

Collection Title THE PAPERS OF

CHARLES SUMNER HAMLIN

DIARIES

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DIARY

VOLUME 14.

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1927. July 1. - August 1. 1928.

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We meet, the new Secretary of Smithsonian Institution at dinner at Mr. Delano's.

Jan. 19, 1928. 112

Acceptances

Kensle asks more liberal interpretation of regulations so as not to bar renewals. Said we are losing business by our strict regulations.

C.S.H. pointed out that Acceptance Bulletin said we were securing much business formerly financed in London, through our lower rates.

Kensle also complained that the British were cutting commissions on acceptances.

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Talks with C.S.H. as to Chicago rate case. Has interview with Sec. Mellon.

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Glass says the power should be taken away or strictly limited; that under such a power the Board could put in one uniform discount rate all over the U.S.

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Glass said his approval of Elliott's opinion in his letter to the Attorney General showed the futility of doing a bad thing for good purposes.

Sept. 7, 1927. 34

Glass, in letter to Baltimore Sun tacitly assumes Board had right to follow opinion of Attorney General but should exercise the power only in grave emergencies.

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Sec. Mellon tells C.S.H. that Federal Reserve Bank of Chicago has asked him to secure another opinion from, and that he had asked Wyatt to prepare a letter, but had not yet sent it.

Sept. 15, 1927. 41

C.S.H. said if Attorney General reversed former opinion of Acting Attorney General King it would bring matter into politics, to inquiry of Federal Reserve System.

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C.S.H. suggested he would, of his own volition, ask Glass to join him in a request for another opinion.

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Sept. 16, 1927. 44

C.S.H. writes Mellon accordingly.

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C.S.H. hopes Mellon will send to Attorney General the letter of Governor Harding if he asks for an opinion. Sept. 21, 1927. 53

Ogden Mills tells C.S.H. he believes Attorney General if asked for an opinion, will sustain King. Sept. 26, 1927. 54

Mills said Chicago bankers would withdraw request for an opinion from Attorney General, if Board would enact a by-law requiring five affirmative votes for initiating a discount rate. Sept. 26, 1927. 55
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Board practically agrees to ask opinion of Attorney General as to power of a state member bank to establish a foreign branch. Dec. 6, 1927. 87

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Auld Lang Syne
Curtiss says he consulted Mr. Winship of the Widener Library at Harvard and others and that they valued Auld Lang Syne at \$100,000. July 5, 1927. 5

At Curtiss's suggestion C.S.H. gives him copies of, which he said he would give to Winship, who had previously valued it at \$100,000. Curtiss said he would quietly ascertain as to getting a purchaser for it; that no commission would be involved; that if Winship could not place it, it would be well to give it to Goodspeed, - a member of his book club, to see what he could do. Oct. 16, 1927. 71

At C.S.H.'s direction the Library of Congress ships Auld Lang Syne by express to W.G. Rice for exhibition at Albany Burns Club, value of \$5000 placed on it. Insured for \$5000 against every risk by Rogers & Howes, Boston. Jan. 17, 1928. 112

Mrs. Marie S. Hulin,
15th & E Sts.,
Washington, D. C.

Dear Mrs. Hulin:
Please pardon my delay in replying to your letter of

Attorney General of U.S. (Cont'd.)

Glass said the opinion grew out of war exigencies and should not stand in times of peace.

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C.S.H. writes Mellon accordingly. Sept. 18, 1927. 46

Auld Lang Syne (Cont'd.)

Curtiss called.

Said he saw Miss Green, Mr. Morgan's Librarian yesterday at 9:30; that he showed her the photostat copy and that she seemed very strongly interested; that she excused herself for a few minutes and returned with Mr. Morgan who also seemed strongly interested; that they compared it with the Thompson letter, owned by Mr. Morgan; that they got out the Pickering edition of Burns and it tallied exactly with our Dunlop version.

Curtiss said he told him that H.P.H. owned it and might possibly be induced to sell it, and he asked as to the best way; that they both suggested the Anderson Galleries; that he told them H.P.H. had had some communication with Rosenbach about it, whereupon they both said Rosenbach thought he had a good Burns collection, but that it could not compare with his, - Morgan's; that Morgan said to put it up at auction if you want a "kick back" - intimating that he would be glad to fight Rosenbach for it.

(For complete copy of interview see package of Auld Lang Syne papers.)

Curtiss gave C.S.H. name of William H. Smith, of Anderson galleries, Park Ave., and 59th St., New York, on whom he called, without giving his name. Curtiss said Mr. Smith said they were to have a sale in the spring at which the original of Pilgrim's Progress and other famous manuscripts were to be sold; that he seemed very much interested and tried hard to get Curtiss' name.

Jan. 25, 1928. 119

Mr. Ashley of Library of Congress telephoned C.S.H. that the manuscript is safely back from Albany.

Jan. 28, 1928. 122

Curtiss writes C.S.H. full particulars as to his talk with Mr. Morgan and Miss Thurston.

Feb. 1, 1928. 122

In answer to letter of H.P.H. to Anderson Galleries the following reply was received:

Anderson Galleries
Park Ave. and 59th St., N.Y.
Feb. 22, 1928.

Mrs. Charles S. Hamlin,
Lee House,
15th & L Sts.,
Washington, D. C.

Dear Mrs. Hamlin:
Please pardon my delay in replying to your letter of

(Cont'd.) Attorney General

C.S.H. explains to Mellon that if a Republican Attorney General reverses King's opinion it would bring matter into politics but if Glass and C.S.H. join in request it would remove that danger. Rec. Mellon said he saw the point and approved.

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Jan. 17, 1928. 115

Auld Lang Syne (Cont'd.)

January 31st. I put it aside for further consideration and it was mislaid.

We are naturally very much interested to hear that you own an original manuscript of Auld Lang Syne. In addition to the copy in the Pierpont Morgan Library I am informed by Dr. Rosenbach that there is a copy in Mr. Gribbell's collection in Philadelphia, which Dr. Rosenbach sold him some years ago with other Burns' manuscripts for \$8500.

Times have changed, and prices are much higher, but I think your suggestion that your manuscript is worth \$100,000 is out of all proportion to what it would sell for. My own idea would be from \$15,000 to \$20,000. We should not care to offer it with a reserve higher than \$20,000, which would have to be announced in the catalogue.

If this interests you at all we shall be pleased to go further into details.

Yours very truly,

Mitchell Kennerley.
127, 128

Mr. Gribbell writes C.S.H. about his manuscript of Auld Lang Syne. Says he thinks it was written in 1789 but can not prove it.

Said also that Burns at the top of the page wrote, - "There is a set of this song I like better."

C.S.H. believes this is a reference to the Dunlop letter, which we own, dated Dec. 17, 1778.

This seems to prove that ours is the original.

Later, Mr. Gribbell sent me a photostat copy.

(See package of papers.)

Mar. 5, 1928. 131

Curtis tells C.S.H. that Mr. Winship had lately dined with Miss Thurston, Mr. Morgan's Librarian, and that she told him that Mr. Morgan was very anxious to buy H.P.H.'s manuscript, but preferred to bid at an open competition.

Curtis said he believed H.P.H. could get from \$50,000 to \$75,000 for it.
June 4, 1928. 178

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Dear Mrs. Hamilton:
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Bank of England (Cont'd.)

Bailey, Gov.
Speaks at dinner to Board by Governors and Federal Reserve Agents.
Metropolitan Club. Nov. 4, 1927. 79

Baker, Newton D.
Sec. Mellon wants opinion of, as to legality of proposed by-law
as to Board initiation of discount rates.
Sept. 26, 1927. 55

C.S.H. moves that opinion of, be asked for. Postponed.
Sept. 27, 1927. 56

Sec - By-law

Balance of power
Houghton says the Great Powers are fixing, on League of Nations
as a base. Nov. 7, 1927. 79, 80

**C.S.H. says question of Roumanian credit really a question of,
between England and France.**
April 2, 1928. 141

Bank of England
Dr. Miller said that if the reason for the Federal Reserve Bank,
New York, selling 69 millions of gold now held for it by,
to France and accepting a Bank of England sterling credit,
was to stabilize the gold standard in Great Britain, -we
should get into an awful mess.
July 13, 1927. 7

**Gov. Crissinger says Gov. Norman, at the New York Conference
between Federal Reserve Bank, New York, Schacht, Rist, etc.
unbosomed himself and told them the Bank of England was in
a very critical position as regards gold; that it must increase
its discount rate, to the injury of British commerce and
industry unless the Federal Reserve Bank, New York, reduced its
rate.**
July 25, 1927. 12, 13

**C.S.H., at meeting of Board to take action on Chicago rate said
the underlying reason in the minds of the Board and open market
committee when they favored a reduction to 3 1/2% was an international
one, - the desire of Federal Reserve Bank, N. Y. to reduce to
protect the Bank of England maintain the gold standard, as other-
wise the Bank of England must increase its rate to save its gold.**
Sept. 6, 1927. 27

the Bank of England...
statement...
disinclination...
Reserve Bank, New York...
satisfactory stabilization plan... C.S.H. said that for the Board

ALMA LANG SYNE (Cont'd.)

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was retained.

We are naturally very much interested to hear that you own
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 protect the Bank of England maintain the gold standard, as other-
 wise the Bank of England would increase its rate to save its gold.
 Sept. 6, 1927. 27

Bank of England (Cont'd.)

C.S.H. said the Board should not put in a rate solely to help
 Bank of England, and he doubted its power to put in a
 uniform rate in all districts to help Federal Reserve Bank,
 New York to help the Bank of England. C.S.H. said that at
 the Open Market Committee meeting he stated this and said he
 believed the rate should be reduced for local reasons.
 Sept. 6, 1927. 27, 28

C.S.H. explains to Sec. Mellon Leffingwell's charge that Gov. Strong
 promised the Bank of England that he would increase the rate
 of Federal Reserve Bank, New York, and when he found he could
 not make good he tried to put in a higher rate on paper
 secured by a certain issue of Treasury certificates in order to
 wreck the sale.
 Sept. 15, 1927. 42, 43

Sir Otto Niemeyer admits to C.S.H. that a holder of a Bank of England
 note for 25 could not as a matter of law have it redeemed in
 gold coin but would have to take currency notes.
 Jan. 30, 1928. 122

Will join Roumanian credit only if Federal Reserve Bank, New York,
 would guarantee, with the Bank of France, a satisfactory
 stabilization plan - which the Federal Reserve Bank, New York,
 declined to give.
 April 2, 1928. 141

C.S.H. points out dispute between Bank of England with Bank of
 France; that the Bank of England wanted the League of Nations
 to supervise the stabilization plan; that the question seemed
 one of balance of power.
 April 2, 1928. 142

Harrison denies any dispute between Bank of England and Bank of
 France as to Roumanian stabilization plan; that their relations
 were most cordial; that the Bank of England had not declined
 to join the Roumanian syndicate, but, on the contrary, had
 agreed to join on condition that Federal Reserve Bank, New York,
 became responsible for a satisfactory stabilization plan, which
 the Federal Reserve Bank, N. Y. refused; that he thought the
 Bank of England ultimately would come in.
 April 3, 1928. 144

C.S.H. feared Board by accepting without conditions, might be put
 in apparent position of siding with the Bank of France against
 the Bank of England. C.S.H. said he accepted Harrison's
 statement that there was no controversy but merely a present
 disinclination of Bank of England to join unless the Federal
 Reserve Bank, New York, would accept responsibility for a
 satisfactory stabilization plan. C.S.H. said that for the Board

Bank of England (Cont'd.)

to impose a condition that it would join only if the Bank of England would be tantamount to a statement that the Board would follow the Bank of England and allow its policy to be guided by it, which would expose the Board to censure.

April 3, 1928. 144, 145

Bank of France

Board gives lunch to Governor Rist of, and to Governor Norman, Schacht, etc. July 7, 1927. 2.

Roumanian credit

See supra - Bank of England

Dr. Miller objected to Roumanian credit agreement on ground that the Federal Reserve Bank, New York, would be bound by the decision of the Bank of France both as to the stabilization loan and the syndicate agreement.

C.S.H. then read two questions, both of which Harrison answered in the affirmative:-

1. Could the F.R. bank after entering the arrangement, decline to go on for reason that syndicate plan was not satisfactory?
2. Because the stabilization agreement which the Bank of France worked out was not satisfactory to it?

Board then voted to approve the negotiations between F.R. Bank, N.Y. and Bank of France.

April 4, 1928. 147

Miller and James voted No.

Dr. Miller filed a statement explaining his vote, stating that Board had practically assumed responsibility for a satisfactory stabilization agreement and had abdicated to the Bank of France.

April 6, 1928. 147

C.S.H. replied in the records that the Federal Reserve Bank, N.Y. expressly refused responsibility for stabilization plan, and that it reserved the right to withdraw from the syndicate agreement, (a) if it does not approve stabilization plan as finally adopted, (b) if it does not approve details of syndicate agreement.

April 6, 1928. 147, 148

Biggs, Gov.

Present at Open Market Committee Conference to discuss discount rates. July 27, 1927. 13

Bank of England (Cont'd.)

U.S.H. said the Board should not put in a rate solely to help Bank of England, and he doubted its power to put in a uniform rate in all districts to help Federal Reserve Bank. New York to help the Bank of England. U.S.H. said that at the Open Market Committee meeting he stated this and said he believed the rate should be reduced for local reasons.

Sept. 8, 1927. 13, 28

U.S.H. explains to Sec. Mellon Lullinwell's charge that Gov. Strong proposed the Bank of England that he would increase the rate of Federal Reserve Bank, New York, and when he found he could not make good he tried to put in a higher rate on paper secured by a certain issue of Treasury certificates in order to work the rate.

Sept. 18, 1927. 43, 44

Mr. Otto Weyer abate to U.S.H. that a holder of a Bank of England note for \$5 could not as a matter of law have it redeemed in gold coin but would have to take currency notes.

Jan. 30, 1928. 122

Will join Roumanian credit only if Federal Reserve Bank, New York, would guarantee with the Bank of France, a satisfactory stabilization plan - which the Federal Reserve Bank, New York, declined to give.

April 3, 1928. 141

U.S.H. points out dispute between Bank of England with Bank of France; that the Bank of England wanted the League of Nations to supervise the stabilization plan; that the question seemed one of balance of power.

April 3, 1928. 142

Harrison denies any dispute between Bank of England and Bank of France as to Roumanian stabilization plan; that their relations were most cordial; that the Bank of England had not declined to join the Roumanian syndicate, but, on the contrary, had agreed to join on condition that Federal Reserve Bank, New York, become responsible for a satisfactory stabilization plan, which the Federal Reserve Bank, N.Y. refused; that he thought the Bank of England ultimately would come in.

April 3, 1928. 144

U.S.H. feared Board by accepting without conditions, might be put in apparent position of siding with the Bank of France against the Bank of England. U.S.H. said he accepted Harrison's statement that there was no controversy but merely a present distinction of Bank of England to join unless the Federal Reserve Bank, New York, would accept responsibility for a satisfactory stabilization plan. U.S.H. said that for the Board

Bank of England (Cont'd.)

to impose a condition that it would join only if the Bank of England would be tantamount to a statement that the Board would follow the Bank of England and allow its policy to be guided by it, which would expose the Board to censure.

Board gives lunch to Governor Hiss of, and to Governor Norman, Schacht, etc. July 7, 1927.

Dr. Miller objected to Romanian credit agreement on ground that the Federal Reserve Bank, New York, would be bound by the decision of the Bank of France both as to the stabilization loan and the syndicate agreement.

C.S.H. then read two questions, both of which Harrison answered in the affirmative:

1. Would the F.R. bank after entering the arrangement decline to go on for reason that syndicate plan was not satisfactory?

2. Because the stabilization agreement which the Bank of France worked out was not satisfactory to it?

Board then voted to approve the negotiations between F.R. Bank, N.Y. and Bank of France.

Dr. Miller filed a statement explaining his vote, stating that Board had practically assumed responsibility for a satisfactory stabilization agreement and had abdicated to the Bank of France.

C.S.H. replied in the records that the Federal Reserve Bank, N.Y. expressly refused responsibility for stabilization plan, and that it reserved the right to withdraw from the syndicate agreement (a) if it does not approve stabilization plan as finally adopted, (b) if it does not approve details of syndicate agreement.

April 8, 1928, 148

Bank of Netherlands credit
Board voted to approve ten millions credit.
Cunningham alone voted No.
Oct. 12, 1927. 70

Bankers
See - Chicago bankers

Banking and Currency Committee
Nomination of Gov. Young referred by mistake to Senate Finance Committee instead of to Senate Banking and Currency Committee.
Jan. 22, 1928. 114

Referred back to Banking and Currency Committee.
Jan. 22, 1928. 114

See - H.R. Banking and Currency Committee
Senate Banking and Currency Committee

Bargain for votes. 138, 183

See - Comptroller.
James
Talley, Gov.

Baruch, Mr. and Mrs.
Mrs. Wilson is guest of, at Saratoga Springs.
Sept. 4, 1927. 23

Battle of Marne
Houghton says Winston Churchill is right in taking from General Joffre credit for, but that Churchill went too far.
Nov. 7, 1928. 80

Belgium
Gov. Frank, of National Bank of Belgium, told C.S.H. at Dr. Miller's lunch that although he could not say it was a fixed custom to charge commissions for such credits as the Belgian credit, yet that Belgium was very willing to pay it.
Oct. 1, 1927. 62

See - National Bank of Belgium

Biddle, Miss
We took Christmas lunch with. Dec. 25, 1927. 101
Is our guest at dinner to Sir Herbert Ames.
May 2, 1928. 161

Biggs, Gov.
Present at Open Market Committee Conference to discuss discount rates.
July 27, 1927. 13

Bills secured

Board adheres to regulations forbidding F.R. banks to buy, by warehouse receipts where owner of elevator owns the warehoused grain.

Oct. 13, 1927. 68

Birthday

Catherine Grant gives C.S.H. her photograph on his 66th birthday.

Aug. 30, 1927. 22

We lunch with Catherine Grant to celebrate her birthday.

Nov. 25, 1927. 84

We dine with Charles Warren on his birthday.

May 8, 1928. 137

See - Warren, Winslow

Black, Cong.

James says, started attack vs. Gov. Talley because he would not advance money to his brother's bank.

Mar. 22, 1928. 138

Blair, Mrs. Emily Howell

We dine with Mrs. Meigs to meet.

Mar. 24, 1928. 139

Boehm

James said he wanted to act now on Chicago rate matter because he knew that John Mitchell, one of the Directors of F.R. Bank Chicago, asked, a St. Louis Director, not to reduce St. Louis rates as it would cut down the profits of the member banks.

Sept. 6, 1927. 26

Bolling, Bertha

Mrs. Wilson gives Woman's National Democratic Club a check for \$1000 from an unmentioned contributor, to be used for a life membership for.

April 2, 1928. 142

Bolling, J. Randolph

C.S.H. meets, at dinner given by George Foster Peabody. He addressed C.S.H. as "Charlie".

Oct. 1, 1927. 61

Not at funeral of Admiral Helm.

Oct. 31, 1927. 75

Mrs. Harriman referred to, in a very contemptuous way as a man devoid of good taste.

Dec. 27, 1927. 103

Bank of Netherlands credit; Board voted to approve ten million credit; C.S.H. also voted No. Oct. 13, 1927. 68

Bankers - Chicago Bankers - See - Chicago Bankers

Banking and Currency Committee; Nomination of Gov. Young referred by House to Senate Finance Committee instead of to Senate Banking and Currency Committee. Jan. 22, 1928. 114

Referred back to Banking and Currency Committee. Jan. 22, 1928. 114

See - H.R. Banking and Currency Committee; Senate Banking and Currency Committee

Bargain for votes. 192. 133

See - Comptroller; James Talley, Gov.

Baruch, Mr. and Mrs.; Mrs. Wilson is guest of, at Saratoga Springs. Sept. 4, 1927. 23

Battle of Maine; Houghton says Winston Churchill is right in taking from General Joffre credit for, but that Churchill went too far. Nov. 7, 1928. 80

Belgium; Gov. Frank of National Bank of Belgium, told C.S.H. at Dr. Miller's lunch that although he could not say it was a fixed custom to charge commissions for such credits as the Belgian credit, yet that Belgium was very willing to pay it. Oct. 1, 1927. 61

See - National Bank of Belgium

Biddle, Miss; We took Christmas lunch with. Dec. 28, 1927. 101

Is our guest at dinner to Sir Herbert Ames. May 2, 1928. 181

Present at Open Market's Committee Conference to discuss discount. July 27, 1927. 13

Billie secured Board adheres to regulations forbidding F.R. banks to pay by warehouse receipts where owner of elevator owns the warehouse again.
Oct. 13, 1927. 88

Birthday Catherine Grant gives C.S.H. her photograph on his 68th birthday.
Aug. 30, 1927. 22

We lunch with Catherine Grant to celebrate her birthday.
Nov. 22, 1927. 84

We dine with Charles Warren on his birthday.
May 8, 1928. 127

See - Warren, Winslow

Black, George James says started attack vs Gov. Talley because he would not advance money to his brother's bank.
Mar. 22, 1928. 128

Black, Mrs. Emily Howell We dine with Mrs. Meigs to meet.
Mar. 24, 1928. 129

Bohman James said he wanted to act now on Chicago rate matter because he knew that John Mitchell, one of the Directors of F.R. Bank Chicago, asked a St. Louis Director, not to reduce St. Louis rates as it would cut down the profits of the member banks.
Sept. 6, 1927. 28

Bolling, Bertha Mrs. Wilson gives Woman's National Democratic Club a check for \$1000 from an unannounced contributor, to be used for a life membership for.
April 2, 1928. 142

Bolling, J. Randolph C.S.H. meets at dinner given by George Foster Peabody. He addressed C.S.H. as "Charlie".
Oct. 1, 1927. 81

Not at funeral of Admiral Helm.
Oct. 21, 1927. 78

Mrs. Harriman referred to in a very contemptuous way as a man devoid of good taste.
Dec. 27, 1927. 102

Bolling, J. Randolph (Cont'd.)

Mrs. Jones was vehement in her opposition to, having any share in the profits of the Wilson chronology, and yet she asked Mrs. Pennington to become a life member of the Club.

Feb. 13, 1928. 125

Mrs. Huston Thompson asked H.P.H. if, had any share in the profits of the Wilson Chronology. H.P.H. said Mrs. Pennington had 1/3 and the Club 1/3 and that she supposed Mrs. Pennington gave this to Bolling.

(This was an error. Mrs. Pennington had 1/2 and C.S.H. 1/2 for the Club. We all think she gave this 1/2 to Bolling.)

Mrs. Eakles asked the same question.

June 4, 1928. 177

Bonsall, Mr.

We meet Mr. and Mrs. Bonsall at Lunch with Judge and Mrs. Covington.
Dec. 11, 1927. 93

Lunches with C.S.H. to meet Sir Henry Amos.
May 2, 1928. 160

Boston

We make calls in, on way to Washington; called on George, Ned, Mrs. Horatio Curtis and Bishop Lawrence.

Also visited Forest Hills.

Nov. 27, 1927. 85

Governor Case said he could identify 80 millions sent from, for call loans in New York.

April 18, 1928. 153

Bradley, Miss

Harriet Hamlin sends in a note from, with a writing signed "Anna" with her exact signature. It was not, however, responsive of Anna. It used the expression "my people" and referred to meetings on the other side with "Edith."

We know of no friend of Anna's of that name.
Sept. 4, 1927. 23

Branches, Federal Reserve

See - Charlotte branch
San Antonio branch

Bolling, J. Randolph (Cont'd.)

Mrs. Jones was vehement in her opposition to having any share in the profits of the Wilson chronology, and yet she asked Mrs. Pennington to become a life member of the Club.

Feb. 13, 1928. 128

Mrs. Weston Thompson asked H.P.H. if he had any share in the profits of the Wilson chronology. H.P.H. said Mrs. Pennington had 1/3 and the Club 1/3 and that she supposed Mrs. Pennington gave this to Bolling.

(This was an error. Mrs. Pennington had 1/3 and C.S.H. 1/3 for the Club. We all think she gave this 1/3 to Bolling.)

Mrs. Eckler asked the same question. June 4, 1928. 127

Bonsall, Mr. We met Mr. and Mrs. Bonsall at lunch with Judge and Mrs. Covington. Dec. 11, 1927. 93

Lunch with C.S.H. to meet Sir Henry Ames. May 2, 1928. 120

Boston Mrs. Horatio Curtis and Bishop Lawrence. We make calls in on way to Washington; called on George, Ned.

Also visited Forest Hills. Nov. 27, 1927. 88

Governor Case said he could identify 30 millions sent from for call loans in New York. April 18, 1928. 123

Bradley, Miss Harriet Hamilton sends in a note from with a writing signed "Anna" with her exact signature. It was not, however, responsive of Anna. It used the expression "my people" and referred to meetings on the other side with "Edith".

We know of no friend of Anna's of that name. Sept. 4, 1927. 83

Branches, Federal Reserve See - Charlotte branch San Antonio branch

Branches, Foreign

Wyatt rules that under McFadden Act a state member bank can not establish a foreign branch although the McFadden Act specifically permits a national bank to do so.

We all disagreed as to this and decided not to inform the applicant bank, the Old Colony Trust Company, until at least we had secured an opinion from the Attorney General.

Dec. 6, 1927.87, 88

Brandeis, Justice

Charles Warren says the reason why, refused to hear the Sacco Vanzetti petition was that Mrs. Brandeis, one summer loaned their house to Mrs. Glendower Evans, one of Sacco and Vanzetti's strongest supporters and a very fine woman; that Mrs. Evans invited Mrs. Sacco to spend the summer with her and she accepted and moved into the house; that Justice and Mrs. Brandeis strongly objected and so wrote Mrs. Evans, whereupon Mrs. Sacco left the house.

Aug. 23, 1927. 22

C.S.H. dines with.

He says the English reviews severely criticised the Lowell report on Sacco Vanzetti.

Oct. 12, 1927. 68

We dine with Mr. and Mrs.

Present: Mr. Dickinson, a Professor at Princeton, Judge and Mrs. Fitz and a Dutch girl.

Dec. 16, 1927. 97

Bribe

Cong. Wingo accepted \$2000 from Chicago bankers to fight for Hull amendment; Congressman Hull accepted his expenses. Wingo was in Conference Committee.

Feb. 26, 1928. 129

Brokers Loans

Gov. Young says President Coolidge has just given out a statement to the effect that he had inquired of the Treasury and was satisfied there was nothing alarming in the speculative situation on the New York Stock Exchange; that Sec. Mellon told him he could not remember any talk with Coolidge on this matter. Gov. Young fears that when the statement is published tomorrow it will cause another wave of speculation.

Jan. 6, 1928. 105

See - Miller, Dr.

Brokers Loans (Cont'd.)

Goldenweiser addresses Board on. Said it was grave but was not interfering with agriculture or industry.

Sec. Mellon asked if a material portion of the brokers loans did not consist of securities which promoters were trying to place.

Goldenweiser said undoubtedly but could not say how much.

Goldenweiser said there was no speculation in commodities. Jan. 9, 1928. 107

The Board decided to go to New York for a meeting of Open Market Committee and directors of Federal Reserve Bank of New York, but McGarrah advised against this as there was dynamite in the situation and the Board's going on might precipitate matters.

In view of Coolidge's statement and McGarrah's feeling, the Board agreed to ask McGarrah, Woolley and Bayburn to come to Washington Wednesday and to have an Open Market Investment Committee meeting on Thursday.

Miller said he had an engagement in New York and would go on anyway. Jan. 9, 1928. 107, 108

Sec - Discount rates Miller

Governor Young said reporter said N.Y. stock exchange would shortly issue a warning in matter of. This will be a blow at Coolidge.

Jan. 10, 1928. 108

Governor Young and C.S.H. discuss, with Glass at his hotel.

Glass suggested notifying some of the big N.Y. banks that they must take steps to control the situation.

Glass said Board was never intended by Congress to act as regulator of the New York Stock Exchange; that we had no power or duty to do so unless agriculture and business were being injured or were in danger of injury.

Even then, Glass said he had some doubts as to power of Board.

Glass thought a slight increase in discount rates would not injure business nor would it affect brokers loans.

Jan. 22, Sunday, 1928. 113, 114

What lines that under McWhadden and a state member bank can not establish a foreign branch although the McWhadden Act specifically permits a national bank to do so.

We all disagreed as to this and decided not to inform the applicant bank, the Old Colony Trust Company, until at least we had secured an opinion from the Attorney General. Dec. 8, 1927. 87, 88

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See - Miller, Jr.

Brokers loans (Cont'd.)

Board considered brokers loans.

Dr. Miller favored increase in discount rates. A week ago he opposed any increase.

Miller said Federal Reserve Bank, New York, were carrying out policy of selling securities very tremulously and had no control over the situation.

C.S.H. asked Miller as to Glass's suggestion of calling in the Presidents of the largest N.Y. banks.

Miller replied that the Presidents were alive to the situation but could do nothing as the money came from outside of N.Y.

Jan. 23, 1928. 115

In discussion of Chicago rate increase C.S.H. points out that our sales of Govt. securities apparently has made little impress on on brokers loans in N.Y.

Jan. 24, 1928. 116, 117

Cunningham introduces resolution ordering F.R. banks to report on banks rediscounting which had call loans on Wall Street.

Board adopted Platt's substitute motion calling on Gov. Young for report as to best procedure.

Feb. 2, 1928. 173

C.S.H., with Board's permission, got Prof. Sprague to come to Washington to get his views on brokers loan situation before he, C.S.H., testified before Senate Banking and Currency Committee.

Prof. Sprague came to Washington and told C.S.H. he was not alarmed at the brokers loan situation; that business and agriculture was not being injured; that there was no commodity speculation; that the reason why interior banks sent money to Wall Street was that there was no demand for credit at hand; that sending money to Wall Street was less dangerous than putting it into doubtful loans at home; that the Board's policy of slow constant pressure was sound; that he had no suggestions to make other than what the Board was already doing.

At C.S.H.'s suggestion, Glass got his Committee to invite Sprague before it, not however as representing the Board.

Mar. 7, 1928. 133

Sprague testified before Senate Banking and Currency Committee, as above in his talk with C.S.H.

Mar. 7, 1928. 133

Brokers loans (Cont'd.)

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Ben Nelson asked if a material portion of the brokers loans did not consist of securities which promoters were trying to place.

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Goldenweiser said there was no speculation in commodities.

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Jan. 9, 1928. 107, 108

See - Discount rates Miller

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Glass said Board was never intended by Congress to act as regulator of the New York Stock Exchange; that we had no power or duty to do so unless agriculture and business were being injured or were in danger of injury.

Even then, Glass said he had some doubts as to power of Board.

Glass thought a slight increase in discount rates would not injure business nor would it affect brokers loans.

Jan. 22, Sunday, 1928.

111, 112

Brokers loans (Cont'd.)

Board considered brokers loans. Dr. Miller favored increase in discount rates. A week ago he opposed any increase.

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Sprague testified before Senate Banking and Currency Committee, as above in his talk with C.S.H.

Brokers loans (Cont'd.)

Governor Young also testified as follows:-

1. Can not tell whether brokers loans are or are not excessive.
2. They are well collateralized and are safe from a banking standpoint.
3. They are not depriving agriculture or commerce of a dollar of credit.
4. As a fact bank loans to brokers are less today than in 1922.
5. The increase today is practically wholly loans on call by corporations other than banks.
6. Of the bank loans, out of town banks have increased, but N.Y. banks have decreased.
7. Today practically no continuous borrowers have large amounts of call loans. The few that have are gradually reducing their call loans.
8. The Federal Reserve banks have admonished all continuous borrowers, just as they did in 1925.
9. Federal Reserve discounts are not today being generally used to obtain money for call loans.
10. No new legislation necessary as Federal Reserve banks can cope with the situation under present law.
11. Should brokers loans increase so as to affect business and agriculture, the Federal Reserve banks can sell Government securities and put up discount rates.

Governor Young put recent sales of Government securities and increase of discount rates largely on gold movements rather than control of brokers loans.

Mar. 7, 1928. 134, 135

See - Discount rates

C.S.H. told Committee he agreed with Governor Young but was ready to answer any questions; the hour was late and no questions were put him.

Mar. 7, 1928. 136

Brokers loans (Cont'd.)

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6. Of the bank loans, out of town banks have increased, but N.Y. banks have decreased.
7. Today practically no continuous borrowers have large amounts of call loans. The few that have are gradually reducing their call loans.
8. The Federal Reserve banks have abandoned all continuous borrowers, just as they did in 1923.
9. Federal Reserve discounts are not today being generally used to obtain money for call loans.
10. No new legislation necessary as Federal Reserve banks can cope with the situation under present law.
11. Should brokers loans increase so as to affect business and agriculture, the Federal Reserve banks can sell government securities and put up discount rates.

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See - Discount rates

C.S.H. told Committee he agreed with Governor Young but was ready to answer any questions; the hour was late and no questions were put him.

Mar. 7, 1928. 136

Brokers loans (Cont'd.)

Cunningham read a statement to the Committee, not justifying brokers loans, but stating they were not interfering with agriculture and commerce.

Mar. 7, 1928. 136

C.S.H. would approve increase of discount rates and sale of Government securities to control brokers loans only when they threaten business and agriculture; and he would even then be loath to interfere if the great crops were being moved.

Mar. 7, 1928. 136, 137

A few weeks later Prof. Sprague in an article in the Annalist completely changed his position, said that brokers loans were threatening business and must be curbed and criticised F.R. Board for not selling large amount of Government securities suddenly and suddenly increasing discount rates up to 6% or higher, in early part of March!

A most extraordinary volte face!

See scrap books

Sprague also testified to same effect before Senate Banking and Currency Committee, absolutely contradictory of his testimony of March 7, 1928.

Dr. Miller also, in his testimony before H.R. Banking and Currency Committee, put the responsibility for the great increase in brokers loans upon the Board, because of cheap money inflation caused by lowering discount rate in July, 1927.

Dr. Miller told the Governors that open market operations had caused inflation and resulting speculation in brokers loans. He demanded warning of banks.

May 1, 1928. 159, 169

See - Miller

Dr. Miller attacks Board for inflation through open market operations thus encouraging brokers loans.

May 1, 8, 9. 167, 168, 169

C.S.H. answers Dr. Miller in his testimony before H.R. Banking and Currency Committee.

May 23, 1928. 164, 170

Gov. Young, Platt and C.S.H. confer with Glass, as to brokers loans.

May 27, 1928. 171.

See - Glass

Brokers loans (Cont'd.)

Cunningham took a statement of the Committee, not justifying
brokers loans, but stating they were not interfering
with agriculture and commerce.

Mar. 7, 1928. 136

O.S.B. would approve increase of discount rates and sale of
Government securities to control brokers loans only when they
threatened business and agriculture; and he would even then be
loath to interfere if the great crops were being moved.

Mar. 7, 1928. 137

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A most extraordinary vote!

See early books

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May 1, 1928. 137, 138, 139

O.S.B. answers Dr. Miller in his testimony before H.R. Banking and
Currency Committee.

May 23, 1928. 134, 130

Gov. Young, Platt and O.S.B. confer with Glass, as to brokers loans.

May 27, 1928. 131

See - Glass

Assistant F.R. Agent, New York

Brokers loans (Cont'd.)

Governor Young reported on Cunningham resolution of
February 2, 1928, said he had conferred with Smead and
had arranged with Comptroller to have this information
put into the call reports, but that it was too late for
the July call but would be in October call.

Cunningham was very indignant and Dr. Miller backed him up.

Gov. Young said the delay would do no harm as the Board could
not have received a reply from Federal Reserve banks in
time to ask for any legislation from Congress.

Board then approved Governor Young's report.

Cunningham voted No.

Miller voted

May 28, 1928. 173

Gov. Case told Gov. Young that Dr. Miller attended meeting of
directors of Federal Reserve Bank, New York last Thursday;
that it appeared that the New York banks were finding it
increasingly difficult to keep in the position of not
being continuous borrowers, as in the past; that several
could now fairly be said to be continuous borrowers; that
the Directors considered the advisability of calling them
in and warning them; that to the surprise of everyone
Dr. Miller vigorously opposed this although it was just
what he demanded of Governor Case on May 1, 1928 (p. 159)

June 9, 1928. 180

See - Call loans

Miller

Direct pressure

James

Brown, Bush.

We meet, at dinner at Mr. Delano's.

Jan. 19, 1928. 112

Brownson, Admiral

Attends funeral of Admiral Helm.

Oct. 31, 1927. 75

Bruce, Senator

Mrs. Bruce is our guest at dinner of Woman's National Democratic
Club to Sir Herbert Ames.

May 2, 1928. 161

(Cont'd) Loans

Governor Young reported on Cunnigham resolution of February 2, 1928, said he had conferred with Board and had arranged with Comptroller to have this information put into the call reports, but that it was too late for the July call but would be in October call.

Cunnigham was very indignant and Dr. Miller backed him up.

Gov. Young said the delay would do no harm as the Board could not have received a reply from Federal Reserve banks in time to ask for any legislation from Congress.

Board then approved Governor Young's report.

Cunnigham voted No.

Miller voted

May 28, 1928. 173

Gov. Case told Gov. Young that Dr. Miller attended meeting of directors of Federal Reserve Bank, New York last Thursday; that it appeared that the New York banks were finding it increasingly difficult to keep in the position of not being continuous borrowers, as in the past; that several could now fairly be said to be continuous borrowers; that the Directors considered the advisability of calling them in and warning them; that to the surprise of everyone Dr. Miller vigorously opposed this although it was just what he demanded of Governor Case on May 1, 1928 (p. 129) June 9, 1928. 180

See - Call Loans

Miller

Direct pressure

James

Brown, Bush, We meet at dinner at Mr. Delano's.

Jan. 19, 1928. 112

Brownson, Admiral

Attends funeral of Admiral Helm

Oct. 31, 1927. 75

Bruce, Senator

Mrs. Bruce is our guest at dinner of Women's National Democratic Club to Sir Herbert James.

May 2, 1928. 161

Burgess, Assistant F.R. Agent, New York

Reference to article in American Academy of Political Science, Vol. 12, No. 3, July 1927, on responsibility of F.R. System in helping world back to gold standard.

July 13, 1927. 7

Is at meeting of Board with open market investment Committee.

July 27, 1927. 13

Motion of C.S.H. to approve \$3000 increase in salary recommended by New York failed by tie vote.

Aye: Gov. Young, Platt, C.S.H.
No: Miller, Cunnigham, Comptroller.

Jan. 25, 1928. 117

Board approved increase in Burgess's salary.

Burns Club, Albany 112

See - Auld Lang Syne

Burns manuscript

See - Auld Lang Syne

Burns, Robert

See - Auld Lang Syne

Burton, Cong.

Delano proposes and C.S.H. seconds name of, as trustee of Carnegie Foundation. Mr. Fox moved to postpone election of a trustee to next meeting.

Tie vote, 7 to 7.

Dr. Butler then voted Aye and the motion to postpone carried.

May 10, 1928. 163

Business

See - Recession

Butler, Nicholas Murray

Trustees dine with. Dec. 1, 1927. 86

Casts deciding vote to postpone election of a trustee, thus defeating Cong. Burton.

May 10, 1928. 163

By-law, Federal Reserve Board

C.S.H. tells Sec. Mellon he intends to offer a by-law requiring 5 affirmative votes to initiate a discount rate.

Sept. 15, 1927. 42

Burgess, Assistant U.S. Agent, New York
Reference to article in American Academy of Political Science
Vol. 13, No. 3, July 1927, on responsibility of F.R. System
in helping world back to gold standard.
July 13, 1927.

It is at meeting of Board with open market investment Committee.
July 27, 1927.

Motion of C.S.H. to approve \$3000 increase in salary recommended
by New York failed by six vote.

Yes: Gov. Young, Platt, C.S.H.
No: Miller, Cunningham, Comptroller.
Jan. 26, 1928.

Board approved increase in Burgess's salary.

Burns Club, Albany
See - And lang 2/12

Burns manuscript
See - And lang 2/12

Burns, Robert
See - And lang 2/12

Burton, Comptroller
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May 10, 1928.

Burgess
See - Resession

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defeating Comptroller.
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By-law, Federal Reserve Board
C.S.H. tells Sec. Mellon he intends to offer a by-law requiring
5 affirmative votes to initiate a discount rate.
Sept. 10, 1927.

By-law, Federal Reserve Board (Cont'd.)

Mills tells C.S.H. that Gov. Strong has suggested a by-law as above.
Sept. 26, 1927. 55

C.S.H. tells Mills he, C.S.H., stated to Federal Advisory Council
that he would move such a by-law.
Sept. 26, 1927. 55

Mills said the Chicago bankers had told Sec. Mellon that if such a
by-law were adopted they would withdraw their request for
an opinion of Attorney General.
Sept. 26, 1927. 55

C.S.H. agreed with Mills to offer such a by-law and Mills said
Sec. Mellon would like Newton Baker's opinion as to the
power of the Board to enact such a by-law.
Sept. 26, 1927. 55

C.S.H. at Board meeting gives formal notice of by-law.
Sept. 27, 1927. 56

C.S.H. tells Board that Wyatt some days ago said the Board had power
to enact such a by-law but that this a.m. he had shown
C.S.H. an old opinion of Counsel's office to effect that
Board had no power to require a certain number of affirmative
votes for any motion.
Sept. 27, 1927. 56

C.S.H. moved that Baker's opinion be obtained.

James objected, saying he felt bound by Wyatt's opinion unless
and until reversed by Attorney General.

Dr. Miller said we might unanimously agree on such a by-law.

James said there never would be such a unanimous agreement.

James intimated he might agree to ask Baker provided it was agreed
that later the opinion of Attorney General should be asked for.

C.S.H. doubted Wyatt's opinion and so did Sec. Mellon.

Miller discussed question with Secretary Mellon.

Miller did not object to 5 affirmative votes where Board initiated
a rate when there was nothing before it from a Federal Reserve
Bank; but he claimed that where the Federal Reserve bank had
established one rate the Board could disapprove it and put
in a different rate by a majority vote.

By-law, Federal Reserve Board (Cont'd.)

C.S.H. said his by-law provided:

1. Initiation of rate. 5 affirmative votes.
2. Approval or disapproval of a Federal Reserve rate established. Majority vote.
3. Putting in a rate different from that established by Federal Reserve bank. 5 affirmative votes.

James rather favored a gentlemen's agreement along C.S.H.'s lines.

Agreed C.S.H. should draw up such a gentlemen's agreement to be submitted at next week's meeting when Gov. Young qualifies. Sept. 27, 1927. 57

James opposition to by-law seems to kill it, for assuming Board could pass it by unanimous vote, it clearly could not by a majority vote. Sept. 27, 1927. 58

C.S.H. explains situation to Wyatt who drew up a form of a gentleman's agreement, which, however, C.S.H. does not like. Wyatt in sending the draft wrote that he seriously doubted advisability of such an agreement and strongly urged a request to Congress to amend the law along lines of C.S.H.'s by-law. Sept. 27, 1927. 58

Comptroller urges Gov. Young not to bring up Gentlemen's agreement today as James was inclined to be ugly.

Gov. Young suggested holding it up for a while. C.S.H. conferred with Sec. Mellon about it. Oct. 4, 1927. 63

C.S.H. told Board at meeting - Sec. Mellon being present, that he should like a little more time in which to prepare the gentlemen's agreement, - this in accordance with understanding between C.S.H. and Sec. Mellon. Oct. 4, 1927. 63

C.S.H. finds Comptroller will try to stave off any new by-law or gentlemen's agreement as either would reflect upon himself as he voted to put in the Chicago Rate. Oct. 5, 1927. 63

By-law, Federal Reserve Board (Cont'd.)

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By-law, Federal Reserve Board (Cont'd.)

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Oct. 6, 1927. 63

By-law, Federal Reserve Board (Cont'd.)

C.S.H. feels that, although without a by-law a majority of the Board is now opposed to precipitate rate action, the matter may come up again in the future in Congress.

Oct. 5, 1927. 63

Glass feels the only way to avoid having the Chicago rate matter being brought up in Congress is:

1. Publish censure of Board's action by Federal Advisory Council.

2. By-law - 5 or even 6 affirmative votes.

Oct. 4, 1927. 63, 64

Gov. Young said he had suggested a by-law to Cunningham providing for 10 days notice to Federal Reserve bank and a hearing, before initiating a rate; that Cunningham seemed friendly to this.

Oct. 10, 1927. 65

Gov. Young says neither Cunningham nor James will agree on a by-law or even a gentleman's agreement, as they are getting support from agricultural papers in west and north west.

