 113, 114

See - Miller, A. C.

Mitchell, National City Bank, New York  
James says Gov. Strong hates, and wants Board at least to  
threaten to abolish the Cuban Agency so that Mitchell will  
have to appeal to him for help.

James says Mitchell will be here shortly and would go direct to  
President Coolidge.

Evidently James is as close to Mitchell as he claims Gov. C. is  
with Strong.  
May 22, 1926. 8, 9.

Moore, J. P.  
C.S.H. gives, a letter, written at Mattapoisett, dated July 30,  
stating that he feels the office expenses should be  
reduced and that he has decided to let him go, but that  
Eddy, the Secretary of the Board, will give him some other  
position where he can do index digesting which will occupy  
him for at least one year, and if he makes good, some other  
position will be found for him; that his new salary will  
be \$2500 in place of his present salary of \$3000.

Later, C.S.H. sent for Moore and had a frank talk with him. He  
accepted the situation quietly, only regretting the decrease  
in salary.

While in some respects Moore is a fairly good worker, he has no  
push, is slothful and absolutely deficient in memory, in  
short, he has made a complete failure as a private secretary;  
he has been away from the office a great deal, claiming to  
be ill, which illness I strongly suspect is not true.

Moore, J. P. (Cont'd.)

I know of one instance when he claimed to be ill, but was seen driving an automobile. Whenever I really needed him he was almost certain to be away "ill." When I went to Europe after Anna's death, he got a leave of absence without pay, to go to Florida, but when I returned I found he had utterly neglected to keep up the indexing of my scrap books, which he could easily have attended to before taking the leave, and I ultimately had to do this work my self.

He was quite good at index digesting and C.S.H. feels if he is put under a rigid task master and set to work digesting the Federal Reserve Bulletins, Annual reports, etc., it may pull him up.

C.S.H. feels it is best for him to stand on his own merits and make good if he can.

Aug. 2, 1926. 95, 96.

Morgan, J. P.

Sec. Mellon tried to induce, to testify before the British Parliamentary Commission on the effect of the proposed gold standard for India, but Mr. Morgan said if he did he would have to testify that it would injure the U.S. which would make the Indians on the Commission more in favor of it.

June 22, 1926. 55

Morss, Gov.

Eddy tells C.S.H. he had heard a rumor that, wanted to be appointed in C.S.H.'s place. Morss is now on the Federal Advisory Council. He resigned some years ago as Governor of Federal Reserve Bank of Boston, because of ill health, and C.S.H. doubts the rumor.

Morss was once a director of Wing's bank and doubtless would have his support, and his appointment would please Sen. Butler as Morss is a Republican.

May 27, 1926. 15

Eddy says he first heard of the above rumor in Chicago some weeks ago.

May 29, 1926. 17

Cunningham said he heard the rumor while the Federal Advisory Council was here but said it was not considered seriously as Morss had retired from business and wanted rest and quiet.

May 29, 1926.17

Morss, Gov. (Cont'd.)

C.S.H. feels it possible that Sen. Butler and Wing may have appealed to Morss's vanity throwing out the bait of the Governorship of the Board; that Morss is a good man but very set and narrow; he has always fought for the rights of the bank against the Board and has always opposed rate reductions; that if on the Board he would stand with Miller for deflation and would give Mellon great trouble.

Morss has often told C.S.H. he was tired out, had retired from business and wanted a good rest.

Morss resigned as Governor some years ago, his health being completely broken down.

Morss was born July 13, 1857 and is now about 69 years of age.

C.S.H. believes he would take this position only upon the distinct understanding that it would be only for a short period and that he could resign at any time.  
May 29, 1926. 18, 19

C.S.H. writes Glass as to the Morss rumor.  
May 30, 1926. 20

Curtiss tells C.S.H. he knows there is no truth in the Morss rumor, and that he knew Morss would not accept if it were offered to him.  
June 1, 1926. 21

Gov. Harding tells C.S.H. he has talked with Morss who told him he would be 70 years of age in July; that he had not sought and would not accept the position; that even if he were disposed to accept, which he was not, nothing could persuade him to go on a Board of which James was a member!  
June 20, 1926. 47

Moses, Sen.

Tyler tells C.S.H. he is going to get, interested in his reappointment.  
May 24, 1926. 12

Tyler says he will not go to, as he felt sure that if he thought there was a chance of slipping a friend into C.S.H.'s place he would do it without compunction.  
June 22, 1926. 52

Gov. C. told C.S.H. that, had protested to Coolidge against C.S.H.'s reappointment on the ground that C.S.H. had filled all the officers and directors of the Federal Reserve Bank of Boston with Democrats!  
July 2, 1926. 69

Mussolini

Gov. Strong tells of his interview with. He said, said there would not be another war for 25 years, as the Nations could not afford it, but that there undoubtedly would be much snarling.

Gov. Strong said that Mussolini's Government was most efficient, - that it could do things at once, - the very reverse of France. June 17, 1926. 44

Mutual Savings Bank  
83, 84

See - Bowman

Myer, Gertrude

C.S.H. arranges funeral of Rev. Walden Myer and meets Gertrude at the Railroad station. He drove out to the Cathedral and back with her and took her in and sat with her during the service. Aug. 14, 1926. 109

Some time ago, asked C.S.H. to move over to her house and stay with her until H.P.H. returned from Mattapoisett. She said she had talked it over with Mrs. Sandy Rogers and that while she disapproved another man Gertrude had in mind, she fully approved as to C.S.H.

C.S.H. pleaded "another engagement."  
Nov. 24, 1926. 155

Some days ago, told C.S.H. she wanted to discharge Charles Warren and his associates as her Counsel. She said she asked them as to the probable expense of keeping them as Counsel and they said (Warren was away in California) it would be about \$200 per month provided it involved no court work; that they suggested trying it out as it might be less.

C.S.H. advised her to try it, as she must have some Counsel in Washington.

She promised to do this.

Today she called up C.S.H. for advice and casually said she had dismissed them.

She is very foolish as she must probate her brother's will in Washington, - although she says she will not, as Probate in Buffalo is sufficient!

Nov. 24, 1926. 156



Myer, Gertrude (Cont'd.)

C.S.H. calls up Mrs. Chandler Hale to tell her how foolish Gertrude was.

Mrs. Hale told C.S.H. that her sister, Mrs. Sandy Rogers, told her that Gertrude had never spoken to her about C.S.H. staying with her until H.P.H. returned!

Gertrude lied to C.S.H.

Nov. 24, 1926.156

See - Myer, Rev. Walden

Myer, Rev. Walden

Dr. Ruffin's secretary called up C.S.H. to say that, had a stroke yesterday at Eastern Point, Mass., and that he was going on to him tonight. Aug. 9, 1926. 103

Dr. Ruffin calls up C.S.H. from Boston and says, has been in a comatose condition since Sunday and may die at any moment. Aug. 11, 1926. 106

Dr. Ruffin wired that, died at 7 this morning. He wired a list of honorary pall bearers whom he asked me to notify.

C.S.H. was able to secure Gen. Hines, Corcoran Thom, Col. Taylor, Charles Warren, Benjamin Thorns, Richard Olney and C.S.H. Aug. 12, 1926. 108

C.S.H. meets Gertrude Myer at the station. Mrs. Leonard drove C.S.H. down to station. Mr. and Mrs. Richard Olney and Dean Bratenahl came on the train with her.

The funeral was at 12 M at Bethlehem Chapel.

C.S.H. drove out with Gertrude and took her in and sat with her during the service.

After the service we waited one-half an hour and saw the body placed in the vault.

Aug. 14, 1926. 109

-N-

National Bank charters

Federal Reserve Agent Newton of Federal Reserve Bank of San Francisco told C.S.H. two weeks ago that the Comptroller, during a certain period, had referred 33 applications for new charters to his bank; that his bank reported favorably on ten and unfavorably

## National bank charters (Cont'd.)

on 23; that a majority of the 23 had been refused state charters; yet that the Comptroller had granted charters to a majority of the 23.

June 18, 1926. 45

## National City Bank

James says an officer of, has written Gov. C. that a rumor is afloat that the Board is considering abolishing the Cuban Agency.

May 21, 1926. 3

See - Cuban Agency  
Mitchell

## National Grange

Cunningham says he will let Coolidge know that C.S.H. is a member of the.

May 29, 1926. 18

## National Shawmut Bank

Tyler speaks of the National Shawmut Bank crowd as being very close to Sen. Butler; referred specially to Liggett.

June 7, 1926. 29

## New Democracy

Mrs. Wilson sends C.S.H. as a birthday present a copy of, containing addresses and letters of Woodrow Wilson, with a charming letter.

July 23, 1926. 90

## New York Stock Exchange

Federal Advisory Council says that call loans are a desirable secondary reserve.

May 21, 1926. 4

C.S.H. explains to Federal Advisory Council that the Federal Reserve Act does not prevent banks from sending funds to New York to be loaned on, but limits these to surplus funds; under old law a certain portion of the reserves could be sent to correspondent banks in New York for this purpose.

May 21, 1926. 5

Wetmore, President of Federal Advisory Council said that the damage caused by the recent break on, was not nearly so great as the collapse of real estate speculation.

May 21, 1926. 5

Rue deprecated attempting to stop stock exchange speculation by putting up discount rates, - which mean in turn higher call loan rates.

May 21, 1926. 6

New York Stock Exchange (Cont'd.)

Alexander said the break on the, was caused by an inflation of stock values.

May 21, 1926. 6

Gov. C. said the Federal Reserve Bank of New York adjusted all its discount rates with a view to the condition of the. He intended this as an attack but shortly after he advocated higher rates in order to stop speculation on the.

Aug. 11, 1926. 107

C.S.H. does not believe in increasing discount rates, possibly penalizing business and crop movements, in order to control the.