Oct. 10, 1927. 65

C.S.H. told Gov. Young his chief reason for wanting a by-law was to keep the matter out of Congress.

Gov. Young said to let matter rest awhile and he would try to persuade them.

Later he said Sec. Mellon thought it would be wise to let the matter rest awhile.

Oct. 10, 1927. 65

Call loans, Wall Street

Gov. Young tells C.S.H. that Gov. Talley told him not long ago that he met a N.Y. banker on a train - he would not give his name - and that he told him that his bank was loaning on call in New York for Dr. Miller over \$300,000!

Gov. Young said that Dr. Miller who mentioned this to him a few days ago and that he (Gov. Young) told Gov. Strong about it in N.Y.; that Gov. Strong was horrified and said that if this became known Miller would be summarily driven from office.

The public feels that the Federal Reserve Board should do something to check the wave of speculation in New York, and what would be its reaction if it discovered that a member of a Board changed with

By-law, Federal Reserve Board (Cont'd.)

O.S.H. feels that although without a by-law a majority of the Board is now opposed to precipitate rate action, the matter may come up again in the future in Congress.
Oct. 8, 1927. 83

Glass feels the only way to avoid having the Chicago rate matter being brought up in Congress is:

1. Publish censures of Board's action by Federal Advisory Council.

2. By-law - 3 or even 6 affirmative votes.
Oct. 4, 1927. 84

Gov. Young said he had suggested a by-law to Cummings providing for 10 days notice to Federal Reserve Bank and a hearing before initiating a rate; that Cummings seemed friendly to this.
Oct. 10, 1927. 85

Gov. Young says neither Cummings nor James will agree on by-law or even a gentleman's agreement, as they are getting support from agricultural papers in west and north west.
Oct. 10, 1927. 85

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The public feels that the Federal Reserve Board should do something to check the wave of speculation in New York, and what would be its reaction if it discovered that a member of a Board changed with

Call loans, Wall Street (Cont'd.)

a public duty, as it believed, of controlling this made speculation in brokers loans, was feeding this speculation, to his own profit by lending \$300,000 on the call loan market! If Gov. Young does not inform Sec. Mellon of this, I may feel bound to do so myself.

Jan. 6, 1928. 105, 106

James told the Board yesterday that his company was still loaning its surplus funds in call loans on Wall Street. Some time ago he said it was loaning thus over a million dollars.

May 29, 1928. 175

Sec - Direct pressure

Canada

See - Massey

Carillons

We listen to the opening of the carillons at City Hall, Albany. Denyn, the Belgian Carillonneur gave a concert.

Sept. 18, 1927. 50

G.S.H. has talk with Sec. Mellon about carillons. He was very-much interested, and said he should seriously consider giving one to a church in Pittsburg he erected in memory of his Father and Mother.

Dec. 19, 1927. 97

G.S.H. lends Sec. Mellon a copy of Rice's book on carillons.

Dec. 20, 1927. 98

Carnegie Foundation

Attend meeting in New York with Delano.

Misses Evans and Sherman reported on trip to the Editors sent abroad by the Foundation.

In evening dined with Dr. Butler.

After dinner Evans told me the editors trip was hardly the success we hoped for; that 5 of the editors were drunkards and 5 were offensive prohibitionists, while the balance were well behaved. He spoke particularly of Clarence Hamlin of Denver who was heastly intoxicated most of the time.

Dec. 1, 1927. 85, 86

Carnegie Foundation (Cont'd.)

Meeting of Board in Washington appropriated \$8000 for the American Committee at Geneva.

Delano tried to have Cong. Burton elected as a trustee and I seconded him. There was considerable opposition and finally Mr. Fox moved to postpone any election until the next meeting. The vote on this matter was a tie, - 7 to 7. Finally Dr. Butler, in the chair, voted Aye and the motion was carried and Mr. Burton's election defeated. We all lunched with Mr. Parker.

May 10, 1928. 164

Case, Governor

Tells Platt he is selling considerable amount of Govt. securities. Hopes Federal Reserve Bank, Boston, will put up its rate.

April 16, 1928. 148

Miller says Governor Case has just told him over telephone that Governor Case was discouraged over result of sale of Government securities; that the situation was getting out of hand; that money was passing into N.Y. for speculative uses; that he could identify 50 millions as coming from Boston.

April 18, 1928. 153

Miller says he would never have voted to approve increase in Boston rates had not Governor Case told him that open market operations were not succeeding in N.Y.

April 18, 1928. 170

Miller demands that Governor Case warn the N. Y. banks as to brokers loans.

May 1, 1928. 159

Governor Case presents report of Open Market Investment Committee.

May 25, 1928. 165

Governor Case tells Gov. Young that Miller vehemently opposed warning the New York bank as to brokers loans, at a meeting of the directors of Federal Reserve Bank, New York, which Miller attended, although on May 1, he insisted that Gov. Case should give this warning. (See p. 159)

June 9, 1928. 180

James attacks, for not using direct pressure.

July 18, 1928. 192, 193

See - Direct pressure.

Call loans, Wall Street (Cont'd.)

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Jan. 8, 1928. 108, 109

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May 29, 1928. 178

See - Direct pressure

Canada
See - Massey

We listened to the opening of the carillon at City Hall, Albany, N.Y., the Belgian Carillonist gave a concert.

Sept. 18, 1927. 80

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Dec. 19, 1927. 97

O.S.H. lends Sec. Mellon a copy of Rice's book on carillons.

Dec. 30, 1927. 98

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Attend meeting in New York with Delano. Misses Evans and Sherman reported on trip to the Editors sent abroad by the Foundation.

In evening dined with Dr. Butler.

After dinner Evans told me the editors trip was hardly the success we hoped for; that 5 of the editors were drunkards and 5 were offensive prohibitionists, while the balance were well behaved. He spoke particularly of Clarence Hamilton of Denver who was heavily intoxicated most of the time.

Dec. 1, 1927. 88, 89

Cathedral, Washington

We drive out to, and leave a bunch of laurel on Wilson's tomb.
Feb. 3, 1928. 123

Cellini Cup

Bertie, on Jan. 31st, took over our Cellini cup to show Mrs. Warder and at her request left it with her for 2 or 3 days. To our amazement this morning's Washington Post contains a description of the cup, greatly distorted, with Bertie named as the owner. From what Miss Reed, Mrs. Warder's companion, told Bertie, Mrs. Warder called in a young woman reporter in whom she was interested and permitted her to write and publish a description of it.

We were greatly shocked and could only attribute it to Mrs. Warder's weakened condition.
Feb. 5, 1928. 125

Centralization of authority

Glass says the Board's action in putting in the Chicago discount rate was to him an evidence of a desire on the part of some members for.

Sept. 7, 1927. 33

Glass asks C.S.H. for a copy of the Board's eulogistic reference to McBarrah at the time of his appointment as Federal Reserve Agent, New York. He thought it contained a direct statement that the Board wished to centralize authority.

C.S.H. said No, that the Wall Street Journal and other papers simply so construed it.

Sept. 16, 1927. 47

Certificates

See - U.S. Treasury certificates

Chamberlain, Amster

Ambassador Houghton says, is a clever but not a deep man; he evidently has no high opinion of him.

Nov. 7, 1927. 80

Charlotte, N.C. Federal Reserve branch

C.S.H. and Delano attend opening.
C.S.H. address
We dine with Mr. Lassiter

Dec. 9, 1927. 89, 90

Illinois

No need, at least, of the Illinois law.

Dec. 11, 1927. 92

(Cont'd.)

Meeting of Board in Washington approximated \$8000 for the American Committee at Geneva.

Delano tried to have Cong. Burton elected as a trustee and I seconded him. There was considerable opposition and finally Mr. Fox moved to postpone any election until the next meeting. The vote on this motion was a tie - 7 to 7. Finally Dr. Burton in the chair, voted the motion was carried and Mr. Burton's election defeated. We all lunched with Mr. Parker.

May 10, 1928. 124

Case, Governor. Telle Past he is selling considerable amount of Govt. securities. Hopes Federal Reserve Bank, Boston, will put up the rate.

April 18, 1928. 124

Miller says Governor Case has just told him over telephone that Governor Case was discouraged over result of sale of Government securities; that the situation was getting out of hand; that money was passing into N.Y. for speculative uses; that he could identify 30 millions as coming from Boston.

April 18, 1928. 125

Miller says he would never have voted to approve increase in Boston rates had not Governor Case told him that open market operations were not succeeding in N.Y.

April 18, 1928. 126

Miller demands that Governor Case warn the N.Y. banks as to proper loans.

May 1, 1928. 129

Governor Case presents report of Open Market Investment Committee.

May 28, 1928. 130

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June 8, 1928. 130

James attacks for not using direct pressure.

July 18, 1928. 132

See - Direct pressure.

Charlotte, N.C. Federal Reserve branch (Cont'd.)

James tells Board that Comptroller agreed to vote for the Charlotte branch and made other promises in return for votes for the McFadden bill.

Mar. 22, 1928. 138
June 19, 1928 183

Chicago bankers

Gov. McDougal admits that present attitude of, is as was contained in Federal Advisory Council resolution of May 1927, - that if business recession continued discount rates should not be further reduced but should be left as an irreducible minimum, and that Government securities should be sold to bring this about.

July 27, 1927. 15

See - Discount rates; Chicago
Federal Reserve bank, Chicago
Hull amendment

Chicago, Federal Reserve Bank of
See - Discount rates

Child, Marion. Also Mrs. Huntley Child

Telephones from Boston can not come to Mattapoisett. Said James wrote to Gov. Harding to introduce her to Hollanders.

C.S.H. told her that Curtiss, Federal Reserve Agent, was a trustee of Wellesley and that he knew Edward Farnham Greene, the President and he would see that they looked after Marion Child.

Her address is, Mrs. Huntley Child (Emilie James) 229 Kenilworth Place, Memphis, Tenn.

Sept. 20, 1927. 51, 52

Curtiss telephoned he could not bring Marion Child to lunch from Wellesley as she had another engagement; that she had visited him and he had introduced her to the young people and she was having a very good time.

Oct. 13, 1927. 69, 70

Curtiss and wife lunch with us. Said Marion Child was very much liked; that he had had her at his house frequently and had introduced her to many Boston people living near Dover; that the boys were all falling in love with her at first sight.

Oct. 16, 1927. 71

Chilton, William

We meet, at lunch at Sir Maurice Low's.
Dec. 20, 1927. 98

Mrs. Pennington's check was dated May 29, 1928, to C.S.H. ...

Washington, D.C. ...
We drive out to ...
Feb. 2, 1928. 132

Central ...
Mrs. ...
and at her request left it with her for 2 or 3 days. ...
of the cup, greatly distorted, with Bertie named as the owner.
From what Miss Reed, Mrs. ...
Mrs. ...
interested and permitted her to write and publish a description
of it.

We were greatly shocked and could only attribute it to Mrs. ...
Feb. 2, 1928. 132

Centralization of authority ...
Glass says the Board's action in putting in the Chicago discount rate
was to him an evidence of a desire on the part of some
members for ...

Sept. 7, 1927. 32

Glass asks C.S.H. for a copy of the Board's ...
McGarragh at the time of his appointment as Federal Reserve
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C.S.H. said he had the Wall Street Journal and other papers simply
as a ...
Sept. 18, 1927. 47

See - U.S. Treasury certificates

Chamberlain, Augustus
Appreciated ...
has no right opinion of him.
Nov. 7, 1927. 88

Charlotte, N.C. Federal Reserve branch
C.S.H. and DeLano attend opening
C.S.H. address
We dine with Mr. ...
Dec. 3, 1927. 89, 90

Charlotte, N.C. Federal Reserve Bank (Cont'd.)

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Gov. McConomy admits that present attitude of... is as was contained
in Federal Advisory Council resolution of May 1927. -- that if
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further reduced but should be left as an irreducible minimum
and that government securities should be sold to bring this
about. July 27, 1927. 138

See - Discount rates; Chicago
Federal Reserve Bank, Chicago
Bill amendment

Chicago, Federal Reserve Bank of
See - Discount rates

Child, Marion. Also Mrs. Hambley Child
Telephones from Boston can not come to Massachusetts. Said James
wrote to Gov. Harding to introduce her to Hollibanders.

C.S.H. told her that Curtis, Federal Reserve Agent, was a trustee
of Welleley and that he knew Edward Farnham Greene, the President,
and he would see that they looked after Marion Child.

Her address is Mrs. Hambley Child (Emilie James) 238 Kenilworth Place
Memphis, Tenn.

Sept. 30, 1927. 131

Curtis telephoned he could not bring Marion Child to lunch from
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him and he had introduced her to the young people and she was
having a very good time.

Oct. 13, 1927. 130

Curtis and wife lunch with us. Said Marion Child was very much liked;
that he had had her at his home frequently and had introduced her
to many Boston people living near Dover; that the boys were all
falling in love with her at first sight.

Oct. 16, 1927. 131

Child, William
We meet at lunch at Mr. Maurice Low's.
Dec. 30, 1927. 98

Christmas present
See - Grant, Catherine

Chronology of Wilson

F.A. Stokes Co. send C.S.H. a copy of, which comes out tomorrow.
Sept. 21, 1927. 53

F. A. Stokes Co. send C.S.H. 4 copies of, with compliments of
Mrs. Pennington. Sept. 24, 1927. 54

C.S.H. writes thanking them and asking them to thank Mrs. Pennington.
Sept. 25, 1927. 54

Mrs. Pennington sends me check for \$62.50 being one-half of royalties;
C.S.H. trustee. Sept. 30, 1927. 64

C.S.H. indorses check as trustee to Woman's National Democratic Club
and sends it to Mrs. Cunningham, Secretary.
Oct. 3, 1927. 64

C.S.H. tells Mrs. Harriman about the controversy with Mrs. Pennington.
Dec. 27, 1927. 102, 103

See - Harriman
Wilson, Mrs.

Mrs. Andrieus Jones tells Bertie she called on Mrs. Pennington to ask
her to autograph several copies of.
Feb. 13, 1928. 124

We lunch with Mrs. Helm and tell her the complete story of, since her
illness. Mar. 4, 1928. 131

Mrs. Pennington sends C.S.H., Trustee, a check for \$45.30 being 1/2 of
royalties - \$90.60, with account from Stokes Co.
May 29, 1928. 175

C.S.H. acknowledges Mrs. Pennington's letter.
June 1, 1928. 175

C.S.H. indorses check as trustee and sends it to Mrs. F. H. Snell,
Chairman of Executive Committee of Woman's National Democratic
Club. June 1, 1928. 176

The account rendered by Stokes Co. is as follows:

By royalty, Chronology of Woodrow Wilson	\$215.60
Sept. 22. To advance	125.
Balance due, Jan. 1, 1928	90.60
F.A. Stokes Co.	

To Mary V. Pennington
Mrs. Pennington's check was dated May 29, 1928, to C.S.H.
trustee, -onNational Newark & Essex Banking Co.

Christmas present
See - Grant, Catherine

Chronology of Wilson

I. A. Stokes Co. send O.S.H. a copy of which comes out tomorrow.
Sept. 21, 1927. 83

I. A. Stokes Co. send O.S.H. 4 copies of, with compliments of
Mrs. Pennington.
Sept. 24, 1927. 84

O.S.H. writes thanking them and asking them to thank Mrs. Pennington.
Sept. 25, 1927. 84

Mrs. Pennington sends me check for \$23.80 being one-half of royalties;
O.S.H. trustee.
Sept. 30, 1927. 84

O.S.H. indorses check as trustee to Woman's National Democratic Club
and sends it to Mrs. Cunningham, Secretary.
Oct. 3, 1927. 84

O.S.H. calls Mrs. Hartman about the controversy with Mrs. Pennington.
Dec. 27, 1927. 103

See - Hartman
Wilson, Mrs.

Mrs. Andrews Jones tells Bertie she called on Mrs. Pennington to ask
her to autograph several copies of.
Feb. 12, 1928. 124

We lunch with Mrs. Heim and tell her the complete story of, since her
illness.
Mar. 4, 1928. 131

Mrs. Pennington sends O.S.H. a check for \$48.30 being 1/3 of
royalties - \$90.00, with account from Stokes Co.
May 29, 1928. 175

O.S.H. acknowledges Mrs. Pennington's letter.
June 1, 1928. 175

O.S.H. indorses check as trustee and sends it to Mrs. F. E. Snell,
Chairman of Executive Committee of Woman's National Democratic
Club.
June 1, 1928. 176

The amount rendered by Stokes Co. is as follows:

By royalty, Chronology of Woodrow Wilson \$315.60
Sept. 22, to advance 125.
Balance due, Jan. 1, 1928 30.00
I. A. Stokes Co.

To Mary V. Pennington
Mrs. Pennington's check was dated May 29, 1928, to O.S.H.
Trustee, -National Newark & Essex Banking Co.
176

Chronology of Wilson (Cont'd.)

Mrs. Snell acknowledges receipt of Mrs. Pennington's check and adds:

"Please believe that our Club is deeply grateful for all
you have done about this book. We know of all the work you
have done in the matter of research. We know what your
original plan was, and we still approve of that first plan.

We trust and hope that the sincere thanks of our Club will
be of some little amelioration of what must have been your
disappointment as to the outcome of that original plan.

Thank you again.

Sincerely yours,

Isabelle Cromwell Snell,
Chairman Executive Committee."

179

Churchill, Winston

Ambassador Houghton said, was right in taking from General Joffre the
credit for the battle of the Marne, but perhaps went too far.
Nov. 7, 1927. 80

Ambassador Houghton said that Churchill hated us, - apparently
believing such hatred necessary to show he was English and wipe
out his half Americanism.
Nov. 7, 1927. 80

Clark, Mrs. John M.

Lady Arthur Willert and, lunch with us at Mattapoisett.
Sept. 2, 1927. 23

Class C Directors

O.S.H. joined James in reporting name of Harris in place of Hopkins
for Class C Director, Atlanta.
Tremendous pressure for Hopkins.
Dec. 6, 1927. 88

See - Hopkins
James

See also - Federal Reserve Agents
Federal Reserve Bank, Atlanta
Federal Reserve Bank, Boston
Federal Reserve Bank, Chicago
Federal Reserve Bank, Richmond
Federal Reserve Bank, New York
McBarrah

Chronology of Wilson (Cont'd.)

Mrs. Shell acknowledges receipt of Mrs. Huntington's check and adds:

"Please believe that our Club is deeply grateful for all you have done about this book. We know of all the work you have done in the matter of research. We know that your original plan was, and we still approve of that first plan.

We trust and hope that the sincere thanks of our Club will be of some little consolation of what must have been your disappointment as to the outcome of that original plan.

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Isabelle Cromwell Shell

Chairman Executive Committee

1928

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See - Hopkins James

See also - Federal Reserve Agents

- Federal Reserve Bank, Atlanta
- Federal Reserve Bank, Boston
- Federal Reserve Bank, Chicago
- Federal Reserve Bank, Richmond
- Federal Reserve Bank, New York

Collateral notes, Member bank 15 day (Cont'd.)

Clayton Anti-Trust Act

H.R. passes amending bill without a roll call.

Feb. 1, 1928. 123

See - H.R. Banking and Currency Committee

Cleveland, Grover

C.S.H. gives Woman's National Democratic Club a photograph of Grover Cleveland enlarged by Bureau of Engraving and Printing from one Mr. Cleveland gave him; also an enlarged copy of a letter of Mr. Cleveland to C.S.H. telling him that he thought it one of the best he had ever had taken.

Feb. 23, 1928. 127

Cleveland, Mrs. Grover (Preston)

C.S.H. writes, telling her of his gift of a photograph and letter of Mr. Cleveland to Woman's National Democratic Club, saying he hopes she will approve.

Mar. 2, 1928. 131

(Later Mrs. Preston wrote C.S.H. a very friendly letter fully approving.)

Clubs

George Hamlin, Jr. was elected in the second group of the D.R.E. and Easy Pudding Club, Harvard.

Nov. 27, 1927. 85

George Hamlin, Jr. elected a member of the "Shoe" Club, Harvard.

Nov. 27, 1927. 85

D.K.E.

SPEE

See - National Press Club

Woman's National Democratic Club

Coal operators. 130

See - Glass

Interstate Commerce Commission

Codman, Martha. 184

See - Myer, Gertrude

Collateral notes, Member bank 15 day.

Gov. Harding says his directors are opposed to increasing rates on. April 16, 1928. 148

Glass suggests putting in a higher rate on, than on commercial paper discounts.

Collateral notes, Member bank 15-day (Cont'd.)

Glass inclined to think that discounts of, might be responsible for present speculation.

C.S.H. pointed out that Federal Reserve Act originally did not provide for, but did authorize discount of paper used for trading in U.S. bonds.

Glass said at passage of Act only 800 millions of Government bonds were outstanding, and framers never dreamed of the war issues. May 27, 1928. 171

Collier, National Bank Examiner

Judge Hough says, was determined to let no national bank fail even if Federal Reserve bank had to give it money. Mar. 21, 1928. 138

See - Glass

Colombia

We entertain Mr. and Mrs. O'Laya, Minister of, at dinner at Mattapoisett. They have a home at Marion. July 23, 1927. 12

Commercial National Bank. 90

See - Donaldson Reynolds

Commissions 62

See - Belgium

Commissions on acceptances. 69

See - Acceptances

Commodity rates

C.S.H. has in mind a, of 3% on paper secured by warehouse receipts covering readily marketable staples. Sept. 6, 1927. 26, 27

Commodity speculation

Goldenweiser says there is no, at present time. Jan. 9, 1927. 107

Comptroller of Currency

C.S.H. heard, tell Gov. Strong he would be at the Conference in New York with Gov. Norman, Schacht, etc. tomorrow. July 7, 1927. 4

Gov. Crissinger telephones that he, Mr. James and Comptroller want to put in a 3 1/4% rate at Chicago. Aug. 4, 1927. 18

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See - National Press Club Women's National Democratic Club

See - Glass Interstate Commerce Commission

See - Liver, Governor

Collateral notes, Member bank 15 day. Gov. Harding says his directors are opposed to increasing rates on April 16, 1928. 148

Glass suggests putting in a higher rate on, than on commercial paper discounts.

Comptroller of Currency (Cont'd.)

Governor Crissinger wanted to initiate a 3 1/2% rate at Chicago but C.S.H. Platt and Comptroller objected and matter went over. Aug. 12, 1927. 19

Last week the Comptroller joined Governor Crissinger, James, and Cunningham, acting as Executive Committee, and disapproved decision of Federal Reserve Bank of Chicago to keep in the 4% rate.

24

Comptroller votes to ratify above action of Executive Committee. Carried. Sept. 6, 1927. 25

Votes against C.S.H. motion, - in substitution for Cunningham's - initiation of 3 1/2% rate - that 4% be held the lawful rate until Friday, Sept. 9, the date of Chicago directors meeting. Sept. 6, 1927. 25

Votes against C.S.H. motion to postpone until after Chicago directors meeting Friday, Sept. 9. Sept. 6, 1927. 26

Votes to put in the 3 1/2% rate at Chicago. Sept. 6, 1927. 29

Accepted invitation to dine with Federal Advisory Council but did not appear. Sept. 15, 1927. 39

Glass says he will write Coolidge and advise removal of Comptroller for his action in Chicago rate case. Sept. 17, 1927. 49

Tells Platt that Governor Young has been appointed on F.R. Board. Sept. 21, 1927. 53

Attends dinner of Sec. Hoover to meet Gov. Frank of National Bank of Belgium. Sept. 29, 1927. 60

Urges Gov. Young not to bring up gentleman's agreement as to discount rates today as James is inclined to be ugly. Oct. 4, 1927. 62, 63

C.S.H. believes Comptroller will do all he can to stave off the Gentlemen's agreement or a new by-law as either would reflect upon himself as he voted to put in the Chicago rate. Oct. 4, 1927. 63

Collateral notes, Home Bank (Cont'd.)

Glass inclined to think that discount of 1/2% might be responsible for present speculation.

C.S.H. pointed out that Federal Reserve Act originally did not provide for but did authorize discount of paper used for trading in U.S. bonds.

Glass said as passage of Act only 800 millions of government bonds were outstanding, and Treasury never dreamed of the war issue. May 27, 1928. 171

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Commercial National Bank. 99 See - Donaldson Reynolds

Commissions 63 See - Belgica

Commissions on acceptances. 63 See - Acceptances

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Comptroller of the Currency (Cont'd.)

Tells Gov. Young if he had known that Sec. Mellon was to return the next morning - Wednesday - he would not have voted to put in Chicago rate.

Oct. 10, 1927. 65

C.S.H. remembers that Comptroller was not in the room when Platt spoke of the Secretary's coming back shortly.

Oct. 10, 1927. 65

Points out that officers of the Pacific Southwest Trust and Savings Bank were now under indictment in the California state court and that if new Federal indictments were secured for practically the same officers it would bring the matter into public notice again and would surely injure the new national bank.

Oct. 11, 1927. 66

Tells Board he has conferred with the Chicago directors and they all want Federal Reserve Agent Heath reappointed; that Reynolds says he can get Heath's resignation whenever the Board wants it.

Nov. 15, 1927. 81

Votes to approve increase in Chicago rate from 3 1/2 to 4%.

Jan. 24, 1928. 117

Votes against increasing Assistant F.R. Agent Burgess salary by \$3000.

Jan. 25, 1928. 117

Votes approval of increase in discount rate of F.R. Bank, Richmond.

Jan. 26, 1928. 121

Judge Hough at F.R. Bank, Texas, says Lens told him he had consulted with Comptroller last summer about Gov. Talley, and that he believes Comptroller influenced him about Gov. Talley.

Mar. 21, 1928. 137

James says that the Comptroller, Lens, and Williams, at a conference last summer, agreed to "fix" Gov. Talley; that the Comptroller or his representatives agreed to have Gov. Talley removed, and to vote for FR branches at San Antonio and Charlotte, N.C., in return for votes for the McFadden Act; that the Comptroller was playing politics.

Mar. 22, 1928. 138

See infra - June 19, 1928.

183

Board voted 3 to 2 to accept invitation of League of Nations...

Feb. 14, 1928. 134

Comptroller of the Currency (Cont'd.)

Governor Orin wanted to initiate a 3 1/2 rate at Chicago but C.S.H. and Comptroller objected and matter went over.

Sept. 12, 1927. 19

Lawyer the Comptroller joined Governor Orin, James, and C.S.H. in Executive Committee, and disapproved decision of Federal Reserve Bank of Chicago to keep in the 3 1/2 rate.

24

Comptroller votes to ratify above action of Executive Committee.

Sept. 8, 1927. 22

Votes against C.S.H. motion - in substitution for Cunningham's initiation of 3 1/2 rate - that be held the lawful rate until Friday, Sept. 8, the date of Chicago directors meeting.

Sept. 8, 1927. 22

Votes against C.S.H. motion to postpone until after Chicago directors meeting Friday, Sept. 8.

Sept. 8, 1927. 22

Votes to put in the 3 1/2 rate at Chicago.

Sept. 8, 1927. 22

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Mar. 23, 1928. 138

See infra - June 19, 1928.

881

Comptroller of the Currency (Cont'd.)

Wyatt tells C.S.H. undoubtedly bargains and deals were made to get the McFadden bill passed and that the Comptroller's office was scared to death lest Glass and his investigating Committee should get wind of it.

Mar. 22, 1928. 139

Later, Wyatt told C.S.H. the League of Nations had been notified Votes to approve credit arrangement between F.R. Bank of New York and Bank of France for Bank of Roumania.

April 4, 1928. 147

C.S.H. asked Gov. Young to go to the Department and explain to the Board of Directors, of the F.R. Bank, that he is on a fishing trip in Florida with Governor Young.

April 10, 1928. 149

Will put questions as to amounts loaned on call by discounting banks in the October call.

May 28, 1928. 173

Glass tells C.S.H. he does not agree with Dr. Miller that Secretary of the Treasury and Comptroller should be removed from Federal Reserve Board as ex-officio members.

May 29, 1928. 175

James again charges that the Comptroller, at a conference in Texas, made a bargain with Lewis and Williams under which, in return for votes for the McFadden Act, Gov. Talley was to be removed and Federal Reserve branches at San Antonio, Texas, and Charlotte, N.C., were to be granted. James said he knew this to be true.

June 19, 1928. 183

See supra - Mar. 22, 1928. 138

Conditions in Europe

Gov. Strong describes.

July 27, 1927. 13

Conferences

New York

Gov. Norman et als with directors of Federal Reserve Bank, New York, et als

July 1927. 12

See- Crissinger, Gov. Open Market Committee

Paris statistical

Board voted 3 to 2 to accept invitation of League of Nations. Mills and Cunningham opposed.

Feb. 14, 1928. 124

See - Miller, Dr.

Conferences(Cont'd.)

C.S.H. said approval of State Department should be secured as the invitation came from the League of Nations and not from a central bank, and C.S.H. supposed this was agreed to.

Later, Eddy told C.S.H. the League of Nations had been notified of our acceptance.

C.S.H. asked Gov. Young to write to the State Department and explain; he also told Prof. Young, Economic Adviser, of the State Department, about it.

Dr. Young said the League of Nations should have addressed the State Department to which C.S.H. agreed, but said through some error, our acceptance had been sent.

Gov. Young wrote the State Department and said if it did not approve the Board would reconsider its vote.

The State Department answered it would consult President Coolidge and if he approved would so advise us, adding that if any future notes should come from League of Nations we should advise it before answering.

Mar. 7, 1928. 132, 133

See - Governors Conference

Confirmation

Platt confirmed for new 10 year term.

May 24, 1928. 164, 165

Congressional Library

See- Auld Lang Syne

Continuous borrowers

Gov. Young and Miller said there were today few if any, who were carrying large call loans.

Jan. 26, 1928. 120

Gov. Case tells Young there were now some large N. Y. banks who could fairly be classed as; that his directors considered admonishing them but that Miller, who was present at the meeting, vehemently opposed this.

June 9, 1928. 180

Comptroller of the Currency (Cont'd.)

Miller, returning from New York, proposed increase of Federal Reserve ... C.S.H. said approval of State Department should be secured as the invitation came from the League of Nations and not from a central bank, and C.S.H. supposed this was agreed to.

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(Continued from p. 34)

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Mar. 7, 1928, 133

See - Governors Conference

Continuation

Plan confirmed for new 10 year term.
Mar. 24, 1928, 134, 135

Congressional Library
See - and Lang Syne

Continuation of letters

Gov. Young and Miller said there were today few if any, who were carrying large call loans.
Jan. 28, 1928, 130

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Jan. 9, 1928, 130

Control of credit

Miller, returning from New York, opposed increase of Federal Reserve Bank, New York, rates to control speculation.
Jan. 11, 1928, 170

Miller says he never will approval control of stock speculation by increase in discount rates.
April 18, 1928, 152

Miller tells Governors that discount rates only should be used for.
May 1, 1928, 159, 170

Coolidge, President

Glass says he will write, that only a man of the highest calibre should be appointed on Federal Reserve Board, and that all of those who voted to put in the Chicago rate should be removed.
Sept. 16, 1927, 48

Glass says he will write, advising the removal of the Comptroller, James, and Cunningham.
Sept. 17, 1927, 49

Willis tells C.S.H. that he knew from reliable information that Coolidge had reached the conclusion that Gov. Crissinger should leave the Federal Reserve Board and had asked Reynolds of the Commercial National Bank - very close to the Smith Co. - to arrange for Gov. Crissinger's speedy appointment to Smith Company and retirement from the Federal Reserve Board.
Dec. 10, 1927, 90, 91

Willis also complained bitterly at Coolidge's claim for benefit of low discount rates in campaign of 1924.
Dec. 10, 1927, 91

C.S.H. told him Coolidge never, directly or indirectly, had sought to influence Board policies.
Dec. 10, 1927, 91

Gov. Young says Coolidge has given to the press a statement to effect that he had enquired of the Treasury and was satisfied there was nothing alarming in the speculative situation on the New York Stock Exchange as regards brokers loans. Governor Young fears that this, when published, will start another wave of speculation. Gov. Young said Sec. Mellon told him he could not remember ever talking on this matter with Coolidge.
Jan. 6, 1928, 103

Mr. and Mrs. Van Schuyler
Jan. 21, 1928, 133
We dine with... June 15, 1928, 141

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Jan. 8, 1928. 103

Coolidge, President (Cont'd.)

In view of Coolidge's statement and McFarrah's advice, the Board
decided not to go to New York to hold an open market meeting.
Jan. 9, 1928. 107

Gov. Young says a reporter told him there is a rumor that the
New York Stock Exchange will shortly issue a warning as to
brokers loans.
Jan. 10, 1928. 108

C.S.H. feels such a warning will be a blow at Coolidge and can not
understand how Coolidge could have made such an extraordinary
statement. He must have been deceived by some stock manipulator.
Jan. 10, 1928. 108

C.S.H. feels that nothing short of a rate increase will cope with
the situation caused by Coolidge's statement.
Jan. 10, 1928. 109

Rayburn of F.R. Bank of New York, said that Coolidge's statement
would deceive professional operators but would encourage small
investors to hold or increase their investments, - that the
statement was most unfortunate.
Jan. 11, 1928. 110

Glass says he heard Senator Reed (Pa.) say that Coolidge had promised
to give the next vacancy on the Interstate Commerce Commission
to Pennsylvania if Woodlock were confirmed.
Feb. 26, 1928. 130

State Department will ask Coolidge if he approves having Federal
Reserve Board represented at Paris Statistical Conference.
Mar. 7, 1928. 132

Sec. Mellon tells Coolidge the Roumanian agreement is all right.
April 3, 1928. 143

Coolidge reappoints Platt on Federal Reserve Board.
May 14, 1928. 163

See - Hoover
Houghton

Corbin, Mrs.
Dines with us at Woman's National Democratic Club to meet
Mr. and Mme Van Schrylenburch.
Mar. 21, 1928. 139

We dine with. June 13, 1928. 181

Corning, Parker

See - Tyler, Charles

Compos Club

Moved pictures to, from Lee House
Thursday, June 14, 1928. 181

Moved clothing and furniture to.
Friday, June 15, 1928. 181

Moved into. Sat. June 16, 1928. 182

Cotton. 13

See - Purchasing power

Cox

Fails of reappointment on Interstate Commerce Commission.
Feb. 26, 1928. 130

Gram, Ralph

C.S.H. arranges with, to draw a design for a head stone for Anna's
grave. July 18, 1928. 10

Credit

Gov. Young points out that a change in discount rates does not
change the quantity of credit, while open market operations do.
Jan. 11, 1928. 110

See - Belgium
Roumanian credit

Credit control

See - Control of credits

Credit leakage, F.R. funds

See - Speculation

Credit, Sterling. 7

See - Bank of England

Credit rationing. 193

See - Open Market Investment Committee

Crisis of 1893

C.S.H. compares, with that of 1920 and the present recession of
business. July 27, 1927. 15

See - Discount rates

Crisis of 1920

See supra - Crisis of 1893.

Coolidge, President (Cont'd.)

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Houston

Coolidge, Mrs.
Dines with us at Woman's National Democratic Club to meet
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Mar. 21, 1928. 133

We dine with. June 13, 1928. 181

Crissinger, Gov. (Cont'd.)

Crissinger, Gov.
Schacht spent most of the morning with. He did not invite C.S.H.
July 7, 1927. 3

Gov. Crissinger gave Norman, Rist and Schacht a lunch. He invited Ogden Mills, another Assistant Secretary of Treasury and others.

The Washington Star spoke of it as a "Treasury Conference," and in giving a list of guests omitted all members of Federal Reserve Board.
July 7, 1927. 4

Votes in favor of rescinding earlier action of Board and to make no change in reporting foreign bills in weekly statement.
July 13, 1927. 7

Governor Crissinger tells C.S.H. there was a conference in New York the day following the visit of Norman, Schacht, et als to Washington, - Friday, July 8, 1927.

Governor Crissinger said the members of the Open Market Investment Committee and other Governors were present; that he did not know there was to be a formal conference until he got there; that Gov. Norman unbosomed himself and described the critical position the Bank of England was in as regards gold; that unless the Federal Reserve Bank, New York, reduced its discount rate the Bank of England would have to raise its rate, to the injury of its business and commerce.
July 25, 1927. 12, 13

Governor Crissinger calls up C.S.H. at Mattapoisett and says that the Wall Street Journal has printed a statement that the Federal Reserve Bank of Chicago will defy the Federal Reserve Board and will not reduce its rate; that he wired Heath demanding an explanation; that Heath denied that the statement emanated from the Federal Reserve Bank.

Governor Crissinger said he, the Comptroller, and James want to put in a 3 1/2% rate; that he has wired Cunningham.

Gov. Crissinger asks C.S.H. if he will join.

C.S.H. tells Gov. Crissinger to postpone action until Monday.
Aug. 4, 1927. 18

Governor Crissinger wished to put in a 3 1/2% rate at Chicago. C.S.H., Platt and Comptroller objected and matter went over.
Aug. 12, 1927. 19

Comptroller, Parker
See - Taylor, Charles

Comptroller, Parker
Moved papers to, from Lee House
Thursday, June 14, 1928. 181

Moved clothing and furniture to
Friday, June 15, 1928. 181

Moved into
Sat. June 16, 1928. 181

Gov. Crissinger
See - Purchasing power

Gov. Crissinger
Repeal of requirement on Interstate Commerce Commission.
Feb. 26, 1928. 150

Gov. Crissinger
C.S.H. arranged with, to draw a design for a head stone for Anna's grave.
July 18, 1928. 10

Gov. Crissinger
Gov. Young points out that a change in discount rates does not change the quantity of credits, while open market operations do.
Jan. 11, 1928. 110

Gov. Crissinger
See - Belgium
Romanian credits

Gov. Crissinger
See - Control of credit
Credit control

Gov. Crissinger
See - Speculation
Credit leakage, F.R. funds

Gov. Crissinger
See - Bank of England
Credit, Sterling

Gov. Crissinger
See - Open Market Investment Committee
Credit, Sterling

Gov. Crissinger
C.S.H. compares, with that of 1920 and the present recession of business.
July 27, 1927. 15

Gov. Crissinger
See - Discount rates

Gov. Crissinger
See notes - Crisis of 1928
Crisis of 1928

Crissinger, Gov. (Cont'd.)

C.S.H. tells Governor Crissinger that in his letters and telegrams to Governor McDougall he has made the issue an international one and not a local one.

Governor Crissinger denied this and a letter of his was read in which he said was purely international and national, - meaning by the latter the interest of the Treasury.

Governor Crissinger clearly excluded all local conditions. Sept. 6, 1927. 30

Glass tells C.S.H. he is preparing a letter of protest to Governor Crissinger over the Chicago rate matter. Sept. 7, 1927. 31

Governor Strong tells C.S.H. at Cosmos Club that he called up Governor Crissinger Tuesday morning Sept. 6th; that Governor Crissinger said Board would put in a 3 1/2% rate that morning; that he begged him not to do it; that he told Gov. Crissinger he was to meet Secretary Mellon, just returned from abroad, that morning and that he would talk with Secretary Mellon about the discount rate; that he saw Secretary Mellon who was very much surprised and asked him to telephone Governor Crissinger and say he - Secretary Mellon - would like to be heard on this tomorrow, Wednesday morning; that he called up Governor Crissinger about noon and gave this message but Governor Crissinger said the vote had already been taken.

Governor Crissinger never mentioned this conversation to the Board, but just after the vote was taken, Platt said he understood that Secretary Mellon would soon be in Washington, to which Governor Crissinger replied that he would be in Washington tomorrow morning.

Governor Crissinger must have acquired this knowledge from Governor Strong's telephone message.

Had C.S.H. and Platt known before the vote was taken that Secretary Mellon would be in Washington the next morning, we would have insisted on waiting for Secretary Mellon before voting.

C.S.H. and Platt believe that Governor Crissinger, knowing that in all probability Secretary Mellon would have voted against putting in the 3 1/2% rate, deliberately concealed from the Board his knowledge that Secretary Mellon would be in Washington the next day, and that he was disloyal both to the Board and Secretary Mellon in keeping back this information. Sept. 9, 1927. 35, 36

The telegram, sent in face of Secretary Mellon's denial, showed clearly the desire of Governor Crissinger and the others to publish some one. Sept. 13, 1927. 40

Crissinger, Gov. ... He did not invite C.S.H. ...

Gov. Crissinger gave Norman, Hiss and Schacht a lunch. He invited Ogden Mills, another Assistant Secretary of Treasury and others.

The Washington Star spoke of it as a "Treasury Conference", and in giving a list of guests omitted all members of Federal Reserve Board.

July 7, 1927. 4
Votes in favor of rescheduling earlier action of Board and to make no change in reporting foreign bills in weekly statement. July 13, 1927. 7

Governor Crissinger tells C.S.H. there was a conference in New York the day following the visit of Norman, Schacht, et al. to Washington. - Friday, July 8, 1927.

Governor Crissinger said the members of the Open Market Investment Committee and other Governors were present; that he did not know there was to be a formal conference until he got there; that Gov. Norman unboasted himself and described the critical position the Bank of England was in as regards gold; that unless the Federal Reserve Bank, New York, reduced its discount rate the Bank of England would have to raise its rate, to the injury of its business and commerce. July 22, 1927. 12, 13

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Governor Crissinger wished to put in a 3 1/2% rate at Chicago. C.S.H., Platt and Comptroller objected and matter went over. Aug. 12, 1927. 19

Crissinger, Gov. (Cont'd.)

Platt is told by a newspaper man of a rumor that Governor Crissinger is soon to resign.

At 5 p.m. Sec. Mellon officially announced Governor Crissinger's resignation.

Later Governor Crissinger came into C.S.H.'s office and said he had resigned; that he had been contemplating this for some time as he was to enter the Investment Company of Smith.
Sept. 15, 1927. 38

C.S.H. asked Governor Crissinger whether Sec. Mellon had been present, would have voted against putting in the 3 1/2% rate.

He would not answer directly but admitted that Sec. Mellon did say that if present he could have fixed matters up.
Sept. 15, 1927. 38

Governor Crissinger also referred to Governor Strong's telephone message, just as Governor Strong told C.S.H., saying that later Governor Strong again called him up, but that he told him the vote had already been taken, and that the matter was settled.
Sept. 15, 1927. 38

C.S.H. believes Sec. Mellon must have called for Governor Crissinger's resignation and that he ought to have done so for Governor Crissinger was already disloyal in concealing from the Board Governor Strong's message and in telling Governor Strong the Board had already acted.

As a fact the telegram announcing the Board's decision was not sent until the afternoon session or at least after we adjourned from the morning session.
Sept. 15, 1927. 39

Governor Crissinger was not at the dinner given the Board by the Federal Advisory Council because of his resignation.
Sept. 15, 1927. 39

Heard told C.S.H. that the Federal Advisory Council, in view of Governor Crissinger's resignation, would soft pedal its condemnation of the Chicago rate decision for fear of injury to the Federal Reserve System.
Sept. 15, 1927. 39

C.S.H. tells Sec. Mellon that Governor Crissinger telegraphed Heath that 3 of the Board wished to put in a 3 1/2% rate.
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The telegram, sent in face of Heath's denials, showed clearly the desire of Governor Crissinger and the others to punish some one.
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(Cont'd.) Gov. Crissinger

C.S.H. tells Governor Crissinger that in his letters and telegrams to Governor Mellon he has made the issue an international one and not a local one.

Governor Crissinger denied this and a letter of his was read in which he said was purely international and national - meaning by the latter the interest of the Treasury.

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Sept. 8, 1927. 38

Crissinger, Gov. (Cont'd.)

Sec. Mellon confirmed to C.S.H. all that Governor Strong said as to his talk with Governor Crissinger over telephone.
Sept. 15, 1927. 40

C.S.H. asks Alexander to find out from Gov. Strong the exact time of his telephone message with Gov. Crissinger.
Sept. 15, 1927. 47

C.S.H. feels Gov. Crissinger was cowardly in resigning when he did- assuming he was not kicked out - leaving James and Cunningham to defend alone Board's action before Federal Advisory Council; Governor Crissinger was the ringleader, - the others were mere satellites.
Sept. 15, 1927. 49

Eddy writes C.S.H. that Governor Crissinger's telegram to Federal Reserve Bank, Chicago, putting in the 3 1/4 rate was filed with Board's telegraph office at 12:23 p.m. (N.Y. Time 1:23) and put on the Chicago wire at 12.44 p.m. (N.Y. Time 1:44 p.m.)
Sept. 19, 1927. 51

Governor Strong calls up C.S.H. from New York and says that his second and final talk over the telephone with Gov. Crissinger requesting postponement in name of Sec. Mellon was held before 1:25 p.m. (N.Y. time) at which time (12:23 p.m. Washington time) the Board's telegram to Chicago was filed with our telegraph office.
Sept. 20, 1927. 51

This seems to prove conclusively that Governor Crissinger deliberately concealed from Board his telephone talks with Governor Strong, in order to jam through the Chicago decision and that he was disloyal both to Sec. Mellon and the Board.
Sept. 20, 1927. 51

Governor Harding in letter to Governor Crissinger, Platt and Norris, gives new construction of "established" which appeals to C.S.H.
Sept. 21, 1927. 53

Ogden Mills tells C.S.H. he is satisfied that Governor Crissinger was disloyal to Sec. Mellon and the Board in the Chicago rate case; that Governor Crissinger should have reported to Board Governor Strong's first telephone message that he was to see Secretary Mellon that morning, as also his second message asking on behalf of Sec. Mellon, postponement until next day.
Sept. 26, 1927. 54

Platt tells C.S.H. he distinctly remembers that Governor Crissinger was called out of our meeting to answer a New York call before the Board finally sent the Chicago telegram.

This, to C.S.H.'s mind, convicts Governor Crissinger of disloyalty.
Sept. 26, 1927. 55

(Cont'd.)

Platt is told by a newspaper man of a rumor that Governor Crissinger is soon to resign.

At 2 p.m. Sec. Mellon officially announced Governor Crissinger's resignation.

Later Governor Crissinger came into C.S.H.'s office and said he had resigned; that he had been contemplating this for some time as he was to enter the Investment Company of Baltimore.
Sept. 15, 1927. 38

C.S.H. asked Governor Crissinger whether Sec. Mellon had been present, would have voted against putting in the 3 1/4 rate.

He would not answer directly but admitted that Sec. Mellon did say that if present he would have voted against putting in the 3 1/4 rate.
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Governor Crissinger also referred to Governor Strong's telephone message. Just as Governor Strong told C.S.H. saying that later Governor Strong called him up, but that he told him the vote had already been taken, and that the matter was settled.
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The telegram, sent in face of Heath's denial, showed clearly the desire of Governor Crissinger and the others to punish some one.
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Grissinger, Gov. (Cont'd.)

Comptroller tells C.S.H. that Governor Grissinger made a great mistake in joining the Smith Company; that some of their officers narrowly escaped indictment some years ago and that the record of the Company was not savory. Sept. 30, 1927. 60

H. P. Willis tells C.S.H. that he knows, from reliable sources, that President Coolidge had decided that Governor Grissinger must get off the Federal Reserve Board and had asked Reynolds, of the Commercial National Bank, and very close to the Smith Co., to arrange for Governor Grissinger's appointment and retirement from the Federal Reserve Board. Dec. 10, 1927. 90, 91

Crosier, General We meet General and Mrs. Crosier at dinner at Charles Warren's. Jan. 8, 1928. 107

Cuba C.S.H. and James have conference as to Cuban Agency with Under-Secretary Mills. C.S.H. loaned Mills Traylor's brief, and reply of National City Bank and C.S.H.'s analysis of Traylor's brief. Mills said he would study the matter. July 6, 1927. 3

Board writes the State Department of tax levied by Cuba on Federal Reserve Bank, Atlanta, for excess of exports over imports of money at Cuban Agency. The tax was about \$65,000. The Federal Reserve Bank of Atlanta prepared a brief in opposition to be filed with Cuban Treasury. Assistant Secretary White of State Department through diplomatic channels secured a temporary stay of the tax. He asked Board to write him a general letter and asked that Federal Reserve bank postpone filing its brief until we heard from him again. July 13, 1927. 5

Federal Reserve Agent Newton wires that Cuban Government has decreed that tax must be paid within 10 days.

It was originally agreed by Cuban Government that this tax did not apply to Cuban Agency but the Government has changed its position.

The tax will exceed \$50,000 for 1925 and will be even larger for 1926.

July 15, 1927, 4, 7.

Grissinger, Gov. (Cont'd.)

Sec. Mellon confirmed to C.S.H. that Governor Strong said as to his talk with Governor Grissinger over telephone. Sept. 18, 1927. 40

C.S.H. asks Alexander to find out from Gov. Strong the exact time of his telephone message with Gov. Grissinger. Sept. 18, 1927. 41

C.S.H. tells Gov. Grissinger was cowardly in resigning when he did - assuming he was not kicked out - leaving James and Cummings to defend alone Board's action before Federal Advisory Council; Governor Grissinger was the ringleader - the others were satellites. Sept. 12, 1927. 42

Eddy writes C.S.H. that Governor Grissinger's telegram to Federal Reserve Bank, Chicago, putting in the 3 1/2 rate was filed with Board's telegraph office at 12:33 p.m. (N.Y. time) 1:30 and put on the Chicago wire at 12:44 p.m. (N.Y. time) 1:44 p.m. Sept. 19, 1927. 43

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Governor Harding in letter to Governor Grissinger, Platt and Norris gives new construction of "established" which applies to C.S.H. Sept. 21, 1927. 46

Clayton Mills tells C.S.H. he is satisfied that Governor Grissinger was disloyal to Sec. Mellon and the Board in the Chicago case; that Governor Grissinger should have reported to Board Governor Strong's first telephone message that he was to see Secretary Mellon that morning, as also his second message making on behalf of Sec. Mellon, postponement until next day. Sept. 28, 1927. 54

Platt tells C.S.H. he distinctly remembers that Governor Grissinger was called out of our meeting to answer a New York call before the Board finally sent the Chicago telegram.

This, to C.S.H.'s mind, convicts Governor Grissinger of disloyalty. Sept. 28, 1927. 55

Cunningham, Edward (Cont'd.)
Crissinger, Gov. (Cont'd.)

The Cuban Agency makes about \$25,000 per year, but, deducting the cost of printing Federal Reserve notes, - about \$20,000 - its profits are merely normal.

Governor Young was away and C.S.H. saw Sec. Mellon who said we could not continue the Cuban Agency if we had to pay this tax.

C.S.H. said that giving public notice of discontinuance of the Agency might cause another run on the 3 American banks there and might also break Cuba financially.

Sec. Mellon said he would take it up with the State Department.

C.S.H. thought the American banks could get the decree reversed, but Secretary Mellon doubted this, saying the Cuban Government had sold sugar belonging to these banks.

C.S.H. called up Asst. Sec. White who said he would get in touch with the 3 American banks, or at least with the National City Bank.

Sec. Mellon said a new Ambassador would be appointed within a few days.

Before leaving for Mattapoisett, C.S.H. wrote Secretary Mellon and James giving the opinion that the Federal Reserve bank should be directed to pay the tax under protest and take an appeal, which would give us time to consider our future course.

Talked this over with Governor Young and Eddy at Cosmos Club before leaving for Mattapoisett.
Oct. 21, 1927. 72, 73

Governor Young tells C.S.H. in Boston that the President of Cuba had extended the time of payment for 30 days.
Oct. 26, 1927. 74

Eddy tells C.S.H. that the Cuban Ambassador had called on Secretary Kellogg to inform him that the tax would be waived.
Nov. 2, 1927. 79

Cuban Agency
See - Cuba

Cunningham, Edward
Claims that "detailed statement" required by Federal Reserve Act requires Board in weekly statement to distinguish between purchases of domestic and foreign bills.

Votes against recession of earlier vote and not to change present method.
July 13, 1927. 6, 7.

(Cont'd.) Gov. Crissinger

Crissinger tells C.S.H. that Governor Crissinger made a great mistake in joining the Smith Company; that some of their officers narrowly escaped indictment some years ago and that the record of the Company was not satisfactory.
Sept. 30, 1927. 60

C.S.H. tells C.S.H. that he knows from reliable sources that President Coolidge had decided that Governor Crissinger must get off the Federal Reserve Board and had asked Reynolds of the Commercial National Bank, and very close to the Smith Co., to arrange for Governor Crissinger's appointment and retirement from the Federal Reserve Board.
Dec. 10, 1927. 91

Crissinger, General
We met General and Mrs. Crissinger at dinner at Charles Warren's.
Jan. 8, 1928. 107

Cuba
C.S.H. and James have conference as to Cuban Agency with Under Secretary Mills. C.S.H. learned Mills Treasury's brief, and reply of National City Bank and C.S.H.'s analysis of Treasury's brief. Mills said he would study the matter.
July 8, 1927. 8

Board writes the State Department of tax levied by Cuba on Federal Reserve Bank, Atlanta, for excess of exports over imports of money at Cuban Agency. The tax was about \$25,000. The Federal Reserve Bank of Atlanta prepared a brief in opposition to be filed with Cuban Treasury. Assistant Secretary Eddy of State Department through diplomatic channels secured a temporary stay of the tax. He asked Board to write him a general letter and asked that Federal Reserve Bank postpone filing the brief until we heard from him again.
July 13, 1927. 8

Federal Reserve Agent Newton says that Cuban government has decided that tax must be paid within 10 days.

It was originally agreed by Cuban government that this tax did not apply to Cuban Agency but the government has changed its position.

The tax will exceed \$20,000 for 1928 and will be even larger for 1929.

Cunningham, Edward (Cont'd.)

At meeting of Executive Committee votes to disapprove Chicago's action in not changing existing discount rate. Sept. - 1927. 24

At Board meeting votes to ratify above. Sept. 6, 1927. 25

Moves to put in rate of 3 1/2 at Chicago. Sept. 6, 1927. 24

Votes against C.S.H. substitute motion that present rate - 4% - be held to be the lawful rate until meeting of Chicago directors on Friday, Sept. 9. Sept. 6, 1927. 25

Votes against C.S.H. substitute motion to postpone action until after directors meeting, Friday, Sept. 9. Sept. 6, 1927. 26

Votes for his motion to put in 3 1/2 rate at Chicago Sept. 6, 1927. 29

Federal Advisory Council severely cross examines, on Chicago rate decision. Sept. 16, 1927. 43

C.S.H. believes Governor Crissinger was cowardly in resigning - assuming he was not kicked out - and leaving Cunningham and James to defend Chicago rate action. Sept. 16, 1927. 49

Governor Young says James and, will not agree to a by-law requiring 5 affirmative votes, as they are getting support from agricultural papers in west and northwest. Oct. 10, 1927. 65

Governor Young says Cunningham seemed to think favorably of a by-law requiring 10 days notice to the Federal Reserve Bank and a hearing before the Board could initiate a rate. Oct. 10, 1927. 65

Voted against granting a credit by Federal Reserve Bank, New York, to Netherlands Bank. Oct. 12, 1927. 70

Votes in favor of having an official stenographer at every meeting of Board with the Federal Advisory Council and Open Market Investment Committee. Nov. 1, 1927. 76

(Cont'd.)

The Urban Agency makes about \$25,000 per year, but, deducting the cost of printing Federal Reserve notes - about \$20,000 - its profits are merely nominal.

Governor Young was away and C.S.H. saw Sec. Mellon who said we could not continue the Urban Agency if we had to pay this tax.

C.S.H. said that giving public notice of discontinuance of the Agency might cause another run on the 3 American banks there and might also break Urban financially.

Sec. Mellon said he would take it up with the State Department.

C.S.H. thought the American banks could get the decree reversed, but Secretary Mellon doubted this, saying the Urban Government had sold notes belonging to these banks.

C.S.H. called up Asst. Sec. White who said he would get in touch with the 3 American banks, or at least with the National City Bank.

Sec. Mellon said a new Ambassador would be appointed within a few days.

Before leaving for Massachusetts, C.S.H. wrote Secretary Mellon and James giving the opinion that the Federal Reserve Bank should be directed to pay the tax under protest and take an appeal, which would give us time to consider our future course.

Talked this over with Governor Young and Edhy at Cosmos Club before leaving for Massachusetts. Oct. 21, 1927. 72, 73

Governor Young tells C.S.H. in Boston that the President of Urban had extended the time of payment for 30 days. Oct. 28, 1927. 74

Edhy tells C.S.H. that the Urban Ambassador had called on Secretary Kellogg to inform him that the tax would be waived. Nov. 3, 1927. 75

Urban Agency
See - Urban

Cunningham, Edward
Claims that "detailed statement" required by Federal Reserve Act requires Board in weekly statement to distinguish between purchases of domestic and foreign bills.

Votes against recession of earlier vote and not to change present method July 18, 1927. 8, 9.

Cunningham, Edward (Cont'd.)

Votes in favor of Miller's motion that any use of gold or exchange made by Open Market Committee to offset gold imports shall be subject to special authorization by the Board in each case. Nov. 2, 1927. 78

Tells Board that Chicago directors all want Heathreappointed Chairman and Federal Reserve Agent; that Reynolds said he could get Heath's resignation at any time Board might want it. Nov. 15, 1927. 81

Voted against C.S.H. motion that there be put in the state bank regulations the simple statement that Board will impose regulations "pursuant to Federal Reserve Act." Dec. 6, 1927.87

Votes for regulation forbidding purchase by state banks of stock in other companies without consent of Board. Dec. 6, 1927. 87

Voted against Board interposing no objection to payment by Federal Reserve Bank of Cleveland of Federal Reserve Agent Will's salary for two months after his death. Dec. 19, 1927. 97

Present at conference between Board and McGarran, Raeburn and Woolley to discuss discount rates. Jan. 11, 1928.110

Present at meeting of Board to discuss application of Chicago to increase from 3 1/2 to 4%. Jan. 24, 1928. 115

Voted alone against increase. Said he would file memorandum giving his reasons. Jan. 24, 1928.117

Voted against increasing salary of Assistant F.R. Agent Burgess by \$3000 as recommended by McGarran. Jan. 25, 1928. 117

Reads, at Board meeting, and files in minutes, his reasons for voting against Chicago increase: -

No reason advanced by Chicago except desire to stop speculation on Wall Street until Heath's "inspired" telegram that customers rates were out of line.

Cunningham has been ill for the past 2 or 3 weeks. April 11, 1928. 122

Cunningham, Edward (Cont'd.)

At meeting of Executive Committee votes to disapprove Chicago's action in not changing existing discount rate. Sept. - 1927. 84

At Board meeting votes to ratify above. Sept. 6, 1927. 88

Moves to put in rate of 3 1/2 at Chicago. Sept. 6, 1927. 84

Votes against C.S.H. motion that present rate be held to be the lawful rate until meeting of Chicago directors on Friday. Sept. 8, 1927. 88

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Governor Young says James and will not agree to a by-law requiring affirmative votes, as they are getting support from agricultural papers in west and northwest. Oct. 10, 1927. 68

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Votes in favor of having an official stenographer at every meeting of Board with the Federal Advisory Council and Open Market Investment Committee. Nov. 1, 1927. 78

Cunningham, Edward (Cont'd.)

He claimed that Board, in approving the increase, had gone on record as trying to regulate Wall Street speculation by increasing discount rates at a time when business was not injured by the speculation and when there was no business reason for a rate increase.

C.S.H. feels there would be more force in Cunningham's reasons were it not for Heath's telegram that F.R. rates were out of line - almost 1% below - customers rates.
Jan. 25, 1928. 118

Introduces resolution calling for report by F.R. banks as to rediscounts used for speculative purposes which the resolution declared illegal.

Sec. Mellon came in and a long discussion followed.

Gov. Young and Miller mildly opposed the resolution pointing out that there were few if any banks having large amounts loaned on Wall Street, who could be called continuous borrowers; that they rediscounted mostly for temporary purposes day in and day out.

Miller gave the impression that he favored putting an end to speculative use of F.R. funds by rate increase.
Jan. 26, 1928. 120, 121

It was finally agreed under Platt motion, to take up this resolution next week or some day to be fixed by Governor Young after consultation with Sec. Mellon. Gov. Young to report.
Jan. 26, 1928. 121

Votes against increase in discount rates for F.R. Bank, Richmond.
Jan. 26, 1928. 121

Voted against accepting invitation of League of Nations to join in Paris statistical conference.
Feb. 14, 1928. 124

Voted to approve recommendation of Open Market Committee for further sales of Government securities.
Mar. 26, 1928. 140

Joined, however, in C.S.H. memorandum that a change in earning assets for Government securities to discounts (earned by selling Govt. securities) would enable F.R. System better to control the credit situation now and in immediate future without recourse to increased discount rates, thus penalizing agriculture and commerce.

Cunningham has been ill for the past 2 or 3 weeks.
April 16, 1928. 149

Cunningham, Edward (Cont'd.)

Voted in favor of Miller's motion that any use of gold or exchange made by Open Market Committee to offset gold imports shall be subject to special authorization by the Board in each case.
Nov. 2, 1927. 78

Tell Board that Chicago directors all want Heath appointed Chairman and Federal Reserve Agent; that Reynolds said he could get Heath's resignation at any time Board might want it.
Nov. 18, 1927. 81

Voted against C.S.H. motion that there be put in the state bank regulations the single statement that Board will impose regulations pursuant to Federal Reserve Act.
Dec. 6, 1927. 87

Voted for regulation forbidding purchase by state banks of stock in other companies without consent of Board.
Dec. 6, 1927. 87

Voted against Board imposing no objection to payment by Federal Reserve Bank of Cleveland of Federal Reserve Agent Will's salary for two months after his death.
Dec. 19, 1927. 97

Present at conference between Board and McGarrah, Rasmus and Woolley to discuss discount rates.
Jan. 11, 1928. 110

Present at meeting of Board to discuss application of Chicago to increase from 3 1/2 to 4 1/2.
Jan. 24, 1928. 116

Voted alone against increase. Said he would file memorandum giving his reasons.
Jan. 24, 1928. 117

Voted against increasing salary of Assistant F.R. Agent Burgess by \$3000 as recommended by McGarrah.
Jan. 28, 1928. 117

Reads at Board meeting, and files in minutes, his reasons for voting against Chicago increase:

No reason advanced by Chicago except desire to stop speculation on Wall Street until Heath's resigned telegram that customers rates were out of line.

Cunningham, Edward (Cont'd.)

He claimed that Board, in approving the increase, had gone on record as trying to regulate Wall Street speculation by increasing discount rates at a time when business was not injured by the speculation and when there was no business reason for a rate increase.

C.S.H. feels there would be more force in Cunningham's reasons were it not for Board's telegram that F.R. rates were out of line - almost 1/2 below - one month later. Jan. 26, 1928. 118

Introduces resolution calling for report by F.R. banks as to rediscounts used for speculative purposes which the resolution declared illegal.

Sec. Mellon came in and a long discussion followed.

Gov. Young and Miller mildly opposed the resolution pointing out that there were few if any banks having large amounts loaned on Wall Street, who could be called continuous borrowers; that they rediscounted mostly for temporary purposes by in and out.

Miller gave the impression that he favored putting an end to speculative use of F.R. funds by rate increase. Jan. 26, 1928. 120

It was finally agreed under Platt motion, to take up this resolution next week or some day to be fixed by Governor Young after consultation with Sec. Mellon. Gov. Young to report. Jan. 26, 1928. 121

Votes against increase in discount rates for F.R. Bank, Richmond. Jan. 26, 1928. 121

Voted against accepting invitation of League of Nations to join in Paris statistical conference. Feb. 14, 1928. 124

Voted to approve recommendation of Open Market Committee for further sale of Government securities. Mar. 28, 1928. 140

Joined, however, in C.S.H. memorandum that a change in earning assets for Government securities to discounts (earned by selling Govt. securities) would enable F.R. System better to control the credit situation now and in immediate future without recourse to increased discount rates, thus penalizing agriculture and commerce.

Cunningham has been ill for the past 2 or 3 weeks. April 18, 1928. 143

Cunningham, Edward (Cont'd.)

Board takes up Cunningham resolution of Jan. 26, 1928.

Gov. Young reported that he had studied the matter with Smead and that they had arranged with Comptroller to secure the information through the call reports, but that it was too late to put the questions in the July call, but they would appear in the October call.

During the discussion Cunningham entered, - he has been ill for a number of weeks, and was very indignant at the delay, and Miller backed him up.

Gov. Young said the delay was necessary and could do no harm as under no circumstances could a reply have been received from the F.R. banks in time for legislation by Congress.

Miller and Cunningham denied this - Miller said a few days could have procured the necessary information.

Board finally approved Gov. Young's report. Cunningham voted No. May 28, 1928. 173

Cunningham, Henry V.

Calls on C.S.H. in Washington to thank him for securing from Comptroller a transfer from Phila. to Boston of his son, an Assistant National Bank Examiner. C.S.H. told him about his mother. He said he would look into the matter, and let C.S.H. know.

(See letter from him dated Sept. 1928.) June 8, 1928. 180

We dine with Mr. and Mrs. H. V. Cunningham at Hotel Mayflower. June 9, 1928. 180

Bertie took them to drive over Washington and gave them a lunch at Woman's National Democratic Club. June 9, 1928. 180

Cunningham, Mrs. Minnie

C.S.H. sends, check for royalties on chronology of Wilson. Oct. 8, 1927. 64

See - Chronology

We dine at Woman's National Democratic Club, - Mrs. Cunningham was at same table.

Feb. 9, 1928. 123

(Cont'd.)

Board takes up Cunningham resolution of Jan. 28, 1928.

Gov. Young reported that he had studied the matter with Board and that they had arranged with Comptroller to secure the information through the call reports, but that it was too late to put the question in the July call, but they would appear in the October call.

During the discussion Cunningham entered - he has been ill for a number of weeks, and was very impatient at the delay, and Miller backed him up.

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Cunningham, Henry V. calls on C.S.H. in Washington to thank him for securing from Comptroller a transfer from Paris to Boston of his son, an Assistant National Bank Examiner. C.S.H. told him about his mother. He said he would look into the matter, and let C.S.H. know.

(See letter from him dated Sept. 1, 1928.)
June 8, 1928. 180

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June 9, 1928. 180

Bessie took them to drive over Washington and gave them a lunch at Woman's National Democratic Club.
June 9, 1928. 180

Cunningham, Mrs. Minnie
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Oct. 8, 1927. 64

See - Chronology

We dine at Woman's National Democratic Club - Mrs. Cunningham was at same table.
Feb. 9, 1928. 123

Cup, Cellini. 125
See - Cellini cup
Warder, Mrs.

Currency exports. Cuban tax
See - Cuba

Currency, Stabilization of.
C.S.H. says, whether or not on gold standard, helps foreign purchasing power thus aiding our agricultural exports.
July 13, 1927.

Curtiss, F.R. Agent, Boston
Tells C.S.H. of death of Gov. Morse.
Said Prof. Young of Harvard told him that Dr. Miller spoke to him very disparagingly about Pierre Jay - many times of contempt.
July 5, 1927. 5

Tells C.S.H. in Boston of a rumor that Dr. Miller was responsible for the statements in the Chicago papers that the Federal Reserve Bank of Chicago would defy the Federal Reserve Board as to the Chicago rate.
Sept. 19, 1927. 50

C.S.H. tells Mrs. Hantley Child that, is a trustee of Wellesly College.
Sept. 19, 1927. 52

Tells C.S.H. he and Mrs. Curtiss will lunch with us at Mattapoisett on Sunday.
Oct. 13, 1927. 69

Says he has had Marion Child at his house and has introduced her to young people and that she is having a very good time.
Oct. 13, 1927. 70

Mr. and Mrs. Curtiss lunch with us at Mattapoisett. Said Marion Child was very much liked; that they had had her frequently at their house; that they had introduced her to many Boston people living near Dover; that the boys fell in love with her at first sight.
Oct. 16, 1927. 71

Gov. Harding says Governor Young told him Curtiss would be redesignated.
Oct. 26, 1927. 74

Curtiss, F.R. Agent, Boston (Cont'd.)

Board took up for discussion the redesignation of F.R. Agents.
No action.

Nov. 15, 1927. 81, 82

Dangerfield, Marshall

See - Auld Lang Syne

Curtis, Mrs. Horatio

We call on, in Boston.

Nov. 27, 1927. 85

Customers rates

Gov. Norris says Philadelphia bankers object to lowering F.R. discount rates because it would involve lower.

Aug. 12, 1927. 19

Heath says F.R. rates are out of line with.

Jan. 24, 1928. 116

See - Out of line

Deane

Gov. Norris, July 8, 1927. 8

Miss Sweet, widow of John Grant, April 17, 1928. 102

Mrs. Barber, May 14, 1928. 107

Shaw, Charles, May 25, 1928. 107

Walker, James J., Jr. July 16, 1928. 100

Walker

C.S.N. Willie Walker, would be first choice for Governor of Federal Reserve Board.

Sept. 18, 1927. 48

Reduction of gov. St. Peter, Albany

We attended
Clergymen paid tribute to Mr. and Mrs. J. J. Pugh.

Sept. 18, 1927. 50

DeLong, Mrs.

Mrs. Wilson, Boston

Jan. 15, 1928. 111

See - Collins
See - Collins
Walker, Mrs.

Currently exports Cuban tax
See - Cuba

Stabilization of

C.S.N. says, whether or not on gold standard, helps foreign purchasing power thus aiding our agricultural exports.
July 13, 1927.

Curtiss, F.R. Agent, Boston

Tells C.S.N. of death of Gov. Norris.
Said Prof. Young of Harvard told him that Dr. Miller spoke to him very disparagingly about Pierre Jay - many times of contact.
July 8, 1927. 8

Tells C.S.N. in Boston of a rumor that Dr. Miller was responsible for the statements in the Chicago papers that the Federal Reserve Bank of Chicago would deny the Federal Reserve Board as to the Chicago rate.
Sept. 19, 1927. 50

C.S.N. tells Mrs. Hattie Child that is a trustee of Wellesley College.
Sept. 19, 1927. 52

Tells C.S.N. he and Mrs. Curtis will lunch with us at Metropolitan on Sunday.
Oct. 13, 1927. 59

Says he has had Marion Child at his house and has introduced her to young people and that she is having a very good time.
Oct. 13, 1927. 70

Mr. and Mrs. Curtis lunch with us at Metropolitan. Said Marion Child was very much liked; that they had had her frequently at their house; that they had introduced her to many Boston people living near Dover; that the boys fell in love with her at first sight.
Oct. 18, 1927. 71

Gov. Harding says Governor Young told him Curtis would be redesignated.
Oct. 28, 1927. 74

-D-

Deflation
Dr. Miller said he had inflation, but he had deflation still

D.K.H.
George Hamlin, Jr. elected in second group of.
Nov. 27, 1927. 85

Dangerfield, Foxhall
Ellen Leonard suggests, to go abroad with Gertrude Myer as secretary.
June 27, 1928. 187

Dartmouth Historical Society
We hear Z. W. Pease address, on trip of Editors abroad at clam bake, as guests of Mayor and Miss Ashley.
Oct. 8, 1927. 64

Davis, Mrs. Armistead
Dines with us at Woman's National Democratic Club.
Mar. 21, 1928. 139

Deals 138, 183
See - Comptroller
Farmer
Talley, Gov.

Deaths
Gov. Morse. July 5, 1927. 5

Miss Sweet, nurse of John Grant. April 17, 1928. 151

Mrs. Warder, May 14, 1928. 163

Washburn, Charles. May 25, 1928. 167

Parker, Amasa J., Jr. July 15, 1928. 192

Decker
C.S.H. tells Mellon, would be first class man for Governor of Federal Reserve Board.
Sept. 16, 1927. 46

Dedication of pew. St. Peters, Albany
We attended
Clergyman paid tribute to Mr. and Mrs. J. V. L. Pruyn.
Sept. 18, 1927. 50

DeLong, Mrs.
Mrs. Wilson inquires for.
Jan. 13, 1928. 111

April 10, 1928. 154

(Cont'd.)
Board look up for discussion the resignation of F.R. Agents.
Nov. 18, 1927. 81

See - Miss Lane
Mrs. R. M. ...
Nov. 27, 1927. 88

Gov. Norris says Philadelphia bankers object to lowering F.R. discounts rates because it would involve lower.
Aug. 12, 1927. 19

Health says F.R. rates are out of line with
Jan. 24, 1928. 116
See - Out of line

Deflation

Dr. Miller said he hated inflation, but he hated deflation still more.

Says Board should regard present prices as a minimum and do what it can to prevent further recession or even help to bring about some increase.

July 7, 1927. 2

Delano, F.A.

Intimates Richmond may want to increase rates as it is not paying expenses.

Oct. 4, 1927. 64

C.S.H. dines with
He agrees to serve another term as Class C Director, Richmond.

Nov. 17, 1927. 83

Comes in from Washington to birthday celebration of Catherine Grant.

We lunch with Catherine. Her 38th birthday as one of the children said, and she later told me.

Nov. 25, 1927. 84

Taken with ptomaine poisoning. Can not lunch with us.

Nov. 26, 1927. 84

C.S.H. and, go to New York to attend Carnegie Endowment meeting.

Nov. 30, 1927. 85

Lunch with, at Harvard Club, N. Y.

Dec. 1, 1927. 86

C.S.H. and, dine with Dr. Butler.
We drive LaContesse de Finelan to Hotel Ritz.

Dec. 1, 1927. 86

C.S.H. and Delano, go to Charlotte, N.C. - opening of F.R. branch.

Dec. 9, 1927. 89

Calls on us at Lee House
Shows us miniature of Catherine Grant which she gave him.

Jan. 7, 1928. 106

We dine with
Present: Mr. and Mrs. Bush Brown; Mrs. Wolcott, and Dr. Abbot, new Secretary of Smithsonian Institute.

Jan. 19, 1928. 112

H.P.H. lunches with
Catherine Grant there.
Death of Miss Sweet, Nurse
We see Catherine off in evening.

April 18, 1928. 154

-D-

D.K.E.

George Lewis, Jr. elected in second group.
Nov. 27, 1927. 88

George Lewis, Jr. elected in second group.
Nov. 27, 1927. 88

Jan. 27, 1928. 107

Bartholomew Historical Society
We hear E. W. Pease address, on trip of Editors abroad at dinner.
Dinner at home of Mrs. and Miss Ashby.
Oct. 8, 1927. 84

Mrs. Mrs. Amalasek
Dinner with us at Woman's National Democratic Club.
Mar. 21, 1928. 103

Deals 188, 188
See - Controller
Father
Missy, Gov.

Deaths
Gov. Moore. July 5, 1927. 8

Miss Sweet, nurse of John Grant. April 17, 1928. 101

Mrs. Warden. May 14, 1928. 103

Washington, Charles. May 28, 1928. 107

Porter, James J., Jr. July 18, 1928. 103

Recker
C.S.H. and Miss Mellon, would be first class man for Governor of Federal Reserve Board.
Sept. 18, 1927. 48

Dedication of new St. Peters, Albany
We attended
Governor paid tribute to Mr. and Mrs. J. V. L. Phipps.
Sept. 18, 1927. 50

Delano, Mrs.
Mrs. Wilson indigestion for.
Jan. 13, 1928. 111

Delano, F.A. (Cont'd.)

We dine with, and Catherine Grant.
Then go to movies showing hunting in Africa.
April 28, 1928. 158

Delano forgets to attend our dinner to Sir Herber Ames.
May 2, 1928. 161

We compose a poem and send it to Delano.
May 8, 1928. 162

Delano tries to have Cong. Burton elected as Trustee of Carnegie
Endowment.

We vote, 7 to 7, Then Dr. Butler voted to postpone, defeating Burton.
May 10, 1928. 163

Delano writes apologizing for forgetting dinner.
May 10, 1928. 163

Mrs. Delano has left the sanitarium and is now with Dr. Delano
at their house on Hudson river. July 6, 1928. 190

We meet Delano at dinner at Charles Warren's. June 4, 1928. 178

Catherine Grant said, never spoke of forgetting the Ames dinner
nor of our poem.
July 3, 1928. 189

C.S.H. dines with, at Metropolitan Club. July 31, 1928. 197

Democratic National Convention
C.S.H. listens to, on radio. Cosmos Club.
June 26, 1928. 186

Democrat
See - Miller

Denyn
We listen to carillon concert at Albany, by.
Sept. 18, 1928. 50

See - Carillons

Dexter, Mrs. Wirt
Buys of us 2 lamps for \$150.
2 tapestry seated chairs \$100
1 Dutch chest. \$350

July 15, 1927. 8

Dr. Miller said he hated inflation, but he hated deflation still
more.
Says Board should regard present prices as a minimum and do what
it can to prevent further recession or even help
to bring about some increase.
July 7, 1927. 5

Delano, F.A.
Instructs Richmond way want to increase rates as it is not paying
expenses.
Oct. 4, 1927. 84

C.S.H. dines with
He agrees to serve another term as Class O Director, Richmond.
Nov. 17, 1927. 83

Comes on from Washington to birthday celebration of Catherine Grant.
We lunch with Catherine. Her 38th birthday as one of the children
said, and she later told me.
Nov. 28, 1927. 84

Taken with pneumonia poisoning. Can not lunch with us.
Nov. 28, 1927. 84

C.S.H. and go to New York to attend Carnegie Endowment meeting.
Nov. 30, 1927. 88

Lunch with, at Harvard Club, N. Y.
Dec. 1, 1927. 88

C.S.H. and, dine with Dr. Butler.
We arrive LaCrosse de Minnie to Hotel Pitt.
Dec. 1, 1927. 88

C.S.H. and Delano, go to Charlotte, N.C. - opening of F.H. branch.
Dec. 9, 1927. 89

Call on us at Lee House
Shows us miniature of Catherine Grant which she gave him.
Jan. 7, 1928. 108

We dine with
Present: Mr. and Mrs. Bush Brown; Mrs. Wolcott, and
Dr. Abbott, new Secretary of Smithsonian Institute.
Jan. 12, 1928. 113

H.P.H. lunches with
Catherine Grant here.
Death of Miss Sweet, Kansas
We see Catherine off in evening.
April 18, 1928. 124

Dinner (See also lunches, suppers) Cont'd.

- With Miss Hegerman. Feb. 16, 1928. 125
- With Mr. and Mrs. George McClellan Feb. 18, 1928. 125
- With Charles Warren. Mar. 8, 1928. 137
- With Mr. and Mrs. Lansing Mar. 18, 1928. 137
- Dinner to Madame Schuylenburch
Woman's Democratic Club. Mar. 21, 1928. 139
- With Gertrude Myer. Mar. 22, 1928. 139
- With Mrs. Warder. Mar. 23, 1928. 139
- With Mr. and Mrs. Meigs. Mar. 24, 1928. 139
- With Jeannie Riggs. Mar. 26, 1928. 141
- With Mrs. McGagg Mar. 29, 1928. 141
- With Mrs. Weedon
To meet Mrs. Helm. April 3, 1928. 145
- With Mrs. Warder. April 15, 1928. 148
- To Sir Herbert Ames
Woman's National Democratic Club.
May 2, 1928. 161
- To Rachel Hale and Gertrude Myer
Woman's National Democratic Club
May 3, 1928. 162
- With Mrs. Gordon-Cumming
May 22, 1928. 164
- With Charles Warren June 4, 1928. 178
- With Mr. and Mrs. Henry Cunningham
Hotel Mayflower. June 10, 1928. 180
- With Gertrude Myer June 12, 1928. 181
- With Jeannie Riggs June 14, 1928. 181
- C.S.H. with Gertrude Myer June 20, 1928. 184
- C.S.H. with Gertrude Myer June 23, 1928. 185

At Woman's Democratic Club. Feb. 9, 1928. 123
 With Jeannie Riggs Jan. 27, 1928. 121
 With Mr. DeLano Jan. 19, 1928. 115
 With Mrs. Hunt Jan. 13, 1928. 111
 With Charles Warren Jan. 8, 1928. 107
 With Mrs. Warder Dec. 30, 1927. 103
 With Ex-Senator and Mrs. Thomas Dec. 29, 1927. 102
 With Mrs. Jordan Hartman Dec. 27, 1927. 102
 With Justice and Mrs. Brandeis Dec. 18, 1927. 97
 C.S.H. with Mr. Leshler, Quarles, W.O. Dec. 9, 1927. 90
 With Harriet Smith, Norton Nov. 24, 1927. 84
 C.S.H. with Mr. DeLano Nov. 14, 1927. 83
 With K.K. Agent and Governor Metropolitan Club Nov. 4, 1927. 78
 With Justice and Mrs. Brandeis Oct. 13, 1927. 68
 C.S.H. with George Foster Peabody To meet adopted daughter Oct. 1, 1927. 61
 To meet Governor of National Bank of Belgium Sept. 30, 1927. 60
 U.S.H. with Sec. Hoover Sept. 30, 1927. 60
 With Mr. and Mrs. Rice, Albany. Sept. 18, 1927. 50
 Cong. and Mrs. Louis Frothingham dine with us at Massachusetts Sept. 13, 1927. 37
 July 27, 1927. 17 Present, Col. Grant, Mrs. Grant, Col. Taylor
 Dinner (See also lunches, suppers) With Gertrude Myer
 We meet, at dinner with Judge Brandeis, Dickman, Fryer. Dec. 18, 1927. 37

Dinner (see also lunches, suppers) Cont'd.

With Mrs. Hagerman. Feb. 18, 1928. 136

With Mr. and Mrs. George McMillan. Feb. 18, 1928. 135

With Charles Warren. Mar. 8, 1928. 137

With Mr. and Mrs. Lansing. Mar. 18, 1928. 137

Dinner to William Schuyler. Mar. 21, 1928. 139

Women's Democratic Club. Mar. 21, 1928. 139

With Gertrude Myer. Mar. 22, 1928. 139

With Mrs. Warner. Mar. 23, 1928. 139

With Mr. and Mrs. Helga. Mar. 24, 1928. 139

With Jennie Riggs. Mar. 28, 1928. 141

With Mrs. McCook. Mar. 29, 1928. 141

With Mrs. Wood. April 3, 1928. 142

To meet Mrs. Helm. April 3, 1928. 142

With Mrs. Warner. April 15, 1928. 148

To Sir Herbert Ames. May 2, 1928. 151

Women's National Democratic Club. May 2, 1928. 151

To Rachel Hale and Gertrude Myer. May 3, 1928. 152

Women's National Democratic Club. May 3, 1928. 152

With Mrs. Gordon-Canning. May 22, 1928. 154

With Charles Warren. June 4, 1928. 178

With Mr. and Mrs. Henry Cunningham. June 10, 1928. 180

Hotel Myrtles. June 12, 1928. 181

With Gertrude Myer. June 14, 1928. 181

With Jennie Riggs. June 14, 1928. 181

C.S.H. with Gertrude Myer. June 20, 1928. 184

C.S.H. with Gertrude Myer. June 23, 1928. 185

Dinners etc. (Cont'd.)

C.S.H. with Gertrude Myer. June 27, 1928. 186

See - Lunches
Suppers

Direct pressure
Glass favored, during war. Sept. 7, 1927. 32

C.S.H. favors direct action to discourage speculation.
Sept. 27, 1927. 17

Miller favors increase in discount rates as, was not controlling
the credit situation.
Jan. 23, 1928. 115

James said, at New York, was succeeding and driving borrowers from
New York to Boston. April 17, 1928. 151

Miller says open market operations are working well in N.Y.
April 18, 1928. 152

Miller demands that Gov. Case use, on N. Y. banks.
May 1, 1928. 159

Miller, at meeting of directors of F.R. Bank, New York, vehemently
objects to. June 9, 1928. 180

Miller tries to explain. Still opposed to.
July 18, 1928. 193

Harrison says, should be continued at New York.
July 7, 1928. 190

James attacks Gov. Case for not using.
July 18, 1928. 192

Directors, Class C
See - Federal Reserve Agents
Federal Reserve Bank, Richmond

Directors, F.R. Bank, New York
Board decides to meet with, but gives it up on McGarrath's advice.
Three directors - McGarrath, Woolley and Raeburn confer with Board
in Washington. Jan. 9, 1928. 107
Jan. 11, 1928. 109

(Cont'd) Bankers etc.

C.S.N. with Gertrude... June 27, 1927. 188

See - Lumber
Suppliers

Direct pressure
Glass favored, during war. Sept. 7, 1927. 22

C.S.N. favors direct action to discount speculation
Sept. 27, 1927. 17

Miller favors increase in discount rates as not controlling
the credit situation.
Jan. 28, 1928. 113

James said, at New York, was succeeding and driving borrowers from
New York to Boston. April 14, 1928. 131

Miller says open market operations are working well in N.Y.
April 18, 1928. 123

Miller demands that Gov. Case use, on N.Y. banks.
May 1, 1928. 129

Miller, at meeting of directors of F.R. Bank, New York, vehemently
objects to.
June 9, 1928. 160

Miller tries to explain. Bill opposed to.
July 15, 1928. 182

Harrison says, should be continued at New York.
July 7, 1928. 180

James attacks Gov. Case for not using.
July 18, 1928. 183

Directors, Glass Q
See - Federal Reserve Agents
Federal Reserve Bank, Richmond

Directors, F.R. Bank, New York
Board decides to meet with, but gives it up on McGarrah's advice.
Three directors - McGarrah, Wolfley and Resburn confer with Board
in Washington.
Jan. 9, 1928. 107
Jan. 11, 1928. 109

Discount rates

Gov. Norman thinks we should not have kept up the 4% rate.
July 7, 1927. 2

Miller, leaving for West, leaves memorandum to effect that any
desire to make conditions easier should be carried out by lowering
discount rates rather than by purchasing Government securities;
that he saw no reason for easing the situation because agriculture
would have a greatly increased purchasing power - a billion dollars
more - for its products.
July 13, 1927. 8

Gov. Crissinger said that at the N.Y. Conference Gov. Norman said
that if the F.R. Bank, New York, did not reduce its rates, the Bank
of England must increase its rates to the injury of its business,
commerce, purchasing power, etc.
July 25, 1927. 12

Miller wires from Lake Louise:
July 26, 1927. Your telegram received. Assuming purpose of
meeting of the (be) open market or rate action, impressions and
information gained since leaving Washington, and subsequent
reflection, have confirmed me in opinion previously stated.
Convinced situation not yet sufficiently clarified for wise
action. With indications of firming commodity prices and of
active trade following augmented returns from crops this autumn,
cheapened money might give unhealthy stimulus. Policy therefore
should be to await further developments before acting.

Gov. Strong says Great Britain can't keep her gold unless (a) she raises
her rates, (b) we lower our rates; that same condition exists in
other European countries; that by lowering our rate we could finance
for Great Britain our exports, which would be most advantageous
for U.S.

Gov. Strong pointed out that discounts had fallen off materially at
F.R. banks, and that, from the domestic point of view it would be
desirable to lower the N. Y. rate, and the rates at other F.R. banks
should also be reduced, and that it should be done now, - before
the crop movement is financed; that if we did not act now, European
central banks must put up their rates with consequent injury to
our exports.
July 27, 1927. 13, 14.

Gov. Harding said the farmers had attacked us for lowering rates after
the crops had gone into the hands of the speculators, while we
increased rates in the autumn when the farmer was buying- after the
crop movement; that the present was a good time to reverse the
process.
July 27, 1927. 14

Discount rates (Cont'd.)

Most of those representing other F.R. banks said that although there was no apparent demand in their districts for lower rates, they would advise their directors to join in making it a system matter and they felt they would agree.

Sept. 27, 1927. 14

Gov. McDougal said his directors saw no need for a rate decrease and intimated they would not reduce.

Sept. 27, 1927. 14

C.S.H. then read the recommendations of the Federal Advisory Council of May 1927 to effect that in case of further business recession rates should not be reduced (its purpose, drawn by Traylor, being to keep the then existing rates as an irreducible minimum), but that Government securities should be sold to maintain the then existing rates.

C.S.H. asked Gov. McDougal if this expression of the Federal Advisory Council represented the present views of the Chicago bankers and after some hesitation he admitted it did.

Sept. 27, 1927. 14, 15

Gov. Strong said this was a purely selfish view; that none of the Chicago bankers wanted rates reduced.

Sept. 27, 1927. 15

C.S.H. said he concurred in the recommendation of the Open Market Committee, - 1. Reduction at N.Y. to 3 1/2%. 2. Sale of say 50 millions of Government securities to make this rate effective.

C.S.H. said he was much puzzled by the decline in prices in last 5 years, they now being below the lowest point of the 1920 crisis; that he fancied he could see a faint, perhaps very faint analogy between 1872 - 1893 and 1922 - 1927. In earlier period prices declined as in the later period, and wages remained constant or increased in both periods; that finally came the crisis of 1893; that he did not look for any such result now for there were other causes at work in the earlier period, such as claimed appreciation of gold etc; that he felt one potent cause of the price decline was improved industrial processes, inventions, elimination of waste, greater efficiency of labor, etc; that similar industrial improvements, inventions, R.R. and S.S. development were undoubtedly one of the causes for lower prices in the earlier period; that as compared with the crisis of 1893 we now have the Business recession of 1927.