Aug. 11, 1926. 107

Newton, Federal Reserve Agent, Atlanta

Board appoints a Deputy Federal Reserve Agent at Atlanta at request of Gov. Wellborn and.

Aug. 3, 1926. 97, 98, 99

See - Campbell  
Cuban Agency

Newton, Federal Reserve Agent, San Francisco

Told C.S.H. some weeks ago that the Comptroller referred to his bank, during a certain period, 33 applications for national bank charters; that his bank approved 10 and disapproved 23; that a majority of the 23 had been refused state charters; yet that the Comptroller granted charters to a majority of the 23.

June 18, 1926. 45

Comes on with Gov. Calkins to attend dinner to Federal Reserve Agent Jay in New York, returning next day.

Dec. 20, 1926. 179

Nomination of C.S.H.

For Federal Reserve Board by President Coolidge.

July 1, 1926. 74

Norman, Governor, Bank of England

Gov. Strong says, wanted Italy at once to stabilize on the gold standard, but Gov. S. thought she could not do this alone.

June 17, 1926. 44

Norris, Gov.

Says his directors believe we should hold permanently between 250 and 500 millions of Government securities.

June 21, 1926. 51

Norris, Gov. (Cont'd.)

Curtiss tells C.S.H. that certain officers of the Federal Reserve Bank of New York had opposed C.S.H. and favored, for the Federal Reserve Board; he mentioned specifically Gov. Case. July 14, 1926. 82

See - Open Market Committee

Attends Board hearing on Cuban Agency. Nov. 12, 1926. 146

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Oath of office  
C.S.H. takes, as membr of Federal Reserve Board. July 9, 1926. 80, 81

C.S.H. takes oath of office for second time. Aug. 10, 1926. 104

Old Colony Trust Co.

Seeks to have Clayton Act amended so as to permit a director to 3 other banks instead of 2, where no substantial competition exists.

C.S.H. said he saw no objection, but that Board must pass on it, after reference from the Committee of H.R. and Sneate; that it would be impossible to secure such legislation during closing hours of Congress, as the McFadden bill was now in conference and each House had agreed on 2 directors, as at present; that even if the Conference Committee were to agree on 3 directors, their report would be open to a point of order as being new legislation.

The lawyer of the Old Colony Trust Co. (Tyler's partner) said he had seen McFadden who thought some thing might be done.

C.S.H. felt sure it was too late, and after seeing Edge and McFadden again the lawyer agreed with C.S.H. May 22, 1926. 11, 12

Tyler called up.

C.S.H. said Platt said it was too late.

Tyler asked if a separate bill could not be put in for action next fall.

C.S.H. said yes, and that then the Board would pass on it if asked by the Committee. May 24, 1926. 12

See - Stockton, Philip

Oliver, Mrs.

Died this morning, 1 a.m.

June 10, 1926. 40

Olney, Richard

Pall bearer at Rev. Walden Myer's funeral.

Came in with Mrs. Olney with Gertrude Myer.

Aug. 12, 1926. 109

Open Market Committee

Advised no permanent change but asked authority to buy or sell, temporarily, until July 5 not to exceed 50 millions, all purchases to be liquidated within a reasonable time as market conditions warranted.

Gov. Case said the banks would reduce their rediscounts for window dressing purposes; that this would draw money out of the market and might put up call loan rates to 5 or 6%; thus creating a nervous tension bad for general business.

C.S.H. asked that Winston be invited in and he came.

C.S.H. offered a resolution that the system holdings, - 275 millions - should not be disturbed at present, and that the Committee be authorized to buy or sell temporarily until July 5 not over 50 millions, to be liquidated within a reasonable time as market conditions warranted.

Platt and Gov. McDougal at first opposed, thinking that 275 millions was too great for permanent holdings.

Gov. Norris said he and his directors believed there should be permanent holdings of from 250 to 500 millions.

He favored the resolution of C.S.H. because of the peculiar window dressing conditions, but believed we should not take care of the stock market under such conditions as existed in April.

Gov. Case said the outside banks drew down their call loans, that this put a burden on the N. Y. banks which should be assisted.

C.S.H.'s resolution was finally passed unanimously.

C.S.H. said he favored permanent holdings of 500 millions and James agreed with him.

June 21, 1926. 50, 51.

Open Market Committee (Cont'd.)

Board voted to sell to Treasury 40 millions of 3rd Liberty 4 1/2% bonds held by Federal Reserve banks without replacement. Aug. 17, 1926. 111

Gov. Seay wires Chairman of Open Market Committee protested against the policy of the Treasury buying system bonds, taking a large amount of credit from the market, in the face of rising interest rates, and at a time when financing of crops and preparation for tax payments is going on; that it will increase the New York bank rate and cast a chill on business which has managed to survive splendidly in spite of the oracles and sign readers which predicted depression.

Business needs encouragement rather than a chill at a time when commodity prices and construction work are showing hesitancy and declining tendencies.

Rising interest rates, furthermore, will have an unfavorable influence on September Treasury financing. Gov. Seay asked that this be shown to Federal Reserve Board and other Federal Reserve banks.

Aug. 18, 1926. 111, 112.

C.S.H. believes Gov. Seay is right and would have voted against said sale had he been present.

C.S.H. voted for the rate increase at New York with regret and only after Gov. Strong had advised a 1% increase.

Winston also favored the increase. Aug. 18, 1926. 112

Open Market Committee meeting.

Gov. Case said System account stood at 210 millions; that on Sept. 15th Treasury would pay off 10 millions; that money was hardening; that no more securities should be sold except as to the 10 millions, and asked authority to keep the System account at about 200 millions.

Miller, to C.S.H.'s surprise, opposed any change in the system account, and favored replacing the 10 millions and also the 12 millions of foreign account maturing Sept. 15th.

Gov. Norris moved that the Committee be authorized to keep the special account at about 200 millions, but still keeping in force a previous vote that the Committee have leeway to increase up to 250 millions.

Open Market Committee (Cont'd.)

Gov. McDougal moved to amend by adding - increase or diminish - by 50 millions, which Gov. Norris accepted and which was voted by the Committee.

In the afternoon the Board took up the matter.

All opposed the McDougal amendment.

Miller moved no change in system account, the 10 millions to be replaced.

Lost:

Aye: Miller, C.S.H., Cunningham

No: Gov. C., Platt, James, Comptroller

Platt moved approval of Open Market Committee vote except authorization to decrease by 50 millions.

C.S.H. then left meeting.

Platt, at James' suggestion, amended his motion:

Committee authorized to maintain the special account at from 200 to 225 millions.

Carried:

Aye: Platt, James, Cunningham, Comptroller

No: Gov. C.

Not voting: Miller.

Sept. 10, 1926. 120, 121, 122

Open Market Committee reported at Governors Conference.

Asked authority to increase purchases by 50 millions in December to be sold later when money demand fell off.

Board held separate meeting to consider it.

Miller objected.

Board asked Winston to come in in afternoon.

Winston approved Committee report.

C.S.H. moved approval.

Miller offered a substitute:

No occasion for changing amount already authorized, - 200 to 215 millions.

Miller substitute motion carried.

Aye: Gov. C., Miller, Cunningham, Comptroller

No: C.S.H., James

Open Market Committee (Cont'd.)

Dater, the Committee told us it did not intend to make any specific request for purchase of 50 millions, and Board, therefore, reconsidered its vote.  
Nov. 11, 1926. 145, 146

Gov. Case asked if Board would hold an open market committee meeting in New York on Monday, the day of the Jay dinner as all the bank members of the Committee would be there.

C.S.H. moved approval.

Lost:  
Aye, C.S.H., Platt  
No. Miller, James, Cunningham  
Not voting: Gov. C.  
Gov. C. was plainly opposed to it.

Dec. 15, 1926. 166, 167

Gov. C., Miller, Platt, and C.S.H. hold informal conference with Open Market Committee at Federal Reserve Bank, N. Y.  
Dec. 20, 1926. 179

Ottley. 13, 22  
See - Campbell

-P-

Parliamentary Commission, Great Britain. 54, 55, 88  
See - Strong, Gov.

Pease, Z. W.  
We dine with, and later hear election returns at Mercury office.  
Nov. 2, 1926. 143

Pennington, Mrs.  
Mr. and Mrs. Pennington call at Mattapoisett en route from Lincolnville, Maine, to Connecticut.  
Sept. 30, 1926. 125

See also:  
97, 143, 144, 168, 169, 170, 171, 172, 174, 175, 176, 178

The above are digested in a separate volume, - Woodrow Wilson Chronology.

Pell, Mrs.  
We call on, to see Gov. Harding.  
Dec. 25, 1926. 182



Pepper, Sen.

Mrs. Kate Abrams, of the Non-Partisan L. of N. Committee in Washington, told H.P.H. the following story about Sen. Pepper:

The National Federation of Woman's Clubs, while the World Court fight was on, passed a resolution favoring the World Court, and asked Sen. Pepper to embody it in his World Court speech, which he said he would be glad to do. He advised them, meantime, to keep all their clubs and organizations quiet, saying he would attend to the whole matter.

A few days before his speech he wrote the Council of the Federation asking if it would object to some slight changes in the wording of the resolution which would not affect its meaning.

The Council replied it had no right to alter the resolution in any way and that it must stand exactly as voted.

The Council discovered, after Pepper delivered his speech, in the Senate, that he had altered the resolution so that it was made to say just the reverse of what it actually said.

May 21, 1926. 10, 11

Eddy tells Gov. C. that Pepper is being considered for C.S.H.'s place on Federal Reserve Board. We agreed that this was absurd as Pepper would have to resign from the Senate, necessitating another election, or Gov. Pinchot could make a temporary appointment, which, clearly, the administration would not relish.