C.S.H. further asked whether appreciation of gold at the present time was a factor in reducing prices? He said some economists predicted an appreciation of gold, if not now, in the near future.

July 27, 1927. 15

Discount rates
Gov. Haysman thinks we should not have kept up the 4 1/2 rate.
July 27, 1927. 14
Miller, leaving for West, leaves members to effect that any desire to make conditions easier should be carried out by lowering discount rates rather than by purchasing Government securities; that he saw no reason for easing the situation because agriculture would have a greatly increased purchasing power - a billion dollars more - for its products.
July 27, 1927. 14
Gov. Granger said that at the N.Y. Conference Gov. Haysman said that if the N.Y. Bank, New York, did not reduce its rates, the Bank of England must increase its rates to the injury of its business, commerce, purchasing power, etc.
July 27, 1927. 14
Miller wires from Lake Umbagog:
July 26, 1927. Your telegram received. Assuming purpose of meeting to be (a) open market or rate action, improvement and information gained since leaving Washington, and subsequent reflection, have confirmed me in opinion previously stated. Concluded situation not yet sufficiently clarified for any action. With indications of falling commodity prices and of active trade following suggested return from crop this autumn, changed money might give healthy stimulus. Policy therefore should be to await further developments before acting.
Gov. Strong says Great Britain can't keep her gold unless (a) she raises her rates, (b) we lower our rates; that same condition exists in other European countries; that by lowering our rate we could finance for Great Britain our exports, which would be most advantageous for U.S.
Gov. Strong pointed out that discounts had fallen off materially at F.R. banks, and that from the domestic point of view it would be desirable to lower the N.Y. rate, and the rates at other F.R. banks should also be reduced, and that it should be done now, before the crop movement is finished; that if we did not now, European central banks must put up their rates with consequent injury to our exports.
July 27, 1927. 14
Gov. Harding said the farmers had attacked us for lowering rates after the crop had gone into the hands of the speculators, while we increased rates in the autumn when the farmer was buying after the crop movement; that the present was a good time to reverse the process.
July 27, 1927. 14

(Cont'd.) Discount rates

Most of those representing other F.R. banks said that although there was no apparent demand in their districts for lower rates, they would advise their directors to join in making it a system matter and they felt they would agree.

Sept. 27, 1927. 14

Gov. McFarland said his directors saw no need for a rate decrease and indicated they would not reduce.

Sept. 27, 1927. 14

C.S.H. then read the recommendations of the Federal Advisory Council of May 1927 so effect that in case of further business recession rates should not be reduced (its purpose, drawn by Taylor, being to keep the then existing rate as an irrevocable minimum) but that government securities should be sold to maintain the then existing rates.

C.S.H. asked Gov. McFarland if this expression of the Federal Advisory Council represented the present view of the Chicago bankers and after some hesitation he admitted it did.

Sept. 27, 1927. 14, 15

Gov. Strong said this was a purely selfish view; that some of the Chicago bankers wanted rates reduced.

Sept. 27, 1927. 15

C.S.H. said he concurred in the recommendation of the Open Market Committee, - I. Redburn as N.Y. to 3 1/2% - S. Sale of say 50 millions of government securities to make this rate effective.

C.S.H. said he was much puzzled by the decline in prices in last 5 years they saw being below the lowest point of the 1890 crisis; that he thought he could see a faint, perhaps very faint analogy between 1875 - 1880 and 1927 - 1932. In earlier period prices advanced as in the later period, and rates remained constant or increased in both periods; that finally came the crisis of 1893; that he did not look for any such result now for there were other causes at work in the earlier period, such as a claimed appreciation of gold etc; that he felt one potent cause of the price decline was improved industrial processes, inventions, elimination of waste, greater efficiency of labor, etc; that similar industrial improvements, inventions, etc. S.S. developments were undoubtedly one of the causes for lower prices in the earlier period; that as compared with the crisis of 1893 we now have the business recession of 1927.

C.S.H. further asked whether appreciation of gold at the present time was a factor in reducing prices? He said some economists predicted an appreciation of gold, if not now, in the near future.

Discount rates (Cont'd.)

C.S.H. asked if the existing rate of 4%, coupled with the fear of gold appreciation, could not be somewhat constricting business, and thus account for declining prices?

C.S.H. added that while there is ground for believing that the existing recession in business is but temporary, yet no one can be absolutely certain what the future may reveal; that if further, perhaps severe, recession should come, he would prefer to have the discount rates, when it should come, at as low a figure as would be consistent with safety, so that it could not be claimed as it was in 1919 and 1920 that recession was caused by too high discount rates.

C.S.H. further pointed out that F.R. discounts were falling off; that the F.R. banks were practically out of touch with the market; that he believed the F.R. banks should always be in market or in effective touch with; that for three reasons he favored a reduction to 3 1/2% and a cautious buying of Government securities to make and continue this rate effective.

July 27, 1927. 15, 16

The question of effect on the stock market of this easier money policy was not overlooked but was given careful consideration.

It was generally agreed that the possible psychological effect on the stock market should not be allowed to act as a bar from doing what was best for agriculture and commerce; that if necessary, direct action should be used to control speculation.

July 27, 1927. 16, 17

C.S.H. said that, while he rested his opinion primarily on domestic grounds as heretofore explained, he agreed with Gov. Strong as to the gain to our agricultural exports from assisting Europe in stabilizing its purchasing power.

C.S.H. moved that it was the opinion of the Board that the F.R. banks should reduce discount rates.

Gov. Strong and Gov. Norris thought it inadvisable to send out what the F.R. banks might construe as an order to reduce. (Gov. Strong denies that the Board has any such power.)

After lunch Gov. Strong reported a draft of minutes of the meeting with a declaration that they represented the sentiment of the Board, and omitting every statement which could be construed as a direction or order.

It was moved and passed unanimously.

July 27, 1927. 16

Discount rates (Cont'd.)

C.S.H. moved Committee be authorized to purchase up to 50 millions
Passed unanimously.
July 27, 1927. 16

C.S.H. reported that he based his desire for lower rates primarily
on domestic grounds, although he fully agreed with what Gov. Strong
said as to the international grounds.
July 27, 1927. 17

Board approves decrease at Kansas City to 3 1/2%.
July 28, 1927. 18

Boston, Cleveland, and New York reduce to 3 1/2%.
Aug. 1 - 4, 1927. 18

Gov. C. calls C.S.H. up at Mattapoisett

Quotes Wall St. Journal - F.R. Bank, Chicago, will defy Board and
will not lower its rates.

Wires Heath demanding explanation.

Heath denies emanated from F.R. bank. Says he, Comptroller, and
James want to put in a 3 1/2% rate.

Has wired Cunningham.
Asks C.S.H. for opinion

C.S.H. wait until Monday

C.S.H. talks with Platt

Platt objects to initiating a rate.
Said it was Executive Committee which declined to lower the rate,
but that directors had not met.

Aug. 4, 1927. 18

Platt writes C.S.H. as above.

Aug. 5, 1927. 18

Executive Committee of Chicago bank votes for no change in rate.
Aug. 26, 1927. 22

Gov. C. wants to initiate rate of 3 1/2% at Chicago.
C.S.H., Platt and Comptroller object.
Motion went over

C.S.H. and Platt opposed as Board has not asked any bank to reduce
but merely sent each bank the minutes of the Board's meeting
with Open Market Committee in which the feeling was expressed
that rates should be reduced.

*

Discount rates (Cont'd.)

C.S.H. asked if the existing rate of 4% compared with the rate of
subsidance facilities, could not be somewhat restricting
business, and thus account for declining prices?

C.S.H. added that while there is ground for believing that the
existing recession in business is but temporary, yet no one
can be absolutely certain what the future may reveal; that if
further, perhaps severe, recession should come, he would
prefer to have the discount rates, when it should come, at as
low a figure as would be consistent with safety, so that it
could not be obtained as it was in 1919 and 1920 that recession
was caused by too high discount rates.

C.S.H. further pointed out that F.R. discounts were falling off;
that the F.R. banks were practically out of touch with the
market; that he believed the F.R. banks should always be in
contact or in effective touch with the market for three reasons he
favored a reduction to 3 1/2% and a cautious buying of Government
securities to make and continue this rate effective.

The question of effect on the stock market of this easier money
policy was not overlooked but was given careful consideration.

It was generally agreed that the possible psychological effect on
the stock market should not be allowed to act as a bar from
doing what was best for agriculture and commerce; that if
necessary, direct action should be used to control speculation.

C.S.H. said that while he rested his opinion primarily on domestic
grounds as herebefore explained, he agreed with Gov. Strong
as to the gain to our agricultural exports from retaining
groups in stabilizing the purchasing power.

C.S.H. moved that it be the opinion of the Board that the F.R.
banks should reduce discount rates.

Gov. Strong and Gov. Norris thought it inadvisable to send out that
the F.R. banks might construe as an order to reduce. (Gov. Strong
denies that the Board has any such power.)

After lunch Gov. Strong reported a draft of minutes of the meeting
with a declaration that they represented the sentiment of the
Board, and putting every statement which could be connected
as a discussion or order.

It was moved and passed unanimously.
July 27, 1927. 16

Discount rates (Cont'd.)

C.S.H. moved Committee be authorized to purchase up to 50 million
bonds. Passed unanimously.
July 27, 1927. 18

C.S.H. reported that he based his desire for lower rates primarily
on domestic grounds, although he fully agreed with Gov. Stone
as to the international grounds.
July 27, 1927. 17

Board approves decrease at Kansas City to 3 1/2%
July 28, 1927. 18

Boston, Cleveland, and New York reduce to 3 1/2%
Aug. 1 - 4, 1927. 18

Gov. C. calls C.S.H. up at headquarters

Quotes Wall St. Journal - F.R. Bank, Chicago, will deny Board and
will not lower its rates.

Wires Heath demanding explanation.

Heath denies emanated from F.R. Bank. Says he, Comptroller, and
James want to put in a 3 1/2% rate.

Has wired Cunningham.

Asks C.S.H. for opinion

C.S.H. will wait until Monday

C.S.H. talks with Platt

Platt objects to insisting a rate.

Said it was Executive Committee which declined to lower the rate,
but that directors had not met.

Aug. 4, 1927. 18

Platt writes C.S.H. as above.

Aug. 5, 1927. 18

Executive Committee of Chicago bank votes for no change in rate.
Aug. 26, 1927. 22

Gov. C. wants to reduce rate of 3 1/2% at Chicago.
C.S.H., Platt and Comptroller object.
Motion went over.

C.S.H. and Platt opposed as Board has not asked any bank to reduce
but merely sent each bank the minutes of the Board's meeting
with Open Market Committee in which the feeling was expressed
that rates should be reduced.

Discount rates (Cont'd.)

Philadelphia had a meeting before N. Y. reduced and decided
not to reduce for the present, at least.

Gov. Norris told C.S.H. that Wayne objected for the reason,
Gov. Norris believes, that a reduction would necessitate
lower customers rates.

Richmond also refused to reduce, but agreed to wire its directors
if 2 more banks reduced.

Atlanta reduced today and Dallas yesterday.
Aug. 12, 1927. 19, 20

Richmond reduces to 3 1/2%.
Aug. 15, 1927. 20

All F.R. Banks have reduced except Chicago, Phila. and Minn.
and San Francisco.
Aug. 16, 1927. 20

Board met to consider Chicago rate question.

Last week Heath wrote that the Executive Committee at its meeting
at which 3 were present, although personally inclined to
reduce, yet did not reduce because of absence of 3 members
known to be opposed.

Governor Crissinger, James, Cunningham and Comptroller replied,
acting as Executive Committee, that the Board did not approve
action in keeping rate as it was.

Heath replied that the directors would meet on Friday, Sept. 9th,
and he was confident they would reduce, as reply to Heath was
first official intimation that the Board wished a reduction.

Heath also said Simpson, one of his directors, had said he would
vote to reduce if the Board wished it.

Question first arose on motion to ratify the minutes of the above
Executive Committee action of the Board.

Platt objected, as Executive Committee was given no authority to
disapprove any rate: - its authority was specifically limited
to approve any proposed reduction to 3 1/2% if at the time no
quorum of Board was present.

Discount rates (Cont'd.)

C.S.H. agreed with Platt.
The motion to ratify was passed.

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

Cunningham moved to initiate and put in a 3 1/2% rate at Chicago.

C.S.H. moved as a substitute that the existing 4% rate (disapproved by our Executive Committee) be held to be the lawful rate until the close of business on Friday, Sept. 9th. (the date of the directors meeting)

Miller objected to C.S.H. substitute motion as it might be construed by Chicago as a willingness of the Board not to change the 4% rate if the directors on Sept. 9th should so vote.

Miller said, however, that he sympathized with C.S.H.'s motion.

C.S.H. said he offered the motion for fear there might not be any lawful rate after the disapproval by Executive Committee of Board.

C.S.H.'s substitute motion was defeated.

Aye: Platt, C.S.H.
No: Gov. C., Comptroller, James, Cunningham
Not voting: Miller
Friday, Sept. 6, 1927.
24, 25, 26

C.S.H. then moved as a substitute that the matter be postponed until after the Chicago directors, Friday, Sept. 9, 1927.

C.S.H. said evident that Chicago directors will reduce on Friday, as stated by Heath; extraordinary to take such precipitate action now when by waiting until Friday action would come of itself.

James insisted on settling the question now and not waiting; that a good reason for acting now was that John Mitchell, one of the Chicago directors, had asked Boehme, a St. Louis director, not to reduce the St. Louis rates as such action would cut down the profits of the member banks.

C.S.H.'s substitute motion was lost.

Aye: Platt, Miller, C.S.H.
No: Gov. C., Comptroller, James, Cunningham.
Sept. 6, 1927. 26

Discount rates (Cont'd.)

Philadelphia had a meeting before W. I. reduced and decided not to reduce for the present, at least.

Gov. Morris told C.S.H. that Morris objected for the reason Gov. Morris believes that a reduction would necessitate lower discount rates.

Richmond also refused to reduce, but agreed to give the directors 1 1/2 more banks reduced.

Atlanta reduced today and Dallas yesterday.
Aug. 12, 1927. 19, 20

Richmond reduced to 3 1/2%.
Aug. 16, 1927. 20

All F.N.B. banks have reduced except Chicago, Phila. and Minn. and San Francisco.
Aug. 18, 1927. 20

Board met to consider Chicago rate question.

Last week Heath wrote that the Executive Committee at its meeting at which 3 were present, although generally inclined to reduce, yet did not reduce because of absence of 3 members known to be opposed.

Governor Crissinger, James, Cunningham and Comptroller waited acting as Executive Committee, that the Board did not approve action in keeping rate as it was.

Heath replied that the directors would meet on Friday, Sept. 9th, and he was confident they would reduce, as reply to Heath was first official indication that the Board wished a reduction.

Heath also said Simpson, one of his directors, had said he would vote to reduce if the Board wished it.

Question first arose on motion to ratify the minutes of the above Executive Committee action of the Board.

Platt objected, as Executive Committee was given no authority to disapprove any rate: - its authority was specifically limited to approve any proposed reduction to 4% if at the time no change of Board was present.

Discount rates (Cont'd.)

Cunningham's motion to initiate a 3 1/2% rate was then debated.

C.S.H. said the Board had the power to put in a rate, the Attorney General having so advised us in 1919, but that the exercise of this admitted power at the present time would be extraordinary and unnecessary, as we knew from Heath that Chicago would reduce on Friday, only 3 days distant.

CSH said he personally believed rates should be reduced, and if he had been a director of the Chicago bank he probably, from his present knowledge, would have voted for a reduction, but that he should sustain the recommendation of F.R. bank directors unless it was clear that their judgment was wrong as they were the best judges of banking conditions in their district.

C.S.H. said he had in mind offering a resolution that Board would favorably entertain an application for a commodity rate of 3 1/2% on paper secured by warehouse receipts covering readily marketable agricultural staples where the customers rate did not exceed 6%.

C.S.H. said that the fundamental reason of most of the Board and of the Open Market Committee for favoring a reduction of rates was an International one, -the desire of New York to help Great Britain maintain its gold standard, which would be imperilled if the Bank of England increased its rate in order to prevent further gold imports from U.S. - which it would have to do if New York did not reduce its rate, as the spread between the Bank of England rate (4 1/2%) and the New York rate (4%) was not enough to prevent gold moving to U.S.

C.S.H. said there were good reasons for reducing the New York rate on stabilization of the gold standard in Great Britain and Europe would help its purchasing power for our agriculture and other exports.

C.S.H. said he did not believe the Board had lawful power to initiate a rate at Chicago for international reasons; nor to put in a uniform rate to help New York stabilize European currencies.

Sept. 6, 1927.

C.S.H. said he had stated at Open Market Conference that he believed rates should be reduced for local reasons, - a desire to help farmers move their crops; that while as a fact most of them might receive no such benefit, yet it made it possible for the member banks to give them lower rates.

Discount rates (Cont'd.)

C.S.H. agreed with Platt. The motion to initiate was passed.

Gov. C. S. Heath, Controller, James Cunningham
Not voting: Miller, C.S.H.

Cunningham moved to initiate and put in a 3 1/2% rate at Chicago.

C.S.H. moved as a substitute that the existing rate (disapproved by our Executive Committee) be held to be the lawful rate until the close of business on Friday, Sept. 8th. (the date of the directors meeting)

Miller objected to C.S.H. substitute motion as it might be construed by Chicago as a willingness of the Board not to change the rate if the directors on Sept. 9th should so vote.

Miller said, however, that he sympathized with C.S.H.'s motion.

C.S.H. said he offered the motion for fear there might be any lawful rate after the disapproval by Executive Committee of Board.

C.S.H.'s substitute motion was defeated.

Gov. C. S. Heath, Controller, James Cunningham
Not voting: Miller

Friday, Sept. 8, 1927.
24, 25, 26

C.S.H. then moved as a substitute that the rate be postponed until after the Chicago directors, Friday, Sept. 9, 1927.

C.S.H. said evident that Chicago directors will reduce on Friday, as stated by Heath; extraordinarily to take such precipitate action now when by waiting until Friday action would come of itself.

James insisted on settling the question now and not waiting; that a good reason for settling now was that John Mitchell, one of the Chicago directors, had asked Bohme, a St. Louis director, not to reduce the St. Louis rates as such action would cut down the profits of the member banks.

C.S.H.'s substitute motion was lost.

Gov. C. S. Heath, Controller, James Cunningham
Not voting: Miller, C.S.H.

Sept. 8, 1927. 28

Discount rates (Cont'd.)

James agreed to this and I think, also Cunningham.

Most of those at the Conference believed the farmers would receive no benefit.

Sept. 6, 1927. 27, 28

C.S.H. also said the power to initiate a rate should be exercised only under extraordinary conditions; that it would be the height of absurdity to put in this rate now when we knew that within 3 days the directors would put it in; that there was absolutely no emergency justifying action now.

Miller and Platt agreed with C.S.H.

Sept. 7, 1927. 28

Platt claimed the Board had no power to put in a rate except in connection with the establishment of some new rate asked for approval of Board; that a mere statement, "No change" was not such a request by the F.R. bank; that the Board never had so considered it, but merely "Noted" such cases.

C.S.H. disputed this pointing out that in the circulars of 1915 and 1918, - still in force, specifically defined such a notice as an application, and that the records in this case referred to the communication as a request for the establishment of a 4% rate.
Sept. 6, 1927. 29

Cunningham motion to put in the 3 1/2% rate was then passed.

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

Miller asked that the notice should state it was carried by a majority vote.

C.S.H. objected as it was a decision of the Board.

C.S.H. said, however, he should feel at liberty to state to any one exactly how the vote was cast, - especially to Senator Glass.

All agreed to this.

Sept. 6, 1927. 29

After the vote had been taken, Platt said Sec. Mellon would be back shortly and should be given an opportunity to be heard.

It was objected that the vote had been taken and must be announced to Chicago today.

Discount rates (Cont'd.)

Cunningham's motion to initiate a 3 1/2% rate was then debated.

C.S.H. said the Board had the power to put in a rate, the Attorney General having so advised us in 1919, but that the exercise of this admitted power at the present time would be extraordinarily and unnecessarily, as we know from Heath that Chicago would reduce on Friday, only 3 days distant.

C.S.H. said he personally believed rates should be reduced, and if he had been a director of the Chicago bank he probably, from his present knowledge, would have voted for a reduction, but that he should explain the recommendation of F.R. bank directors unless it was clear that their judgment was wrong as they were the best judges of banking conditions in their district.

C.S.H. said he had in mind offering a resolution that Board would favorably entertain an application for a commodity rate of 3 1/2% on paper secured by warehouse receipts covering really marketable agricultural staples where the customer rate did not exceed 3%.

C.S.H. said that the fundamental reason of most of the Board and of the Open Market Committee for favoring a reduction of rates was an international one - the desire of New York to help Great Britain maintain its gold standard, which would be imperilled if the Bank of England increased its rate in order to prevent further gold exports from U.S. - which it would have to do if New York did not reduce its rate, as the spread between the Bank of England rate (4%) and the New York rate (3 1/2%) was not enough to prevent gold moving to U.S.

C.S.H. said there were good reasons for reducing the New York rate on stabilization of the gold standard in Great Britain and Europe would help the purchasing power for our agriculture and other exports.

C.S.H. said he did not believe the Board had legal power to initiate a rate at Chicago for international reasons; nor to put in a uniform rate to help New York stabilize European currencies.

Sept. 6, 1927.

C.S.H. said he had stated at Open Market Conference that he believed rates should be reduced for local reasons, - a desire to help farmers move their crops; that while as a fact most of them might receive no such benefit, yet it made it possible for the member banks to give them lower rates.

Discount rates (Cont'd.)

Discount rates (Cont'd.)

C.S.H. did not know that Sec. Mellon would be back tomorrow. If he had he would have insisted on having the matter held up.

We adjourned until afternoon and then met again.

Meantime Gov. C. had talked with Chicago, and Gov. McDougal asked that our notice should read that the rate was fixed for Chicago instead of at Chicago, to which all agreed.

A telegram was then approved announcing the decision. Sept. 6, 1927. 29, 30

C.S.H. during the discussion, said that Gov. Crissinger in his letters and telegrams to Chicago, had made the issue an international and not a local one. *

Gov. Crissinger denied this and had read one of his letters saying that the issue was international and national. The context, however, clearly showed that by "National" he meant the interest of the Treasury; it clearly excluded all local considerations as to rates. *

Sept. 6, 1927. 30

Glass calls up C.S.H.

Was furious at decision.

Is preparing letter of protest to Governor Crissinger.

Board has no right to put in a rate at its own volition.

C.S.H. asks to see him before he sends the letter.

C.S.H. reminds Glass of his letter to Attorney General in 1919 and the opinion of Acting Attorney General King that the Board had such power.

Glass asks C.S.H. for a copy of his letter, marked to show any place in it in which he had advocated any such power.

Glass then called on C.S.H.

C.S.H. reads Glass his letter to Attorney General based on Elliott's opinion which Glass had enclosed.

Discount rates (Cont'd.)

Lester agreed to this and I think also Cunningham.

Most of those at the Conference believed the farmers would receive no benefit.

Sept. 6, 1927. 29, 30

C.S.H. also said the power to initiate a rate should be exercised only under extraordinary conditions; that it would be the right of assembly to put in this rate now when we know that within 3 days the directors would put it in; that there was absolutely no emergency justifying action now.

Miller and Platt agreed with C.S.H. Sept. 7, 1927. 30

Platt claimed the Board had no power to put in a rate except in connection with the establishment of some new rate asked for approval of Board; that a mere statement, "No change" was not such a request by the F.R.B. bank; that the Board never had so considered it, but merely "kidded" such cases.

C.S.H. disputed this pointing out that in the circulars of 1918 and 1919 - still in force, specifically defined such a notice as an application, and that the records in this case referred to the communication as a request for the establishment of a rate. Sept. 6, 1927. 30

Cunningham motion to put in the 3 1/2 rate was then passed.

Apr: Gov. C., Cunningham, Lester, Cunningham; Not: Platt, Miller, C.S.H.

Miller asked that the notice should state it was carried by a majority vote.

C.S.H. objected as it was a decision of the Board.

C.S.H. said, however, he should feel as liberty to state to any one exactly how the vote was cast, - especially to Senator Glass.

All agreed to this. Sept. 6, 1927. 30

After the vote had been taken, Platt said Sen. Mellon would be back shortly and should be given an opportunity to be heard.

It was objected that the vote had been taken and must be announced to Chicago today.

Discount rates (Cont'd.)

C.S.H. did not know that Sec. Waller would be back tomorrow. If he had he would have insisted on having the matter held

We adjourned until afternoon and then met again.

Next time Gov. C. had called with Chicago, and Gov. McDougall asked that our notice should read that the rate was fixed for Chicago instead of at Chicago, to which all agreed.

A telegram was then approved announcing the decision. Sept. 8, 1927. 31, 32

C.S.H. during the discussion, and that Gov. Crissinger in his letter and telegrams to Chicago, had made the issue an international and not a local one.

Gov. Crissinger denied this and had read one of his letters saying that the issue was international and national. The context, however, clearly showed that by "national" he meant the interest of the Treasury; it clearly excluded all local considerations as to rates.

Sept. 8, 1927. 30

Glass calls up C.S.H.

and further as to decision.

is preparing letter of protest to Governor Crissinger.

Board has no right to put in a rate at its own volition.

C.S.H. asks to see him before he sends the letter.

C.S.H. reminds Glass of his letter to Attorney General in 1919 and the opinion of Acting Attorney General King that the Board had such power.

Glass asks C.S.H. for a copy of his letter, wanted to show any place in it in which he had advocated any power.

Glass then called on C.S.H.

C.S.H. reads Glass his letter to Attorney General based on Elliott's opinion which Glass had enclosed.

Discount rates (Cont'd.)

C.S.H. pointed out that Glass wrote Attorney General that he agreed with every word in Elliott's opinion and that it could have been expressed much stronger.

This staggered Glass who said his reason for asking the opinion was that Governor Strong wanted to increase certain rates in New York which Leffingwell and he believed would injure Treasury operations, and that direct action should be used to control credit.

C.S.H. said the controversy with Governor Strong was no reason for asking the opinion of the Attorney General, for it was clear that Federal Reserve banks could not fix rates without approval of the Board.

Glass finally said he had had a violent dispute with Governor Strong and that he probably wanted to show him that the Board had full power.

Glass also said that his request for an opinion grew out of war exigencies and the opinion should not govern in peace times.

C.S.H. said Glass would hardly want to announce this to the public and here replied "Decidedly No."

Sept. 7, 1927. 31, 32

C.S.H. told Glass he believed this power was absolutely essential but should be exercised only in grave emergencies; that he could not strongly enough condemn the particular exercise of the power; that he felt Congress should amend the Act to require at least 5 affirmative votes to exercise it.

Glass said Congress must take this up and he would give it careful consideration.

Glass said it was an evidence of the desire of certain members to centralize authority in the Board.

C.S.H. agreed to this in this instance but not as to the power itself.

Glass said under such a power the Board could put in one uniform rate in the 12 districts, which Congress never intended; that it was the uniform rate as much as anything else which killed the Aldrich bill.

C.S.H. agreed there should be some limitation of the power.

Glass said if the Board has it it is unlimited; that the Board could fix rates so as to draw all the money of the country into N.Y. or vice versa.

Discount rates (Cont'd.)

C.S.H. pointed out that Glass wrote Attorney General that he agreed with every word in Elliott's opinion and that it could have been expressed much stronger.

This statement Glass made was a reason for asking the opinion of the Attorney General, for it was clear that Federal Reserve banks could not fix rates without approval of the Board.

Glass finally said he had had a violent dispute with Governor Strong and that he probably wanted to show him that the Board had full power.

Glass also said that his request for an opinion grew out of his exchanges and the opinion should not govern in future times.

C.S.H. said Glass would hardly want to announce this to the public and have replied "Naturally."

Sept. 7, 1927. 31

C.S.H. told Glass he believed this power was specifically essential but should be exercised only in grave emergencies; that he could not strongly condemn the particular exercise of the power; that he felt Congress should amend the act to require at least a affirmative vote to exercise it.

Glass said Congress must take this up and he would give it careful consideration.

Glass said it was an evidence of the desire of certain members to centralize authority in the Board.

C.S.H. agreed to this in this instance but not as to the power itself.

Glass said under such a power the Board could put in one uniform rate in the 12 districts, which Congress never intended; that it was the uniform rate as much as anything else which killed the Aldrich bill.

C.S.H. agreed there should be some limitation of the power.

Glass said if the Board has it is unlimited; that the Board could fix rates so as to draw all the money of the country into N.Y. or vice versa.

Discount rates (Cont'd.)

C.S.H. agreed the power was subject to abuse and he would agree to any reasonable limitation of it.

C.S.H. said suppose all the F.R. banks but one had a 3% rate but that one, e.g. Chicago, insisted on keeping in a 5% rate, or suppose all the F.R. banks kept in an absurdly high rate and refused to change. To protect the interest of the public the Board should have power to put in a proper rate.

Glass said this was an extreme case.

C.S.H. replied you must test the matter by quoting extreme cases.

Glass said Congress never intended to grant such a power.

C.S.H. agreed Congress may not have had this specific power in mind but said this would not prevent a court from ruling that it had the power.

Glass finally said his action in approving Elliott's opinion in his letter to the Attorney General showed the futility of doing a bad thing for good purposes.

C.S.H. said - we are in a fix - you must help us out of it!

Glass replied, I agree but it is I who am in the fix! Sept. 7, 1927. 31, 32, 33, 34, 35

Early this a.m. C.S.H. told Mills of the Board action. He was very indignant. Sept. 7, 1927. 35

Gov. Strong lunches with C.S.H. at Cosmos Club. He said he called up Governor Crissinger Tuesday a.m. Sept. 6th; that Gov. C. said the Board would put in the 3 1/2% rate that morning; that he protested against said action; that he told Gov. Crissinger he was to meet Sec. Mellon - just returned from abroad, - later in the morning and would discuss the situation with him; that later in the morning he had a conference with Sec. Mellon who was greatly disturbed and requested him to call up Gov. C. and tell him he would like to be heard on this matter tomorrow - Wednesday - morning when he would be back at his office. Gov. Strong said he called up Governor Crissinger about noon and delivered Sec. Mellon's message but that Gov. C. told him the vote had already been taken.

Sept. 9, 1927. 35

Discount rates (Cont'd.)

Governor Crissinger referred to Governor Strong's talk with him over the telephone from N.Y. on Tuesday - exactly as Gov. Strong told C.S.H.

Governor Crissinger later said Governor Strong reported to him his talk with Mellon but he told him the Board had already settled the matter.

C.S.H. believes Governor Crissinger clearly disloyal in not telling the Board of Sec. Mellon's request for postponement. Sept. 15, 1927. 38, 39

At dinner given by Federal Advisory Council Mr. Heard told C.S.H. that, in view of Governor Crissinger's resignation, the Council would soft pedal its censure of the Chicago matter for fear of injury to F.R. System, altho it considered the Board's action arbitrary and unjustifiable, especially in view of Heath's letter.

Sept. 15, 1927. 39

After the dinner C.S.H. had a talk with Sec. Mellon, who was present.

Sec. Mellon said it was incomprehensible to him how the majority could have acted so foolishly and asked me what their reasons were.

C.S.H. said he believed it was anger and vindictiveness because of the Wall Street Journal article stating that the Board had asked Chicago to reduce but that it had positively or would positively decline; that Governor C. wired Heath that, in connection with the newspaper statements, three of the Board wished to put in a 3 1/2% rate at once.

C.S.H. said Heath denied that these press statements were inspired by or given by the F.R. bank officers, and yet Governor C. sent this telegram; that the desire to punish some one was thus clearly shown on the record; that the exciting cause could not have been to put in the rate, as Heath's telegram clearly showed that the Directors would put in the 3 1/2% rate on Friday when they were to meet, - only 3 days later.

Sec. Mellon confirmed what Gov. Strong told C.S.H. as to his talk with him and his message through Governor Strong to Gov. Crissinger to hold up the matter until the next day when he would be in Washington. He added that he could not go to Washington on Tuesday because of imperative engagements, but felt that one day's delay would mean nothing.

Sept. 15, 1927. 39

Discount rates (Cont'd.)

Governor Crissinger never mentioned this to the Board, but after the vote had been taken when Platt suggested that Sec. Mellon would soon be back in Washington, Governor Crissinger merely said that Sec. Mellon would be back tomorrow morning. He evidently learned this from his talk with Gov. Strong, but he never told the Board that Sec. Mellon had requested a postponement.

If Governor Crissinger had given us Sec. Mellon's message, Platt and C.S.H. would have insisted on a reconsideration and postponement until the next day.

C.S.H. is satisfied that Governor Crissinger concealed Sec. Mellon's request for postponement from the Board knowing that Sec. Mellon would oppose putting in the rate, and that he was disloyal both to Sec. Mellon and the Board.

Sept. 9, 1927. 38, 39

C.S.H. sees in Boston Herald a telegram from Glass to the Baltimore Sun attacking the action of the Board, and claiming at first that the Board's power was limited to extraordinary emergencies, but later denying any such power in the Board except where a F.R. Bank has filed an application for a new rate.

C.S.H. can not see how Glass can reconcile this with his letter to Attorney General in 1913.

Miss Loring telephoned C.S.H. in Washington and says she is forwarding a letter from Glass.

Sept. 10, 1927. 38

Received Glass's letter enclosing an interview from Baltimore Sun. In it Glass accuses Board of the power but that it should be exercised only under emergency; that this was not such an emergency and that the exercise of the power in the case satisfied him that the Wall Street Journal article was correct and that a majority of the Board was trying to exaggerate the functions of a central bank. At last Glass is on solid ground.

Sept. 12, 1927. 37

Platt told C.S.H. that a meeting today morning was held about the Chicago rate case.

Gov. C. tells C.S.H. he has resigned.

C.S.H. asked Governor C. how Sec. Mellon would have voted on Chicago rate case had he been present.

Gov. C. did not answer directly, but said Sec. Mellon told him he could have voted by majority had he been there.

Discount rates (Cont'd.)

Sec. Mellon told C.S.H. he had asked Wyatt to prepare a letter to the Attorney General asking his opinion; that Chicago had asked him to do this.

C.S.H. said if the Attorney General should reverse Acting Attorney General King's opinion of 1919 it would inject politics into the situation to the injury of the F.R. System; that to avoid this Glass might write him asking for such an opinion, thus keeping politics out.

Sec. Mellon said he could hardly ask Glass to do this as he was not an officer of the F.R. System.

C.S.H. said he intended on his own responsibility to ask Glass to do this; that Sec. Mellon would know nothing of it unless and until such a letter came.

C.S.H. asked Sec. Mellon to hold up his proposed letter to the Attorney General for a few days, which he agreed to do.

C.S.H. said he did not believe the Attorney General would reverse King's opinion, and Sec. Mellon agreed with him saying the Board had the power but should exercise it only in extraordinary emergencies which the present case was clearly not one.

C.S.H. said he should shortly suggest a new by-law providing for 5 affirmative votes, which pleased Mellon.

C.S.H. said Gov. Harding's letter should be attached to any request for an opinion.

C.S.H. explained Glass's views.

C.S.H. said that the statement that Glass said Gov. Strong once made to him that the F.R. bank had the right to establish a rate wholly apart from the Board, probably meant that Gov. Strong had the same views as Gov. Harding now had, and that Glass and Leffingwell wanted to show Gov. Strong that the Board could do as it pleased in any rate matter.

C.S.H. also explained to Sec. Mellon that Leffingwell once charged that Gov. Strong had promised the Bank of England to increase F.R. Bank of New York rates, and when he found he could not make good generally, he tried to put in a higher rate on an issue of Treasury certificates than the certificates were to carry, intending thereby, out of a feeling of vindictiveness, to wreck the issue.

Sept. 13, 39, 41, 42, 43

Discount rates (Cont'd.)

Governor Crissinger referred to Governor Strong's talk with him over the telephone from N.Y. on Tuesday - exactly as Gov. Strong told C.S.H.

Governor Crissinger later said Governor Strong reported to him his talk with Mellon but he said him the Board had already decided the matter.

C.S.H. believes Governor Crissinger clearly disloyal in not telling the Board of Sec. Mellon's request for postponement. Sept. 13, 1937, 39

It dinner given by Federal Advisory Council Mr. Hard said C.S.H. that, in view of Governor Crissinger's resignation, the Council would not be able to carry out the Chicago matter for fear of injury to F.R. System, which is considered the Board's action arbitrary and unjustifiable, especially in view of Health's letter. Sept. 13, 1937, 39

After the dinner C.S.H. had a talk with Sec. Mellon, who was present. Sec. Mellon said it was incomprehensible to him how the majority could have acted so foolishly and asked me what their reasons were.

C.S.H. said he believed it was anger and vindictiveness because of the Wall Street Journal article stating that the Board had asked Chicago to reduce but that it had positively or would positively decline; that Governor C. wired Health that in connection with the newspaper statements, three of the Board voted to put in a 3 1/2 rate at once.

C.S.H. said Health doubted that these press statements were inspired by the F.R. bank officers, and yet Governor C. sent this telegram; that the desire to punish some one was there clearly shown on the record; that the exciting cause could not have been to put in the rate, as Health's telegram clearly showed that the Director would put in the 3 1/2 rate on Friday when they were to meet - only 3 days later.

Sec. Mellon confirmed what Gov. Strong told C.S.H. as to his talk with him and his message through Governor Strong to Gov. Crissinger to hold on the matter until the next day when he would be in Washington. He added that he could not go to Washington on Tuesday because of legislative engagement, but felt that one day's delay would mean nothing.

Discount rates (Cont'd.)

Discount rates (Cont'd.)

The Federal Advisory Council at its meeting with the Board discussed the Chicago rate question at great length.

Cunningham and James were put on the rack and asked to explain what emergency there was which would not admit of waiting from Tuesday to Friday.

Their replies were unsatisfactory and almost grotesque.

Heath's letter to the Board was read, as also C.S.H.'s two motions based on the letter.

Dr. Miller said that although he did not believe the order should have been issued and so voted, yet that if the Directors at the meeting had refused to reduce, he would then have voted to put in the rate, had such a motion been made.

This greatly surprises C.S.H. for he believed Miller was opposed to any reduction and when he went West he stopped over at Chicago and Minneapolis and later attended a directors meeting at San Francisco, - all of which banks at first refused to reduce rates.

News came to C.S.H. also that Miller in discussing the matter with bankers, on his trip, opposed reduction.
Sept. 16, 1927. 43, 44

After the conference with the Federal Advisory Council, the Board withdrew and an hour later it asked the Board to come back, whereupon Mr. Wetmore read a resolution condemning the action of the Board, but in very temperate language, Wetmore said the resolution would not be put in the general files of the Council and, consequently, would not be published as a part of its proceedings.
Sept. 16, 1927. 44

Early this a.m., before the Council meeting, C.S.H. called up Glass at Lynchburg, Va., and said he was going to ask Sec. Mellon to request an opinion from the Attorney General and asked Glass if he would authorize C.S.H. to tell Sec. Mellon he would like to have this done.

Glass authorized C.S.H. to say this to Mellon.

C.S.H. then wrote Mellon and suggested sending Gover. Harding's letter also.

C.S.H. also told Mellon he would obtain from Gov. Harrison the opinion of John G. Johnson which should also be attached.

Discount rates (Cont'd.)

Sec. Mellon said C.S.H. had asked West to prepare a letter to the Attorney General asking his opinion; that Chicago had asked him to do this.

C.S.H. said if the Attorney General should reverse acting Attorney General King's opinion of 1919 it would injure politics and the situation to the injury of the U.S. System; that to avoid this Glass might write him asking for such an opinion, and having politics out.

Sec. Mellon said he could hardly ask Glass to do this as he was not an officer of the U.S. System.

C.S.H. said he intended on his own responsibility to ask Glass to do this; that Sec. Mellon would know nothing of it unless and until such a letter came.

C.S.H. asked Sec. Mellon to hold up his proposed letter to the Attorney General for a few days, which he agreed to do.

C.S.H. said he did not believe the Attorney General would reverse King's opinion, and Sec. Mellon agreed with him saying the Board had the power but should exercise it only in extraordinary emergencies which the present case was clearly not one.

C.S.H. said he should shortly suggest a new law providing for a definitive vote, which pleased Mellon.

C.S.H. said Gov. Harding's letter should be attached to his report for an opinion.

C.S.H. explained Glass's views.

C.S.H. said that the statement that Glass said Gov. Strong once made to him that the U.S. Bank had the right to establish a rate wholly apart from the Board, probably meant that Gov. Strong had the same view as Gov. Harding now had, and that Glass and Lottinwell wanted to show Gov. Strong that the Board could do as it pleased in any rate matter.

C.S.H. also explained to Sec. Mellon that Lottinwell once charged that Gov. Strong had promised the Bank of England to increase U.S. Bank of New York rate, and when he found he could not make good generally, he tried to put in a higher rate on an issue of Treasury certificates, but the certificates were to carry, including thereby, out of a feeling of vindictiveness, to work the issue.
Sept. 16, 1927. 43, 44

Discount rates (Cont'd.)

The Federal Reserve Board at its meeting with the Board discussed the Chicago rate question at great length.

Quinn Tamm and James were out on the rack and asked to explain what emergency there was which would not admit of waiting until Friday.

Their replies were unsatisfactory and almost profane.

Harris's letter to the Board was read, as also C.S.H.'s two motions based on the letter.

Dr. Miller said that although he did not believe the order should have been issued and so voted, yet that if the directors at the meeting had refused to reduce, he would then have voted to put in the vote, had such a motion been made.

This greatly surprised C.S.H. for he believed Miller was opposed to any reduction and when he went West he stopped over at Chicago and Minneapolis and later attended a directors' meeting at San Francisco, - all of which banks at first refused to reduce rates.

Now came to C.S.H. also that Miller in discussing the matter with bankers on his way, opposed reduction.

Sept. 16, 1927. 45, 46

After the conference with the Federal Reserve Board, the Board withdrew and an hour later it asked the Board to come back, whereupon Mr. Wetmore read a resolution condemning the action of the Board, but in very temperate language. Wetmore said the resolution would not be put in the general files of the Council and, consequently, would not be published as a part of its proceedings.

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Glass authorized C.S.H. to say this to Mellon.

C.S.H. then wrote Mellon and suggested sending Gov. Harding's letter also.

C.S.H. also told Mellon he would obtain from Gov. Harrison the opinion of John G. Johnson which should also be attached.

Discount rates (Cont'd.)

C.S.H. called up Harrison who said he would obtain authority from Gov. Strong to send C.S.H. the Johnson opinion and also one from White and Case, given to the N.Y. directors.

Harrison later called up C.S.H. and said that Alexander, the N.Y. member of the Council, had with him both opinions, and asked C.S.H. to tell him to deliver both to Sec. Mellon.

In the afternoon, C.S.H. had a talk with Sec. Mellon to tell him how matters were going, and while with him Alexander called and gave C.S.H. the opinions which C.S.H. at once turned over to Mellon.

C.S.H. told Mellon the usual procedure was to have Wyatt draft a letter for the Secretary to sign, and that the above opinions should be attached to it.

C.S.H. again explained to Sec. Mellon that Glass's request that an opinion be obtained would remove the question from politics in case King's opinion should be reversed, as Sec. Mellon could say that two Democrats, - Glass and C.S.H. joined in the Chicago request.

Sec. Mellon said he saw the point and seemed much pleased.
Sept. 16, 1927. 45, 46

C.S.H. has a good talk with Alexander as to the Chicago rate case.

C.S.H. asked Alexander to find out from Gov. Strong the exact time of his second talk with Gov. Crissinger on Tuesday, Sept. 6th.
Sept. 16, 1927. 47

At 5:30 Glass called up C.S.H. and asked as to what action the Federal Advisory Council had taken as to the Chicago rate case.

C.S.H. said it had passed a resolution condemning the Board but would not publish it.

Glass was indignant and said it must be published.

C.S.H. later wrote Glass to regard his statement as confidential.

About 10:30 p.m. Platt called up saying Glass had called him up and was very angry because the Council was not to publish its resolution and said he would write Wetmore and would regard his knowledge of the Council resolution as confidential.

C.S.H. gave Platt Wetmore's address to give to Glass.
Sept. 16, 1927. 48

Discount rates (Cont'd.)

Glass calls up C.S.H. and asks for Wetmore's address. Said he would demand that Council resolution be made public; that he would write President Coolidge and advise him to remove the Comptroller, James and Cunningham.