May 24, 1926. 13

Winston spoke to C.S.H. in contempt of Pepper. He said that when the bill to purchase further silver bullion passed the Senate Glass was about the only friend of the administration who fought it; that Pepper found his pair would have voted for it and accordingly voted for it, - against his own administration! June 22, 1926. 55

Philbin

N. Y. Directors recommended an increase in salary of, Assistant Counsel and Secretary of the Board of Directors, \$7500 to \$9000. Wyatt said he could not recommend this for Asst. Counsel but said the work of Secretary was certainly worth \$1500 extra.

Lose:

- Aye: C.S.H., Platt
- No: Miller, James, Cunningham
- Gov. C. not voting.

Dec. 22, 1926. 180, 181

C.S.H. files with Board a letter from Federal Reserve Agent Jay as to Philbin. Dec. 22, 1926. 182

Platt, Edmund

Tells C.S.H. the Federal Advisory Council has taken no action as to his reappointment but he had talked with many members and all were enthusiastically favorable, especially Mr. Wetmore, the President; that they all regarded McFadden as impossible.  
May 24, 1926. 13

We lunch with Gov. and Mrs. Platt.  
June 13, 1926. 40

Was present at Board meeting when Harrison read letters from Gov. Strong, in Europe.  
June 17, 1926. 43

Platt at first opposed allowing Open Market Committee to purchase 50 millions until July 5, but finally voted for it.  
June 21, 1926. 51

Votes to adjourn Campbell hearing at request of Mr. Howard, his Counsel.  
June 22, 1926. 53

James tells Platt he was so "white livered" he would bet he would not dare to remove McCrary, no matter how strong the evidence.  
June 30, 1926. 65, 66

Attends at swearing in of C.S.H. for new term.  
July 9, 1926. 81

Platt's commission given him by Wilson has same language "during pleasure of the President for the time being" - as does C.S.H.'s commission.  
July 19, 1926. 88

C.S.H. asked to wire Platt to be at next meeting to decide on appointing a supervising Bank Examiner.  
Aug. 6, 1926. 102

Comptroller tells C.S.H. that Warburg is bending every nerve to secure Platt's place on the Federal Reserve Board.  
Aug. 10, 1926. 104

## Platt, Edmund (Cont'd.)

Votes with C.S.H. against application for trust powers of  
Capital National Bank New York.

Aug. 10, 1926. 104

Moves that Open Market Committee be authorized to maintain system  
account at from 200 to 225 millions.

Sept. 10, 1926. 121, 122.

Votes against Miller's motion to forbid Federal Reserve Bank of  
New York to charge commissions on notes bought from Bank of  
Belgium.

Sept. 30, 1926. 126, 127

Presents a compromise motion suggesting revision of agreement as to  
commissions.

Sept. 10, 1926. 127

Platt says Cunningham told him he would vote to censure Campbell  
but not to remove him.

Oct. 7, 1926. 128

Votes with C.S.H., against removal of Campbell.

Oct. 7, 1926. 130

Confirms C.S.H.'s recollection that James specifically threatened to  
resign if his motion to remove Campbell was voted down.

Oct. 7, 1926. 131

Moves to approve a 6% minimum rate for the Belgian bills to be  
bought by the Federal Reserve Bank, N. Y.

Lost:

Aye: Sec. Mellon, C.S.H., Platt

No: Gov. C., Miller, Cunningham, James

Oct. 19, 1926. 132, 133

Says will not vote to remove Director McCrary.

Oct. 19, 1926. 135

Votes for C.S.H.'s motion to lay McCrary matter on table.

Oct. 19, 1926. 135

Votes for Cunningham motion that evidence does not disclose  
adequate reasons for removing McCrary.

Oct. 19, 1926. 136

Votes against Miller's motion to put further questions to McCrary

Oct. 19, 1926. 136

C.S.H. asks Platt to look at Gov. Wellborn - plainly intoxicated.

Nov. 12, 1926. 151

## Platt, Edmund (Cont'd.)

Board postponed discussion as to filling the Jay vacancy, in absence of Platt

Dec. 3, 1926. 158

Says that if Warburg were appointed Chairman of Federal Reserve Bank, New York, would not represent the Federal Reserve Board but would be a Federal Reserve Board himself, in rivalry with our Board. Dec. 6, 1926. 161

Votes against Miller's motion to dissolve Cuban Agency.

Dec. 7, 1926. 163

Joins with C.S.H. in recommending Curtiss for reappointment, Federal Reserve Bank, Boston, saying he was one of the best Chairmen and Federal Reserve Agents in the system.

Dec. 15, 1926. 164

Accepts invitation to Jay dinner in New York.

Dec. 15, 1926. 166

Votes with C.S.H. to hold an Open Market Committee meeting in New York.

Dec. 15, 1926. 166

Takes part in informal discussion with Open Market Committee in New York.

Dec. 20, 1926. 179

Speaks at Jay dinner, New York.

Dec. 20, 1926. 179

Votes to increase Deputy Federal Reserve Agent Burgess' salary, Federal Reserve Bank, New York.

Dec. 22, 1926. 180

Votes to increase salary of Philbin, Federal Reserve Bank, N. Y.

Dec. 22, 1926. 181

Argues with C.S.H. that Federal Reserve Board has no right to prevent Federal Reserve Bank of New York employing Snyder as statistician.

Votes against order of removal.

Dec. 28, 1926. 184

Votes against refusal of Federal Reserve Board to reappoint Saunders Class C Director, Federal Reserve Bank, N. Y.

Dec. 31, 1926. 185

Platt, Edmund (Cont'd.)

Presents McGarrah's name for Chairman and Federal Reserve Agent, New York

Dec. 31, 1926. 185

Poincaré

Miller says, can never stabilize the French franc.

Sept. 17, 1926. 122

Pole

Gov. Crissinger says James wants to work in, of the Comptroller's office, for Governor of Atlanta Bank.

July 7, 1926. 77

President

See - Coolidge  
Harding

Prices

McFadden wants a resolution to investigate Federal Reserve Board to show that its credit policy has increased prices.

July 2, 1926. 70

-QR-

Real estate speculation

Mr. Wetmore, of Federal Advisory Council, said that the damage caused by the recent break in the New York Stock Exchange was not nearly as great as that from the recent,

May 21, 1926. 5

Reappointment to Federal Reserve Board

C.S.H. nomination sent to Senate July 1, 1926.

July 1, 1926. 74

Confirmed by Senate.

July 3, 1926. 74

Takes oath of office.

July 9, 1926. 80

Takes second oath of office.

Aug. 10, 1926. 104

Reed, Sen. (Pa.)

Poll of Senate taken by, showed that Gov. Harding, if renominated, would have been confirmed.

May 27, 1926. 16

Resignation

James threatened to resign unless Board passes his motion to remove Campbell.

Oct. 7, 1926. 129

Platt confirms this to C.S.H. Oct. 7, 1926. 131

Rice, W. G.

C.S.H. wires, of his reappointment.

July 1, 1926. 69

Mrs. Wilson says she was thinking of accepting invitation of Mr. and Mrs., to go to Albany to Wilson memorial.

Dec. 17, 1926. 175

Mrs. Wilson says she has written, accepting invitation.

Dec. 18, 1926. 177.

Rodgers, Admiral

C.S.H. asks, to be a pall bearer at funeral of Walden Myer.

Aug. 12, 1926. 109

Rodgers, Mrs. Col.

Gertrude Myer invites C.S.H. to stay with her until H.P.H. returns.

Says she spoke of this to, who fully approved.

Nov. 24, 1926. 155

Mrs. Chandler Hale says her sister, Mrs. Rodgers, told her that Gertrude had never mentioned the matter to her.

Nov. 24, 1926. 156

Roosevelt, Franklin

We lunch with, at Marion.

July 29, 1926. 95

Rue

Points out that increasing the discount rate also puts up call loan rates.

May 21, 1926.6

Ruffin, Dr.

Advises Randolph Bolling not to go to Japan.

June 24, 1926. 59

Dr. Ruffin's secretary calls up C.S.H. to say that Walden Myer had a stroke yesterday at Gloucester and that he was going on to him tonight.

Aug. 9, 1926. 103

Dr. Ruffin calls up C.S.H. from Boston, saying that Walden Myer has been comotose since Sunday, and may die any moment.

Aug. 11, 1926. 106

Wires that Walden Myer died at 7 a.m. this morning and gives C.S.H. a list of honorary pall bearers for C.S.H. to ask.

Aug. 12, 1926. 108

-S-

## Saunders

Board voted informally not to reappoint, as Class C Director of Federal Reserve Bank, New York. He was 72 years of age and had served 3 terms.

The Directors of Federal Reserve Bank of New York had recommended him.

C.S.H. and Platt contra.

Dec. 31, 1926. 185

Seay, Gov. 111, 112.

See - Open Market Committee

## Senate

C.S.H. confirmed by Federal Reserve Board.

July 3, 1926. 74

See - C.S.H.; Reappointment

See - Walsh, Sen. (Mont.) 163

## Sergent, Attorney General

Curtiss says Bowman has sent his letter as to C.S.H. reappointment to.  
June 1, 1926. 21

Requested by Board to continue investigation of McCrary.  
June 30, 1926. 65

Bowman said, said to him just after C.S.H.'s appointment, - "I am glad your friend got it. He will never know how near he came to losing it!"

July 14, 1926. 82

## Seymour

Glass asks C.S.H. to go over his book on Federal Reserve Act, criticising, and Col. House.

Aug. 27, 1926. 114

C.S.H. writes Mrs. Wilson a letter telling of Glass's attack on.  
Sept. 1, 1926. 115

C.S.H. told Glass he had always thought that Seymour was friendly towards Wilson. Glass said Col. House arranged for Seymour and Auchincloss to sail on the George Washington without consulting Wilson; that Wilson discovered this only after the ship was well out to sea; that Wilson was very angry and said he was almost inclined to order the ship back and put them off.  
Dec. 7, 1926. 162

Smith, Gov. N. Y.