Sept. 17, 1927. 49

Curtiss tells C.S.H. in Boston he had heard that Dr. Miller was responsible for the statements in the Chicago papers that the Federal Reserve bank would defy the Board, which caused the majority to put in the 3 1/2% rate.

Sept. 19, 1927. 50

Eddy wires C.S.H. that the telegram to Chicago bank putting in the 3 1/2% rate was filed with the Board's telegraph office at 12:23 p.m. (N.Y. time 1:23 p.m.) and put a Chicago wire at 12:44 p.m. (N.Y. time 1:44 p.m.).

Sept. 19, 1927. 50, 51

Gov. Strong calls up C.S.H. from New York and said that his telephone message to Governor Crissinger that Sec. Mellon asked postponement until the next day, was delivered by him to Gov. C. before 12:23 p.m. (N.Y. 1:23 p.m.) when the Board's wire to Chicago was sent.

Sept. 20, 1927. 51

Gov. Harding, in a letter to Gov. C., Platt and Gov. Norris suggested a construction of "established" which appeals to C.S.H. and which he hopes Sec. Mellon will attach to his letter to Attorney General. (See scrap books)

Sept. 21, 1927. 53

Ogden Mills tells C.S.H. he is satisfied Governor C. was disloyal in Chicago rate case.

Sept. 26, 1927. 54

Mills said he believed Attorney General would sustain King's opinion and this would stiffen up the majority.

Mills said Gov. Strong had suggested a by-law providing for 5 affirmative votes.

C.S.H. said he had already told the Federal Advisory Council he would prepare such a by-law.

Discount rates (Cont'd.)

Mills said the Chicago bank would drop its request for an opinion if such a by-law were adopted.

Mills and C.S.H. agreed that C.S.H. should offer such a by-law and said Sec. Mellon would like Newton Baker's opinion on its legality.

Sept. 26, 1927. 54, 55

Platt tells C.S.H. he distinctly remembers that Gov. C. was called out of the Board meeting to answer a N.Y. telephone call, before the Board sent the Chicago telegram.

This clinches Governor C's disloyalty.

Sept. 26, 1927. 55

Board met

Present:

Sec. Mellon, Platt, Miller, James, C.S.H.

C.S.H. gave formal notice of a new by-law, - 5 affirmative votes.

James objected saying he felt bound by Wyatt's opinion until reversed by Courts.

Miller suggested unanimous agreement.

James said he never would agree.

James said he might agree to ask Baker's opinion if the opinion of the Attorney General also should be asked for.

C.S.H. said he doubted the correctness of Wyatt's adverse opinion and Sec. Mellon agreed with C.S.H.

Miller said he agreed as to necessity for 5 affirmative votes when no application for a rate had been made by a bank, but he thought a majority could substitute a rate other than that established by a F.R. bank.

C.S.H. said his by-law would provide:

Initiation of a rate, - 5 affirmative votes.

Change in rate suggested for approval, - 5 affirmative votes.

James said he would favor a gentleman's agreement covering C.S.H.'s by-law.

Discount rates (Cont'd.)

Glass calls up C.S.H. and asks for Westover's address. Said he would demand that Council resolution be made public; that he would write President Coolidge and advise him to remove the Comptroller, James and Cunningham.

Sept. 17, 1927. 48

Christie calls C.S.H. in Boston he had heard that Dr. Miller was responsible for the statements in the Chicago papers that the Federal Reserve Bank would deny the Board, which caused the majority to get in the 5% rate.

Sept. 19, 1927. 50

Edy writes C.S.H. that the telegram to Chicago bank meeting in the 5% rate was filed with the Board's telegraph office at 12:30 P.M. (N.Y. time 1:30 p.m.) and put a Chicago wire at 12:44 p.m. (N.Y. time 1:44 p.m.).

Sept. 19, 1927. 50, 51

Strong calls up C.S.H. from New York and asks that his telephone message to Governor Outwater and Sec. Mellon about Government until the next day, was delivered by him to Gov. C. before 12:30 p.m. (N.Y. time 1:30 p.m.) when the Board's wire to Chicago was sent.

Gov. C. never mentioned this message to the Board, but deliberately withheld it, as C.S.H. believes conclusively proved, in order to tamper with the Chicago rate. He was disloyal both to Secretary Mellon and to the Board.

Sept. 20, 1927. 51

Gov. Harding, in a letter to Gov. C., Platt and Gov. Morris suggested a construction of "established" which applies to C.S.H. and which he hopes Sec. Mellon will attach to his letter to Attorney General. (See extra books)

Sept. 21, 1927. 52

Ogden Mills calls C.S.H. he is satisfied Governor C. was disloyal in Chicago rate case.

Sept. 22, 1927. 52

Mills said he believed Attorney General would sustain King's opinion and this would settle up the majority.

Mills said Gov. Strong had suggested a by-law providing for 5 affirmative votes.

C.S.H. said he had already told the Federal Reserve Board he would support such a by-law.

Discount rates (Cont'd.)

Agreed that C.S.H. should draw up a gentleman's agreement to be submitted at next meeting when Gov. Young qualifies.

James refusal to agree to a unanimous vote for the new by-law kills it, for clearly the Board could not pass such a by-law by a majority vote.

Wyatt at C.S.H.'s request draws up a gentleman's agreement which C.S.H. did not like. Wyatt doubted its advisability and begged us to go to Congress for relief.

Sept. 27, 1927. 58

C.S.H. draws up gentleman's agreement and shows it to Sec. Mellon. He approved it except the clause "pending the determination of the matter" which rather bound Board to ask opinion of Attorney General.

Sept. 29, 1927. 59

Comptroller urges Gov. Strong not to press the Gentlemen's agreement now as James is inclined to be ugly.

Gov. Young suggested holding it up for a few days.

Oct. 4, 1927. 62

Glass called and said matter will come up in Congress unless Federal Advisory Council publishes its resolution and Board passes the by-law.

Oct. 4, 1927. 64

Delano tells C.S.H. Richmond would soon put up its rate as it was not earning its expenses.

Oct. 4, 1927. 64

After a talk with Sec. Mellon C.S.H. asked for more time on gentleman's agreement. Agreed to.

Oct. 5, 1927. 63

C.S.H. feels Comptroller will try to stave off the gentlemen's agreement as it reflects on himself, having voted to put in the Chicago rate.

C.S.H. feels a majority of present Board is opposed to precipitate initiation of a rate, but that it should pass the by-law to keep the matter out of Congress.

Oct. 5, 1927. 63

Gov. Young tells C.S.H. that Cunningham and James will not agree to any by-law or even a gentlemen's agreement as they are getting support from agricultural papers in west and northwest.

Discount rates (Cont'd.)

Gov. Young suggested holding it up and he would try to persuade them.

C.S.H. saw Sec. Mellon who favored letting matter rest for present.
Oct. 10, 1927. 65

Gov. Young said Comptroller told him he did not know Secretary Mellon was coming back on next day; if he had known he would not have voted to put in the Chicago rate on Tuesday.

C.S.H. remembers that Comptroller was not in the meeting when Platt spoke of the Secretary's return shortly.
Oct. 10, 1927. 65

Gov. Young says he has suggested a by-law that before putting in a rate, ten days notice should be given to the Federal Reserve bank and a hearing should be held.

Gov. Young said Cunningham seemed to favor this.
Oct. 10, 1927. 65

Gov. Young said Gov. Strong told him he had just had a talk with Glass as to their rate controversy in 1919, and showed him a memorandum which Alexander had O.K.'d and that all their differences had been removed.
Oct. 12, 1927. 68

Federal Advisory Council give Board a copy of its resolution of Sept. 16, criticising Board's action in Chicago rate case.
Nov. 18, 1927. 83

Willis complains to C.S.H. of President Coolidge's claim as to low discount rates made in campaign of 1924.
Dec. 10, 1927. 91

Willis complains of Sec. Mellon's frequent interviews as to discount rates; also as to his statement that Gov. Young's appointment would not affect F.R. discount policy.

C.S.H. said this did not mean that Gov. Young was pledged to any discount rate policy.

C.S.H. said Sec. Mellon had never tried to dominate either as to discount rates or anything else.

C.S.H. said the Treasury had never dominated the Board except during the war when by putting in low rates on Treasury certificates it necessarily forced the F.R. Board and banks to give correspondingly low rates on paper secured by the certificates.
Dec. 10, 1927. 91

Discount rates (Cont'd.)

Dr. Miller says existing speculation on Wall Street was caused by low discount rates, etc. causing cheap money.

He forgets that under the existing 4% rate gold was coming into U.S. and would continue to come unless F.R. bank, New York, reduced its rate or Bank of England and other central banks increased their rates, which would injure our agricultural and other exports.

C.S.H. said lower discount rates helped the small manufacturer in the competition with the large manufacturer.

Miller denied this, claiming that easy money helped the big manufacturers crush the smaller ones.

Gov. Young asked Miller if he believed tight money helped the small manufacturer?

Miller did not reply. Jan. 9, 1928. 108

Gov. Young said securities should be sold first and pointed out that higher rates change only the cost and not necessarily the quantity of credit while sales of securities changes the quantity at once, and that this was the better course. Jan. 9, 1928. 108

Gov. Young says he thought N.Y. directors wanted to increase discount rates, and that Hoxton said Richmond wanted to increase; that he advised Hoxton to wait until after Open Market Committee meeting. Jan. 10, 1928. 109

The Board feels that before putting up rates we should sell securities and authorized Committee to sell from 50 to 75 millions, as requested by Committee. Jan. 10, 1928. 109

McGarrah, Woolley, and Raeburn came down to discuss discount rates.

McGarrah thought time was near for increase, altho he agreed to policy of selling securities first.

Woolley feared a rate increase might retard business which was showing slight improvement.

Raeburn thought rates should be increased and that it would not hurt business.

All agreed securities should be sold first. Jan. 11, 1928. 109, 110

Discount rates (Cont'd.)

Discount rates (Cont'd.)

Returning from New York after a consultation with Alexander, Miller vehemently opposed increasing discount rates to control the credit situation but favored continuance of sale of Govt. securities.

Jan. 11, 1928. 111, 170

Glass says Board has no power to put up discount rates to control stock speculation unless agriculture and business are being injured and even then he had some doubts as to Board's power.

Jan. 22, 1928. 113

Glass thought a slight increase in discount rates would neither hurt business nor control stock speculation.

Jan. 22, 1928. 114

Board discussed brokers loans.

Miller, who a week ago opposed any increase in discount rates shifted his ground and favored an increase.

Miller said New York was selling securities timorously and had no control over the situation.

C.S.H. asked Miller as to Glass's suggestion that bank Presidents be called together and admonished.

Miller said the bank Presidents were alive to the situation and could do nothing as the money came from outside N.Y.

Jan. 23, 1928. 115

Board considers Chicago application to increase rates to 4%.

Present: Sec. Mellon, Gov. Young, Miller, Comptroller, Cunningham and C.S.H.

James sent a letter favoring the increase.

Platt moved to approve.

Most of Board seemed to favor the increase.

C.S.H. said this was not an application for a uniform increase at all banks but simply from the F.R. Bank of Chicago; that if he had been a director of the Chicago bank he would, from his present knowledge, have voted against an increase, on the ground that he saw no reason from local conditions but merely a desire to reduce brokers loans in N.Y.; that agriculture and commerce were not affected by this speculation; that he did not want to chill the slight improvement in business; but

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Discount rates (Cont'd.)

Returning from New York after a consultation with Alexander, Miller vehemently opposed increasing discount rates to control the credit situation but favored continuation of sale of Govt. securities.

Jan. 11, 1928. 111, 110

Glass says Board has no power to put up discount rates to control stock speculation unless agriculture and business are being injured and even then he has some doubts as to Board's power.

Jan. 20, 1928. 112

Glass favored a slight increase in discount rates which would neither hurt business nor control stock speculation.

Jan. 22, 1928. 114

Board discussed brokers loans.

Miller, who a week ago opposed any increase in discount rates, shifted his ground and favored an increase.

Miller said New York was willing to restore temporarily and had no control over the situation.

C.S.H. asked Miller as to Glass's suggestion that Bank President be called together and abolished.

Miller said the Bank President were alive to the situation and could do nothing as the money came from outside N.Y.

Jan. 23, 1928. 115

Board considers Chicago application to increase rates to 4%.

Present: Sec. Mellon, Gov. Young, Miller, Cunningham, and C.S.H.

James sent a letter favoring the increase.

Plate moved to approve.

Most of Board seemed to favor the increase.

C.S.H. said this was not an application for a uniform increase at all banks but simply from the F.R. Bank of Chicago; that if he had been a director of the Chicago bank he would have voted against an increase on the ground that he saw no reason for local conditions but merely a desire to reduce brokers loans in N.Y.; that agriculture and commerce were not affected by this speculation; that he did not want to chill the slight improvement in business; but

Discount rates (Cont'd.)

That Heath's telegram gave reasons based on local conditions, - that F.R. rates were out of line with customers rates, - $3\frac{1}{2}\%$ to $4\frac{1}{2}\%$; that if our Board overruled the judgment of the F.R. bank directors as to local conditions, it was a responsibility which should not be assumed unless we were certain the F.R. bank directors were in error; that our effort to control conditions in N.Y. thru sales of Govt securities had not given us control of the situation as to brokers loans; that he could not feel certain that the judgment of the Chicago directors was wrong; that, to be sure somewhat regretfully, he had determined to vote to approve the increase.

- The other members, except Cunningham, expressed similar views.
- Cunningham could see no reason for increasing the rate.
- Board voted all in favor, except Cunningham, who voted No and said would place on file his reasons.
- Jan. 24, 1928. 115, 116, 117
- Cunningham filed his reasons for voting No.
- He said Chicago had advanced no reason for increase except to curb stock speculation until Heath sent his "inspired" statement that F.R. rates were out of line.
- He finally struck out "inspired."
- He claimed that by approving the increase the Board had in effect recorded itself as favoring control of stock speculation through rate increase, altho business was not being injured and no increase was needed for agricultural or business reasons. *
- C.S.H. believes there would be more force in Cunningham's reasoning, if Heath had not sent the telegram.
- Jan. 25, 1928. 118
- Board considers Richmond's application to increase to 4%.
- Cunningham introduced a resolution calling for a report by F.R. banks as to use of rediscounts for speculative purposes, which he claimed to be illegal under the terms of the F.R. Act.
- (Miller also claimed in his Boston speech of Nov. 17, 1925)
- Sec. Mellon came in and a long discussion followed.

Discount rates (Cont'd.)

That Heath's telegram gave reasons based on local conditions - that rates were out of line with discount rates - 3 1/2 to 4 1/2 - that if our Board overruled the judgment of the F.R. bank directors as to local conditions, it was a responsibility which should not be assumed unless we were certain the F.R. bank directors were in error; that our effort to control conditions in N.Y. via sales of Gov. securities had not given us control of the situation as to brokers loans; that he could not feel certain that the judgment of the Chicago directors was wrong; that, to be sure somewhat regrettably, he had determined to vote to approve the increase.

The other members, except Cunningham, expressed similar views.

Cunningham could see no reason for increasing the rate.

Board voted all in favor, except Cunningham, who voted No and said would place on the discussion.

Jan. 24, 1928. 118, 119

Cunningham filed his reasons for voting No.

He said Chicago had advanced no reason for increase except to curb stock speculation until Heath sent his "inspired" statement that F.R. rates were out of line.

He finally struck out "inspired".

He claimed that by approving the increase the Board had in effect recorded itself as favoring control of stock speculation through rate increases, also business was not being injured and no increase was needed for restriction of business reasons.

C.S.H. believed there would be more force in Cunningham's reasoning if Heath had not sent the telegram.

Jan. 25, 1928. 118

Board considered Richmond application to increase to 4 1/2.

Cunningham introduced a resolution calling for a report by F.R. banks as to use of redemptions for speculative purposes, which he claimed to be illegal under the terms of the F.R. Act.

(Miller also claimed in his Boston speech of Nov. 17, 1925)

Sec. Mellon came in and a long discussion followed.

Discount rates (Cont'd.)

Governor Young and Miller mildly criticized the resolution, pointing out that there were few, if any member banks who were continuous borrowers who were loaning any great amounts on call in New York; that the banks making large call loans were borrowing from the F.R. banks only temporarily from day to day.

Miller favored an increase in discount rates for reason that the higher rate would make them less likely to loan on call.

Miller gave the distinct impression that he favored control of speculative loans through discount rates rather than through direct control.

C.S.H. recommended Miller that in his Boston speech on Nov. 17, 1925, that it was illegal for F.R. banks to discount for banks carrying speculative loans.

Miller gave an equivocal reply and said his proposed letter to Federal Advisory Council, which the Board finally tabled, stated his attitude more plainly.

It was finally agreed that the resolution should be taken up next week, at a meeting to be fixed by the Governor in consultation with Sec. Mellon.

Board voted to approve Richmond increase.

Aye: Sec. Mellon, Gov. Young, Platt, Comptroller, C.S.H.
No: Cunningham.

Jan. 26, 1928. 120, 121

New York increases discount rates to 4 1/2.

Feb. 3, 1928. 123

Gov. Young tells Senate Committee on Banking and Currency that if brokers loans should increase so as to react on general business so as to encourage business speculation, the F.R. banks will increase rates and sell securities.

Gov. Young put the recent increase in discount rates as caused by gold movements and not for purpose of restraining speculation.
Mar. 7, 1928. 135

C.S.H. and Cunningham did not approve recent rate increase for purpose of restraining stock speculation.

Discount rates (Cont'd.)

Governor Young and Miller mildly criticized the resolution pointing out that there were few, if any member banks who were continuing borrowers who were loaning any great amounts on call in New York; that the banks making large call loans were borrowing from the F.R. banks only temporarily from day to day.

Miller favored an increase in discount rates for reasons that the higher rate would make them less likely to loan on call.

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Miller gave an equivocal reply and said his proposed letter to Federal Advisory Council, which the Board finally adopted, stated his attitude more plainly.

It was finally agreed that the resolution should be taken up next week at a meeting to be fixed by the Governor in consultation with Sec. Mellon.

Board voted to approve Richmond increase.

Aye: Gov. Young, Platt, Cunningham, C.S.H.
No: Cunningham

Jan. 25, 1928, 130, 131

New York increase discount rates to 4%
Feb. 8, 1928, 132

Gov. Young tells Senate Committee on Banking and Currency that if Federal Reserve Board should increase as he is to report on general business to an to encourage business speculation, the F.R. banks will increase rates and sell securities.

Gov. Young put the recent increase in discount rates as caused by gold movements and not for purpose of restricting speculation.
Mar. 7, 1928, 133

C.S.H. and Cunningham did not approve recent rate increase for purpose of restricting stock speculation.

Discount rates (Cont'd.)

C.S.H. felt the reduction to 3 1/2% per cent did not help borrowers generally, except in large cities to large borrowers, and left F.R. rates out of line with customers rates, especially at Chicago and Richmond; that going back to 4%, therefore, would not increase the vast majority of customers rates, but would merely permit F.R. banks to "feel the mouth" of the money horse, so to speak.

Nor did C.S.H. approve the reduction to 3 1/2% as a means of encouraging stock speculation.

Nor did C.S.H. base his approval of a 3 1/2% rate primarily on the international situation, as did the N.Y. directors.

C.S.H.'s views were expressed at the Open Market Committee meeting on July 27, 1927 (See p. 100, 101, 102, 103)

C.S.H. will approve an increase in rates to control speculation only when business and agriculture is threatened.

Even then C.S.H. would regret putting up agricultural and business rates to stop stock gambling, especially when crops were moving.
Mar. 7, 1928. 135, 136, 137

Meeting with Open Market Committee

Gov. Strong presented report favoring working for firmer money conditions but said this did not mean an increase in discount rates.

The Board voted to authorize further sales of Government securities but indicated its feeling that this did not in any way authorize an increase in discount rates.

C.S.H. said he believed a change in earning assets from Govt. securities to discounts would enable the F.R. banks better to handle the credit situation, without penalizing agriculture and commerce by increasing discount rates.

Cunningham voted to give authority to continue sales but concurred in C.S.H.'s explanation of his vote.

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

Mar. 26, 1928. 139, 140

Discount rates (Cont'd)

Miller filed a memorandum explaining his vote. He favored doing nothing as further sales would necessarily bring about an increase in discount rates.

Miller attacked the whole policy of purchase and sales of Govt. securities and said he had always opposed it.

As a fact Miller was originally one of its most enthusiastic supporters especially in 1924 and since then has blown hot and cold on the matter.

Mar. 26, 1928. 139, 140

Gov. Harding writes Board opposing putting a differential rate on 15-day collateral notes. Says his Executive Committee may vote to increase rates, but because of any local conditions, but merely to help the general situation; that while there is no necessity for increasing rates, the reserve ratio is low enough to justify it.

He asked what action Board will take if they apply for an increase. April 16, 1928. 148

Platt called up Gov. Case who said he was selling a considerable amount of securities; that he hoped Boston would increase its rates.

Sec. Mellon did not object to increase and said it might slow up the speculative market but would cause no disastrous break.

Miller came into C.S.H. room in p.m. Said had just been talking with Gov. Harding. Miller said Gov. Harding said discounts were increasing greatly and he suspected the proceeds were being used in the stock market and he felt the discount rate should be increased. (This seems totally inconsistent with his letter to C.S.H.)

Miller at first told Platt and C.S.H. we ought to have a meeting at once this afternoon and advise Harding the Board would approve.

Later Miller ^{changed} ~~varied~~ around and said we ought to ask Governor Harding to wait until his directors meeting before acting. - that putting up rates might chill business.

Finally we agreed to ask Gov. Harding not to take action at the Executive Committee meeting but to wait at least until his Board meeting on Thursday.

April 16, 1928. 148, 149

Board received application from Boston to increase to 4 1/2%.

Discount rates (Cont'd)

C.S.H. told the reduction to 3% was not to help borrowers generally, except in large cities to large borrowers, and left F.R.B. rates out of line with customer rates, especially at Chicago and Richmond; that going back to 4% therefore would not increase the vast majority of customer rates, but would merely make F.R.B. banks feel the mouth of the money horn, as to speak.

Not did C.S.H. approve the reduction to 3% as a means of encouraging stock speculation.

Not did C.S.H. base his approval of a 3% rate primarily on the international situation, as did the N.Y. directors.

C.S.H.'s views were expressed at the Open Market Committee meeting on July 27, 1927 (See p. 100, 101, 102, 103)

C.S.H. will approve an increase in rates to control speculation only when business and activities is threatened.

Even then C.S.H. would prefer putting up agricultural and business rates to stop stock speculation, especially when crops were moving. Mar. 7, 1928. 138, 139, 140

Meeting with Open Market Committee. Gov. Strong presented report favoring working for firmer money conditions but said this did not mean an increase in discount rates.

The Board voted to authorize further sales of Government securities but indicated its feeling that this did not in any way authorize an increase in discount rates.

C.S.H. said he believed a change in current assets for Govt. securities to discounts would enable the F.R.B. banks better to handle the credit situation, without penalizing agricultural and commerce by increasing discount rates.

Discussion voted to give authority to continue sales but concurred in C.S.H.'s explanation of his vote.

Gov. Jones, Platt, James, Cunningham, and C.S.H. Mr. Miller

Mar. 28, 1928. 143, 144

Discount rates (Cont'd.)

No quorum present: only Platt, Miller, James and C.S.H.

Curtiss called up C.S.H. and said his directors were unanimous; that their decision was based on local conditions entirely; that their earning assets had increased 40 millions since Saturday; that their reserve percentage was down to 56%; that they feared further trouble and hoped Board would decide the matter at once.

C.S.H. reported this to the Board and read Gov. Harding's letter to him of Saturday April 14, and said evidently conditions had changed and a rate increase was necessary purely from local conditions.

C.S.H. said that to refuse this request on ground that N.Y. should take care of the situation by sales of Government securities would be equivalent to saying that New York was the central bank of the U.S.

Miller, who on Monday afternoon wanted at first to approve the proposed increase, now said that approval would be equivalent to a declaration that the Board favored control of stock speculation through the discount rate, which he seemed to think indefensible.

C.S.H. replied that Curtiss and Governor Harding said the proceeds of the rediscounts were being used in speculative loans; that while theoretically, at least, the F.R. bank might have a right to refuse rediscounts, such a course was not practicable, as practically all the Boston banks were involved and it would be equivalent to shutting up the F.R. bank; that if the F.R. bank had the right to refuse discounts altogether, it surely had the right to grant them, but at higher rates, to discourage such rediscounts.

Miller said it would be a great stroke if the Boston bank would refuse to rediscount, and James agreed with him.

C.S.H. said Boston could not sell Govt. securities in amounts equal to New York and that rate increase was its only practicable remedy; that it would be monstrous to say to Boston that because New York can not control the situation by selling securities, Boston can not try to control it by increasing discount rates.

James said he thought the N.Y. pressure was producing results in that it was driving borrowers from N.Y. to Boston.

C.S.H. said then it would be absurd to refuse to permit Boston to protect itself by increasing its rates.

April 17, Tuesday, 1928. 150

Discount rates (Cont'd.)

Miller tried to explain his vote. He favored doing nothing as further sales would necessarily bring about an increase in discount rates.

Miller stated the whole policy of purchase and sale of Govt. securities and said he had always opposed it.

As a fact Miller was originally one of the most enthusiastic supporters especially in 1924 and since then has blown hot and cold on the matter.

April 16, 1928. 149

Gov. Harding writes Board opposing putting a differential rate on 15-day certificates. Says his Executive Committee may vote to increase rates, but because of local conditions but merely to help the general situation; that while there is no necessity for increasing rates, the reserve ratio is low enough to justify it.

He asked what action Board will take if they apply for an increase. April 16, 1928. 148

Platt called up Gov. Case who said he was selling a considerable amount of securities; that he hoped Boston would increase its rates.

Sec. Miller did not object to increase and said it might slow up the speculative market but would cause no disastrous break.

Miller came into C.S.H. room in p.m. Said he had just been talking with Gov. Harding. Miller said Gov. Harding said discounts were increasing greatly and he suggested the proceeds were being used in the stock market and he felt the discount rate should be increased. (This seems totally inconsistent with his letter to C.S.H.)

Miller at first told Platt and C.S.H. we ought to have a meeting as soon as this afternoon and advise Harding the Board would approve.

Later Miller veered around and said we ought to ask Governor Harding to wait until his directors meeting before acting - that putting up rates might chill business.

Finally we agreed to ask Gov. Harding not to take action at the Executive Committee meeting but to wait at least until his Board meeting on Thursday.

April 16, 1928. 148, 149

Board rejected application from Boston to increase to 4 1/2%

Discount rates (Cont'd.)

No quorum present: only Platt, Miller, James and C.S.H.

Director called up C.S.H. and said his directors were unanimous; that their decision was based on local conditions entirely; that their earnings assets had increased 40 million since Saturday; that their reserve percentage was down to 88%; that they feared further trouble and hoped Board would decide the matter at once.

C.S.H. reported this to the Board and read Gov. Harding's letter to him of Saturday April 14, and said evidently conditions had changed and a rate increase was necessary purely from local conditions.

C.S.H. said that to refuse this request on ground that N.Y. should take care of the situation by sale of Government securities would be equivalent to saying that New York was the central bank of the U.S.

Miller, who on Monday afternoon wanted at first to approve the proposed increase, now said that approval would be equivalent to a declaration that the Board favored control of stock speculation through the discount rate, which he seemed to think inadvisable.

C.S.H. replied that Quins and Governor Harding said the proceeds of the rediscounts were being used in speculative loans; that while theoretically, at least, the F.R. bank might have a right to refuse rediscounts, such a course was not practicable, as practically all the Boston banks were involved and it would be equivalent to shutting up the F.R. bank; that if the F.R. bank had the right to refuse discounts also, it surely had the right to grant them, but at higher rates, to discourage such rediscounts.

Miller said it would be a great stroke if the Boston bank would refuse to rediscount, and James agreed with him.

C.S.H. said Boston could not sell Govt. securities in amounts equal to New York and that rate increase was the only practicable remedy; that it would be disastrous to say to Boston that because New York can not control the situation by selling securities, Boston can not try to control it by increasing discount rates.

James said he thought the N.Y. pressure was producing results in that it was driving borrowers from N.Y. to Boston.

C.S.H. said then it would be absurd to refuse to permit Boston to protect itself by increasing its rates.

April 14, Tuesday, 1928, 1:30

Discount rates (Cont'd.)

Board discussed Boston rate.

A vote was taken on motion to approve. Lost by tie.

Aye: Platt, C.S.H.
No: Miller, James

Sec. Mellon came in and discussion continued.

Miller (talked almost incessantly from 10 to 12.) He earnestly opposed approval and tried to have the matter postponed for a full Board meeting or until Monday. He said he was satisfied New York was putting satisfactory pressure on the market which might settle the question before Friday if Boston would wait. He said he should never vote to control stock speculation through an increase in discount rates.

C.S.H. reminded Miller that in the fall of 1925 he earnestly favored an increase in the N.Y. rate to control speculation, although New York said it had the situation well in hand through direct pressure; that he even voted for Cunningham's motion to initiate a 4% rate at New York over the heads of its directors.

C.S.H. said Miller's arguments would have some force if the F.R. System were a central bank at Washington of which Boston was a branch; that Boston is an autonomous bank; that its directors asked for an increase of rates because of growing rediscounts and falling reserves; that its reserve percentage, 57%, was the lowest in the System; that he would never hesitate to approve rate increases when speculation was interfering or threatening to interfere with agriculture or commerce; that he felt this condition was now at hand.

Board recessed until 2:30 p.m.

Miller said he had talked with Gov. Case over the telephone during the recess; that Case was discouraged and said the situation was getting out of hand; that money was pouring into N.Y. for speculative purposes and that he could identify 50 millions as coming from Boston.

Sec. Mellon, who had been listening all day to Miller's arguments, and answering them, said he felt the Board could not overrule the judgment of the Boston directors who expressly based their application on local conditions, and he called for a vote.

Discount rates (Cont'd.)

Miller then said he felt impelled, in view of what Gov. Case had just told him, to change his morning vote and to vote to approve.

The vote was then taken and the proposed rate approved.

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

April 18, 1928. 152, 153

Federal Reserve Bank, Chicago, wired application for rate increase, saying letter by fast mail.

C.S.H. and Sec. Mellon favored waiting until letter received.

Miller, Platt and James wanted it settled at once.

Platt telephoned Gov. McDougal and he read a copy of the letter which based request on local conditions, increased rediscounts, customers rates out of line, etc.

C.S.H. moved to approve. Carried
Aye: Sec. Mellon, Platt, Miller, C.S.H.
No: James

April 19, 1928. 154, 155

Board voted to approve increase in St. Louis rates.
April 20, 1928. 155

Board voted to approve increase in Richmond rates.

James voted Aye because Richmond had ordered sold all its holdings of Govt. securities.

April 23, 1928. 155

Miller tells Governors that open market operations in Government securities should be done away with and that discount rates should be used to control speculative credit.

May 1, 1928. 159, 170

See - Open Market Committee

We consider with the Federal Advisory Council the possible effect of an increase at F.R. Bank, New York, to 5%.

Discount rates (Cont'd.)

Board discussed Boston rate.

A vote was taken on motion to approve. Lost by 10.

Aye: Platt, C.S.H.
No: Miller, James

Sec. Mellon class in and discussion continued.

Miller talked about increasing from 10 to 12. He earnestly urged approval and tried to have the matter postponed for a later Board meeting or until Monday. He said he was satisfied New York was putting satisfactory pressure on the market which might settle the question before Friday if Boston would wait. He said he should never vote to control stock speculation through an increase in discount rate.

C.S.H. reminded Miller that in the fall of 1925 he earnestly favored an increase in the N.Y. rate to control speculation. Although New York said it had the situation well in hand through direct pressure, that he even voted for Cummings' motion to initiate a 4% rate at New York over the heads of its directors.

C.S.H. said Miller's arguments would have some force if the F.R. Bank were a central bank at Washington or New York and that its directors asked for an increase of rates because of growing redemptions and falling reserves; that the reserve percentage was the lowest in the System that he could ever remember to approve rate increases when speculation was interfering in transactions in interest with agreement or consensus; that he felt this condition was now at hand.

Board recessed until 3:30 P.M.

Miller said he had talked with Gov. Case over the telephone during the recess; that Case was discouraged and said the situation was getting out of hand; that a way was being made for speculative purposes and that he could identify 30 million as coming from Boston.

Sec. Mellon, who had been listening all day to Miller's arguments and answering them, said he felt the Board could not overrule the judgment of the Boston directors who expressly based their application on local conditions, and he called for a vote.

Discount rates (Cont'd.)

Every member said it would have no effect in their respective districts except Goebel of Kansas City, who thought it would be criticised, altho he did not question the possible necessity for doing it. He thought finally all F.R. banks would follow New York Bank.

May 18, 1928. 164

C.S.H. testifies before H.R. Banking and Currency Committee on the Strong bill to stabilize prices through open market operations and discount rates.

May 23, 1928. 164

See - Prices
Strong bill

Glass suggests a higher discount rate on member bank 15-day collateral notes as compared with commercial paper.

May 27, 1928. 171

Gov. Young tells Glass that the other F.R. banks could not permanently maintain discount rates lower than F.R. Bank, New York, because it would encourage banks to borrow and invest proceeds in N.Y. call loans at a higher rate caused by N.Y. discount rate.

Gov. Young said if N.Y. increases to 5% to curb speculation the other F.R. banks must follow.

Gov. Young did not much discuss with Glass whether the other F.R. banks could maintain a higher discount rate than New York.

May 27, 1928. 172

Platt writes C.S.H. that Chicago on Friday, June 30, increased its rate from 4 1/2 to 5%.

Platt told Heath he could not act on this before July 10.

July 3, 1928. 189

Harrison tells C.S.H. he sees no objection to Chicago increasing its discount rates.

July 7, 1928. 190

The papers criticized the Board for holding up the Chicago application for eleven days and charged that this was done to enable Sec. Mellon to get out his new bond issue at rates more favorable than if the Chicago increase was known.

Discount rates (Cont'd.)

Platt's letter shows that Sec. Mellon did not ask postponement for any such reason, although Ogden Mills pointed out that if the Chicago increase were known the Treasury would have to give better terms.

Sec. Mellon took the position that the rate should either be approved at once or we should await the result of the July 1st movement of funds.

While it is true a quorum could not be obtained when the rate application was received - June 29 - C.S.H. believes that had a quorum been present the Board would have voted to take no action until the effect of the July settlements were known.

Chicago's action in putting up rates before the results of the July settlements were known - was an indication of poor banking judgment and was severely criticised by the New York Executive Committee which C.S.H. attended. July 7, 1928. 191

C.S.H. attends meeting of Executive Committee of F.R. Bank, N.Y. Gov. Case wanted rate increase at once. Some talk of a 1% increase to 5 1/2%. July 9, 1928. 191

N.Y. increases to 5%. Reynolds only voted against it. July 12, 1928. 192

Gov. Case says Reynolds alone voted against increase. July 18, 1928. 194

Board discusses Chicago application. On vote it was approved.

Aye: Sec. Mellon, Platt, Miller, C.S.H.
No: Comptroller, James

Chicago rested its application on local conditions, - increase of rediscounts, increase of customers rates putting F.R. rates out of line. July 10, 1928. 191

Board had session with Open Market Committee. They advised keeping up the 5% rate, leaving the investment account about as it was - 75 millions.

Board agreed to this unanimously. Miller said we had lost 500 millions of gold; that we had the situation in hand thru the discount rate of 5%, and that if we bought any more Govt. securities now or in the near future, we should and ought to be hauled over the coals by

Discount rates (Cont'd.)

Every member said it would have no effect in their respective districts except Goebel of Kansas City, who thought it would be criticised, also he did not question the possibility of doing it. He thought finally all F.R. banks would follow New York Bank.

May 18, 1928. 184

U.S.H. testified before H.R. Banking and Currency Committee on the strong bill to stabilize prices through open market operations and discount rates.

May 23, 1928. 184

See - Frisco
Strong bill

Glass suggests a higher discount rate on member bank 15-day collateral notes as compared with commercial paper. May 27, 1928. 171

Gov. Young tells Glass that the other F.R. banks could not permanently maintain discount rates lower than F.R. Bank, New York, because it would encourage banks to borrow and invest proceeds in U.S. call loans at a higher rate caused by U.S. discount rate.

Gov. Young said if U.S. increase to 5% to curb speculation the other F.R. banks must follow.

Gov. Young did not much discuss with Glass whether the other F.R. banks could maintain a higher discount rate than New York. May 27, 1928. 170

Platt writes C.S.H. that Chicago on Friday, June 30, increased its rate from 4% to 5%.

Platt said Heath he could not act on this before July 10. July 2, 1928. 189

Harrison tells C.S.H. he sees no objection to Chicago increasing its discount rates. July 7, 1928. 190

The papers criticized the Board for holding up the Chicago application for eleven days and charged that this was done to enable Sec. Mellon to get out his new bond issue at rates more favorable than if the Chicago increase was known.

Dodge, R. G. (Cont'd.)

Discount rates (Cont'd.)

Congress and would stultify ourselves.

July 18, 1928, 192, 193, 194

Boston increases to 5%.

July 18, 1928. 194

See also:

- By law
- Commodity rates
- Customers rates
- Glass
- Open Market Investment Committee

Disloyalty. 39, 51

See - Crissinger, Gov.

Dodge, Robert G.

Pays H.P.H. \$35,000, over mortgage, on our Raleigh Street house, and \$49.72 for rebate on insurance policies.

H.P.H. to pay proportional share of taxes levied for 1927, also interest on mortgage - 4 months, on Sept. 10, 1927.

Pays H.P.H. \$1625 for following:

2 mirrors	\$325	-----	325
1 chandelier. Breakfast room.	\$150		
1 Mantle mirror. Dining room	300		
1 hanging lantern.	50		
Mantle mirror. Music room	300		
Convex mirror. " "	100		
2 hanging chandeliers.			
Music room	250		
3 gilt sconces. Music room	150		
			<u>\$1625</u>
Cornices in dining room	105		
			<u>\$1730</u>

Price of above cornices agreed upon by letter.

July 15, 1927. 8, 9

C.S.H. writes Dodge offering to pay interest on Raleigh Street mortgage now; also taxes based on 1926 valuation - \$408.10 - to be finally adjusted when 1927 tax bill is sent in.

July 17, 1927. 10

Discount rates (Cont'd.)

Platt's letter shows that Sec. Mellon did not ask postponement for any such reason, although Ogden Mills pointed out that if the Chicago increases were known the Treasury would have to give better terms.

Sec. Mellon took the position that the rate should either be approved at once or we should await the result of the July 1st movement of funds.

While it is true a quorum could not be obtained when the rate application was received - June 29 - C.S.H. believes that had a quorum been present the Board would have voted to take no action until the effect of the July settlements were known.

Chicago's action in putting up rates before the results of the July settlements were known - was an indication of poor banking judgment and was severely criticized by the New York Executive Committee which C.S.H. attended.

July 7, 1928. 191

C.S.H. attends meeting of Executive Committee of F.R.B. Bank, N.Y. Gov. Case wanted rate increase at once. Some talk of a 1% increase in B.C.

July 8, 1928. 191

N.Y. increases to 3%. Reynolds only voted against it.

July 12, 1928. 192

Gov. Case says Reynolds alone voted against increase.

July 18, 1928. 194

Board discusses Chicago application. On vote it was approved.

Mr. Sec. Mellon, Platt, Miller, C.S.H. Not Comptroller, James

Chicago resists its application on local conditions - increase of discounts, increase of customer rates, higher N.Y. rates out of line.

July 10, 1928. 191

Board had session with Open Market Committee. They advised keeping up the 3% rate, leaving the investment account about as it was - 73 million.

Board agreed to this unanimously.

Miller said we had lost 300 million of gold; that we had the attempt to in hand that the discount rate of 3% and that if we bought any more gold, securities now or in the near future, we should and ought to be handed over the coin by

Domination of Federal Reserve Board (Cont'd.)

Miller says that under the Open Market Committee the Federal Reserve Bank of New York dominates.
April 24, 1928. 156

When the Chicago increase was before the Board, Ogden Mills pointed out that to increase the Chicago rate on July 29th would force Treasury to offer better terms for its bond issue, about to be announced, but Sec. Mellon thought this no reason for disapproving the Chicago rate, saying that it should either be approved at once or the Board should wait until the effect was known of the July first settlements, which latter course the Board adopted, but not because of the effect of the higher rate on the Treasury bond offer.

See letter, Platt to C.S.H. (Scrap book).
July 3, 1928. 189

Donaldson
C.S.H. inquires of, of Commercial National Bank, as to a nurse formerly employed by him for his wife, - in behalf of Gertrude Myer.
June 27, 1928. 187

(End of "D")

Dodge, R. G. (Cont'd.)

Dodge sends C.S.H. check for \$108 for services in dining room.
C.S.H. writes him that he would send him his check for proportional share of interest on the mortgage for Mar. 18 to July 18 (1927) and also the proportional share of this year's taxes for 28 months based on last year's assessment, \$133.20, adjusting the difference, more or less, when this year's taxes are fixed.

Dodge writes he does not wish C.S.H. to do this but will send a memorandum of C.S.H.'s share when the tax bill comes in next July 19, 1927. II

C.S.H. sends Dodge check for \$400 being his share of interest on the mortgage from Mar. 18 to July 18, 1927.

This winds the matter up.
July 30, 1927. 18

Domination of F.R. Board
H.P. Willis complains of Sec. Mellon, saying that one of the governors of a F.R. bank told him that Sec. Mellon had written him asking him to appoint more Republicans on the bank staff; that the Governor called on Mellon and told him his bank never inquired into the political affiliations of its employees; whereupon Mellon told him to forget that he had ever written him.
Dec. 10, 1927. 91

Willis also complained of the statements of President Coolidge in the campaign of 1924, claiming credit for low interest rates, also Mellon's frequent interviews as to discount rates.

He also complained of Mellon's statement that the appointment of Governor Young would have no effect on F.R. discount policy.
Dec. 10, 1927. 91

C.S.H. told Willis that President Coolidge never, directly or indirectly, had sought to influence the Board's policies; that Sec. Mellon's statement as to Gov. Young did not mean that Gov. Young had come onto the Board pledged as to any discount policy.

C.S.H. added that Mellon had never tried in any way to dominate the Board; that the Board was never as independent of the Treasury as now; that it had never been influenced by the Treasury except during the war and immediately after when by fixing low rates on security issues the Board was compelled to give correspondingly low rates on paper secured by such issues.
Dec. 10, 1927. 91, 92

-E-

- Earning assets. 140
See - Open Market Committee
- Economic Conference. 124
See - League of Nations
Robinson
- Eddy. 5, 73, 79
See - Cuba
- Edge, Sen. 128
See - Glass
- "Edith" 23
See - Hamlin, Anna
- Editors trip. Carnegie Endowment, 86
- Elevator. 68
See - Bills, secured
- Eliot, Charles
Dines with us to meet Madame Van Schuylenbarch, at Woman's
National Democratic Club.
Mar. 21, 1928. 139
- Elliott, Milton C. 31, 32, 34
See - Glass
- "Established" Discount rates
Gov. Harding gives new definition of word, which appeals to
C.S.H. Sept. 21, 1927. 53
- Europe on central banks. 14
See - Open Market Committee
- European conditions. 13, 17
See - Open Market Committee
- Eustis, Mrs. W. C.
We dine with. Jan. 13, 1928. 111
H.P.H. lunches with. Jan. 26, 1928. 121
Gertrude Myer tries to engage former maid of - Kate Torney.
June 27, 1928. 187

Domination of Federal Reserve Board (Cont'd)

Miller says that under the Open Market Committee the Federal Reserve Bank of New York dominates.

April 24, 1928. 188

When the Chicago increase was before the Board, Ogden Mills pointed out that to increase the Chicago rate on July 25th would force Treasury to offer a new issue for its bond issue, about to be announced, but Sec. Mellon thought this no reason for disapproving the Chicago rate, saying that it should either be approved at once or the Board should wait until the effect was known of the July first settlements, which latter course the Board adopted, but not because of the effect of the higher rate on the Treasury bond offer.

See letter, Platt to C.S.H. (Barn book).
July 2, 1928. 189

Donahoe

C.S.H. inquires of Commercial National Bank, as to a nurse formerly employed by him for his wife - in behalf of Gertrude Myer.
June 27, 1928. 187

(End of "E")

Federal Advisory Council (A-F-C)

Board meets with Council

Fancher, Gov. ...
Tells C.S.H. his counsel is preparing a letter to Board asking opinion of Attorney General as to legality of payment of salary to F.R. Agent Will's widow.
July 27, 1927. 13
See - Wills, D.C.

Farmers

Miller says, will have an increased purchasing power as they will receive 1 billion more for their crops.
July 13, 1927. 8

Gov. Strong favors lower discount rates before movement of crops.
July 27, 1927. 14

Gov. Harding says Board has been attacked for reducing discount rates after the crops had gone out of farmers hands into the hands of speculators and for increasing rates in autumn when farmers are buying; that now was a good opportunity of reversing the process.
July 27, 1927. 14

James agrees with C.S.H. that one reason for lower rates in summer of 1927 was to help farmers move their crops.
Sept. 6, 1927. 28

Federal Advisory Council

C.S.H. reads two recommendations of, made in May, 1927: - that if business recession continues discount rates should not be reduced but that open market investments should be sold, the purpose being (drawn by Traylor) that existing rates should be minimum, -and asks Gov. McDougal if these resolutions represent the views of Chicago bankers. After some hesitation, Gov. M. admitted they did.
July 27, 1927. 14, 15

Board dines with, at Mayflower Hotel.
Sept. 15, 1927. 39

Heard tells C.S.H. his Council is unanimous in condemning the Chicago rate action of Board, but that in view of resignation of Governor Crissinger and for fear of injury to F.R. System, it will soft pedal.
Sept. 15, 1927. 39

Evans, A. Co. John
Gives C.S.H. two plans of headings for A.A.S. one for 1927 and one for 1928.
July 18, 1927. 10

See - Gram, Ralph
Harris, Anna

Evans, Mrs. Gladys
See - Trumbull

Evans, W. T.
See - Carnegie Endowment

Executive Committee
Federal Reserve Board
Miller says he does not agree with Dr. Miller that Sec. of Treasury and Comptroller of Currency should come to be.
May 29, 1928. 178

Executive Committee
Federal Reserve Bank, New York

Executive Committee, Federal Reserve Board
Board ratified action of, in disapproving action of Chicago in refusal to change discount rates, over protest of Platt who pointed out that, had been given authority to approve any proposed reduction to 3%.

Gov. C. C. Comptroller, James, Cunningham
No. Platt, Miller, C.S.H.
Sept. 6, 1927. 24, 28

See - Discount rates

Board considered and fixed power to be granted to, during vacation.
June 8, 1928. 179
July 13, 1928. 184

Export, Y. M. I.
See - Open Market Committee

(End of "W")

Miller says, will have an increased purchasing power as they will receive 1 billion more for their crops. July 18, 1927. B

See - Willis, D.C.

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Gov. Harding says Board has been attacked for reducing discount rates after the crops had gone out of farmers hands late the hands of speculators and for increasing rates in autumn when farmers are buying; that now was a good opportunity of reversing the process. July 27, 1927. 14

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Board dines with at Mayflower Hotel. Sept. 18, 1927. 28

Hard tells C.S.H. his Council is unanimous in condemning the Chicago rate action of Board, but that in view of resignation of Governor Cullender and for fear of injury to W.R. System it will not be done. Sept. 18, 1927. 28

Federal Advisory Council (Cont'd.)

Board meets with Council

The members mercilessly criticised James and Cunningham whose answers were unsatisfactory and almost grotesque.

Dr. Miller said that although he fought the Board's order, yet that if Chicago had refused to reduce on Friday following, he would have voted to put in the 3 1/2% rate, had such a motion been made.

Sept. 16, 1927. 43

This amazes C.S.H. for Miller was opposed to any rate reduction and when he went west he stopped at Chicago, Minneapolis and San Francisco, - all of which banks refused at first to reduce rates.

Word came to us from various sources that Miller strongly opposed reduction in his talks with bankers.

Sept. 16, 1927. 44

The Board withdrew and later were asked to come back and Mr. Wetmore read a resolution condemning the Board's action but couched in temperate language. Mr. Wetmore said it would not be put in general files of Council and would not be published.

Sept. 16, 1927. 44

Glass insists that resolution be published. Will so demand of Wetmore.

Sept. 16, 1927. 48

C.S.H. gives Platt Wetmore's address to give Glass.

Sept. 16, 1927. 48

C.S.H. tells Mills he promised Federal Advisory Council to prepare draft of by-law calling for 5 affirmative votes for initiation of a discount rate.

Sept. 26, 1927. 55

Glass says only way to keep Chicago rate question out of Congress is to adopt by-law requiring 5 affirmative votes and to publish resolution of Federal Advisory Council condemning Board's action.

Oct. 4, 1927. 64, 65

James moves to have an official stenographer at every meeting of Board with Council.

Defeated:

Aye: Miller, James, Cunningham

No: Gov. Young, Platt, C.S.H.

Federal Reserve Agents

Federal Advisory Council (Cont'd.)

C.S.H. explained vote because of Miller's statement that the records were now well kept.

Nov. 1, 1927. 76

Council at meeting with Board gives Board a copy of its resolution condemning the Chicago rate action.

Nov. 18, 1927. 83

Miller says his letter to Council, tabled by Board, presents his views as to preventing Federal Reserve funds seeping into speculative market better than did his Boston speech.

Jan. 26, 1928. 121

At meeting with Council each member was asked as to effect on his district of an increase to 5% by Federal Reserve Bank, New York.

Every member, except Goebel, said it would have no injurious effect.

Goebel said it would be criticised but did not question the possible necessity of such action.

All members, including Goebel, said the other F.R. banks would probably have to follow N.Y.

May 18, 1928. 164

Federal Reserve Act

Willis says Warburg is writing a book to prove his authorship of.

Dec. 10, 1927. 92

See - Warburg
Willis

Willis said Fowler was entitled to more credit than Morowitz for.

Dec. 10, 1927. 93

Miller in Boston speech claimed that F.R. Act in terms forbade discounting for member banks carrying speculative loans.

Jan. 26, 1928. 121

See - Glass

C.S.H. hopes James has complied with, and is no longer engaged in business.

May 29, 1928. 175

See - Open Market powers

Nov. 18, 1927. 83

Federal Advisory Council (Cont'd.)

Board meets with Council

The minutes were read and approved. The minutes were read and approved.

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Oct. 4, 1927. 54

James moves to have an official stenographer at every meeting of Board with Council.

Defeated:

Yes: Miller, James, Cunningham
No: Gov. Young, Platt, C.S.H.

Federal Reserve Agents

Governors and, give Board a dinner at Metropolitan Club.

Present: Sec. Mellon, Eugene Meyer, Federal Reserve Agent Perrin, et als.

Speakers:

McGarrah, F.R. Agent Walsh, Gov. Talley, Gov. Bailey, Perrin, Meyer, and C.S.H.

Nov. 4, 1927. 79

Board discussed redesignation of.

Comptroller and Cunningham said the Chicago directors all wanted Heath reappointed as Class C Director and redesignated, saying Reynolds said he could get his resignation any time the Board might want it.

C.S.H. said there were 2 questions: -

- 1. Reappointment of Heath and Martin whose terms as Class C director were expiring.
- 2. Redesignation of Curtiss, Hoxton, et als.

C.S.H. said designation from year to year as Federal Reserve Agent, even if legal, was a poor policy. Failure to redesignate a F.R. Agent left him still a Class C Director, and to accomplish anything the Board would have also to remove him as Class C Director, and such a removal would not be for "cause" under the F.R. Act.

C.S.H. said the F.R. Agent is the only banker appointed as Class C director and he has to be a banker with tested banking experience; that the bankers on each Board are in Class A; the business men and agriculturalists are in Class B; that those representing the public interest are in Class C; that if a F.R. Agent whose term as Class C Director is not expiring, there would be no other banker in the Class C Directors who could be appointed, and consequently the F.R. Agent must also be removed as a Class A director.

Miller said a vacancy occurs each year in each group and the Board could appoint as the new Class C Director a banker and make him F.R. Agent, leaving the one failing to be redesignated undisturbed as a Class C Director.

C.S.H. said in such an event the bankers would have all 3 of the Class A directors and 2 of the Class C directors, supposed to represent the public interest which would be counter to the spirit of the F.R. Act. Adjourned without action.

Nov. 15, 1927. 81, 82

Federal Advisory Council (Cont'd.)

C.S.H. explained vote because of Miller's statement that the records were now well kept.

Nov. 1, 1927. 78

Council at meeting with Board gives Board a copy of its resolution condemning the Chicago rate action.

Nov. 18, 1927. 83

Miller says his letter to Council, tabled by Board, presents his view as to preventing Federal Reserve funds being used for speculative market better than did his Boston speech.

Jan. 28, 1928. 151

At meeting with Council each member was asked as to effect on his district of an increase to 5% by Federal Reserve Bank, New York.

Every member, except Gobel, said it would have no inflation effect.

Gobel said it would be criticized but did not question the possibility of such action.

All members, including Gobel, said the other F.R. banks would probably have to follow N.Y.

May 18, 1928. 184

Miller says Warburg is writing a book to prove his authority of Federal Reserve Act.

Dec. 10, 1927. 82

See - Warburg
Miller

Miller said Fowler was entitled to more credit than Morowitz for

Dec. 10, 1927. 82

Miller in Boston speech claimed that F.R. Act in terms forbids discounting for member banks carrying speculative loans.

Jan. 28, 1928. 151

See - Glass

C.S.H. hopes James has complied with, and is no longer engaged in

May 23, 1928. 175

See - Open market powers

Federal Reserve Agents (Cont'd.)

James joined C.S.H. in reporting that Hoxton should be redesignated. Dec. 6, 1927. 88

Board voted to reappoint Heath and Martin and to redesignate all F.R. Agents whose terms as Class C directors were not expiring.

Unanimous, except that Miller asked to be recorded as "not voting" and said he would file a memorandum of his reasons later. Dec. 8, 1927. 89

See - Class C Directors

Federal Reserve Bank, Atlanta

Reduces discount rate to 3 1/2%. Aug. 13, 1927. 20

C.S.H. joins with James in reporting name of Mr. Harris for Class C director to fill vacancy caused by expiration of term of Hopkins.

Great pressure brought to bear for Hopkins.

He himself asked C.S.H. to favor his reappointment. This fact alone shows his unfitness. He begged reappointment as a Republican. C.S.H. believes Harris is a Republican. Dec. 6, 1927. 88

See - Cuba

Federal Reserve Bank, Boston

Reduces discount rates to 3 1/2%. Aug. 5, 1927. 18

Gov. Young and C.S.H. attend meeting of directors. Oct. 26, 1927. 74

C.S.H. and Ogden Mills address stockholders meeting. Nov. 11, 1927. 81

See - Curtiss, F.R. Agent
Discount rates
Harding, Gov. did not agree.

Federal Reserve Bank, Chicago

See - Discount rates
Heath, F.R. Agent

McDougal, Gov. said that to publish these

Federal Reserve Agents (Cont'd.)

James joined C.S.H. in reporting that Hoxton should be re-designated. Dec. 8, 1927. 88

Board voted to reappoint Heath and Martin and to re-designate all F.R. Agents whose terms as Class C Directors were not expiring.

Unanimous, since it was Miller's request to be recorded as "not voting" and said he would file a memorandum of his reasons later. Dec. 8, 1927. 88

See - Class C Directors

Federal Reserve Bank, Atlanta

Reduces discount rate to 3 1/2%. Aug. 12, 1927. 20

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Great pressure brought to bear for Hopkins.

He himself asked C.S.H. to favor his reappointment. This fact alone shows his unwillingness. He begged reappointment as a Republican. D.S.H. believes Harris is a Republican. Dec. 8, 1927. 88

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See - Curtis, F.R. Agent

Discount rates
Harris, Gov.

Federal Reserve Bank, Chicago

See - Discount rates

Heath, F.R. Agent

McDonald, Gov.

Federal Reserve Bank, Cleveland

Reduces to 3 1/2%.

Aug. 6, 1927. 18

Board voted to interpose no objection to payment to widow of F.R. Agent Wills, two months salary after death on advice of Wyatt that it was probably lawful.

Aye: Gov. Young, Platt, James, C.S.H.

No: Miller, Cunningham.

Dec. 19, 1927. 97

Federal Reserve Bank, Dallas

Reduced to 3 1/2%.

Aug. 12, 1927. 20

See - Hough, Judge

San Antonio branch

Talley, Gov.

Federal Reserve Bank, Kansas City

Reduced to 3 1/2%.

July 29, 1927. 19

See - Bailey, Gov.

Goebel, Mr.

Federal Reserve Bank, Minneapolis

Reduces to 3 1/2%

Sept. 13, 1927. 20

Federal Reserve Bank, New York

Board takes up question of reporting foreign bills in greater detail, not later than July 13, as Board had already voted to do.

The New York bank thought no change necessary but Miller and Cunningham insisted as a separate item, "Foreign bills" in the weekly statement.

Miller claimed words "detailed statement" in F.R. Act required Board to distinguish between domestic and foreign purchases. C.S.H. did not agree.

Miller and Cunningham predicted dire things, a charge of deception, etc.

C.S.H. pointed out that Gov. Strong said that to publish these

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

in detail would only aid speculators in foreign exchange and might thus even imperil Great Britain's hold on the gold standard.

James finally moved to rescind earlier vote and to make no change. Passed.

Aye: Gov. Crissinger, James, C.S.H.

No: Miller, Cunningham.

July 13, 1927. 6, 7

See - Foreign bills

Reduces to 3 1/2%.

Aug. 5, 1927. 18

Board votes to attend Open Market Committee meeting at, but on advice of McGarrah decides not to.

Jan. 9, 1928. 107

Increases rates to 4%.

Feb. 2, 1928. 123

Miller says Federal Reserve Bank, New York, dominates Open Market Committee and Board.

April 24, 1928. 156

Board considers with Federal Advisory Council effect of a possible increase to 5%.

All agreed, except Goebel, it would have no injurious effect in their districts.

Goebel thought it would be criticised, but did not deny possible necessity. All said the other Federal Reserve banks would follow ultimately.

May 18, 1928. 164

C.S.H. attends meeting of Executive Committee of.

July 9, 1928. 191

- See - Case, Gov.
- Direct action
- Discount rates
- Harrison
- Open Market Investment Committee
- Raeburn
- Roumanian credit
- Strong, Gov.
- Woolley

Federal Reserve Bank, Cleveland
Resolves to 3 1/2%
Aug. 5, 1927. 18

Board voted to instruct no objection to payment to which of F.R. Agent will, two months salary after death on advice of Wyatt that it was probably lawful.

Aye: Gov. Young, Platt, James, C.S.H.
No: Miller, Cunningham.
Dec. 18, 1927. 97

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Resolves to 3 1/2%
Aug. 12, 1927. 20

See - Houston, Judge
San Antonio branch
Talley, Gov.

Federal Reserve Bank, Kansas City
Resolves to 3 1/2%
July 28, 1927. 10

See - Kelley, Gov.
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Miller and Cunningham predicted dire things, a change of description, etc.

C.S.H. pointed out that Gov. Strong said that to publish these

Federal Reserve Bank, Philadelphia

Philadelphia had a meeting before N.Y. reduced and decided not to reduce for the present. Gov. Norris told C.S.H. that Wayne objected for the reason, Gov. Norris believes, that a reduction would necessitate lower rates to customers.

Aug. 12, 1927. 19

Reduces to 3 1/2%.

Sept. 8, 1927. 20

Federal Reserve Bank, Richmond

Voted not to reduce to 3 1/2% but agreed to wire its directors if 2 more banks should reduce.

Aug. 12, 1927. 19, 20

Reduces to 3 1/2%.

Aug. 16, 1927. 18

Delano says, will soon increase as it is not earning its expenses.

Oct. 4, 1927. 64

Delano agrees to serve again as Class C Director.

Nov. 17, 1927. 83

Hoxton says, wants to increase rates.

Gov. Young advises him to wait until after meeting of Open Market Comm.

Jan. 10, 1928. 109

Board approves rate increase to 4%.

Jan. 26, 1928. 121

Board approves increase to 4 1/2%. April 23, 1928. 155

See - Charlotte, N.C.

- Delano
- Discount rates
- Graham
- Hoxton
- Lassiter
- Open Market Committee
- Seay, Gov.

Federal Reserve Bank, San Francisco

Reduces to 3 1/2%. Sept. 10, 1927.

Increases to 4%. Feb. 3, 1928. 123

Federal Reserve Bank, St. Louis

Reduces to 3 1/2%. Aug. 4, 1927. 18

Increases to 4%. April 20, 1928. 155

See - Boehme
James
Mitchell

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

in detail would only add speculation in foreign exchange and might thus overburden Great Britain's hold on the gold standard.

James finally moved to rescind earlier vote and to make no change. Passed.

Gov. Crittenden, James, C.S.H.
Hon. Miller, Cunningham

July 12, 1927. 8, 7

See - Foreign bills

Reduces to 3 1/2%. Aug. 5, 1927. 18

Board votes to attend Open Market Committee meeting at, but on advice of McGarrah decides not to.

Jan. 9, 1928. 107

Increases rates to 4%. Feb. 2, 1928. 121

Miller says Federal Reserve Bank, New York, dominates Open Market Committee and Board. April 24, 1928. 125

Board considers with Federal Advisory Council effect of a possible increase to 4 1/2%.

All agreed, except Goppel, it would have no injurious effect in their districts.

Goppel thought it would be criticized, but did not have any possible necessity. All said the other Federal Reserve banks would follow suit.

May 18, 1928. 126

C.S.H. attends meeting of Executive Committee of July 9, 1928. 131

See - Gov.

Direct action

Discount rates

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Open Market Investment Committee

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St. Louis

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

in detail would only aid speculators in foreign exchange and might thus even injure Great Britain's hold on the gold standard.

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Gov. Norris, James, C.S.H.

July 13, 1927. 8, 7

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Goodell thought it would be criticized, but did not have possible necessity. All said the other Federal Reserve banks would follow suit.

July 18, 1928. 124

C.S.H. attends meeting of Executive Committee of July 9, 1928. 121

See - Gov.

Direct action

Discount rates

Harrison

Open Market Investment Committee

Reserve

Reserve credit

Strong, Gov.

Woolley

Federal Reserve banks
Rate changes

1927. To 3 1/2%:

- July 29. Kansas City
- Aug. 4 New York
- Aug. 4 St. Louis
- 5 Boston
- 6 Cleveland
- 12 Dallas
- 13 Atlanta
- 16 Richmond
- Sept. 7 Chicago
- 8 Philadelphia
- 10 San Francisco
- 13 Minneapolis

1928. From 3 1/2 to 4%:

- Jan. 25 Chicago
- 27 Richmond
- Feb. 3 New York
- 4 San Francisco
- 7 Minneapolis
- 8 Boston
- 8 Dallas
- 10 Kansas City
- 11 Atlanta
- 16 Philadelphia
- 21 St. Louis

1928. From 4 to 4 1/2%

- Apr. 20 Boston
- 20 Chicago
- 23 St. Louis
- 24 Richmond
- 25 Minneapolis
- May 7 Dallas
- 17 Phila.
- 18 New York
- 25 Cleveland
- 26 Atlanta
- June 2 San Francisco
- 7 Kansas City

1928. From 4 1/2 to 5%

- July 11 Chicago
- 12 New York
- 18 Boston

Fuller

Federal Reserve Bank, Philadelphia
 Philadelphia had a meeting before Mr. Y. H. ...
 to reduce for the present. Gov. Morris said ...
 more banks should reduce.
 Federal Reserve Bank, Richmond
 Voted not to reduce to 3 1/2% but agreed to ...
 Federal Reserve Bank, St. Louis
 Voted to reduce to 3 1/2% but agreed to ...
 Federal Reserve Bank, San Francisco
 Voted to reduce to 3 1/2% but agreed to ...
 Federal Reserve Bank, Chicago
 Voted to reduce to 3 1/2% but agreed to ...
 Federal Reserve Bank, Boston
 Voted to reduce to 3 1/2% but agreed to ...
 Federal Reserve Bank, Dallas
 Voted to reduce to 3 1/2% but agreed to ...
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Federal Reserve Board

See - Subtitles

Discount rates

Open market investment committee

Brokers loans, etc. etc.

Federal Reserve branches

See - Charlotte

San Antonio

Federal Reserve credit

C.S.H. puts in a table, before H.R. Banking and Currency Committee, showing that, - from Oct. 31, 1924 to Oct. 31, 1927 and father to April 1, 1928, - Federal Reserve credit increased only during 3 years, - during which period Government securities decreased, while during 2 years Federal Reserve credit decreased but Government securities increased. (See scrap books).

May 26, 1928. 170

Federal Reserve discount policy

Willis complains of Mellon for saying Gov. Young's appointment will not change. Dec. 10, 1927. 91

Federal Reserve funds. Speculative use
120, 121, 151, 153, 173, 193

See - Cunningham
Miller

Federal Reserve notes. 72

See - Cuba

Federal Reserve pension bill

Testimony before H.R. Banking & Currency Committee. Gov. Young, Platt, C.S.H.

Committee said it would report bill with slight amendments:

1. Striking out privilege of member banks joining.
2. Making \$15,000 salary the maximum in computing benefits.

Jan. 27, 1928. 121

H.R. refers bill back to Committee with instructions to strike out enacting clause.

McFadden did not even demand a roll call!

Federal Reserve Bank Rate changes

1927. To 1928.

Kansas City	28	July 28
New York	4	Aug. 4
St. Louis	4	Aug. 4
Boston	8	
Cleveland	8	
Dallas	12	
Atlanta	12	
Richmond	12	
Chicago	8	Sept. 7
Philadelphia	8	
San Francisco	10	
Minneapolis	12	

1928. From 1/2 to 1/2

Chicago	28	Jan. 28
Richmond	27	
New York	3	Feb. 3
San Francisco	4	
Minneapolis	7	
Boston	8	
Dallas	8	
Kansas City	10	
Atlanta	11	
Philadelphia	12	
St. Louis	12	

1928. From 1/2 to 1/2

Boston	30	Apr. 30
Chicago	30	
St. Louis	32	
Richmond	34	
Minneapolis	36	
Dallas	7	May 7
Philadelphia	17	
New York	18	
Cleveland	22	
Atlanta	22	
San Francisco	2	June 2
Kansas City	7	

1928. From 1/2 to 1/2

Chicago	11	July 11
New York	12	
Boston	18	

Federal Reserve pension bill (Cont'd.)

The chief objection raised was as to the \$15,000 maximum salary.

C.S.H. thinks \$5000 might have removed most of the objections.

C.S.H. believes the real trouble lay in the Texas opposition to Governor Talley which caused many to vote against anything the Board wanted.

Feb. 1, 1928. 123

Federal Reserve System

Duty to help Great Britain stabilize gold standard.
July 13, 1927. 7

Desirability of lowering rates to help move crops, and help business.
July 27, 1927. 14, 16

See - Glass

Fenelon, Mme. La Contesse de

C.S.H. and Delano meet, at dinner at Dr. Butler's in New York.
Dec. 1, 1927. 86

Finance Committee, Senate

See - Glass
Young, Gov.

Fisher, Mr. and Mrs. Estee

We meet, at dinner in Albany with the Rices. Carillon concert.
Sept. 18, 1927. 50

Fiske, Baby

Visits us at Mattapoisett. Aug. 26, 1927. 22

Fitz, Judge

We meet, at dinner with Justice Brandeis.
Dec. 16, 1927. 97

Foreign bills

Miller introduces resolution that purchases of foreign bills were subject to approval of Board.

C.S.H. said this seemed to imply that each specific purchase must be approved before making it.

C.S.H. persuaded Miller to refer as a source of authority to Sec. 13 as well as Sec. 14.

C.S.H. said he was in doubt whether Sec. 13, as Gov. Strong once claimed, was not limited to domestic purchases.

Federal Reserve Board
See - Subtitle
Discount rates
Open market investment committee
Brokers loans, etc. etc.

Federal Reserve branches
See - Charlotte
San Antonio

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Reserve credit decreased but Government securities
increased. (See survey books).
May 28, 1928. 170

Federal Reserve discount policy
Willis complaints of Mellon for saving Gov. Young's appointment
Dec. 12, 1927. 81
Will not change.

Federal Reserve funds. Legislative use
190, 191, 192, 193, 194, 195

See - Guindanian
Miller

Federal Reserve notes. VS
See - Ohio

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Jan. 27, 1928. 181

H.R. refers bill back to Committee with instructions to strike out
amending clause.

McKellen did not even demand a roll call!

Federal Reserve System (Cont'd.)

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July 1, 1928. 133

Federal Reserve System
July 13, 1927. 7

Desirability of lowering rates to help move crops, and help business.
July 27, 1927. 14, 15

See - Glass

Senator, Mrs. de Gontesse de
C.S.H. and DeLano meet, at dinner at Dr. Butler's in New York.
Dec. 1, 1927. 88

Finance Committee, Senate
See - Glass
Young, Gov.

Walter, Mr. and Mrs. Walter
He meet, at dinner in Albany with the Rices. Carlton concert.
Sept. 15, 1927. 80

Walter, Baby
Visits us at Matipollet.
Aug. 25, 1927. 82

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Foreign bills (Cont'd.)

C.S.H. also had "regulations" inserted before "approval" and stated that he voted for Miller's motion only on the understanding that "approval" refers to future regulations which might specifically require approval, and that, pending such regulations, no approval of Board was necessary.
July 6, 1927. 1, 2.

Fraser, Mrs.

We lunch with.

See - Federal Reserve Bank, New York

Foreign branches

Wyatt ruled that Old Colony Trust Company could not establish a foreign branch and remain in Federal Reserve System; that a National bank could, as McFadden bill specifically provided that the limitation of branches to place of parent bank should not apply to foreign branches of national banks, while it gave no such exemption to state member banks.

Fuller, Co.

C.S.H., Platt and Miller objected to this interpretation and it was practically agreed to ask opinion of Attorney General and to take no action, - if Old Colony Trust Co. should establish a foreign branch (in Canada) until opinion obtained. The Old Colony Trust Co. finally abandoned the plan.
Dec. 6, 1927. 87, 88

Hamlin, Edward
Hamlin, George

Foreign Exchange speculators

Gov. Strong says to publish in weekly statement details of "foreign bills" will merely help.
July 13, 1927. 6

Foreign loan policy

C.S.H. shows Harrison that Sec. Mellon in annual report claimed the right to disapprove foreign private loans placed in U.S. where national debt to U.S. not funded.
April 3, 1928. 143, 144

Forest Hills

C.S.H. goes to, to see Anna's headstone.
Oct. 26, 1927. 74
We go to, to see Anna's headstone.
Nov. 27, 1927. 85.

See - Cram, Ralph
Hamlin, Anna

Fowler

Willis says, entitled to more credit as to Federal Reserve Act than Morowitz.
Dec. 10, 1927. 93

Oct. 1, 1927. 81

(Cont'd.)

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Foreign Exchange speculators
Gov. Strong says to publish in weekly statement details of "foreign bills" will merely help. July 13, 1927. 8

Foreign loan policy
C.S.H. shows Harrison that Sec. Mellon in annual report claimed the right to disapprove foreign private loans placed in U.S. where national debt to U.S. not funded. April 8, 1928. 143, 144

Forest Hills
C.S.H. goes to see Anna's headquarters. Oct. 28, 1927. 74

We go to see Anna's headquarters. Nov. 27, 1927. 88

See - Gram, Ralph
Hamlin, Anna

Powers
Willie says, entitled to more credit as to Federal Reserve Act than Morowitz. Dec. 10, 1927. 88

France Senator (Cont'd.)
See - Bank of France
Conference, Washington

Frank, Gov.
See - National Bank of Belgium

Frazier, Mrs.
We lunch with.
Jan. 15, 1928. 112

Frothingham, Cong. and Mrs.
Dine with us at Mattapoisett.
Sept. 13, 1927. 37

Fuller, Governor
See - Sacco-Vanzetti

Furniture, Raleigh Street
We move, to Cambridge and Mattapoisett.
July 5, 1927. 1

See - Dodge, R. G.
Dexter, Mrs.
Hamlin, Edward
Hamlin, George

Galbraith, Mrs.
We meet, at lunch with Mrs. Frazier.
Jan. 15, 1928. 112

Gaston, W. A.
Death. July 16, 1927. 9

Gentleman's agreement
57, 58, 59, 62, 63, 65
See - By-law

Glass, Senator (See also Discount rates)
C.S.H. reserves right to discuss Chicago rate situation with, agreed to. Sept. 6, 1927. 29

Calls up C.S.H. and asks about Wall Street Journal article. C.S.H. said each member had denied inspiring it or knowing of it; asked him to ask Sargent of Associated Press who wrote it and might reveal the source of his information. Sept. 17, 1927. 49

C.S.H. talks with Mrs. Wilson, at Mr. Peabody's dinner, about Glass. Oct. 1, 1927. 61

Glass, Senator (Cont'd.)

Glass, Willis says Warburg is having a book written to show his authorship of the Federal Reserve Act and attacking Glass. Dec. 10, 1927. 92

Calls on C.S.H. and says he wants to have a talk with him as to threatened attacks on F.R. System in Congress. Jan. 21, 1928. 113

Says if Gov. Smith is nominated for President the whole south will turn against him. Jan. 21, 1928. 113

C.S.H. and Gov. Young have interview with Glass at Raleigh Hotel. Glass said he wanted to keep in touch with the Board so he could defend it at short notice if attacked, or criticize it if necessary. He favored warning the large New York banks that they must help the brokers loans situation.

He said Congress never intended that Federal Reserve System should act as a regulator of the stock exchange, and that we had no power to do so unless agriculture and commerce were impeded or in danger of injury and that he had doubt as to our power even then. He thought a slight increase in discount rates would neither hurt business nor affect the stock situation.

He agreed that the directors of the N.Y. banks were charged with duty of operating the banks and that the Board should accept their judgment unless it believed it was clearing wrong. Jan. 22, 1928. 113, 114

Glass said Norbeck thought Gov. Young's name was before his Committee - Banking and Currency, awaiting confirmation, and he was holding it until Myer was confirmed; that he told Norbeck he was not holding it at all; that by error it had been sent to the Finance Committee which had reported it favorably and that it was now on the calendar.

Glass said he had moved, with Norbeck's approval, to have it referred back to Banking and Currency Committee, which was voted. He said he spoke to Smoot who admitted it should never have been referred to Finance Committee, and he would try to secure prompt confirmation, which was vital if discount rate questions were coming before the Board.

He said Heflin objected to unanimous consent but could not defeat his confirmation. Jan. 22, 1928. 113, 114, 115

C.S.H. arranged, through Glass, Banking and Currency Committee on brokers loans. Dec. 7, 1926. 153

France
See - Bank of France
Conference, Washington
Frank, Gov.
See - National Bank of Belgium
Frank, Mrs.
We lunch with
Jan. 15, 1928. 112
Trottingham, Corp. and Mrs.
Dine with us at Metropolitan
Sept. 13, 1927. 37
Miller, Governor
See - Banco-Venezuela
Furniture, Raleigh Street
We move, to Cambridge and Metropolitan
July 5, 1927. 1
See - Lodge, R. G.
Dexter, Mrs.
Hamilton, Edward
Hamilton, George
Seligman, Mrs.
We meet, at lunch with Mrs. Wheeler
Jan. 15, 1928. 112
Gaston, W. A.
Death, July 16, 1927. 9
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57, 58, 59, 60, 61, 62
See - By-law
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C.S.H. talks with Mrs. Wilson, at Mr. Peabody's dinner, about Glass.
Oct. 1, 1927. 51

Glass, Senator (Cont'd.)

Glass, Senator (Cont'd.)

Glass told C.S.H. about his resolution to investigate the rumor of money spent by Chicago bankers to prevent defeat of Hull amendment. He said that Senator Edge, Sacket and he were on Sub-committee; that they went abroad asking Glass to examine into it and to report to them on their return; that he found that \$65,000 had been spent; that Cong. Hull, - a very rich man, had had his expenses paid for a trip to the American Bankers Association; that they had paid Cong. Wingo \$2000 for the same purpose; that Wingo was on the Conference Committee and that it was really a bribe; that a number came to him saying Wingo was a dying man and that the exposure would kill him; that he consulted Dr. Ruffin, Wingo's physician who said the exposure might and probably would have a serious effect on his health, as he had heart disease and many dizzy turns; that he did not want to kill Wingo, especially as he had always fought and despised him; that he finally consulted his colleagues on their return and they agreed to drop the matter in view of Wingo's health.

Feb. 26, 1928. 128, 129

Glass said Sen. Reed (Pa.) held up Woodlock's nomination for Interstate Comm. Comm. with the avowed purpose of getting some one on the Commission to reverse its decision and give a larger subsidy to the Pittsburg bituminous coal operators as against those in Virginia and other souther states; that he heard Senator Reed say that President Coolidge had promised to give the next vacancy to Pennsylvania if Woodlock was confirmed; that Sen. Reed withdrew his opposition, altho Glass said Woodlock would have been confirmed in any event; that later, Cox, a good man, was not reappointed by Cyrus Wood of Pennsylvania was; that Wood was a former Attorney for the Pittsburgh operators; that it was a scandalous appointment and the Senate rejected him; that later the Commission reversed itself basing its reversal on different grounds; that it in its new decision it took into consideration the fact that the Pittsburgh operators had to pay union wages while West Virginia had an open shop with lower wages; that Pittsburgh had antiquated machinery while in West Virginia it was modern; that it was a scandalous decision not based on any railroad reason, for the Virginia railroads showed they could meet the Pittsburgh rates to Lake ports and make a profit; that Esch changed his vote through political pressure, as he believed, altho perhaps unconscious on his part.

C.S.H. arranges, through Glass, for Prof. Sprague to appear before Senate Banking and Currency Committee on brokers loans.
Mar. 7, 1928. 133

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Jan. 22, 1928. 118, 119

Glass, Senator (Cont'd.)

Wyatt says the Comptroller's office is scared to death lest Glass and his Committee investigating the F.R. Bank of Dallas should discover that the Comptroller's office made deals to get votes for McFadden bill, - to remove Governor Talley, to give San Antonio a branch, as also Charlotte, N.C. Mar. 22, 1928. 138

C.S.H., Gov. Young and Platt confer with Glass as to discount rates, brokers loans, etc. May 27, 1928. 171

Spoke with contempt about Miller and his performances before H.R. Banking and Currency Committee when he attacked his associates.

C.S.H. gave Glass an abstract of what Miller said. May 27, 1928. 172

Told C.S.H. he did not agree with Dr. Miller that the Secretary of Treasury and Comptroller should not be ex-officio members of F.R. Board. May 29, 1928. 175

See - Discount rates

Glencoe, Md. We attend graduating exercises of Elizabeth Hamlin at. June 1, 1928. 175

Goebel, P.W. The only member of Federal Advisory Council who feels that an increase in rates by Federal Reserve Bank, New York, will be seriously felt in his district.

He said it would be criticised but did not deny possible necessity and believes other F.R. banks would ultimately have to follow. May 18, 1928. 164

Gold, Gold standard Norman tells C.S.H. he believes that the present falling prices are due to an appreciation of gold. July 7, 1927. 2

Gov. Strong says that to publish in detail in weekly statements transactions in foreign bills would encourage speculators in foreign exchange and might even imperil Great Britain's hold on the gold standard. July 13, 1927. 6

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and believes other F.R. banks would ultimately have to follow.
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Gold, Gold standard
Norman tells C.S.H. he believes that the present falling prices are
due to an appreciation of gold.
July 7, 1927. 2

Gov. Strong says that to publish in detail in weekly statements
transactions in foreign bills would encourage speculators in
foreign exchange and might even impact Great Britain's hold
on the gold standard.
July 13, 1927. 8

Gold, Gold standard (Cont'd.)

Miller says that if it became known that the Federal Reserve
Bank, New York, sold the 69 millions of gold held for it by
Bank of England to the Bank of France and took for it a
sterling credit in the Bank of England, - in order to help
the gold standard in Great Britain, we should get into an
awful mess.

C.S.H. said that our helping Great Britain or any other country
to stabilize its currency, whether or not on gold standard,
would greatly benefit our exports especially agricultural
exports as it maintained the foreign purchasing power for our
exports.

July 13, 1927. 7

See article of Burgess in Political Science Quarterly, Vol. 12, No.3
July 1927, taking the position that the F.R. System has a
responsibility for helping the world back to the gold
standard and that Gov. Strong conceived this great idea.
July 13, 1927. 7

Gov. Crissinger says at a conference at F.R. Bank, New York, Gov.
Norman told what a critical position the Bank of England
was in as regards gold; that to hold its gold the Federal
Reserve Bank, New York, must reduce its rate or the Bank of
England increase its rate.

July 25, 1927. 12, 13

Gov. Strong at Open Market Committee meeting said same as Governor
Norman above and adds that an increase in rates of Bank of
England will injure her business and will interfere with her
power to buy liberally of our cotton, wheat, etc; that the
same would apply to other European countries.

July 27, 1927. 13

C.S.H. asks if present falling prices mean an appreciation of gold.
July 27, 1927. 16

C.S.H. says underlying reasons in minds of Open Market Committee and
of Board for favoring lower rates was to help Great Britain
stabilize the gold standard; that the spread between the
F.R. Bank, New York rate - 4% and the Bank of England rate -
4 1/2% - was not great enough to prevent gold exports from
Great Britain to U.S.; that a stabilized gold standard in
Great Britain would help British purchasing power for our
exports.

Sept. 6, 1927. 27

Gold, Gold standard (Cont'd.)

Miller says that if it became known that the Federal Reserve Bank, New York, sold the 22 million of gold held for it by Bank of England to the Bank of France and took for it a sterling credit in the Bank of England, - in order to help the gold standard in Great Britain, we should get into a very bad way.

C.S.H. said that our helping Great Britain or any other country to stabilize its currency, whether or not on gold standard, would greatly benefit our exports especially agricultural exports as it maintained the foreign purchasing power for our exports.

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See article of Burgess in Political Science Quarterly, Vol. 13, No. 3, July 1927, taking the position that the F.R. System has a responsibility for helping the world back to the gold standard and that Gov. Strong conceived this great idea.

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July 27, 1927. 13

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Sept. 6, 1927. 27

Government securities (Cont'd.)

Gold, Gold standard (Cont'd.)

Miller forgets that unless we reduced our rates in summer of 1927 gold would have flowed to us from abroad. Jan. 9, 1928. 108

Sir Otto Niemeyer tells C.S.H. that if a holder of a 5£ Bank of England note should demand gold for it at Bank of England, he could not legally have any right to hold for it but would be paid in currency notes.

C.S.H. feels this shows that Great Britain is not on a pure gold standard, as legally you can get only a certain amount of bullion. Jan. 30, 1928. 122

See - Open Market Investment Committee

Gordon-Cumming, Mrs.

We dine with.

May 22, 1928. 164

Government securities

C.S.H. said during war the Treasury by fixing a low rate on, practically forced the F.R. banks to give a correspondingly low rate on paper secured by. Dec. 10, 1927. 92

Gov. Young points out that dealings on, change the amount of credit outstanding. Jan. 11, 1928. 110

Returning from New York after consultation with Alexander, Miller opposed increase of discount rates and favored continuance of sale of Govt. securities. Jan. 11, 1928. 111, 170

C.S.H. believes control of credit situation can best be secured by a sale of, thus changing earning assets from Government securities to discounts, without recourse to penalizing agriculture and commerce by putting up discount rates. Cunningham agrees with C.S.H. Mar. 26, 1928. 140

Miller claims sale of Government securities will inevitably bring about higher discount rates. Mar. 26, 1928. 140

Richmond ordered sale of all, etc. in System account. April 24, 1928. 155

Miller opposes recommendation of Open Market Committee that the policy of further sales of, be continued. May 1, 1928. 159

Gold, Gold Standard (Cont'd.)

Miller reports that unless we reduce our rates in summer of 1927 gold would have flowed to us from abroad. Jan. 9, 1928. 108

Sir John Pender tells C.S.H. that if a holder of a \$5 Bank of England note should demand gold for it at Bank of England, he would not legally have any right to hold for it but would be paid in currency notes.

C.S.H. feels this shows that Great Britain is not on a pure gold standard, as legally you can get only a certain amount of dollars. Jan. 30, 1928. 122

See - Open Market Investment Committee

Gordon-Canning, Mrs. We dine with.

May 22, 1928. 164

Government securities C.S.H. said during war the Treasury by fixing a low rate on paper secured by forced the F.R. banks to give a correspondingly low rate on

Dec. 10, 1927. 93

Gov. Young points out that dealing on amount of credit outstanding. Jan. 11, 1928. 110

Returning from New York after consultation with Alexander, Miller opposed increase of discount rates and favored continuance of sale of Govt. securities.

Jan. 11, 1928. 111, 110

C.S.H. believes control of credit situation can best be secured by sale of, thus changing reserve assets from Government securities to discounts, without recourse to generalizing agriculture and commerce by putting up discount rates. C.S.H. agrees with

Mar. 28, 1928. 140

Miller claims sale of Government securities will inevitably bring about higher discount rates.

Mar. 28, 1928. 140

Richmond ordered sale of all etc. in System account. April 24, 1928. 152

Miller offers recommendation of Open Market Committee that the policy of further sales of be continued.

May 1, 1928. 159

Government securities (Cont'd.)

C.S.H. puts in a table in his testimony on Strong stabilization bill showing that in the 4 years ending Oct. 31, 1927 and further to April 1, 1928, the holdings of Government securities plus acceptances increased in only 2 of these years while in these same years the total Federal Reserve credit decreased; that in the other years, while total Federal Reserve credit increased, Govt. securities and acceptances decreased.

This shows that taking a year as a unit, Government security purchases have not contributed to increased bank reserves upon which the expansion of brokers loans and, in fact, all loans rest.

May 26, 1928. 170

See - Open Market Investment Committee.

Goldthwait, Dr. C.S.H. visits, Boston.

Aug. 1, 1927. 18

Goldenweiser, Dr. Addresses Board on brokers loans.

Said the speculation was grave but was not interfering with agriculture or commerce; that a material portion of the call loans represented securities which promoters could not place, but he could not say how much; that there was no speculation in commodities.

Jan. 9, 1928. 107

Tells C.S.H. that Miller feels very bad at the testimony he gave before the Banking and Currency Committee and that in correcting his testimony he struck out part relating to his attack on Gov. Strong, but that the H.R. Committee insisted it must not be stricken out.

May 26, 1928. 171

Governor, Frank See- National Bank of Belgium

Governor of a Federal Reserve bank. 91 See - Mellon, Sec.

Governors Conference See - Open Market Investment Committee

Government securities (Cont'd)

C.S.H. gave in a table in his testimony on strong stabilization bill showing that in the 4 years ending Oct. 31, 1927 and further to April 1, 1928, the holdings of Government securities plus acceptances increased in only 2 of these years while in these same years the total Federal Reserve credits decreased; that in the other years, while total Federal Reserve credit increased, Gov. securities and acceptances decreased.

This shows that during a year as a unit, Government securities purchases have not contributed to increased bank reserves upon which the expansion of private loans and, in fact, all loans rest.

May 28, 1928. 170

See - Open Market Investment Committee

Goldman, Dr. C.S.H. visited Boston, Aug. 1, 1927. 18

Goldman, Dr. Addressed Board on private loans

Said the speculation was grave but was not interfering with agriculture or commerce; that a material portion of the call loans represented securities which promoters could not place, but he could not say how much; that there was no speculation in commodities.

Jan. 9, 1928. 107

Tells C.S.H. that Miller feels very bad at the testimony he gave before the Banking and Currency Committee and that in correcting his testimony he struck out part relating to his attack on Gov. Stone, but that the P.E. Committee insisted it must not be stricken out.

May 28, 1928. 101

Governor, Frank See - National Bank of Belgium

Governor of a Federal Reserve Bank. See - Mellon, Sec.

Governor Conference See - Open Market Investment Committee

Grant, Catherine

Governors Conference, New York With Gov. Norman et als.

July 25, 1927. 12

See - Gold Norman, Gov.

Governors dinner to Federal Reserve Board Federal Reserve Agents and.

Nov. 4, 1927. 79

Graef, Mrs. and Olyve

Olyve Graef wants name of artist who made Anna's miniature. Dec. 25, 1927. 101

We dine with Mr. and Mrs. and Olyve.

Met there Ballard Moore of Chicago who used to visit Anna at Mattapoisett.

Driving home C.S.H. asked H.P.H. if he was attentive to Olyve, adding that he liked him and hoped he would succeed. Sunday, June 10, 1928. 180

Mrs. Graef writes Bertie a note saying Olyve and Ballard Moore were married at 3 p.m.; that they tried to telephone Bertie but could not reach her.