Wing says, will be elected if any Democrat is, and that he has great confidence in him.

June 24, 1926. 57

Glass tells C.S.H. that while he has great respect for, and should support him if nominated, he felt his nomination would mean certain defeat; that he was both wet and a Catholic; that he could not carry a single southern state except Louisiana; that his record would make every southern Pastor denounce him from the pulpit.

Nov. 13, 1926. 151

Smith, Mr.

Mrs. Wilson reads C.S.H. an article by, on Col. House, from New York Evening Post, of July 17, 1926.

July 22, 1926. 90

Snell, Mrs.

Objects to the Woman's Democratic Club dividing the profits on the Wilson book with Bolling. Spoke contemptuously about Bolling.

Dec. 17, 1926. 173

Snyder, Carl

Goldenweiser recommends dropping, statistician, from rolls of Federal Reserve Bank, New York, quoting a similar recommendation of Dr. Stewart.

Miller said he was an able man and his work on trends of prices and production was well done and may be of future importance but not to the Federal Reserve System, which carefully avoided forecasts.

C.S.H. and Platt denied right of Board to prevent a Federal Reserve bank from doing such work.

Board voted to approve report and drop him from the rolls of the Federal Reserve Bank, New York.

C.S.H. and Platt voted No.

C.S.H. suspects jealousy on part of Goldenweiser and Dr. Stewart because as stated by Miller, Snyder's work was quoted over the country more than was the Statistical Division of our Board.

Dec. 28, 1926. 183, 184

Speculation

Many of Federal Advisory Council deprecated attempts to control stock exchange, by increasing discount rates.

Rue pointed out that increasing discount rates causes higher call loan rates.

May 21, 1926. 6



Speculation (Cont'd.)

Mr. Wetmore, President of Federal Advisory Council said the damage caused by the break in the New York Stock exchange was far less than that caused by the recent real estate speculation.

May 21, 1926. 5

Speculative loans

See - Federal Advisory Council  
Miller

State bank examinations

Board to take up next Wednesday the question of appointing a Federal Reserve Examiner to study examination of state banks, with a view, C.S.H. suspects, to having the Board centralize in Washington such examination over the heads of the Federal Reserve banks.

C.S.H. agrees to appointment but feels examinations should be made through the Federal Reserve banks, as now, with the Board's assistance, when necessary.

Aug. 6, 1926. 102

Gov. Crissinger and James wanted an examiner appointed to study reports of state bank examinations.

C.S.H. agreed and it was passed.

Gov. C. then disclosed that he wanted a Board of Examiners to conduct all examinations of state member banks, now made by Federal Reserve banks.

C.S.H. raised no objection provided its duties were to cooperate with the Federal Reserve Agents.

Gov. C. and James would not agree to this.

C.S.H. said that to create a central Board - a sort of flying squadron - to do such examination over the heads of the Federal Reserve banks would mean a centralization he would not stand for but would vigorously oppose.

C.S.H. moved that the duty of such a Board be confined to cooperation with the Federal Reserve Agents.

A long discussion ensued and finally Eddy drew up a resolution providing for the appointment of a chief and other examiners to conduct special examinations ordered by the Board.

C.S.H. voted for this on the understanding that it was not to interfere with the regular work of the Federal Reserve Agents but was to apply only to cases where the Board ordered a special examination.

State bank examinations (Cont'd.)

C.S.H. suspects Gov. C. and James will try to make all the examinations "special" but that this can be settled when it arises.

James claimed that some of the largest state member banks in St. Louis had not been examined by the state authorities for 4 or 5 years.

C.S.H. believes above resolution is wise if not made general.

Later Federal Reserve Agent Martin told Board that these banks were all regularly examined by the clearing house examiners. Aug. 11, 1926. 105, 106.

Stearns, Frank

Tyler does not know where, stands on question of C.S.H.'s appointment. June 7, 1926. 29

Ned calls up H.P.H. and says he has just had a talk with, who said C.S.H. and H.P.H. had treated him and Mrs. Stearns most courteously in Washington, and he would be delighted to do anything to help C.S.H.; that he would at once call up President Coolidge over the telephone; that he was sure Mellon would be the one to settle it; that Coolidge would be certain to follow his recommendation, as whatever Mellon said in his line "went."

June 29, 1926. 60,61

Stewart, Dr.

James says Gov. Strong is trying to cripple the Federal Reserve Board; that he had, stolen from us and given a position in New York at an absurdly high salary.

May 22, 1926. 10

Advised Board to drop Carl Snyder, Statistician, of the Federal Reserve Bank of Boston.

Dec. 28, 1926. 183,184

C.S.H. fears, is jealous of Snyder as his work, as stated by Miller, is quoted over the country more than that of our statistical division.

Dec. 28, 1926. 184

Stockholders meeting, Federal Reserve Bank, Boston  
C.S.H. attends, and delivers an address.

Oct. 29, 1926. 142

Stockton, Philip

Charles Tyler says that, of the Old Colony Trust Co., is keenly interested in C.S.H. and wants to know if there would be any harm if he wired Coolidge and Butler.

C.S.H. said No, but that of course he could not request any action from anyone, but that anyone was at liberty to take any action he or they saw fit.

Tyler said Stockton was to see Wing at once.  
June 7, 1926. 29, 30

Tyler says, has had four or five strong letters sent to Washington in behalf of C.S.H.  
June 22, 1926. 52

Strong, Gov.

James says Gov. C. is absolutely dominated by Gov. Strong; that Strong hated Mitchell of the National City Bank, New York, and wanted the Board at least to threaten to get out of Cuba so that Mitchell must bend his knee to Strong and implore him to help save the Cuban Agency; that this was why Governor Crissinger insisted on asking the opinion of the State Department in the hope it might advise getting out of Cuba.  
May 22, 1926.7

James said that when he first came on the Board, Baruch warned him not to be dominated by Strong.  
May 22, 1927. 8

James said Gov. Strong stole Dr. Stewart away and got him an appointment at an absurdly high salary in New York in order to cripple the Federal Reserve Board.  
May 22, 1926. 9

James said Gov. Strong had taken Warren of our Statistical Dept. for the same purpose; that he, Governor Strong, felt they were too able to be permitted to remain on the Federal Reserve Board.  
May 22, 1926.10

Harrison came before our Board to read letters of Governor Strong on the European situation.

One letter stated the situation in France and its desire to place a loan in the U.S.; that Gov. Strong told them he could consult only with the Bank of France and that it would be inexpedient to make a loan until the whole situation was cleaned up, both as to the French Government and the private bankers.

Harrison said the report in the papers as to an ultimatum and a

Strong, Governor (Cont'd.)

demand for the resignation of the Governor of the Bank of France was absolutely false.

The Strong letters gave much hope that all interests in France may soon get together and meet the situation in an intelligent manner.

Gov. Strong also wrote of an interesting interview with Mussolini.

Gov. Strong said Gov. Norman wanted Italy to stabilize in the gold standard, but Gov. Strong thought Italy could not do this alone.

Gov. Strong said Mussolini said there would not be another war for 25 years as the nations could not afford it; that there might be some snarling but no war.

Gov. Strong said the Italian Government, under Mussolini, was most efficient, - it could do things at once, - the very reverse of France.

June 17, 1926. 43, 44

Winston tells Board that Gov. Strong had just testified before a British Parliamentary Commission on the question of a gold standard for India; that Sec. Mellon asked Gov. Strong to testify; that Sec. Mellon did not want this to get out but thought the Board ought to know it.

June 22, 1926. 54, 55

See - Mellon  
Morgan

Gov. Strong cables Case to send his congratulations to C.S.H. on his reappointment. July 16, 1926. 85

Mellon sends to Board an expense voucher of Gov. Strong in connection with his testimony before British Parliamentary Commission, saying the matter was a fiscal agency one.

The Board decided that nothing more than acknowledgment was necessary, as it was a fiscal agency matter.

July 20, 1926. 89

Gov. C. and James were very bitter against Sec. Mellon, saying he should have consulted the Board before asking Gov. Strong to testify.

Gov. C. admitted that he had heard of this before Gov. Strong sailed but not from the Secretary nor from the Board.

July 20, 1926. 89

## Strong, Governor (Cont'd.)

Harrison tells Governor Crissinger that Gov. Strong cabled favoring a 1% increase in discount rates of Federal Reserve Bank, N. Y.

To C.S.H. this looks as if the Bank of England felt obliged to increase its rates and wanted New York to do the same to help it.  
Aug. 11, 1926. 107

Receive letter from Gov. Strong dated Paris, July 29, 1926.

He expressed pleasure at C.S.H.'s reappointment.

He expressed deep regret at the mistrust and suspicion of some members of our Board.

He said Harrison had told him of James resolution to ask the directors of the Federal Reserve Bank of New York as to the object and necessity of his stay in Europe.

He said the object of his visit was fully explained to Sec. Mellon and Gov. Crissinger and fully approved by them.  
Aug. 15, 1926. 110

The resolution above referred to must have been introduced by James while C.S.H. was away on his vacation.  
Aug. 15, 1926. 110

James is very jealous of Gov. Strong.  
Aug. 15, 1926. 110

Gov. Crissinger told Board that he knew that Gov. Strong was to go abroad, but got his information from sources outside of the Board, but that Sec. Mellon finally spoke to him about it. He did not mention Governor Strong as a source of information. Gov. Crissinger and James were very bitter after discussion. Board determined that Harrison's letters and interview had cleared the matter up.  
Aug. 15, 1926. 110, 111.