We at once wrote congratulatory notes. Monday, June 11, 1928. 181

We meet Mr. and Mrs. Graef at dinner at Mrs. Corbin's. She told me that when we dined with them Sunday neither Olyve nor Ballard had any idea of getting married; that Monday morning Ballard said he was going away and would never see Olyve again, whereupon she said she would marry him and did. June 13, 1928. 181

Graham, Mr.

C.S.H. goes to opening of Charlotte branch with, and Delano. Graham is a director of Federal Reserve Bank, Richmond. Dec. 9, 1927. 89

Grain, Warehoused. 68

See - Bills, Secured.

Governors Conference, New York
with Gov. Norman et al.

July 28, 1927. 19

See - Gold
Norman, Gov.

Governors dinner to Federal Reserve Board
Federal Reserve Agents and
Nov. 4, 1927. 79

Mrs. Grant, Mrs. and Olive
Olive Grant wants name of artist who made Anne's miniature.
Dec. 28, 1927. 101

We dine with Mr. and Mrs. and Olive.

Met Mrs. Ballard Moore of Chicago who used to visit Ann at
Mattapoisett.

Driving home C.S.H. asked M.P.H. if he was attentive to Olive,
adding that he liked him and hoped he would succeed.
Sunday, June 10, 1928. 180

Mrs. Grant writes Bertie a note saying Olive and Ballard Moore
were married at 3 p.m.; that they tried to telephone Bertie
but could not reach her.

He at once wrote congratulatory notes.
Monday, June 11, 1928. 181

We meet Mr. and Mrs. Grant at dinner at Mrs. Corbin's. She told
me that when we dined with them Sunday neither Olive nor
Ballard had any idea of getting married; that Monday morning
Ballard said he was going away and would never see Olive
again, whereupon she said she would marry him and did.
June 13, 1928. 181

Mr. Graham, Mr.
C.S.H. goes to opening of Charlotte branch with Ann and Delano.
Graham is a director of Federal Reserve Bank, Richmond.
Dec. 9, 1927. 89

Grain, Warehouse, 88
See - Billie, Secured.

Grant, Catherine

Sends C.S.H. a photograph of herself as a birthday present.

"With love and best wishes for many, many happy returns
of the day. From

Catherine.

Aug. 30, 1927. 22

Takes C.S.H. to Fairhaven and back to Clifford Ashley's studio
to see his pictures. Oct. 25, 1927. 74

C.S.H. writes, a letter of sympathy on death of Patrick Grant.
Oct. 28, 1927. 74

We take supper with, at Fairhaven.

Later she sent me over in her auto to Providence to catch the
Federal Express for Washington.

Nov. 13, 1927. 81

C.S.H. writes, a bread and butter letter and sends her one of his
songs, "In the Lane."

Nov. 14, 1927. 81

Comes over to Mattapoisett and listened to Bertie reading her
reminiscences for an hour.

Invites to lunch on Friday, - her birthday, - 38 years.

C.S.H. gives her a corn cob pipe to smoke in her play.

She asked C.S.H. for some pictures of Anna, saying she wanted to
have a miniature made to give to Bertie for a Christmas
present. Nov. 22, 1927. 83

We lunched with Catherine to celebrate her 38th birthday. Mr. Delano
came on from Washington.

After lunch C.S.H. tried her voice, - a low contralto, played over
his songs and left her his bound volume of songs.

C.S.H. gave her several pictures of Anna for the miniature.

She exhibited C.S.H.'s corn cob pipe as one of her presents.

We also gave her a print with a figure very much like her daughter Anne,
Nov. 25, 1927. 84

Catherine and Mr. Delano were to lunch with us but Mr. Delano had a
slight touch of ptomaine poisoning and they could not come.

Nov. 26, 1927. 84

Grant, Catherine
 Sends C.S.H. a photograph of herself as a birthday present.
 "With love and best wishes for every happy return
 of the day. From
 Catherine
 Nov. 30, 1927. 93

Takes C.S.H. to Falkenstein and back to Clifford Ashby's studio
 to see his pictures. Oct. 28, 1927. 94

C.S.H. writes a letter of sympathy on death of Patrick Grant.
 Oct. 28, 1927. 94

He takes supper with at Falkenstein.
 Later she came over in her auto to Providence to catch the
 Federal Express for Washington.
 Nov. 13, 1927. 91

C.S.H. writes a grand and butter letter and sends her one of his
 songs, "In the Lane".
 Nov. 14, 1927. 91

Goes over to Matt's and listens to Bertie singing her
 reminiscences for an hour.
 Invites to lunch on Friday - her birthday - 38 years.
 C.S.H. gives her a corn cob pipe to smoke in her pipe.
 She asked C.S.H. for some pictures of Anna, saying she wanted to
 have a miniature made to give to Bertie for a Christmas
 present.
 Nov. 22, 1927. 93

He lunched with Catherine to celebrate her 38th birthday. Mr. Delano
 came on from Washington.

After lunch C.S.H. tried her voice - a few contraltos, played over
 his songs and left her some copies of songs.

C.S.H. gave her several pictures of Anna for the miniature.
 She exhibited C.S.H.'s corn cob pipe as one of her presents.

He also gave her a print with a figure very much like her daughter Anna.
 Nov. 22, 1927. 94

Catherine and Mr. Delano were to lunch with us but Mr. Delano had a
 slight touch of ptomaine poisoning and they could not come.
 Nov. 28, 1927. 94

Grant, Catherine (Cont'd.)

Writes C.S.H. a letter describing the theatricals in which she
 smoked the corn cob pipe with tobacco from which the
 nicotine had been extracted, loaned to her by C.S.H. She
 said she had ordered the miniature of Anna.
 Dec. 10, 1927. 93

C.S.H. answers Catherine's letter. Long letter describing C.S.H.
 and Mr. Delano's trips together.
 Dec. 12, 1927. 93

Returns to C.S.H. his tobacco, from which the nicotine had been
 extracted.
 Dec. 14, 1927. 94

Harriet Hamlin writes C.S.H. that Catherine called on her the other
 day and returned the pictures of Anna and showed her, in
 confidence, the miniature; that Catherine also gave her a
 beautiful plant which pleased her very much.
 Dec. 23, 1927. 98

Catherine sends us Anna's miniature through Walter Amory who brought
 it to Washington. Her card read: "With a great deal of love
 and hopes that you will find this a little satisfying of
 dear Anna. If you don't care for it, just put it away and
 forget it. I shall understand. Love from
 Catherine.
 Dec. 24, 1927. 99

It was most sweet and kind of Catherine.

I like it very much, as does also Bertie.

Bertie thinks the red color is slightly exaggerated, but we both feel
 that time will soften this.

In the evening I sent a letter to Catherine as follows:

Dec. 24, 1927.
 Christmas Eve.

My dear Catherine:

The sun has set but I can not let it rise again before
 trying to tell you how deeply your gift has touched me. Returning
 from a long walk this afternoon, we found it awaiting us, delivered
 through the courtesy of Mr. Amory.

I confess my hands fairly trembled as I undid the package, but
 when I saw the beautiful miniature I can only say that the tears rose
 to my heart and gathered in my eyes as I thought of the "days that
 are no more."

Grant, Catherine (Cont'd.)

Writes C.S.H. a letter describing the theatricals in which she
played the part of the girl with tobacco from which she
nicotine had been extracted. Loaned to her by C.S.H. She
said she had ordered the miniature of Anna.
Dec. 10, 1927. 93

C.S.H. answers Catherine's letter. Long letter describing C.S.H.
and Mr. Deane's trip together.
Dec. 12, 1927. 93

Returns to C.S.H. his tobacco. From which the nicotine had been
extracted.
Dec. 14, 1927. 94

Hattie Hamlin writes C.S.H. that Catherine called on her the other
day and returned the pictures of Anna and showed her in
confidence, the miniature; that Catherine also gave her a
beautiful plant which pleased her very much.
Dec. 23, 1927. 98

Catherine sends us Anna's miniature through Walter Anoxy who brought
it to Washington. Her card reads: "With a great deal of love
and hopes that you will find this a little satisfying of
your Anna. If you don't care for it, just put it away and
forget it. I shall understand. Love from
Catherine.
Dec. 24, 1927. 99

It was most sweet and kind of Catherine.
I like it very much, as does also Bertie.

Bertie thinks the red color is slightly exaggerated, but we both feel
that time will soften this.

In the evening I sent a letter to Catherine as follows:
Dec. 24, 1927.
Christmas Eve.

My dear Catherine:

The sun has set but I can not let it rise again before
trying to tell you how deeply your gift has touched me. Returning
from a long walk this afternoon, we found it awaiting us, delivered
through the courtesy of Mr. Anoxy.

I confess my hands fairly trembled as I unrolled the package, but
when I saw the beautiful miniature I can only say that the tears rose
to my heart and gathered in my eyes as I thought of the days that
are no more."

Grant, Catherine (Cont'd.)

As I gazed I felt that dear Anna was hovering over me
with a smile of pleasure on her face. She was, as you know, the
idol of our lives, and what holds us up and keeps us from utter
despair is the deep feeling and conviction that she has not
really left us, but that we merely lack some sense or power of
seeing her, and that she is constantly by our side.

These are the feelings the miniature bring to me. It is
well done and we shall always look upon it as one of our most
priceless possessions.

As for your sweet thought of us, I can only say it has
deeply touched us and that you hold us in a bond of sympathy and
affection which time never can efface.

With our heartfelt wish that the new year may bring you every
happiness, and with much love to you and yours, believe me

Affectionately yours,

C.S.H.

Dec. 24, 1927. 100

Bertie sends Catherine a present of a sofa cushion in the shape
of a whale.
Dec. 24, 1927.

Bertie writes a very sweet letter of thanks to Catherine of which
she kept no copy. She told Catherine how Nelly Hunt praised
it and also Olyve Graef, and said Olyve wanted to know the
name and address of the artist as she had a friend who, she
thought, might like to order one.
Dec. 25, 1927. 101

Catherine writes Bertie expressing pleasure at our liking the
miniature. She said, among other things:-

"Your letter and Mr. Hamlin's (of Dec. 24th) have been the
greatest joy and relief, for I realized I was doing a dangerous
thing Mr. Hamlin's wonderful epistle to me in reply to
my news about the play, has been a joy forever, and has been
the delight of all hearers.

"It merits so wonderful response that I keep postponing its
composition until genius really burns, - but will it ever?

"In any case, please share this note with him and tell him,

Grant, Catherine (Cont'd.)

As I gazed I felt that dear Anna was hovering over me with a smile of pleasure on her face. She was, as you know, the idol of our lives, and what holds us up and keeps us from utter despair is the deep feeling and conviction that she has not really left us, but that we merely lack some sense or power of seeing her, and that she is constantly by our side.

These are the feelings the minutes bring to me. If it will come and we shall always look upon it as one of our most priceless possessions.

As for your sweet thought of me, I can only say it has deeply touched us and that you hold us in a bond of sympathy and affection which time never can efface.

With our heartfelt wish that the new year may bring you every happiness, and with much love to you and yours, believe me

Affectionately yours,

C.S.H.

Dec. 24, 1927. 100

Bertie sends Catherine a present of a note cushion in the shape of a whale. Dec. 24, 1927.

Bertie writes a very sweet letter of thanks to Catherine of which she kept no copy. She told Catherine how Kelly Hunt pleased it and also Olive Grant, and said Olive wanted to know the name of address of the artist as she had a friend who she thought might like to order one. Dec. 23, 1927. 101

Catherine writes Bertie expressing pleasure at our liking the miniature. She said, among other things:

"Your letter and Mr. Hamilton's (of Dec. 24th) have been the greatest joy and relief for I realized I was doing a dangerous thing... Mr. Hamilton's wonderful epistle to me in reply to my news about the play, has been a joy forever, and has been the delight of all hearers."

"It was so wonderful a response that I keep postponing its composition with genuine really burns - but will it ever?"

"In any case, please share this note with him and tell him"

Grant, Catherine (Cont'd.)

cryptically for me, to keep his eyes on Pythias, who it seems, to me, is rather on the loose. Tell him that any time but at Christmas his letter would have had a more prompt reply.

Thanks again for remembering us, for your dear letter and his too. Ever affectionately yours, Catherine.

Dec. 30, 1927. 103, 104

Mr. Delano called and showed us a miniature of Catherine she had given him as a Christmas present. It was on the whole good, but the mouth was not very satisfactory.

Jan. 7, 1928. 106

We dine with Mr. Delano who said he was going to New York to meet Catherine who had had him buy theatre tickets for every night next week.

Jan. 19, 1928. 112

Miss Sweet nurse of John Grant, calls on us with John, at the Lee House.

Apr. 4, 1928. 147

Miss Sweet suddenly dies of pneumonia.

April 17, 1928. 151

Catherine arrives from Fairhaven.

Bertie lunches with her at Mr. Delano's.

In the evening C.S.H. and H.P.H. go to see Catherine off on the Federal Express carrying back Miss Sweet's body.

We placed a wreath on the casket in the baggage car.

Catherine seemed completely used up, but was very glad to see us.

Just as the train was starting she kissed Bertie and then suddenly threw her arms around C.S.H.'s neck and kissed him.

April 18, 1928. 154

We dined with Mr. Delano and Catherine.

Afterwards went to Poli's to see a movie showing hunting in Africa. Catherine lost a diamond ear ring, but later, by advertisement, she found it.

April 28, 1928. 158

Grant, Catherine (Cont'd.)

originally for me, to keep his eyes on Pythias, who it seems, to me, together on the loose. Tell him that any time but at Christmas his letter would have had a more prompt reply.

Thank you for remembering us for your last letter and his too.
Ever affectionately yours,
Catherine.

Dec. 30, 1927. 104

Mr. Delano called and showed us a miniature of Catherine she had given him as a Christmas present. It was on the whole good, but the mouth was not very satisfactory.

Jan. 7, 1928. 106

We dine with Mr. Delano who said he was going to New York to meet Catherine who had had him buy theatre tickets for every night next week.

Miss Sweet nurse of John Grant, calls on us with John, at the Lee House.

Miss Sweet suddenly dies of pneumonia.

Catherine arrives from Baltimore.

Bertie lunches with her at Mr. Delano's.

In the evening C.S.H. and H.P.H. go to see Catherine off on the Federal Express carrying back Miss Sweet's body.

We placed a wreath on the casket in the baggage car.

Catherine seemed completely used up, but was very glad to see us.

Just as the train was starting she kissed Bertie and then suddenly threw her arms around C.S.H.'s neck and kissed him.

April 18, 1928. 124

We dined with Mr. Delano and Catherine.

Afterwards went to Follie's to see a movie showing hunting in Africa. Catherine lost a diamond ear ring, but later, by advertisement, she found it.

April 26, 1928. 128

Grant, Catherine (Cont'd.)

We take Catherine and John to drive to see the cherry blossoms. We then took tea at our rooms in Lee House, and then C.S.H. drove them back to Mr. Delano's.

April 29, 1928. 159

Catherine lunched with us, bringing over some songs, and returning the bound volume of my songs I loaned her last fall. Later she went bathing with the children and stayed to tea with us.

She said she had advertised for her earring lost in Washington and had recovered it.

She said Mr. Delano never told her he had forgotten to attend our dinner to Sir Herbert Ames. We then read to her the poem we wrote about it and gave her a copy.

July 3, 1928. 189

Comes over to us in evening with young Alexander and we watched the fireworks from our dock. She told me she was 38 years old.

July 4, 1928. 190

Goes to New York with John and his nurse to visit her father and mother on the Hudson.

She said Mrs. Delano has practically recovered and has joined Mr. Delano at their place on the Hudson.

July 6, 1928. 190

Comes over and takes kodaks of C.S.H., H.P.H. and herself.

July 25, 1928. 195

Brings over the Kodaks.

July 29, 1928. 196

C.S.H. takes supper with.

She sends me in her auto to take Federal Express at Providence, but we missed the train.

July 29, 1928. 196

C.S.H. writes Catherine that he reached Washington in time.

July 30, 1928. 196

Grant, Col. and Mrs.

C.S.H. meets, at dinner with Gertrude Myer.

July 27, 1927. 17

Grant, John

See - Grant, Catherine

Oct. 31, 1927. 26, 28

Grant, Judge Robert

C.S.H. writes, of the Sacco-Vanzetti Committee suggesting that the Governor ask the Legislature to restore the old law that three judges must sit in capital cases, and, meantime, commute Sacco and Vanzetti, for the reason that the judgment of one judge is more fallible than that of three.

Aug. 23, 1927. 20, 21

See - Sacco-Vanzetti

Grant, Patrick

Commits suicide in Phila.

Oct. 28, 1927. 74

Gray, Mrs. John C.

We meet, at Chilton Club and H.P.H. dines with her in evening.

Nov. 27, 1927. 85

Grayson, Admiral

We meet Admiral and Mrs. Grayson at dinner with Mrs. Eustis.

Jan. 13, 1928. 111

Mrs. Wilson has, as guest at the dinner to Sir Herbert Ames, given by the Woman's Democratic Club.

May 2, 1928. 161

Great Britain

Houghton says Labor vote is gaining in Great Britain, and conservatives hope to retain power until this Parliament expires.

Nov. 7, 1927. 80

See - Gold standard

Houghton
Niemeyer
Open Market Investment Committee

Green, Miss. 119 - 122

See - Auld Lang Syne

Green, Theodore Francis

Calls on us at Lee House.

April 25, 1928. 157

Greene, Edwin Farnham. 52

See- Child, Mrs. Huntley

Greene, Jerome

Tells C.S.H. that the Matsukata family has been ruined in the Japanese panic; - that Prince Matsukata has had to sell even his home and that Otohiko has been cleaned out.

Oct. 31, 1927. 75, 76

Grant, Catherine (Cont'd)

We take Catherine and John to drive to see the cherry blossoms. He then took tea at our rooms in Lee House, and then C.S.H. drove them back to Mr. DeLano's.

April 28, 1928. 183

Catherine lunched with us, bringing over some songs, and returning the bound volume of my songs I loaned her last fall. Later she went dishing with the children and stayed to tea with us.

She said she had advertised for her earring lost in Washington and had recovered it.

She said Mr. DeLano never told her he had forgotten to attend our dinner to Sir Herbert Ames. We then read to her the poem we wrote about it and gave her a copy.

July 8, 1928. 189

Came over to us in evening with young Alexander and we watched the fireworks from our back. She told me she was 38 years old.

July 4, 1928. 190

Went to New York with John and his nurse to visit her father and mother on the Hudson.

She said Mrs. DeLano has practically recovered and has joined Mr. DeLano at their place on the Hudson.

July 6, 1928. 190

Came over and takes Kodaks of C.S.H., H.P.H. and herself.

July 25, 1928. 196

Brought over the Kodaks.

July 29, 1928. 196

C.S.H. takes supper with. She sends me in her auto to take Federal Express at Providence but we missed the train.

July 29, 1928. 196

C.S.H. writes Catherine that he reached Washington in time.

July 30, 1928. 196

Grant, John and Mrs. C.S.H. meet at 8 o'clock with Gertrude Meyer.

July 27, 1927. 17

Grant, John
See - Grant, Catherine

Grant, Judge Robert
 C.S.H. writes, of the Sacco-Vanzetti Committee suggesting that
 the Governor ask the Legislature to restore the old law that
 three judges must sit in capital cases, and, meantime, commit
 Sacco and Vanzetti, for the reason that the judgment of one
 judge is more fallible than that of three.
 Aug. 28, 1927. 80, 81

See - Sacco-Vanzetti

Grant, Patrick
 Committee suicide in Philadelphia

Oct. 28, 1927. 74

Gray, Mrs. John C.
 We meet, at Oulton Club and R.P.H. dines with her in evening.
 Nov. 27, 1927. 82

Grayson, Admiral
 We meet Admiral and Mrs. Grayson at dinner with Mrs. Kraitsir.
 Jan. 12, 1928. 111

Mrs. Wilson has, as guest at the dinner to Sir Herbert Mac, given
 by the Women's Democratic Club.
 May 2, 1928. 161

Great Britain
 Houghton says labor vote is gaining in Great Britain, and conserva-
 tives hope to retain power until this Parliament expires.
 Nov. 7, 1927. 80

See - Gold Standard
 Houghton
 Houghton
 Open Market Investment Committee

Green, Miss. 118 - 122
 See - Auld Lang Syne

Green, Theodore Francis
 Calls on us at Lee House.

April 28, 1928. 167

Greene, Edwin Farman. 82
 See - Gilla, Mrs. Huntley

Greene, Jerome
 Tells C.S.H. that the Matsuzaki family has been ruined in the
 Japanese panic; - that Prince Matsuzaki has had to sell even
 his home and that Oshino has been cleaned out.
 Oct. 31, 1927. 75, 76

Gribell, Mr. 131
 See - Auld Lang Syne

C.S.H. asked Gertrude Myer while dining with her how Rachel Hale
 felt about her taking Mr. Rodgers abroad with her. She said
 Rachel told her to be -H-

Hale, Mrs. Chandler
 C.S.H. calls on.

Nov. 3, 1927. 79

We take, and Gertrude Myer to a performance of the new movie, -
 "Wings", first having dinner at the Woman's National Democratic
 Club. Mrs. Hale takes us in her automobile.

May 3, 1928. 162

We call on.

May 6, 1928. 162

We meet, at dinner at Charles Warren's. She drove us home, and on the
 way asked Bertie to call her Rachel. C.S.H. suggested that
 she drop the "MR." in his name. She said he might consider
 that as settled. On leaving the auto, C.S.H. asked if he
 might henceforth call her Rachel and she at once replied Yes.
 June 4, 1928. 178

C.S.H. calls, by appointment on.

We discussed the question whether it would be proper for
 Gertrude Myer to take abroad with her Mr. Rodgers.
 We both agreed that if she employed him as her private
 secretary, considering also the disparity of their ages,
 there would probably be no scandal, but we both agreed it
 might make Gertrude an object of ridicule among her friends,
 and we both feared that he might fall in love with
 Gertrude and that she might be so foolish as to marry him,
 which we felt would result in no happiness for either.

We spoke again of the foolishness of our addressing one
 another as "Mr." and "Mrs." She said she always thought of
 me and spoke of me as "Charles" behind my back and saw
 no reason for not doing so to one another.

C.S.H. said he would keep in touch with Gertrude and would
 write her as to her plans if she so desired. She said she
 wished I would.

June 15, 1928. 181, 182

Hamlin, Anna (Cont'd.)

Hale, Mrs. Chandler (Cont'd.)

C.S.H. asked Gertrude Myer while dining with her how Rachel Hale felt about her taking Mr. Rodgers abroad with her. She said Rachel told her to be guided by what Ellen Leonard said.

She later practically admitted that Rachel did not approve. She said that Rachel with all her cares might well look on a foreign trip alone as a relief while to her it was almost unthinkable.

Rachel told C.S.H. that Gertrude said she would pay Miss Lay's expenses if she went with her, but that she could share her bathroom.

June 17, 1928. 182, 183

C.S.H. writes Rachel Hale, beginning the letter "Dear Rachel"

June 19 1928. 185

June 28, 1928. 188

C.S.H. receives a charming note from Rachel, beginning "Dear Charles"

July 1, 1928. 189

C.S.H. writes Rachel Hale.

July 11, 1928. 191

July 19, 1928. 194

July 26, 1928. 195

Rachel writes C.S.H.

July 28, 1928. 196

Hamlin, Anna

C.S.H. asks Ralph Cram to prepare a design for a headstone for Anna.

July 18, 1927. 10

Harriet Hamlin gives us a letter from Miss Bradley with a written communication she said came from Anna. The signature was exactly like that of Anna, but the text was not natural. It spoke of "my people" and referred to meetings on the other side with "Edith." We know of no friend of Anna named Edith.

Sept. 4, 1927. 23

C.S.H. goes to Forest Hills to see the headstone.

Oct. 26, 1927. 74

C.S.H. promises Catherine Grant some pictures of Anna from which to make a miniature.

Nov. 23, 1927. 83

C.S.H. gives the pictures to Catherine Grant.

Nov. 25, 1927. 84

We drive to Forest Hills to see the headstone.

Nov. 27, 1927. 85

Gertrude Myer, Mrs. Rodgers
See also page 118

-H-

Mrs. Chandler Hale
C.S.H. calls on

Nov. 3, 1927. 79

Gertrude Myer to a performance of the new movie
"The Women's National Democratic Club"
Mrs. Hale takes as in her automobile.

May 3, 1928. 182

May 6, 1928. 183

at dinner at Charles Warren's. She drove us home, and on the way asked Bertie to call her Rachel. C.S.H. suggested that she drop the "Mrs." in his name. She said he might consider that as settled. On leaving the auto, C.S.H. said it might have been called her Rachel and she at once replied yes.

June 4, 1928. 178

C.S.H. calls by appointment on

We discussed the question whether it would be proper for Gertrude Myer to take abroad with her Mr. Rodgers. We both agreed that if she employed him as her private secretary, considering also the disparity of their ages, there would probably be no scandal, but we both agreed it might make Gertrude an object of ridicule among her friends and we both feared that he might fall in love with Gertrude and that she might be so foolish as to marry him, which we felt would result in no happiness for either.

We spoke again of the foolishness of our addressing one another as "Mr." and "Mrs." She said she always thought of me and spoke of me as "Charles" behind my back and saw no reason for not doing so to one another.

C.S.H. said he would keep in touch with Gertrude and would write her as to her plans if she so desired. She said she wished I would.

June 18, 1928. 181

Hamlin, Anna (Cont'd.)

Catherine Grant writes C.S.H. she has ordered the miniature.
Dec. 10, 1927. 93

Catherine Grant returns the pictures to Harriet Hamlin and shows
her the miniature. Dec. 23, 1927. 98

Catherine Grant sends us the miniatures.
Dec. 24, 1927. 99

We have a special service at St. Agnes Church, Q Street, Rev. Father
Anderson, in memory of Anna.
Apr. 26, 1928. 158

Hamlin, C. S.

Gov. Young and C.S.H. attend directors meeting of Federal Reserve
Bank, Boston. Oct. 26, 1927. 74

Speaks at dinner given by Governors and F.R. Agents to Federal
Reserve Board, Metropolitan Club.
Nov. 4, 1927. 79

C.S.H. addresses stockholders meeting of F.R. Bank, Boston.
Nov. 11, 1927. 81

Speaks at luncheon at Charlotte, N.C.
Dec. 9, 1927. 89

Presides at dinner to Sir Herbert Ames at Woman's Natl. Democratic
Club. May 2, 1928. 161

Gives lunch to Sir Herbert Ames at Cosmos Club.
May 2, 1928. 160

See - Various headings
Discount rates
Open Market Committee
etc. etc.

Hamlin, Clarence

Beastly intoxicated most of the time on editors trip abroad.
Dec. 1, 1927. 86

See- Carnegie Foundation

Hamlin, Edward

Buys furniture from us, - tortoise shell cabinet, Venetian mirror,
and two cupid sconces.
July 15, 1927. 9

We call on, at his apartment, Boston.
Nov. 27, 1927. 85

Miss Grant writes C.S.H. (Cont'd.)

C.S.H. writes Miss Grant that she has ordered the miniature.
Dec. 10, 1927. 93

Catherine Grant returns the pictures to Harriet Hamlin and shows
her the miniature. Dec. 23, 1927. 98

Catherine Grant sends us the miniatures.
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Dec. 9, 1927. 89

Presides at dinner to Sir Herbert Ames at Woman's Natl. Democratic
Club. May 2, 1928. 161

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May 2, 1928. 160

See - Various headings
Discount rates
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etc. etc.

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Dec. 1, 1927. 86

See- Carnegie Foundation

Buys furniture from us, - tortoise shell cabinet, Venetian mirror,
and two cupid sconces.
July 15, 1927. 9

We call on, at his apartment, Boston.
Nov. 27, 1927. 85

Hamlin, Edward (Cont'd.)

Harriet telephones from Marion to Washington that, has appendicitis and is to be operated on Monday.

Over a week ago C.S.H. had a feeling that somewhat was wrong with Ned and when we returned to Lee House that evening and found a call from Harriet, Bertie feared that something was wrong at Mattapoisett, but C.S.H. said he was sure it was Ned, as it turned out to be.

Feb. 18, 1928. 125, 126

Harriet sends telephone message through Gov. Harding that the operation was most successful - no complications.

Feb. 20, 1928. 126

Ned writes that Becker & Co. has bought control of Metropolitan Coal Company and have agreed to pay George and himself \$65 per share for their common stock, which they carried on their books at about \$35 per share - no par value; that Becker had arranged with a distributing company for management of the company for ten years; that Patterson, representing Becker and the Distributing Company wanted them both to continue in their present positions; that he said he did not wish to continue as President; that Patterson said he could be made Chairman of the Board and act in an advisory capacity, if he declined to continue as President; that he told him that as the new management would do all the buying it would be embarrassing for him to continue as President, but he would consider as to being Chairman of the Board.

He said he and George were well satisfied at the price they got on their common stock.

April 25, 1928. 157, 158

Ned comes over and says Patterson, the new President of Metropolitan Coal Co. evidently wants to get them, or at least George, out of the country; that he insists their total salaries be cut down to \$20,000; that the Treasurer should be a working official; that when he promised to pay their salaries till April 1, 1929, he had not realized that George, at least, was doing no active clerical work.

This of course is in plain violation of the contract.

We discussed what to say to him and Ned wrote asking an interview.

July 25, 1928. 195

Ned comes over.

Has made appointment with Patterson for next Tuesday in Boston.

July 28, 1928. 196

Ned and George come over.

July 29, 1928. 196

Hamlin, Elizabeth
 We attend graduating exercises of, at Glencoe, Md.
 June 1, 1928. 175

Hamlin, George and Mary
 Buy a large red sofa from Raleigh Street for \$25.
 July 15, 1927. 9

Mary tells C.S.H. she met Marion Child at Wellesley.
 Oct. 15, 1927. 70

We call on, in Boston.
 Nov. 27, 1927. 85

Hamlin, George, Jr.
 Elected into D.K.E. and Hasty Pudding Club in second group.
 Also elected into Spee Club.
 Nov. 27, 1927. 85

Hamlin, Harriet and Jane
 Sends us a note from Miss Bradley.
 Sept. 4, 1927. 23

See - Hamlin, Anna
 We take Thanksgiving dinner with.
 Nov. 24, 1927. 84

Mrs. Wilson inquires for.
 Jan. 13, 1928. 111

See - Grant, Catherine

Hamlin, H. P.
 Replies to note from Mrs. Wilson and renews an invitation to her
 (but no mention made of Bolling) to visit us this summer.
 July 5, 1927. 1

Gov. Norman inquires most sympathetically for Bertie.
 July 7, 1927. 2

Receives letter from Mrs. Wilson who says she has to put her
 vacation trips on ice, but does not explain why.
 Aug. 6, 1927. 19

Wires C.S.H. of death of Alice Riggs.
 Sept. 6, 1927. 31

Calls on various people in Boston
 Visits Anna's grave
 Dines with Mrs. John C. Gray.
 Nov. 27, 1927. 85

Hamlin, Elizabeth
 We attend graduating exercises of, at Glencoe, Md.
 June 1, 1928. 175

Hamlin, George and Mary
 Buy a large red sofa from Raleigh Street for \$25.
 July 15, 1927. 9

Mary tells C.S.H. she met Marion Child at Wellesley.
 Oct. 15, 1927. 70

We call on, in Boston.
 Nov. 27, 1927. 85

Hamlin, George, Jr.
 Elected into D.K.E. and Hasty Pudding Club in second group.
 Also elected into Spee Club.
 Nov. 27, 1927. 85

Hamlin, Harriet and Jane
 Sends us a note from Miss Bradley.
 Sept. 4, 1927. 23

See - Hamlin, Anna
 We take Thanksgiving dinner with.
 Nov. 24, 1927. 84

Mrs. Wilson inquires for.
 Jan. 13, 1928. 111

See - Grant, Catherine

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 vacation trips on ice, but does not explain why.
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Wires C.S.H. of death of Alice Riggs.
 Sept. 6, 1927. 31

Calls on various people in Boston
 Visits Anna's grave
 Dines with Mrs. John C. Gray.
 Nov. 27, 1927. 85

Hamlin, H. P. (Cont'd.)

Arrives at Lee House, Washington, from Albany.
Dec. 3, 1927. 87

Reads her reminiscences to Mr. and Mrs. Lansing.
Dec. 18, 1927. 97

Meets Mrs. Wilson at Woman's National Democratic Club. Very cordial.
Asks for "Charlie". Offers to drive Bertie home.
Jan. 19, 1928. 112

Lunches with Mrs. Eustis
We dine with Jeannie Riggs.
Jan. 26, 1928. 121

Shows Cellini cup to Mrs. Warder and leaves it with her for several days. Mrs. Warder calls in a woman reporter in whom she is interested and she publishes an account of it in Washington Post.
Feb. 5, 1928. 125

Dines with Mrs. Hegeman.
Feb. 16, 1928. 125

Dines with Mr. and Mrs. McClellan.
Feb. 18, 1928. 125

We lunch with Charlie and Grace McLane.
Feb. 19, 1928. 125

Takes Rachel Hale and Gertrude Myer to movie - "Wings."
Feb. 23, 1928. 125

Gives them dinner at Woman's Democratic Club.
May 3, 1928. 162

Driving home from dinner at Charlie Warren's, Mrs. Hale asks Bertie to call her "Rachel"
June 4, 1928. 178

Goes to Albany to funeral of Amasa J. Parker, Jr.
July 16, 1928. 192

- See - Auld Lang Syne
- Grant, Catherine
- Jones, Mrs. Andrieus
- Pennington, Mrs.
- etc. etc.

Harding, Governor

Says the F.R. System has been criticised by the farmers because in the past it has reduced rates after the crops have left the farmers hands and gone into the hands of the speculators, while it has increased rates in the autumn when the farmers are buying; that the present was a fine opportunity to reverse this process.

July 27, 1927. 14

Hamlin, H. P. (Cont'd.)
The attend...
June 1, 1928. 178

Hamlin, George and Mary
Buy a large red sofa from Raleigh Street for \$28.
July 12, 1927. 9

Mary tells O.S.H. she met Marion Child at Wellesley.
Oct. 22, 1927. 70

We call on in Boston.
Nov. 27, 1927. 88

Hamlin, George, Jr.
Nestled into D.E.H. and Hasty Pudding Club in second group.
Also elected into Spec Club.
Nov. 27, 1927. 88

Hamlin, Harriet and Jane
Sends me a note from Miss Bradley.
Sept. 4, 1927. 28

See - Hamlin, Anna
To take Thanksgiving dinner with.
Nov. 24, 1927. 84

Mrs. Wilson invites for.
Jan. 13, 1928. 111

See - Grant, Catherine
Hamlin, H. P.
Replies to note from Mrs. Wilson and renews an invitation to her (but no mention made of Soling) to visit us this summer.
July 5, 1927. 1

Gov. Norman invites me to dinner for Bertie.
July 7, 1927. 2

Received letter from Mrs. Wilson who says she has to put her vacation trip on ice, but does not explain why.
Aug. 6, 1927. 19

Wives O.S.H. of death of Alice Riggs.
Sept. 8, 1927. 31

Calls on various people in Boston
Visits Anna's grave
Dine with Mrs. John G. Gray.
Nov. 27, 1927. 88

Harding, H. P. (Cont'd.)

Arrives at Lee House, Washington, from Albany
Dec. 3, 1927. 27

Hosts her reminiscences to Mr. and Mrs. Lansing
Dec. 18, 1927. 32

Hosts Mrs. Wilson at Woman's National Democratic Club
Asks for "Charlie" - Offers to drive Bertie home.
Jan. 19, 1928. 112

Spends time with Mrs. Bertie
Jan. 28, 1928. 131

Shows Callini cup to Mrs. Barber and leaves it with her for several
days. Mrs. Barber calls in a woman reporter in whom she
is interested and she publishes an account of it in Washington
Post.
Feb. 8, 1928. 138

Dines with Mrs. Negemann.
Feb. 16, 1928. 132

Dines with Mr. and Mrs. McGowan.
Feb. 18, 1928. 133

We lunch with Charlie and Grace Malone.
Feb. 19, 1928. 133

Takes Rachel Hale and Gertrude Mer to movie - "Wings".
Feb. 19, 1928. 133

Gives luncheon at Woman's Democratic Club.
May 3, 1928. 142

Driving home from dinner at Charlie Warren's, Mrs. Hale asks Bertie
to call her "Rachel".
June 4, 1928. 148

Goes to Albany to funeral of Miss J. Parker, Jr.
July 16, 1928. 152

See - Aid Land Bank
Grant, Catherine
Jones, Mrs. Andrew
Pennington, Mrs.
etc. etc.

Harding, Governor
Gave the F.R. System has been criticized by the farmers because
in the past it has reduced rates after the crops have left
the farmers hands and gone into the hands of the speculators
while it has increased rates in the autumn when the farmers are
pressed; that the present was a fine opportunity to reverse
this process.

July 27, 1927. 14

Harding, Governor (Cont'd.)

Spends night with us at Matapoisett.
Aug. 31, 1927. 23

C.S.H. thinks Gov. Strong, in his dispute with Sec. Glass in
1919 over discount rates, had in mind a construction of
the word "established" similar to that of Gov. Harding.
Sept. 15, 1927. 42

C.S.H. asks Sec. Mellon to attach to letters asking opinion of
Attorney General the letter of Gov. Harding as to discount
rates.
Sept. 16, 1927. 44, 45

C.S.H. spends two hours with, at F.R. Bank, Boston.
Sept. 19, 1927. 50

James writes Governor Harding to speak to Hollenden as to a credit
for Mrs. Child.
Sept. 20, 1927. 52

Gov. Harding in letter to Gov. Crissinger, Platt and Gov. Norris,
suggests a new construction of word "established" as to
discount rates. It appeals to C.S.H.
Sept. 21, 1927. 53

C.S.H. tells Governor Harding of the tax imposed by Cuba on export
of American currency. He thought we should at once close
the agency but C.S.H. pointed out the difficulties.
Oct. 22, 1927. 73, 74

Gov. Harding says Gov. Young told him Curtiss would surely be re-
designated.
Oct. 26, 1927. 74

Telephones C.S.H. that Ned has gone through his operation most
successfully.
Feb. 20, 1928. 126

Lunches with C.S.H. to meet Sir Herbert Ames.
May 2, 1928. 140

Objects to selling 25 millions of Government securities to Morgan,
saying it was poor policy to sell in small amounts and too
frequently.
May 25, 1928. 165

Is seriously ill at Charles River Road Hospital, Cambridge. Heart,
liver, lungs and kidneys in bad condition. Blood pressure 212.
July 29, 1928. 188

Harding, Governor (Cont'd.)

C.S.H. calls on Governor Harding at Algonquin Club. In much better condition. Blood pressure normal. Has lost 40 lbs. and 8 inches in girth.

July 16, 1928. 192

Tells C.S.H. that Dr. Miller came to see him at hospital and said he was an independent with Democratic proclivities, but that, out of friendship, he should vote for Hoover.

July 16, 1928. 192

See also - Discount rates

Harriman, Mrs. Borden

Tells Bertie she has at last persuaded Mrs. McAdoo to become a non-resident member of the Woman's National Democratic Club. Bertie asked if it was not lack of money which prevented her joining before.

Mrs. Harriman said they have plenty of money now; that Mrs. McAdoo has gone back to California with her two children; that she seemed very discontented. Mrs. Harriman then mimicked Mrs. McAdoo's lisp. She said Mrs. McAdoo said to her, "I wish you would get up a flirtation with Mac; he is bored with me. If I take him to a dance he stands around gloomily in the doorway. He comes home cross and irritable and then tells me I am cross with him."

Mrs. Harriman said she told her that she and Mac were old friends but that when Mrs. McAdoo married him she would not let her speak to him; that it was too late now.

She gave Bertie distinctly to understand they were tired of one another.

She also said she saw Mrs. McAdoo lately in New York and told her what lovely clothes Princess Oblensky had for sale; that Mrs. McAdoo said she had bought her clothes and did not need any more; that later she met Princes Oblensky who thanked her for sending Mrs. McAdoo to her, saying that she had bought four dresses; that they must have cost at least \$150 cash.

Mrs. Harriman said the McAdoo children had never liked her, except Sallie; that Ribbs told her Mrs. McAdoo had even sent him his laundry bill while he was staying with her.

Dec. 14, 1927. 94, 95

We meet, at lunch at Sir Maurice Low's.

Dec. 2, 1927. 98

Harriman, Mrs. Borden (Cont'd.)

We dine with Mrs. Harriman.

Mr. and Mrs. Mairs, his sister-in-law, were there.

Mrs. Harriman spoke of the criticism of the Wilson Chronology in the N. Y. Times.

C.S.H. told her of his efforts, partly successful, to strike out from Mrs. Pennington's contribution to the book excessive adulation, gross errors and extreme partisanship. Mrs. Harriman spoke of the quarrel between the Book Committee and Mrs. Pennington and C.S.H. told her Mrs. Pennington took the position that the Club should not have any share of the profits, while he insisted it should; that finally Mrs. Pennington retained a lawyer and that C.S.H. had little difficulty in reaching a compromise.

C.S.H. frankly told Mrs. Harriman that Mrs. Pennington was very angry with her and seemed to hate her because of her talk with Mrs. Wilson; that while he agreed in the main with what she told Mrs. Wilson, he was nevertheless sorry she went to Mrs. Wilson at that time.

She said the Committee knew she was going, but she is mistaken as to this.

She said Mrs. Wilson had told her that Mrs. Pennington had given her many hours of anxiety and worry during the summer of 1926.

All the above makes it more inexplicable how Mrs. Wilson could have written such a note to C.S.H.!

Mrs. Harriman also referred to Mr. Bolling in terms of contempt, as a man absolutely devoid of good taste.

Dec. 27, 1927. 102, 103

Bertie tells Mrs. Harriman about the check sent for royalties on the chronological book and said C.S.H. thought it meant that only about 600 copies had been sold. Mrs. Harriman said "It is too bad! Mrs. Wilson has always been so level-headed that I can not understand it."

She also told Bertie that Mrs. Wilson had never spoken to her about the book.

She added, "It is one of those things where there is nothing to be said!"

June 4, 1928. 177

Harriman, Governor (Cont'd.)

C.S.H. calls on Governor Harriman at Algonquin Club. In much better condition. Blood pressure normal. Has lost 40 lbs. and 8 inches in girth.

July 18, 1928. 192

Tells C.S.H. that Dr. Miller came to see him at hospital and said he was an independent with Democratic proclivities, but that out of friendship, he would vote for Hoover.

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See also - Discount rates

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She gave Bertie distinctly to understand they were tired of one another.

She also said she saw Mrs. McAdoo lately in New York and told her what lovely clothes Princess Opensky had for sale; that Mrs. McAdoo said she had bought her clothes and did not need any more; that later she met Princess Opensky who thanked her for sending Mrs. McAdoo to her, saying that she had bought four dresses; that they must have cost at least \$150 each.

Mrs. Harriman said the McAdoo children had never liked her, except Galia; that Rip told her Mrs. McAdoo had even sent him his laundry bill while he was staying with her.

Dec. 14, 1927. 94, 95

We meet at lunch at Sir Lawrence Park's. Dec. 20, 1927. 96

Harvard Library
See - Wilson

Harriman, Mrs. Borden (Cont'd.)

One of the Executive Committee of the Woman's National Democratic Club asked Bertie why Mrs. Pennington took away or wanted to take away from the Club what belonged to it.

Bertie said Mrs. Pennington was very angry with Mrs. Harriman for going to Mrs. Wilson.

June 4, 1928. 177

Harris, Mr.

C.S.H. joins James in reporting in favor of, as Class C Director, Federal Reserve Bank, Atlanta, in place of Hopkins.
Dec. 6, 1927. 88

Mr. Lassiter of Charlotte, North Carolina, tells C.S.H. that Harris' appointment is ideal; that he is a far better man than Hopkins.
Dec. 9, 1927. 90

C.S.H. tells James what Lassiter said and added that Harris was a Republican in national politics.
Dec. 10, 1927. 90

Harrison, George

Attends Open Market meeting with Board.
July 27, 1927. 13

Sends C.S.H. opinion of Mr. Johnson and White and Case on power of Board to initiate rates.
Sept. 16, 1927. 45

Board discusses proposed increase in salary from \$30,000 to \$40,000. Sec. Mellon approves it. Finally agreed that Gov. Young should take matter up with McGarrath and try to get a less increase.
Jan. 25, 1928. 117, 118

Comes to Washington with Sir Otoo Niemeyer, a director of the Bank of England.
Jan. 30, 1928. 122

Explains Roumanian credit. 141, 142, 143, 144, 145, 146, 147

See - Roumania

Does not approve of buying more Government securities now; feels direct pressure has not yet wholly accomplished its purpose. Says, personally, he sees no objection to Chicago raising its discount rate.
July 7, 1928. 190

Harriman, Mrs. Borden (Cont'd.)