C.S.H. voted for the rate increase at New York of 1/2 of 1% only after Gov. Strong had advised, by cable, 1%.  
Aug. 18, 1926. 112

Gov. Strong was ill in New York and could not come to discuss purchase of Belgian bills.  
Oct. 5, 1926. 125

C.S.H. told Miller he feared Warburg, if appointed Chairman in place of Jay would not cooperate with Gov. Strong; that a status had been created at the Federal Reserve Bank, New York; that Gov. Strong was a potent factor and perhaps at times overbalanced Jay,

Strong, Governor (Cont'd.)

although they cooperated together perfectly; that Warburg undoubtedly would try to dominate Gov. Strong and with his (Warburg's) lack of tact, there would probably be trouble from the start; that clearly no one should be appointed who was offensive to Strong and the directors; that Burgess would cooperate with Gov. Strong; that in view of the status of the Governor, towering up over the Chairmen at most of the Federal Reserve banks, he felt that Burgess would prove to be a good man; that he believed Gov. Strong would cooperate with him rather than dominate him.

Dec. 4, 1926. 159, 160

C.S.H. believes Warburg's appointment would throw the directors of the New York bank into confusion, and that Gov. Strong would probably resign.

Dec. 4, 1926. 160

Board gives Gov. Strong a leave of absence with full pay until April 1, 1927.

James voted Aye!

Dec. 28, 1926. 184

Sullivan, Mark

We meet Mr. and Mrs., at dinner with Justice Brandeis.

Dec. 9, 1926. 163

Swanson, Sen.

Mrs. Wilson says she will ask, to interest himself in confirmation of C.S.H. when appointed.

June 24, 1926. 59

Mrs. Wilson says that, induced Sen. Heflin to call up C.S.H. on telephone; that he urged Sen. Heflin to withdraw his opposition, saying that C.S.H. was one of the best and ablest men in the Party and that H.P.H. held a similar position among the women; that Mrs. Wilson was very much interested in C.S.H.'s confirmation; that Heflin said, "Is Mrs. Wilson much interested?" that he told Heflin that Mrs. Wilson told him, only a few days before, that she considered C.S.H. and H.P.H. the dearest friends she had; that Heflin said he would withdraw his opposition; that Sen. Swanson said - "Call him up and tell him so" which Heflin said he would do.

July 7, 1926. 80

C.S.H. advises Glass to strike out from his book the statement that Wilson originally distrusted Swanson.

Aug. 27, 1926. 114

Taylor, Col.

A pall bearer at funeral of Rev. Walden Myer.  
Aug. 14, 1926. 108, 109

Teusler, Dr.

Wants Mrs. Wilson to go to Japan.  
June 24, 1926. 59

Thom, Corcoran

Pall bearer at funeral of Rev. Walden Myer.  
Aug. 14, 1926. 108, 109.

Thoron, Benjamin

Pall bearer at funeral of Walden Myer  
Aug. 14, 1926. 109

Treman

Drives C.S.H. from University Club, New York, to Federal Reserve  
Bank, New York. Dec. 20, 1926. 179

Trust powers

See - Fiduciary powers

Tyler, Charles

A partner of, calls in behalf of Old Colony Trust Co. to secure an  
amendment of Clayton Act,  
May 22, 1926. 11

See - Clayton Act  
Old Colony Trust Co.

Calls up C.S.H. from Boston as to Clayton Act amendment.

C.S.H. tells him Platt says it is too late.

He asked if a separate bill could be introduced and taken up in  
the fall.

C.S.H. said Yes and Board would pass on it if asked by the proper  
committee.

May 24, 1926. 12

Tells Curtiss that McFadden has seen him in Boston to secure support  
for his appointment in place of C.S.H.

June 2, 1926. 24

Calls up C.S.H. to say that McFadden had called him up to say he  
had given up all hopes of getting C.S.H.'s place as he had  
learned it was settled that C.S.H. was to be reappointed.

## Tyler, Charles (Cont'd.)

He said some Republicans felt that the appointment of a Democrat would injure Sen. Butler.

He spoke of Liggett and the Shawmut bank crowd.

He said Butler was in a desperate predicament, and there was danger lest he might demand the appointment of a Republican.

He spoke of Frank Stearns but did not know where he stood.

He said Philip Stockton, of the Old Colony Trust Co. was keenly interested in C.S.H. and had asked if there would be any harm in his wiring Butler and Coolidge.

C.S.H. said No, but that he should not ask anyone to take such action.

He said there seemed to be some doubt as to where Wing stood and that Wing was very near Butler.

C.S.H. said that Wing had been reported as friendly.

Tyler said that means nothing; he will do whatever he wishes, no matter what he says.

He said Stockton was going to see Wing at once.

C.S.H. told him he had learned on good authority that Butler had indorsed him to Coolidge.

June 7, 1926. 29, 30.

Calls up C.S.H. and says Stockton had had 4 or 5 strong letters sent to Washington in C.S.H.'s behalf.

Said he had heard that Coolidge would make no appointment until after Congress adjourned.

Said he would get in touch with Sen. Metcalf.

Said he would not go to Sen. Moses, as if he thought he could put in a friend, he would do it without compunction.

He asked if Robert Winsor was friendly and C.S.H. said he was, so far as he knew.

He said Winsor was very close to Butler.

June 22, 1926. 52, 53

H.P.H. calls on Tyler and retains him in Corning matter.

July 9, 1926.



Tyler, Charles (Cont'd.)

C.S.H. gives Tyler the corning papers brought on by him from Washington, also papers sent on by William Rice.  
July 14, 1926. 84

-U-

-V-

Votaw, Mrs.

Sen. Walsh told C.S.H. that the Senate Committee investigating Forbes of the War Veterans Bureau came across a trail of corruption involving, sister of President Harding, and that they decided not to follow the lead further.  
Dec. 9, 1926. 163, 164

Vote, Election day, 1926.143

Votes of Federal Reserve Board.

Application of Capital National Bank, New York, for trust powers;

Aye: Gov. C., James, Comptroller  
No: C.S.H., Platt

Aug. 10, 1926. 104

Gov. C. to state to Atlanta Committee the understanding on which it would be allowed to see Campbell evidence.

Unanimous, but Miller not voting.  
Sept. 9, 1926. 119

No change in System special account, - the 10 millions maturing to be replaced.

Aye: Miller, C.S.H., Cunningham  
No: Gov. C., Platt, James, Comptroller  
Sept. 10, 1926. 121

Open Market Committee to maintain special account at from 200 to 225 millions.

Aye: Platt, James, Cunningham, McIntosh  
No: Gov. C.  
Not voting, Miller  
(C.S.H. had left meeting)  
Sept. 10, 1926. 122

Votes of Federal Reserve Board (Cont'd.)

Federal Reserve bank to be ordered to charge no commissions on Belgian bills.

Aye: Gov. C., Miller, James, Cunningham  
No: Sec. Mellon, C.S.H., Platt, Comptroller  
Oct. 5, 1926. 126

To approve action of Federal Reserve Bank, New York

Aye: Sec. Mellon, C.S.H., Platt, Comptroller  
No: Gov. C., Miller, James, Cunningham  
Oct. 5, 1926. 126, 127

To remove Deputy Governor Campbell

Aye: Gov. C., Miller, James, Cunningham, Comptroller  
No: C.S.H., Platt  
Oct. 7, 1926. 130

To approve minimum rate of 6% on Belgian bills

Aye: Sec. Mellon, C.S.H., Platt  
No: Gov. C., Miller, Cunningham and James  
Comptroller absent.  
Oct. 19, 1926. 133

Motion of C.S.H. to lay McCrary matter on table.

Aye: C.S.H. Platt  
No: All the others.  
Oct. 19, 1926. 135

Evidence not sufficient to remove McCrary

Aye: Gov. C., C.S.H., Platt, Cunningham  
No: James  
Not voting: Miller, Comptroller  
Oct. 19, 1926. 136

To further question McCrary

Aye: Miller, James, Comptroller  
No: C.S.H., Gov. C., Platt, Cunningham  
Oct. 19, 1926. 136

No reason exists for charging special system account from 200 to 215 millions authorized in October.

Aye: Gov. C., Miller, Cunningham, Comptroller  
No: C.S.H., James  
Nov. 11, 1926. 145

Motion to abolish Cuban Agency

Aye: Gov. C., Miller  
No: C.S.H., Platt, Cunningham, James  
Dec. 7, 1926. 163

Motion to designate Atlanta as sole agency

Unanimous; Aye.  
Dec. 7, 1926. 163

Votes of Federal Reserve Board (Cont'd.)

To hold meeting of Open Market Committee in New York.

Aye: C.S.H., Platt  
No: Miller, James, Cunningham  
Not voting: Gov. Crissinger.  
Dec. 15, 1926. 166

To increase salary of Deputy Federal Reserve Agent Burgess by \$5000

Aye: Gov. C., Platt, C.S.H  
No: Miller, James, Cunningham  
Dec. 22, 1926. 180

To give Burgess a \$3000 increase.

Unanimous.  
Dec. 22, 1926. 180

To increase Philbin's salary.  
Assistant Counsel and Secretary, Federal Reserve Bank, N. Y.

Aye: C.S.H., Platt  
No: Miller, James, Cunningham  
Not voting: Gov. Crissinger  
Dec. 22, 1926. 181

To drop Carl Snyder from rolls of Federal Reserve Bank, New York

Aye: all except  
No: C.S.H., Platt  
Dec. 28, 1926. 184

Not to reappoint Saunders as Class C Director, Federal Reserve Bank,  
New York

Contra, C.S.H., Platt  
Dec. 31, 1926. 185

-W-

Walsh, Sen. (Mass.)  
C.S.H. votes for.

Nov. 2, 1926. 143

Defeated Butler by over 50,000.

Nov. 3, 1926. 143

Mrs. Wilson tells C.S.H. he was right in voting for Walsh.

Nov. 6, 1926. 144

## Walsh, Sen. (Mont.)

Glass tells C.S.H. that Mrs. Harriman once said that her kinsman, Harry Payne Whitney came to Washington to beg her to use her influence with Sen. Walsh to get him to cancel a subpoena to testify before a Senate Committee, and that he said if he had to testify he would have to swear that, of his own knowledge, President Harding was in debt over \$200,000 as a result of speculation in oil.

Glass added that the subpoena was cancelled!

Dec. 7, 1926. 162, 163

Tells C.S.H. at dinner at Judge Brandeis's that the Committee which investigated Forbes and the Veterans War Bureau came across a trail of corruption involving Mrs. Votaw, sister of President Harding, and that they declined to follow up the trail.

Dec. 9, 1926. 163, 164

## Warburg, Paul

Qurtiss says he has reason to believe that Warburg was influencing Wing against C.S.H. for reappointment.

July 14, 1926. 82

Comptroller tells C.S.H. that Warburg is bending every nerve to get Platt's place on Federal Reserve Board when his term expires.

August 10, 1926. 104

Miller says Warburg and Mitchell prepared a resolution for the Federal Advisory Council in favor of Miller's reappointment; that Miller objected; that Warburg said he should see Sec. Mellon and recommend Miller's reappointment; that Warburg asked Miller what he should say to Mellon; that Miller said he should be glad to be reappointed, but he did not wish to be held up as Governor Harding was, and he felt it only fair to say that if he was not reappointed before July 1, he should at once resign.

Miller told C.S.H. he felt Warburg's statement to Mellon as above hastened the appointment.

August 26, 1926. 113, 114

Miller enthusiastically endorses Warburg for Jay's position as Chairman, Federal Reserve Bank, New York.

Dec. 4, 1926. 158

C.S.H. told Miller that Warburg was eminently qualified but he feared he would not cooperate with Gov. Strong; that he feared Warburg would try to dominate Gov. Strong.

Dec. 4, 1926. 159

Warburg, P. (Cont'd.)

Miller said that Alexander of the National Bank of Commerce, N. Y. would not take back Warburg as a director, on the ground that he did not want anyone who had been actively connected with a powerful banking house.

Dec. 4, 1926. 160

Sec. Mellon seemed disturbed at mention of Warburg for Chairman.

Dec. 4, 1926. 160

C.S.H. is satisfied that appointment of Warburg would throw confusion into the Federal Reserve Bank of New York and that Gov. Strong would probably resign.

Dec. 4, 1926. 160

Platt said that Warburg, if appointed, would be a Federal Reserve Board in himself, rivalling our Board.

Dec. 6, 1926. 161

Warren

James says Gov. Strong stole Warren from our Statistical Division to cripple the Federal Reserve Board.

May 22, 1926. 9, 10.

Warren, Charles

We dine with Mr. and Mrs.

July 3, 1926. 75

C.S.H. drives with, to Mrs. Leonard's and dines with her.

Aug. 10, 1926. 104

Serves as pall bearer at funeral of Rev. Walden Myer.

Aug. 14, 1926. 108, 109

Gertrude Myer tells C.S.H. she wants to discharge Warren as her Counsel.

She said Warren's associates said they would probably have to charge her about \$200 per month, for other than court work.

C.S.H. advised her to try this for a month and she promised to do so but the next day she telephoned she had dismissed him.

Nov. 24, 1926. 156

Nancy Warren tells H.P.H. a story about Mrs. Sen. Butler.

Dec. 25, 1926. 182

See - Butler

Weeks, Sec.  
Funeral of, held at West Newton.  
C.S.H. not able to attend because of a cold, but wires Mrs. Weeks.  
July 15, 1926. 85

Wellborn, Gov., Federal Reserve Bank, Atlanta  
Newton and Ottley tell James they will see to it that Campbell  
and Gov. Wellborn will resign.  
May 25, 1926. 13

James says Gov. Wellborn seemed more concerned for himself than for  
Campbell; that Black saw Gov. Wellborn in the evening but  
that he was too intoxicated to argue with.  
June 2, 1926. 22

James said Gov. Wellborn's influence that was the cause of Campbell's  
troubles.  
June 2, 1926. 23

Wyatt says Comptroller told him he attended a Federal Reserve dinner  
in Atlanta district and that Gov. Wellborn was scandalously  
drunk.  
June 4, 1926. 27

James tells Atlanta directors that three of the Federal Reserve Board  
had told him they would not vote to retain the Cuban Agency  
for Atlanta unless Gov. Wellborn et als should resign.  
June 10, 1926. 38, 39.  
June 15, 1926. 41  
Nov. 16, 1926. 153

Gov. Harding says he considers Gov. Wellborn competent as a judge  
of credit and as a bank manager.  
June 20, 1926. 49

James said he would vote against making Magruder Deputy Federal  
Reserve Agent for Cuba, because the Atlanta outfit was so  
unfit, - meaning Gov. Wellborn et als.  
June 22, 1926. 54

Herson reads to Board a copy of a letter from Winston to Gov. Wellborn  
urging him to go the limit in helping distressed banks, and  
Gov. Wellborn's reply, dated July 20, giving a review of how  
he was helping such banks, in which Gov. Wellborn quoted an  
old letter of Gov. C. extravagantly praising his work.  
July 23, 1926. 91

Gov. Wellborn joins Federal Reserve Agent Newton in asking Board to  
appoint a Deputy Federal Reserve Agent to help as to member  
banks who need assistance.  
Aug. 3, 1926. 97

Wellborn, Gov. (Cont'd.)

Herson in his report of examination of the Atlanta bank states there is no hope of satisfactory operation until the "one man power", meaning Gov. Wellborn, was eliminated.  
Aug. 3, 1926. 98

Board appoints a Deputy Federal Reserve Agent for Atlanta in accordance with request of Newton and Governor Wellborn.  
Aug. 4, 1926.99

Oscar Wells, representing a Committee of Atlanta stockholders, said the Committee would do all in its power to secure the defeat of McCrary and the resignation of Governor Wellborn if the Board would so indicate.  
Nov. 12, 1926. 147

C.S.H. replied that the Board had no right to interfere, directly or indirectly, with the election or defeat of a Director, or the appointment or resignation of a Governor; that all it could properly do was to let the Committee know that neither McCrary nor Governor Wellborn had the confidence of some of its members; that the stockholding banks had the right to reelect McCrary and to reappoint Governor Wellborn if they so desired, - subject only to the right of the Federal Reserve Board to remove them for cause.

Wells said he believed McCrary would not be reelected.

Wells also said that Governor Wellborn had told him that if reappointed he would resign at the end of 1927.

C.S.H. feels that if Governor Wellborn says he will resign at the end of 1927 the Federal Reserve Board should not raise any objection, even if it had the legal right to do so, to his reelection as Governor.

Wells admitted to Federal Reserve Board that Governor Wellborn was drinking heavily.  
Nov. 12, 1926. 147, 148.

At the dinner at the Metropolitan Club, Governor Wellborn was plainly under the influence of liquor.

C.S.H. put him several questions as to the attitude of the National City Bank of New York towards the Cuban Agency, but his only reply were some rambling statements as to Campbell.

His voice was so thick and his condition so evident that C.S.H. asked Platt to look at him.  
Nov. 12, 1926. 151

Wellborn, Gov. (Cont'd.)

Hopkins asks C.S.H. if the Federal Reserve Board will remove Gov. Wellborn if re-elected for 1927.

C.S.H. said he had no authority to speak for the Board; that he personally believed an attempt would be made to disapprove Gov. Wellborn's present salary when the salaries were taken up. Nov. 16, 1926. 153

Hopkins reminded C.S.H. that last year the Federal Reserve Board approved an increase in Governor Wellborn's salary; that Gov. Wellborn suggested this and asked him to put it through at the directors meeting. Nov. 16, 1926. 154

Hopkins tells C.S.H. that Governor Wellborn wants to get out but not under fire, and asks if it would satisfy the Federal Reserve Board if he - Hopkins- should state that if reelected he would resign at the end of the year.1927.

C.S.H. asked him if he was authorized to make such a statement.

He said not now, but he knew it was true, and later would write C.S.H. authoritatively.

C.S.H. said he was a friend of Gov. Wellborn and that, outside of the Board, he had never been told that Gov. Wellborn was incompetent; that he had heard, however, that Gov. Wellborn was drinking heavily and that this disturbed him greatly.

Hopkins said there was no truth in this. Nov. 16, 1926. 153, 154, 155

Atlanta Committee confers with Board.

Told Board Governor Wellborn would positively refuse to stand for Governor another year if reelected for 1927.

James said he was satisfied with this assurance and all ended in harmony. Dec. 6, 1926. 161

Wells, Oscar  
146, 147, 148, 149.  
See - Wellborn, Gov.



Wells, Oscar  
146, 147, 148, 149

See - Wellborn, Gov.

Wetmore, Federal Advisory Council

Says the damage caused by the break in New York Stock Exchange was not nearly as great as that caused by the recent real estate speculation.

May 21, 1926. 5

Platt says Wetmore enthusiastically favors C.S.H.'s reappointment.  
May 24, 1926. 13

Gov. McDougal tells C.S.H. that the Chicago bankers, especially Mr. Wetmore, were a unit in favor of his reappointment.  
June 21, 1926. 51

Whitney, Harry Payne

Mrs. Harriman said that her kinsman, Harry Payne Whitney, came to Washington to beg her to use her influence with Sen. Walsh (Mont.) to have him cancel the subpoena issued to Whitney; that Whitney said if he had to testify, he would say of his own knowledge, that President Harding was in debt over \$200,000 as the result of oil speculation; that the subpoena was cancelled!

Dec. 7, 1926. 162, 163

Williams, John Skelton

Wing fears that if, was the next Secretary of the Treasury, C.S.H. would be hand in glove with him.

June 24, 1926. 57

C.S.H. writes Glass that he believes, will not oppose his confirmation; that we had worked together in many thanks on the Federal Reserve Board; e.g., to make cotton factors paper eligible, etc. etc.

Sends copy to Glass of letter of, to C.S.H. on death of Anna.  
July 3, 1926. 72

Death of, from heart disease.

C.S.H. sends telegram of sympathy and H.P.H. sends letter to Mrs. Williams.  
Nov. 11, 1926. 145

Wills, Federal Reserve Agent

Was present with Curtiss when Miller made a disloyal statement.  
Nov. 6, 1926. 144

See - Curtiss

Wilson, Mrs.

C.S.H. dines with, at Woman's Democratic Club to hear  
Dame Rachel Crowdy.

May 26, 1926. 14

Gives out at dinner at Mayflower given by Mrs. Banister at which  
we are present.

June 7, 1926. 33

Takes us on auto drive with Mrs. Galt.

June 25, 1926. 58

We dine with Mrs. Wilson

She said Dr. Teusler wanted her to take a trip to Japan; that  
Bolling at first was enthusiastic about going; that  
Dr. Teusler engaged the suite de luxe on a Japanese steamer;  
that the price was only \$300; that all plans were made and  
she was about to tell us when Bolling suddenly changed his  
mind and became almost panic stricken; that she called in  
Dr. Ruffin who advised Bolling not to go, so she gave it up;  
that now she planned to sail for England about July 20th to  
visit the Baruch's in Scotland, and later to go to Geneva.

June 24, 1926. 58, 59

Mrs. Wilson tells C.S.H. that the moment he is appointed she will  
ask Sen. Swanson to do his utmost to have C.S.H. promptly  
confirmed.

June 24, 1926. 59

Drives us to Fort Humphrey with Rolfe Bolling and Mrs. Galt.

Said she was sailing on the Berengaria on July 17th.

June 28, 1926. 60

H.P.H. tells Mrs. John W. Davis that the stepping stones in  
Tracy Brewster's garden were copied from Mrs. Wilson's;  
that Sydney Brewster asked Mrs. Wilson's permission to  
copy them when we all had tea with her.

June 28, 1926. 62

C.S.H. calls up Mrs. Wilson and says there is nothing new as to  
his reappointment.

June 30, 1926. 66

Calls and takes H.P.H. to drive.

July 1, 1926. 68

We dine with Mrs. Wilson and take a drive after dinner.

July 2, 1926. 72

C.S.H. calls up Mrs. Wilson to tell her of his confirmation.

She said she was supremely happy at the good news.

July 3, 1926. 74

Wilson, Mrs. (Cont'd.)

C.S.H. calls on Mrs. Wilson.

She said Sen. Swanson induced Heflin to call C.S.H. up on the telephone last Saturday; that he urged Heflin to withdraw his opposition saying that C.S.H. was one of the best and ablest men in the Party and that H.P.H. held a similar position among the women; that Mrs. Wilson was very much interested in C.S.H.'s confirmation; that Heflin said, "Is Mrs. Wilson really interested?"; that Sen. Swanson said that Mrs. Wilson had told him, only a few days ago, that she considered C.S.H. and H.P.H. the dearest friends she had; that she visited them every summer; that Heflin then said he would withdraw his opposition; that Sen. Swanson then asked Heflin to call up C.S.H. and tell him so; that Heflin said he would do this.

July 7, 1926. 80

C.S.H. calls on Mrs. Wilson and spends a pleasant evening.

July 20, 1926. 89

C.S.H. dines with Mrs. Wilson.

Wilmer Bolling and Mr. and Mrs. Rolfe Bolling were also there.

Mrs. Wilson read to us Howden Smith's article on Col. House from the Saturday Evening Post of July 17th.

She said Mr. Wilson had never read the "Real Col. House" and that if it had been suppressed, it was done by some one in the administration other than Mr. Wilson and without his knowledge.

She said she had a little birthday present for C.S.H. which she would give him now, but when C.S.H. left they both had forgotten it.

C.S.H. called her up later, and she said she would send it to him tomorrow.

July 22, 1926. 89, 90.

Mrs. Wilson sends C.S.H. for a birthday present "The New Democracy" the first of 2 volumes of the addresses and letters of President Wilson, with a charming letter which C.S.H. at once acknowledged.

July 23, 1926. 90

C.S.H. writes Mrs. Wilson a steamer letter.

Told her about Walsh and Gaston - both faithless to Mr. Wilson.

July 29, 1926. 95

Mrs. Wilson sails on the Leviathan shortly after midnight, with Wilmer Bolling.

Aug. 1, 1926. 95

## Wilson, Mrs. (Cont'd.)

Bolling tells C.S.H. he has four drafts of the chronological table with notations of Mrs. Wilson et als.

Aug. 3, 1926. 97

C.S.H. receives letter from Mrs. Wilson mailed from Leviathan August 6.

Aug. 18, 1926. 111

C.S.H. writes Mrs. Wilson in reply.

Aug. 19, 1926. 111

C.S.H. writes Mrs. Wilson telling her of Sen. Glass's book.

Sept. 1, 1926. 115

C.S.H. receives letter from Mrs. Wilson from Geneva.

Sept. 18, 1926. 123

C.S.H. writes Mrs. Wilson.

Sept. 19, 1926. 123

Bolling calls up C.S.H. and asks him to come up.

C.S.H. has an interesting talk with Mrs. Wilson.

Oct. 21, 1926. 137

Ray Stannard Baker tells C.S.H. that Mrs. Wilson told him she had not read Glass's book.

C.S.H. said she had better not and should keep clear of the controversy.

C.S.H. told her this yesterday.

Baker said she wanted me to come to dinner if I did not go to Mattapoisett.

Oct. 22, 1926. 139

C.S.H. write Mrs. Wilson regretting he could not dine with her.

Said he must now decide how to vote next Tuesday; that he loved the Party and hoped it would win, but that he loved and adored the memory of Mr. Wilson.

C.S.H. asked her to write if she felt able to give him any light in his predicament.

Oct. 22, 1926. 139, 140

C.S.H. dines with Mrs. Wilson

Mrs. Pennington was also present.

## Wilson, Mrs. (Cont'd.)

Mrs. Wilson said C.S.H. had done the right thing in voting for Walsh and Gaston; that she felt the defeat of Butler meant much for the Democratic Party; that she was willing to forget the past with that end in view.

Nov. 6, 1926. 143, 144.

Mrs. Wilson said the chronological table was now completed and that Mrs. Pennington had substantially accepted Bolling's additions.

Nov. 6, 1926. 144

C.S.H. takes tea with Mrs. Wilson to meet David Hunter Miller.

Mrs. Wilson goes to Richmond tomorrow for a week.

Mrs. Wilson said Admiral Bristol had convinced her that the Lausanne Treaty should be ratified.

Miller said he was unalterably opposed to ratification.

Some days later Mrs. Wilson told C.S.H. that she had had a talk with Sen. Swanson, who said he should follow the flag of Woodrow Wilson and fight ratification to the bitter end.

Nov. 18, 1926. 155

We dine with Mrs. Wilson and Bolling alone.

She said she was not satisfied with Bryant Baker's bust of Wilson which Mr. Caldwell had presented to the League of Nations and so notified the authorities who said the League of Nations would accept no bust not satisfactory to her; that it was finally arranged that Baker should make another and that she felt obliged to say that he could consult her from time to time.

She said one side of the profile was quite good, but as a whole it was very poor. This profile is the photograph which C.S.H. has, on which Mr. Wilson placed his autograph.

Nov. 27, 1926. 157

Mrs. Wilson takes us on a long drive towards Marlboro.

Nov. 28, 1926. 157

C.S.H. puts down essential facts as to chronological table.

170, 172, 173, 174

C.S.H. and H.P.H. call on Mrs. Wilson and have a talk as to withdrawal of chronological table.

Dec. 17, 1926. 174

(See fine details in bound volume giving history of chronological table.)

Wilson, Mrs. (Cont'd.)

Mrs. Wilson invites us to Christmas dinner.

Says she may accept Mrs. Rice's invitation to go to Albany on Dec. 27th to attend the Wilson memorial exercises at which David Hunter Miller is to speak.  
Dec. 17, 1926. 175

Mrs. Pennington tells us that Mrs. Wilson knows that Bolling had accepted his offer of one-half of the royalties but she did not know when Bolling told her.

C.S.H. agreed with Mrs. Pennington that after Mrs. Harriman's talk with Mrs. Wilson, she, Mrs. Pennington, could have done nothing else than withdraw the book from the Democratic Club.

Mrs. Pennington said she washed her hands of the whole matter and that Mrs. Wilson could do as she pleased with the manuscript.  
Dec. 18, 1926. 175, 176

C.S.H. calls up Mrs. Wilson.

Mrs. Wilson said Mrs. Pennington had just called her up and spoke of her talk with C.S.H. and saying that Mrs. Wilson could have taken no other course after Mrs. Harriman's talk with her.

C.S.H. said Mrs. Pennington said she had turned the whole matter over to her and he hoped she would feel he would be glad to go up at any time and help straighten out the matter.

Mrs. Wilson replied quietly that there was nothing to straighten out, that it had been left in her hands and she intimated it would stay there and that she would let the whole matter drop.

She said she could not ask Bolling to take it up with the Club, nor, C.S.H. thinks she said, would he be willing to, nor did she think it would be fair to ask C.S.H. to do it.

C.S.H. begged her to think it over for a few days, that he felt confident it would be straightened out, and that she had only to call on C.S.H. for help if she desired any advice or help. She seemed, however, to have made up her mind.

C.S.H. said he was sorry Mrs. Harriman spoke to her when she did.

She defended Mrs. Harriman warmly, saying she was a true friend.

C.S.H. said undoubtedly she spoke the truth but if she had put off her talk for a few days, he thought the Book Committee would have adjusted the matter with Mrs. Pennington direct.  
Dec. 18, 1926. 176, 177

## Wilson, Mrs. (Cont'd.)

Mrs. Wilson tells C.S.H. she has written Mrs. Rice accepting her invitation to Albany and she begged C.S.H. to go with her.

She said she looked forward to seeing us on Christmas Day.  
Dec. 18, 1926. 177, 178

C.S.H. believes she has no intention of asking his advice in the matter.  
Dec. 18, 1926. 178.

C.S.H. believes Mrs. Harriman was no friend to Mrs. Wilson in thus bringing her into this controversy.  
Dec. 18, 1926. 178

We dine with Mrs. Wilson. Christmas Day.  
Dec. 25, 1926. 182

## Wilson, Woodrow

Glass tells C.S.H. of desire of, to call for Miller's resignation from Federal Reserve Board.  
June 7, 1926. 34

Commission of Platt, signed by President Wilson contains same clause, "subject to approval of the President for the time being" - as does C.S.H.'s commission from President Coolidge  
July 19, 1926. 88

Mr. Wilson never saw House's book "The True Col. House" and if suppressed, it was without his knowledge or sanction.  
July 22, 1926. 90

The verger told C.S.H. that 192,000 people visited the Cathedral on week days, in 1925, to see Mr. Wilson's tomb; that for 1926 there would be at least 225,000.  
Aug. 14, 1926. 109, 110.

C.S.H. suggests to Glass to strike out of his proposed book the statement that Mr. Wilson originally distrusted Sen. Swanson.  
Aug. 27, 1926. 114

C.S.H. suggested to Glass to strike out the statement that Wilson "so operated on the vanity of a certain Congressman" that he left him thinking that Glass was to be deposed and the charge of the Federal Reserve Act was to be given to him.

C.S.H. suggests that Glass substitute: Wilson was "so persuasive and so skilled in his reasoning." etc.  
Aug. 27, 1926. 114, 115

Wilson, Woodrow (Cont'd.)

Walsh and Gaston were both treacherous to Wilson.  
Nov. 2, 1926. 143

Vice President Dawes, speaking at the dinner of Governors and Federal Reserve Agents at the Metropolitan Club said Wilson was one of the greatest men in the world but was far ahead of his time.  
Nov. 11, 1926. 149

Mrs. Wilson was not pleased with Bryant Baker's bust of Wilson given by Mr. Caldwell to the League of Nations.  
Nov. 27, 1926. 157

See - Wilson, Mrs.

Glass tells C.S.H. that Wilson was not friendly with Prof. Seymour, the writer of the House book; that House smuggled Seymour on the George Washington and that when Wilson found it out he came very near ordering the ship back to port to put Seymour ashore.  
Dec. 7, 1926. 162

Wing, Daniel, 1st National Bank, Boston

C.S.H. believes Wing has appealed to Gov. Morss' vanity as to the Federal Reserve Board.  
May 29, 1926. 18

C.S.H tells Tyler that Wing has been reported as friendly.

Tyler said that means nothing; that Wing will do whatever he wishes, no matter what he says.  
June 7, 1926. 30

Gov. Harding says that Curtiss has a feeling, but no proof, that Wing may have some candidate in mind for C.S.H.'s place.

Gov. Harding said the only man he could think of was Ex-Governor Channing Cox, now a Vice President in Wing's bank; that he believed Wing's bank was over-officered and that Wing might want to unload Cox onto the Federal Reserve Board. Governor Harding said, however, that Cox could not afford to give up his \$25,000 salary he was getting in Wing's bank.

Gov. Harding said it would be such a palpably political appointment he did not for a minute believe Coolidge would dare to make it.  
June 20, 1926. 47, 48



Wing, Daniel (Cont'd.)

Gov. Harding writes that he had had a talk with Wing this morning; that he showed a copy of C.S.H.'s letter on the Cuban Agency, explaining what C.S.H. proposed to do; that Wing was exceedingly interested and approved the programme in toto; that he told Wing C.S.H. was a very valuable man on the Board and particularly to the Boston district; that Wing concurred but qualified his concurrence with the statement that his only objection to C.S.H. was that he would be prone to line up always with the administration, and that if McAdoo should be the next President, and John Skelton Williams the next Secretary of the Treasury, C.S.H. would be hand in hand with them.

(This sounds like Warburg to C.S.H.)

He said Wing admitted that this was a very remote contingency and agreed that if any Democrat were elected in 1928 it would probably be Governor Smith of New York in whom he had great confidence.

Gov. Harding said that Wing said that Sen. Butler would be interested only in case some outstanding Massachusetts Republican should be suggested for C.S.H.'s position; that he and Gov. Cox had, some months ago, canvassed the situation but had found no one at all available and that they had now dropped the matter; that in his opinion, as matters now stand, C.S.H. will be reappointed and that he would interpose no objection.

June 24, 1926. 56, 57

Wing calls on Dr. Miller and tells him he is sorry he had not time to call on C.S.H. While Miller was saying this in the Board room, Wing passed the door and C.S.H. went out and shook hands with him.

C.S.H. believes Wing expressed to Miller his opposition to Curtiss, and that he is the man who spoke to Governor Crissinger against Curtiss.

C.S.H. believes Wing wishes to get Curtiss' place for Gov. Cox.  
Dec. 15, 1926. 167

Curtiss tells C.S.H. that he can do nothing with Wing; that evidently some force behind him was pulling him back; that he had reason to believe it was Paul Warburg.  
July 14, 1926. 82

Winsor, Robert

Tyler asks if, is friendly to C.S.H.

C.S.H. says yes, as far as he knows.

Tyler says, is very close to Butler.

C.S.H. thinks Tyler is going to see Winsor.  
June 22, 1926. 53

Winston, Garrard

Says the French people are very prosperous but that the parliamentary situation is hopeless; that the French are taxing so absurdly that they can not be levied, e.g. a bachelor in France theoretically pays about 95% of his income while on real estate the tax is absurdly less.  
June 17, 1926. 43, 44

Tells Gov. Harding that C.S.H. is a most valuable man on the Federal Reserve Board and should be reappointed but he did not know what Coolidge's decision would be.  
June 21, 1926. 50

Gov. McDougal says he is to lunch with Winston and will ask him to suggest what the bankers can do for C.S.H.  
June 21, 1926. 52

Gov. McDougal left a message for C.S.H. that he was much pleased with his conference with Winston and he is sure C.S.H. would be pleased.  
June 22, 1926. 52

Winston came in and said Gov. Strong had testified before a Parliamentary Commission on the question of a gold standard for India; that the Indians wanted this but it would require an enormous supply of gold which might drive Great Britain off the gold standard and take much gold from us, to our injury; that it would turn all silver in India into a commodity and ruin the Indian people.

He said Mellon tried to get J. P. Morgan to testify but he said he would have to say that it would injure the U.S. which would make the Indians on the Commission more favor it; that Mellon asked Gov. Strong to testify as to the injury it would cause India and that Gov. Strong had carefully studied into this, and had so testified.

He said Mellon did not want this to get out but thought the Board ought to know it.  
June 22, 1926. 54, 55.

Winston, Garrard (Cont'd.)

Winston spoke in contempt of Sen. Pepper, saying that when the bill to purchase further silver bullion was passed in Senate, Glass was the only friend of the administration to fight it; that Pepper found that his pair would vote against it and he therefore voted for it - against the administration!

June 22, 1926. 55

Herson, returning from examination of Atlanta Bank, gives Board copy of a letter dated July 17th from Winston to Gov. Wellborn urging him to do all in his power to assist weakened banks in his district, and Gov. Wellborn's reply.

C.S.H. thinks it extraordinary for Winston to have done this. It would have been equally appropriate for the Board to write the Collector of Customs, New York, as to his rulings on customs duties.

July 23, 1926. 91

The Comptroller said the language of Winston in his letter to Gov. Wellborn was almost identical with what Sec. Mellon said when talking to him.

C.S.H. thinks Winston may have been asked by Mellon to write this and that perhaps he may have written other Governors.

July 23, 1926. 95

Winston favored the increase in the discount rate of Federal Reserve Bank, New York.

Aug. 18, 1926. 112

Winston met C.S.H. while going to lunch and said he was preparing an answer to the bankers appeal for lower duties in Europe.

Oct. 22, 1926. 137

See - Mellon

Board adjourned to get Winston's opinion on recommendation of Open Market Committee to buy 50 millions of Government securities in December, to be sold later when money demand falls off.

Winston approved of the purchase.

Nov. 11, 1926. 145

See - Open Market Committee

Wyatt, Counsel, Federal Reserve Board

Tells C.S.H. the Comptroller was present at Federal Reserve dinner in Atlanta and that Gov. Wellborn was so drunk he made a disgusting spectacle of himself, but the Comptroller said he would not be willing to testify to this.

June 4, 1926. 27

Wyatt, Counsel (Cont'd.)

Eddy tells C.S.H. that James is getting on the nerves of Herson and Wyatt.

July 7, 1926. 77

Says he can not recommend an increase in salary of Philbin as Assistant Counsel of Federal Reserve Bank, New York, but that his work as Secretary is worth \$1500 additional.

Dec. 22, 1926. 181

See also - Campbell 27, 30, 31, 35, 77, 116

-Y-

Young, Owen

Speaks at dinner to Jay, New York.

Dec. 20, 1926. 179

(The end.)