We dine with Mrs. Harriman.

Mr. and Mrs. Maitz, his sister-in-law, were there.

Mrs. Harriman spoke of the criticism of the Wilson Chronology in the N. Y. Times.

C.S.H. told her of his efforts, partly successful, to strike out from Mrs. Pennington's contribution to the book excessive additions, gross errors and extreme partiality. Mrs. Harriman spoke of the quarrel between the Book Committee and Mrs. Pennington and C.S.H. told her Mrs. Pennington took the position that the Club should not have any share of the profits, while he insisted it should; that finally Mrs. Pennington retained a lawyer and that C.S.H. had his difficulty in reaching a compromise.

C.S.H. frankly told Mrs. Harriman that Mrs. Pennington was very angry with her and seemed to hate her because of her talk with Mrs. Wilson that while he agreed in the main with what she told Mrs. Wilson, he was nevertheless sorry she went to Mrs. Wilson at that time.

She said the Committee knew she was going, but she is mistaken as to this.

She said Mrs. Wilson had told her that Mrs. Pennington had given her many hours of anxiety and worry during the summer of 1928.

All the above makes it more inexplicable how Mrs. Wilson could have written such a note to C.S.H.!

Mrs. Harriman also referred to Mr. Bell in terms of contempt, as a man absolutely devoid of good taste.
Dec. 27, 1927. 102, 103

Bertie tells Mrs. Harriman about the check sent for royalties on the chronological book and said C.S.H. thought it meant that only about 200 copies had been sold. Mrs. Harriman said "It is too bad! Mrs. Wilson has always been so level-headed that I can not understand it."

She also told Bertie that Mrs. Wilson had never spoken to her about the book.

She added "It is one of those things where there is nothing to be said!"

June 4, 1928. 177

Harvard Library

See - Winship (Cont'd.)

Hasty Pudding Club

George Hamlin, Jr. elected in second group.
Nov. 27, 1927. 85

Headstone 10

See - Hamlin, Anna

Heard, Federal Advisory Council. 39

See - Discount rates
Federal Advisory Council

Heath, Federal Reserve Agent, Chicago

18, 24, 26, 39, 40, 43, 81, 89, 116, 118, 189

See - Discount rates
Federal Reserve Agents

Heflin, Senator

Glass says, opposed immediate consideration of confirmation of
Gov. Young but can not defeat it.
Jan. 22, 1928. 114, 115

Hegerman, Miss

We dine with. Feb. 16, 1928. 125

Helm, Admiral and Edith

Admiral Helm dies in Washington
Edith is still in Sanitarium, has been there since last spring.
Oct. 29, 1927. 75

Attend funeral at undertakers.
About 50 people there

Admiral and Mrs. Brownson, Mrs. Hunt, Mrs. Andrius Jones, Neither
Mrs. Wilson nor Randolph were there. Nor was Admiral Grayson.
Dr. Morze said Edith was to be brought in after service.
Oct. 31, 1927. 75.

We go out to Sanitarium to visit Edith.

Dec. 7, 1927. 88
Dec. 23, 1927 99
Jan. 17, 1928 112

C.S.H. speaks to Mrs. Wilson about Edith.

Dec. 20, 1927. 98

We lunch with Edith at Mrs. Weeden's.

We tell her about the Wilson Chronology.
Mar. 4, 1928. 131

Harrison, Mrs. Borden (Cont'd.)

One of the Executive Committee of the Woman's National Democratic
Club asked Bertie why Mrs. Pennington took away or wanted
to take away from the Club what belonged to it.

Bertie said Mrs. Pennington was very angry with Mrs. Harrison
for going to Mrs. Wilson.

Jan. 4, 1928. 124

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Dec. 6, 1927. 88

Mr. Lassiter of Charlotte, North Carolina, tells C.S.H. that Harris
a prominent is ideal; that he is a far better man than Hopkins.
Dec. 8, 1927. 90

C.S.H. tells James what Lassiter said and added that Harris was a
Republican in national politics.
Dec. 10, 1927. 90

Harrison, George

Attends Open Market meeting with Board.

July 27, 1927. 13

George C.S.H. opinion of Mr. Johnson and White and case on power of
Board to initiate rates.
Sept. 18, 1927. 43

Board discusses proposed increase in salary from \$30,000 to \$40,000.
See Helton approves it. Finally agrees that Gov. Young should
take matter down with Morgan and try to get a less increase.
Jan. 22, 1928. 117, 118

Come to Washington with Sir Geo. Knicker, a director of the Bank
of England.
Jan. 30, 1928. 123

Explains Bowman's credit.
Jan. 12, 13, 14, 15, 16, 17, 18, 19

See - Bowman

Does not approve of paying more government securities now; feels
direct pressure has not yet wholly accomplished its purpose.
Says, personally, he sees no objection to Chicago raising its
discount rate.

July 7, 1928. 130

Helms, Admiral and Mrs. (Cont'd.)
 We dine with Edith at Mrs. Weeden's.
 April 3, 1928. 145
 Edith tells us shortly after that Bolling spoke to her about the
 Wilson Chronology saying that it was not a success, that
 it was a long story to tell, but he would tell her some time.
 April - 1928.
 Hervey 66, 67
 See - Pacific South West Savings and Trust Co.
 Heiser, Miss Elizabeth
 C.S.H. tells Ogden Mills about
 She tried to interview C.S.H. but he declined.
 She charged Mellon with dominating Board, and charged Board with
 desire to put up rates now in order to reduce them before
 election. She seemed to be rabidly partisan and C.S.H. felt
 almost out of her head.
 C.S.H. said if she desired any figures the Board. would furnish them.
 Later she wrote a letter to partisan that C.S.H. got Miss Laning
 to tell her her letter called for no information but was simply
 an invitation to enter into a partisan debate, which he must
 decline. Later the Treasury looked her up.
 May 29, 1928. 174
 Hitchcock, Senator
 We meet Senator and Mrs. Hitchcock at lunch with Judge and Mrs. Covington
 Dec. 11, 1927. 93
 Holland
 See- Open market Committee
 Hollanders Store 52
 See - Child, Mrs.
 Holmes, Justice O. W.
 Charges Warren expressed surprise that Judge Holmes did not issue
 a writ of supersedeas in the Sacco-Vanzetti case, on the ground
 that the alleged prejudice of the judge in passing on motion
 for a new trial raised the question of "due process."
 Aug. 23, 1927. 21, 22

Home, Paula
 Mrs. Miller
 174 S.W. - 92

Helms, Admiral and Mrs. (Cont'd.)
 We dine with Edith at Mrs. Weeden's.
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 Aug. 23, 1927. 21, 22

*Hoover, President
has ruled on the bill
78 S. R. - 92*

Hoover, Sec. C.S.H. dines with, to meet Mr. Frank, Governor of National Bank of Belgium. Sept. 30, 1927. 60

✓ The Whaley-Eaton Service has an article on Dr. Miller and. (See scrap books.) June 19, 1928. 183

✓ Dr. Miller tells Gov. Harding he is going to vote for Hoover for President. July 16, 1928. 192

✓ Houghton evidently thinks, a weak candidate. Knows of many attacks on him not yet made. July 15, 1928. 192

Hopkins, Mr. C.S.H. joins James in recommending appointment of Mr. Harris for Class C. Director of Atlanta.

Great pressure was brought for Hopkins who begged C.S.H. to favor him on ground, among others, that he was a Republican. Clark Howell, of Atlanta Constitution, strongly favored Hopkins. Dec. 6, 1927. 88

Mr. Lassiter, of Charlotte, N.C. tells C.S.H. that Harris is a much better man than Hopkins. Dec. 9, 1927. 90

Hough, Judge. 137
See - Talley, Gov.

House of Representatives Passes Clayton Act amendment without a roll call. Feb. 1, 1928. 122

Refers Federal Reserve pension bill back to Committee with instructions to strike out enacting clause.

McFadden lost his head and did not demand even a roll call.

The chief objection raised was the figure \$15,000 as maximum salary for computation of pensions.

Wanted a much lower maximum. Feb. 1, 1928. 123

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H. E. Banking and Currency Committee

Committee said it would report Clayton amendments and also Federal Reserve Revision Bill striking out privilege to member banks to join and making \$15,000 the maximum salary in committee revisions.

Miller threatens to tell of attitude of Board as to its lack of power over open market operations.

Miller testifies before on Strong stabilization bill, attacks attitude of certain members of Board.

See - Miller

See - Open Market Committee

Abstract of Miller's attack on Board policy and on members.

See - Miller

O.S.H. puts before Committee table showing open market operations not responsible for present loans.

Miller tried to cut out part of his testimony, especially his attack on Governor Strong, but Committee insisted it should be printed.

Glass speaks in contempt of Miller's testimony before.

Miller criticizes Miller's testimony before.

Houghton, Ambassador

Said the great Powers were fixing the balance of power using League of Nations as a base; that we should cooperate with League of Nations, but should not join it. He said

Houghton, Ambassador (Cont'd.)

Winston Churchill was right in denying to Gen. Joffre credit for battle of the Marne, but that he went, perhaps, too far; that Churchill hated the U.S., apparently believing the hatred necessary to show he was English and wipe out the half American strain.

He said the Labor vote was gaining in Great Britain but that the conservatives believed they could keep in power until the expiration of Parliament, but would order a new election any time they desired.

He spoke disparagingly of Austen Chamberlain, - a clever but not a deep man.

He said it cost him nearly \$100,000 per year to run the Embassy.

C.S.H. told him he might be drafted for President, but he said there was nothing in it and jokingly asked C.S.H. if he would accept the office of Secretary of the Treasury if he became President. Nov. 7, 1927. 79, 80

Ambassador and Mrs. Houghton call on us at Mattapoisett.

He seemed somewhat chagrined at the failure of his boom for Vice-President. Said that the Hoover men felt that in view of the charges against Hoover as being pro-English it would not be wise to nominate the British Ambassador for Vice President.

He said most of the delegates really did not want Hoover nominated but wanted Coolidge.

He said that if Secretary Mellon had not surrendered to Hoover after Vare's coming out for him, Coolidge even then would be nominated.

He seemed to think Hoover a very weak candidate and Gov. Smith a very strong one.

He said he knew of many other attacks on Hoover which would probably be made.

He said he wanted to talk with C.S.H. later about fixing the German indemnity. July 15, 1928. 192

Howell, Clark

Editor of Atlanta Constitution supports Hopkins for Class C reappointment, Federal Reserve Bank, Atlanta. Dec. 6, 1927. 88

See - Miller

Houghton, Ambassador (Cont'd.)

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He said he knew of many other attacks on Hoover which would probably be made.

He said he wanted to talk with C.S.H. later about fixing the German indemnity.

July 15, 1928. 122

Howell, Clark
Editor of Atlanta Constitution supports Hopkins for Glass
reappointment, Federal Reserve Bank, Atlanta.
Dec. 8, 1927. 88

Initiate rates. Power to
Hoxton, Federal Reserve Agent.
81, 88, 109

See - Discount rates
Federal Reserve Agents

Hull amendment. 128, 129
See - Glass

Hull, Congressman. 129
See - Glass

Hunt, Nelly
Praises Anna's miniature. Dec. 25, 1927. 101

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Inconsistencies
Miller's testimony, H.R. Banking & Currency Committee.
169, 170

See - Miller

Independent
See - Miller

Inflation
Miller says he hates inflation when it can be prevented, but he hates deflation more.
July 7, 1927. 2

Miller says Federal Reserve System, for international reasons, has brought about cheap money which had caused inflation in U.S.
Jan. 9, 1928. 106

Gov. Seay, at Open Market Committee meeting, attacked vigorously the Federal Reserve System policy which he said was one of inflation.

C.S.H. asked Gov. Seay if his remarks applied to 1926 and he said Yes.
May 2, 1928. 160

C.S.H. then reads Gov. Seay's protest of Aug. 17, 1926 against further sales of Govt. securities - to Gov. Seay's great confusion.
May 2, 1928. 160

Miller attacks open market policy as having caused inflation.
May 26, 1928. 169

See - Miller

Initiate rates. Power to
32, 33, 34, 37

See - Discount rates
Glass

Interstate Commerce Commission. 129, 130
See - Glass

-J-

James, George R.

Holds conference with C.S.H. and Ogden Mills as to Cuban Agency. July 6, 1927. 3

Feels that present clause - bills bought in open market sufficiently covers foreign bills and moves Board rescind its earlier vote and make no change in weekly statement.

Passed.

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

July 13, 1927. 6, 7

Wants to initiate 3 1/2% rate at Chicago.

Aug. 4, 1927. 18

Votes, as one of Executive Committee, disapproving Chicago's notice of no change in discount rates.

Sept. 6, 1927. 24

Votes for ratification of above by Board.

Carried:

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

Sept. 6, 1927. 25

Votes against C.S.H. motion that present rate at Chicago be deemed to be lawful rate until close of business on Friday - the date of the directors meeting.

Aye: C.S.H., Platt

No: Gov. C., Comptroller, James, Cunningham
Not voting: Miller

Sept. 6, 1927. 25

Horton, Federal Reserve Agent
81, 88, 109

See - Discount rates
Federal Reserve Agents

Hull Amendment, 1928, 1929
See - Glass

Hull, Congressman, 1929
See - Glass

Hunt, Kelly
Practice Ann's minutes, Dec. 18, 1927. 101

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Independent
Miller's testimony, H.R. Banking & Currency Committee, 1927, 170

See - Miller

Independent
See - Miller

Inflation

Miller says he rates inflation when it can be prevented, but he rates deflation more.

July 7, 1927. 3

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O.S.H. asked Gov. Geay if his remarks applied to 1928 and he said Yes.
May 2, 1928. 160

O.S.H. then reads Gov. Geay's protest of Aug. 17, 1928 against further sales of Govt. securities - to Gov. Geay's great confusion.
May 2, 1928. 160

Miller attacks open market policy as having caused inflation.
May 28, 1928. 169

See - Miller

James, George R. (Cont'd.)

Votes against C.S.H.'s substitute motion that consideration of Chicago rate be postponed until after the directors meeting on Friday.

Aye: C.S.H., Miller, Platt
No: Gov. C., James, Comptroller, Cunningham
Sept. 6, 1927. 26

James agrees with C.S.H. that lower discount rates will give farmers some help in moving their crops, and with C.S.H.'s belief that lower rates are justified by local as well as by international reasons.

Sept. 6, 1927. 28

Says his reason for putting in Chicago rate now is that John Mitchell, a Chicago director, asked Boehme, a St. Louis director, not to reduce rates as it would reduce the profits of the member banks.

Sept. 6, 1927. 26

Votes to put in 3 3/4 rate at Chicago.

Aye: Gov. C., Comptroller, James, Cunningham
No: C.S.H., Platt, Miller
Sept. 6, 1927. 29

Is vigorously cross examined by Federal Advisory Council for action on Chicago rates.

Sept. 16, 1927. 43

C.S.H. feels Gov. C. cowardly (if he was not ordered to resign) in resigning and leaving to Cunningham and James the burden of defending the Chicago rate action before Federal Advisory Council.

Sept. 16, 1927. 49

Glass says he will write President Coolidge and ask him to remove the Comptroller, Cunningham and James.

Sept. 17, 1927. 49

Writes Gov. Harding to help in opening a credit for his daughter, Mrs. Huntley Child at Hollaniers Store, Boston.

Sept. 20, 1927. 52

Objects to asking opinion of Newton Baker as to validity of by-law proposed by C.S.H.

Said he would never agree on adopting by-law by unanimous consent.

Said he might agree to asking Baker's opinion if we agreed to ask opinion of Attorney General later.

Sept. 27, 1927. 56, 57

See - By law

Initiate rates. Power to

See - Discount rates
Glass

Interstate Commerce Commission. 1927. 130
See - Glass

-1-

James, George R.
Holds conference with C.S.H. and Ogden Mills as to Urban Agency. July 6, 1927. 3

Feels that present clause - bills bought in open market sufficiently covers foreign bills and moves Board towards its earlier vote and makes no change in weekly statement.

Passed.
Aye: Gov. C., James, C.S.H.
No: Miller, Cunningham
July 13, 1927. 6, 7

Wants to initiate 3 3/4 rate at Chicago.
Aug. 4, 1927. 19

Votes, as one of Executive Committee, disapproving Chicago's notice of no change in discount rates.
Sept. 6, 1927. 24

Votes for ratification of above by Board.
Carried:
Aye: Gov. C., Comptroller, James, Cunningham
No: C.S.H., Miller, Platt
Sept. 6, 1927. 28

Votes against C.S.H. motion that present rate at Chicago be deemed to be lawful rate until close of business on Friday - the date of the directors meeting.

Aye: C.S.H., Platt
No: Gov. C., Comptroller, James, Cunningham
Not voted: Miller
Sept. 6, 1927. 28

James, George R. (Cont'd.)

James, George R. (Cont'd.)

James agreed to frame a gentleman's agreement covering C.S.H.'s proposed by-law as to initiation of discount rates. Sept. 27, 1927. 57

See - By-law

James action in refusing a unanimous agreement probably kills any by-law. Sept. 27, 1927. 58

Attends dinner of Sec. Hoover to Governor of National Bank of Belgium. Sept. 30, 1927. 60

Consideration of gentleman's agreement postponed as Governor Young says James is inclined to be ugly. Oct. 4, 1927. 63

Gov. Young says James and Cunningham will not agree to any by-law or agreement as they were now getting support from agricultural papers in west and northwest in their Chicago rate action. Oct. 10, 1927. 65

James said we could not permit Federal Reserve banks to buy bills secured by grain in bonded warehouses where borrower owned the warehouse unless we gave similar privilege to cotton, and other stable productions. Oct. 13, 1927. 68, 69

C.S.H. writes James that Federal Reserve Bank of Atlanta should pay the Cuban tax on exported currency under protest, and take an appeal. Oct. 21, 1927. 73

James moved to have an official stenographer at every meeting of Board with open Market Committee and Federal Advisory Council.

Lost on tie vote

Aye: Miller, James, Cunningham
No: Gov. Young, Platt, C.S.H.
Nov. 1, 1927. 76

Votes against Miller's motion that Government security operations shall be conducted only after consultation with the Governor of the Board. Nov. 2, 1927. 79

Votes against C.S.H.'s motion that the Board will impose state bank regulations pursuant to Federal Reserve Act. Dec. 6, 1927. 87

James, George R. (Cont'd.)

Vote against C.S.H.'s motion that consideration of Chicago rate be postponed until after the directors meeting on Friday.

Aye: C.S.H., Miller, Platt
No: Gov. Young, Cunningham
Sept. 27, 1927. 57

James agrees with C.S.H. that lower discount rates will give farmers some help in moving their crops, and with C.S.H.'s belief that lower rates are justified by local as well as by international reasons.

Sept. 27, 1927. 58

Gives his reason for putting in Chicago rate now is that John Mitchell, a Chicago director, asked Bosman, a St. Louis director, not to reduce rates as it would reduce the profits of the member banks.

Sept. 27, 1927. 58

Vote to put in 3 1/2 rate at Chicago.

Aye: Gov. Young, Cunningham, James, Platt, Miller
No: C.S.H.
Sept. 27, 1927. 59

Is vigorously cross examined by Federal Advisory Council for action on Chicago rates.

Sept. 16, 1927. 63

C.S.H. feels Gov. Young is cowardly (if he was not ordered to resign) in resigning and leaving to Cunningham and James the burden of defending the Chicago rate action before Federal Advisory Council.

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Said he would never agree on adopting by-law by unanimous consent. Said he might agree to asking Baker's opinion if he agreed to ask opinion of Attorney General later.

Sept. 27, 1927. 63

See - By law

James, George R. (Cont'd.)

James joins C.S.H. in favor of appointing Harris as Class C Director, Federal Reserve Bank, Atlanta. Dec. 6, 1927. 88

James joins C.S.H. in reporting in favor of redesignation of Hoxton as Federal Reserve Agent. Dec. 6, 1927. 88

C.S.H. told James of Lassiter's praise of Harris. Dec. 10, 1927. 90

Votes in favor of interposing no objection to Federal Reserve Bank, Cleveland, paying widow of Federal Reserve Agent Wills two months salary after his death. Dec. 19, 1927. 97

Writes letter favoring increase in Chicago discount rates from 3 1/2 to 4%. Jan. 24, 1928. 115

James says the Comptroller, Lenz, and Williams at a conference in Texas last summer made a deal, by which it was agreed that Gov. Talley should be removed. Mar. 22, 1928. 138

See - Comptroller Talley, Gov.

James says the attack on Talley is scandalous and was started by Cong. Black because Talley would not advance money to his brother's bank. Mar. 22, 1928. 138

Votes in favor of further sales of Govt. securities. Mar. 26, 1928. 140

Votes against participation in Roumanian credit. April 4, 1928. 147

James says the New York pressure is producing good results and was forcing N. Y. borrowers to borrow from Boston. C.S.H. said if this were so, it would be absurd to prevent Boston protecting itself by increasing its discount rates. April 17, 1928. 151

Votes against increase in Boston rate from 4 to 4 1/2%. April 18, 1928. 153

James, George R. (Cont'd.)

James agreed to frame a gentleman's agreement covering C.S.H.'s proposed by-law as to initial discount rates Sept. 27, 1927. 87

See - By-law

James action in refusing a gentleman's agreement regarding bills was by-law. Sept. 27, 1927. 88

Attends dinner of Gov. Hoover to Governor of National Bank of Belgium. Sept. 30, 1927. 89

Consideration of gentleman's agreement postponed as Governor Young says James is inclined to be wary. Oct. 4, 1927. 89

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James said we could not permit Federal Reserve banks to pay bills secured by grain in bonded warehouses where borrower owned the warehouse unless we gave similar privilege to cotton and other staple productions. Oct. 12, 1927. 89

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James moved to have an official stenographer at every meeting of Board with open letters Committee and Federal Advisory Council. Oct. 21, 1927. 90

lost on the vote
Ayer Miller, James, Cunningham
Not Gov. Young, Platt, C.S.H.
Nov. 1, 1927. 96

Notes against Miller's motion that Government security operations should be conducted only after consultation with the Governor of the Board. Nov. 2, 1927. 96

Notes against C.S.H.'s motion that the Board will impose state bank regulations pursuant to Federal Reserve Act. Dec. 6, 1927. 87

James, George R. (Cont'd.)

Wants to decide Chicago application to increase at once.
April 19, 1928. 155

Votes against the increase.
April 19, 1928 155

Votes to approve Richmond increase because Richmond ordered
sold all of its system holdings of Govt. securities.
April 23, 1928. 155

Open Market Committee report was somewhat modified to suit
James and Miller.

James votes to continue sales of Govt. securities.
May 25, 1928. 166

James says his corporation is still loaning its surplus funds
on call in New York. C.S.H. hopes he has severed active
connection with this corporation as required by F. R. Act.
May 29, 1928. 175

James says he knows that the Comptroller, at a meeting in Texas
last summer with Lenz and Williams, entered into a deal
under which in return for votes for the McFadden bill, Gov. Talley
was to be dropped from the Federal Reserve Bank of Dallas, etc.
June 19, 1928. 183

James, at Open Market Committee meeting, criticised Gov. Case for
not calling the N.Y. banks to a conference and telling them that
speculative loans must be reduced.
July 18, 1928. 192, 193

Jardine, Sec.
Tells C.S.H. he voted for Wilson in 1912.
Sept. 30, 1928. 60

Jay, Mrs. Peter
Present at our dinner to Madame Van Schuylenburch at Woman's
National Democratic Club.
Mar. 21, 1928. 139

Jay, Pierre
Curtiss tells C.S.H. that Prof. Young of Harvard told him that
Miller spoke to him very disparagingly of Jay, - almost in
terms of contempt which stirred him up deeply.
July 5, 1927. 5

Joffre, Gen.

Ambassador Houghton says Winston Churchill was right in refusing to credit for battle of Marne, although he went too far in his criticism.

Nov. 7, 1927. 80

Johnson, Dr. and Mrs.

C.S.H. meets, victor of St. Johns, at dinner with Geo. F. Peabody.

Oct. 1, 1927. 61

Johnson, John G.

Harrison sends C.S.H., to give to Sec. Mellon, copy of opinion of, on right of the Federal Reserve Board to initiate discount rates.

Sept. 16, 1927. 45

Johnson, Mr.

Ellen Leonard suggests, as a secretary to go abroad with Gertrude Myer.

June 27, 1928. 187

Jones, Mrs. Andriens

Attends funeral of Admiral Helm.

Oct. 31, 1927. 75

Tells Bertie she called on Mrs. Pennington to ask her to autograph several copies of the Wilson chronology and that, while there, asked her to become a life member of the Womans National Democratic Club; that Mrs. Pennington said she was not a club woman but would consider the matter.

Feb. 13, 1928. 124

We are amazed at this action of Mrs. Jones, as she has been most vehement in her criticism of Mrs. Pennington and Bolling in their wish to deny any share of the profits from the book of the Club.

Feb. 13, 1928. 124, 125

Labor vote, Great Britain.

See - Houghton

Lady Arthur Elliott

Lynched with ...

Sept. 2, 1927. 22

Lansing, Amos

Bertie reads to Lansing ...

Dec. 15, 1927. 37

Lansing, Robert, Mr. and Mrs.

To take supper with ...

Dec. 15, 1927. 37

We dine with ...

Mar. 4, 1928. 137

James, George K. (Cont'd.)

Wants to decide Chicago application to increase ...

April 19, 1928. 133

Votes against the increase.

April 19, 1928. 133

Votes to approve ...

April 22, 1928. 133

Open Market Committee reports ...

James votes to continue ...

May 22, 1928. 133

James says his corporation is still ...

connection with this corporation ...

May 29, 1928. 133

James says he knows that the Controller ...

last summer with ...

under which in return for votes ...

June 19, 1928. 133

James, at Open Market Committee meeting ...

not on line the N.Y. banks ...

July 19, 1928. 133

Lansing, Sec.

Tells C.S.H. he voted for Wilson in 1912.

Sept. 30, 1928. 30

Jay, Mrs. Peter

Present at our dinner to Madame Van ...

Mar. 21, 1928. 133

Jay, Pierre

James tells C.S.H. that Prof. Young of Harvard ...

Miller spoke to him very disparagingly ...

July 5, 1927. 2

of refusing to...
credit for battle of Marne, although he went for in his
criticism.
Nov. 7, 1927. 80

Johnson, Dr. and Mrs.
O.S.H. meets, visitor of St. Johns, at dinner with Geo. F. Peabody.
Oct. 1, 1927. 81

Johnson, John G.
Harrison reads C.S.H. to give to Sec. Mellon, copy of opinion of
on rights of the Federal Reserve Board to institute discount rates.
Sept. 18, 1927. 48

Johnson, Mr.
Ellen Leonard suggests, as a secretary to go ahead with Gertrude
Myer.
June 27, 1928. 187

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Oct. 31, 1927. 78

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vehement in her criticism of Mrs. Pennington and Bolling in
their wish to deny any share of the profits from the book of
the Club.
Feb. 13, 1928. 134, 135

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Lansing, Robert, Mr. and Mrs. (Cont'd.)

Kell, Mr.
See - Milan, Mr.

Kellogg, Sec.
See - Secretary of State
State Department

Kennerley, M.
See - Anderson galleries
Auld Lang Syne

Kenzel
Asks Board to liberalize its acceptance regulations, so as not
to bar renewal acceptances. Said we are losing much
business because of the rigidity of our regulations.

C.S.H. pointed out that the American Acceptance Bulletin said
we were doing wonderfully and were securing much business,
though our lower rates, formerly enjoyed by London.

Kenzel also complained of the British cutting commissions on
acceptances. C.S.H. quoted London Financial News, quoting
from Acceptance Bulletin to effect that American bankers
started this practice.
Oct. 13, 1927. 69

King, Acting Attorney General. 41, 42
See - Attorney General
Discount rates

Labor vote, Great Britain. 80
See - Houghton

Lady Arthur Willert
Lunches with us at Mattapoissett.
Sept. 2, 1927. 23

Lansing, Aunt Kitty
Bertie reads to Lansings about, from her reminiscences.
Dec. 18, 1927. 97

Lansing, Robert, Mr. and Mrs.
We take supper with.
Bertie reads from her reminiscences.
Dec. 18, 1927. 97

We dine with.
Mar. 8, 1928. 137

Mr. Kell, Mr. ...
 See - Milan, Mr. ...
 Kell, Sec. ...
 See - Secretary of State ...
 State Department ...
 Kennedy, M. ...
 See - Anderson ...
 And Lang ...
 Kennel ...
 Ask Board to liberalize its acceptance regulations, so as not to bar renewal applicants. Said we are losing much business because of the rigidity of our regulations.
 O.S.H. pointed out that the American acceptance Bulletin said we were doing wonderfully and were securing much business through our lower rates, formerly enjoyed by London.
 Kennel also complained of the British existing commissions on acceptance. O.S.H. quoted London Financial News, stating from acceptance Bulletin to effect that American bankers started this practice.
 Oct. 15, 1927. 82
 King, Acting Attorney General. 41, 42
 See - Attorney General
 Discount rates
 Labor vote, Great Britain. 80
 See - Houghton
 Lady Arthur Wilford
 Lunches with us at Matinees.
 Sept. 3, 1927. 83
 Lansing, and Kitty
 Bertie reads to Lansing about from her reminiscences.
 Dec. 18, 1927. 87
 Lansing, Robert, Mr. and Mrs.
 We take supper with
 Bertie reads from her reminiscences.
 Dec. 18, 1927. 87
 We dine with
 Mar. 8, 1928. 124

Lansing, Robert, Mr. and Mrs. (Cont'd.)

Dine with us at Womans National Democratic Club.
 Address of Sir Herbert Ames.
 May 2, 1928. 161

Lassiter, Mr.
 C.S.H. and Delano dine with, at Charlotte, N.C. He says Harris's appointment as Class C Director, Atlanta, is a splendid one, far better than reappointment of Hopkins.
 Dec. 9, 1927. 90

C.S.H. tells James of above.
 Dec. 10, 1927. 90

Lawrence, Bishop
 We call on, in Boston
 Nov. 27, 1927. 85

Lay, Fannie. 183
 See - Myer, Gertrude

League of Nations
 Houghton says the great Powers were fixing balance of power on, for a base.
 Nov. 7, 1927. 79, 80

Mr. Clem Shaver opposes, as an issue.
 Dec. 14, 1927. 95

Invites Board to send representatives to a statistical conference of European central banks at Paris under auspices of.

Miller bitterly attacked League of Nations

He denied C.S.H. statement that policy of administration was to cooperate with L. of N.
 Dec. 3, 1927. 89

He even denied C.S.H. statement that the administration had officially participated in several conferences.

He even denied that the administration had participated in the recent economic conference.

Board voted to accept the invitation
 Dec. 15, 1927. 101

Aye: Gov. Young, Platt, C.S.H.
 No: Miller, Cunningham
 Feb. 14, 1928. 124

Opposed Gov. Young's wish to put up discount rates at New York in 1919.
 Sept. 7, 1927. 80

League of Nations (Cont'd.)

At above meeting C.S.H. said the State Department should be consulted before we formally sent out notice of acceptance and this was agreed to. By some error, however, Eddy notified the League of Nations of our acceptance. C.S.H. at once asked Gov. Young to write the State Department and explain the error.

C.S.H. also met Prof. Young, economic adviser of State Department, at lunch and explained matter to him.

Prof. Young said League of Nations should not have addressed Board directly but should have done it through the State Department.

C.S.H. agreed, as the League of Nations was not a bank but more like a state.

Gov. Young wrote State Department.

The State Department replied it would confer with President Coolidge and advise us, adding that any further communications from the League of Nations should be referred to State Department.

C.S.H. believes a European bank could communicate directly with our Board but that a foreign state, or the League of Nations, should not.

Mar. 7, 1928. 132

See - Roumanian credit. 141

Lee, Higginson & Co.
See - Greene, Jerome

Lee House, Washington
We move into. Dec. 3, 1927. 87

Governor Young takes a room at. Jan. 6, 1928. 105

Some one rings fire alarm in Lee House at 3:30 a.m. as a jest.
Jan. 12, 1928. 111

C.S.H. moves clothes and furniture to.
June 15, 1928. 181

C.S.H. moves from, to Cosmos Club.
June 16, 1928. 182

Leffingwell, R.
Opposed Gov. Strong's wish to put up discount rates at New York in 1919.
Sept. 7, 1927. 32

Leffingwell, E. (Cont'd.)

See - Talley, Gov.

C.S.H. believes request for opinion of Attorney General in 1919 as to power to initiate rates was asked for because Glass and Leffingwell wished to demonstrate to Gov. Strong that the Board had supreme power over rates. Sept. 15, 1927. 42

Lenz. 137, 138

See - Talley, Gov.

Leonard, Ellen. 182, 183, 185

See - Myer, Gertrude

Letter of Grover Cleveland. 127, 131

See - Cleveland, Grover

Library, Morgan

See - Auld Lang Syne
Morgan Library

Library of Congress

See - Auld Lang Syne

Loans, Speculative. 194

See - Brokers loans

Miller Sir Maurice
New York Stock Exchange
Open Market Committee

London

See - Open Market Committee

Low, Sir Maurice

We lunch with, to meet Mr. and Mrs. Massey, the Canadian Minister. Present: Mr. and Mrs. Massey, Mrs. Wilson, Mrs. Harriman, Mr. and Mrs. Chilton, Mr. and Mrs. Charles Warren, Senator Walsh. Dec. 20, 1927. 98

We meet, at dinner with Edith Eustis.

Jan. 13, 1928. 111

Dines with us at Woman's National Democratic Club to meet Sir Herbert Ames.

May 2, 1928. 161

Lowell, A. Lawrence. 20, 68

See- Sacco-Vanzetti

Lunches (See also, Dinners, suppers)

Board gives lunch to Governor Norman, Schacht, Rist, et als.
July 7, 1927. 2

Lady Willert and Mrs. Clark lunch with us at Mattapoisett.
Sept. 2, 1927. 23

C.S.H. lunches with Miller to meet Governor Frank of National Bank
of Belgium.
Oct. 1, 1927. 60

We lunch with Catherine Grant to celebrate her 38th birthday.
Nov. 25, 1927. 84

C.S.H. lunches with Directors of Federal Reserve branch bank at
Charlotte, N.C.
Dec. 9, 1927. 89

We lunch with Judge and Mrs. Covington.
Present: Sen. and Mrs. Hitchcock, Mr. and Mrs. Bonsall.
Oct. 11, 1927. 93

Lunched with Sir Maurice Low to meet Mr. and Mrs. Massey, the
Canadian Minister.

Present: Mrs. Wilson, Mrs. Harriman, Mr. and Mrs. Chilton,
Mr. and Mrs. Warren, Sen. Walsh (Montana).
Dec. 20, 1927. 98

We lunch with Miss Biddle. Dec. 25, 1927. 101

We lunch with Mrs. Frazier Jan. 15, 1928. 112

H.P.H. lunches with Edith Eustis.
Jan. 26, 1928. 121

Board gives lunch at Metropolitan Club to Sir Otoo Niemyer.
Jan. 30, 1928. 122

We lunch with Charlie and Grace McLane at their place near
Baltimore. Feb. 19, 1928. 125

We lunch with Mr. and Mrs. Charles Warren.
April 1, 1928. 141

H.P.H. lunches with Catherine Grant and Mr. Delano.
April 18, 1928. 154

Lunches (Cont'd.)

We lunch with Mrs. Titus-McClennan.
April 22, 1928. 155

We lunch with Mr. and Mrs. Charles Warren to meet Bishop Atwood.
April 29, 1928. 159

C.S.H. gives Sir Herbert Ames a lunch at Cosmos Club.

Present: Mr. Bonsall, Prof. Young of State Department,
Governor Harding, Governor Norris, Platt.
May 2, 1928. 160

-M-

Mairs, Mr. and Mrs.
We meet, at dinner at Mrs. Harrimans.
Dec. 27, 1927. 102

Marne, Battle of
Ambassador Houghton agrees with Winston Churchill's criticism of
General Joffre and, but thinks he went too far.
Nov. 7, 1927. 80

Martin, Federal Reserve Agent
Present at Open Market Committee meeting.
July 27, 1927. 13

Board considers redesignation of.
Nov. 15, 1927. 81

Redesignated.
Dec. 8, 1927. 89

Massachusetts, Supreme Judicial Court of. 21
See - Sacco-Vanzetti

Massey, Mr. and Mrs.
We lunch with Sir Maurice Low to meet, Canadian Minister.
Dec. 20, 1927. 98

C.S.H. attends musicale given by.
Feb. 1, 1928. 122

H.P.H. takes tea with, accompanied by Sir Herbert Ames.
Mrs. Massey telephoned her.
May 2, 1928. 161

Matsukata
Jerome Greene tells C.S.H. that the Matsukata family was wiped
out by Japanese panic; that Prince Matsukata had to sell
his house and that Otohiko was ruined.
Oct. 31, 1927. 75, 76

Mattapoisett(Cont'd.)

Leave Washington for Mattapoisett.
Nov. 5, 1927. 79

Leave Washington for Mattapoisett.
Nov. 19, 1927, 83

Leave Mattapoisett for Washington
Nov. 27, 1927. 85

During 1927 took about 2 months leave in all at Mattapoisett,
but many of these visits were in connection with business
visits to Federal Reserve Bank of Boston.

Leave Washington for Mattapoisett
June 28, 1928. 188

Leave Mattapoisett for Washington
July 8, 1928. 191

Leave Washington for Mattapoisett
July 12, 1928. 191

Leave Mattapoisett for Washington.
July 16, 1928. 192

Leave Washington for Mattapoisett
July 19, 1928. 194

Leave Mattapoisett for Washington
July 29, 1928. 195

So far in 1928 have taken 21 days leave but in each case had
official business at Federal Reserve Bank, Boston

McAdoo, W. G., Mr. and Mrs.

Lunches with C.S.H. at Cosmos Club

Comes up to room after lunch.

Almost frantic in bitterness towards Gov. Smith

Said Smith could not be nominated.

Said he was absolutely independent and should vote as he saw
fit for President, - meaning against Gov. Smith if nominated.

Sept. 30, 1927. 59

We meet, at dinner to Sir Herbert Ames at Womans National Democratic
Club.
May 2, 1928. 161

See -Harriman, Mrs.

(Cont'd.)

Leave Washington for Massachusetts
Nov. 2, 1927. 79

Leave Washington for Massachusetts
Nov. 13, 1927. 83

Leave Washington for Washington
Nov. 27, 1927. 88

During 1927 took about 2 months leave in all at Massachusetts, but many of these visits were in connection with business visits to Federal Reserve Bank of Boston.

Leave Washington for Massachusetts
June 28, 1928. 128

Leave Washington for Washington
July 8, 1928. 131

Leave Washington for Massachusetts
July 13, 1928. 131

Leave Washington for Washington
July 16, 1928. 133

Leave Washington for Massachusetts
July 19, 1928. 134

Leave Washington for Washington
July 23, 1928. 135

So far in 1928 have taken 21 days leave but in each case had official business at Federal Reserve Bank, Boston.

McClellan, W. G. Mr. and Mrs.
Lunched with C.S.H. at Cosmos Club
Come up to room after lunch.
Almost frantic in bitterness towards Gov. Smith.
Said Smith could not be nominated.
Said he was absolutely indignant and should vote as he saw fit for President - warning against Gov. Smith if nominated.
Sept. 30, 1927. 58

We met at dinner to Sir Herbert Ames at Woman's National Democratic Club.
May 2, 1928. 131

See - Gardner, Mrs.

McCagg, Mrs.
We lunch with.
Dec. 4, 1927. 87

We dine with. Mar. 29, 1928. 141

McClellan, Mr. and Mrs. George
We dine with. Feb. 18, 1928. 125

McClennan, Mrs. Tytus
We lunch with.
April 22, 1928. 155

McCoy, Judge
C.S.H. dines with, at Cosmos Club
Aug. 23, 1927. 21

McDougal, Gov.
Said his directors would probably not agree to reduce rates.
July 27, 1927. 14

Admits that Chicago bankers regard 4% as a minimum discount rate.
July 27, 1927. 15

See - Discount rates

McFadden Act
Board votes down C.S.H. motion that we announce that regulations governing state banks will be imposed only pursuant to the Federal Reserve Act as amended.
Dec. 6, 1927. 87

Wyatt rules that under, state member banks can not establish foreign branches altho, specifically reserves right of national banks to do so.
Dec. 6, 1927. 87, 88

James says Comptroller made deal that in exchange for votes for, he would secure removal of Gov. Talley and would grant Federal Reserve branches for Charlotte, N.C. and for San Antonio.
Mar. 22, 1928. 138
June 19, 1928. 183

See - Glass
Hull amendment

McFadden, L.
Miserably mismanaged F.R. pension bill. Did not even demand a roll call on motion to recommit it with instructions to strike out enacting clause, which passed H.R.
Feb. 1, 1928. 123

McLellan, Geo.

McGarrah, Gates

The press has made no mention of name of, in connection with the New York Conference between Federal Reserve Bank of New York and Governor Norman, Schacht, and Rist.

July 7, 1927. 4

Glass asks C.S.H. for copy of Board's eulogistic publication about, when appointed Federal Reserve Agent.

Sept. 16, 1927. 47

Is present at dinner to Board given by the Chairmen and F.R. Agents.

Nov. 4, 1927. 79

Writes Board asking reversal of its vote to call for resignation of Snyder. Board reconsidered its action.

Dec. 6, 1927. 88

Advises Board not to meet in New York with Open-Market Committee as it might precipitate trouble in the credit situation.

Jan. 9, 1928. 107

Confers with Board in Washington together with Woolley and Reayburn.

Says time is approaching to increase rates, although he agreed that first we should sell some more Government securities.

Jan. 11, 1928. 109

Board asks Governor Young to communicate with, and try to compromise on proposed increase in Harrison's salary.

Jan. 25, 1928. 118

McIntosh

See - Comptroller

McLane, Charles

We lunch with Mr. and Mrs. McLane at their place near Baltimore.

Feb. 19, 1928. 125

McMullen, Miss

Tells C.S.H. of death of Alice Riggs.

Sept. 6, 1927. 31

Meigs, Mrs.

We dine with, to meet Mrs. Blair.

Mar. 24, 1928. 139

Writes letter to Mrs. Pennington asking her to found a life membership in Woman's National Democratic Club in memory of Wilson, which she politely declined to do.

April 2, 1928. 142, 143

The press has made no mention of name of, in connection with the New York Conference between Federal Reserve Bank of New York and Governor Board, Schacht, and Rist. July 7, 1927. 4

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Board asks Governor Young to communicate with, and try to compromise on proposed increase in Harrison's salary. Jan. 28, 1928. 118

Mellon, Sec. - Comptroller

McLane, Charles
We lunch with Mr. and Mrs. McLane at their place near Baltimore. Jan. 19, 1928. 122

McNelis, Miss
Tells C.S.H. of death of Alice Rist. Sept. 8, 1927. 31

Melby, Mrs.
We dine with, to meet Mrs. Blair. Mar. 24, 1928. 139

Writes letter to Mrs. Pennington asking her to found a life membership in Women's National Democratic Club in memory of Wilson, which she politely declined to do. April 8, 1928. 143

Mellon, Sec.
29, 30, 35, 38, 39, 40, 41, 42, 44, 45, 51, 53, 54, 57, 59, 62, 63, 65, 77, 151, 153, 155

See - By-law
Discount rates
Open market Committee

Officially announces resignation of Governor Crissinger. Sept. 14, 1927. 38

Tells C.S.H. he has two in mind for Governor Crissinger's vacancy, - Gov. Young and Decker of Minneapolis. Said he wished to designate the appointee as Governor.

C.S.H. said both were splendid men. C.S.H. urged Mellon to designate Platt as Governor for the balance of his term.

Mellon feared that Platt might want to continue as Governor if reappointed.

C.S.H. cited his own case and said there would be no trouble about this.

Mellon said possibly Gov. Young would not accept unless designated as Governor.

C.S.H. suggests that Mellon confer with Alexander of New York who was in Washington as to both Gov. Young and Decker.

C.S.H. asked if there was any Pittsburgh man available and Mellon said No.

Mellon agreed with C.S.H. that the new appointee should be a banker. Later Mellon asked C.S.H. to send Alexander into his office. Sept. 16, 1927. 46, 47
Sept. 21, 1927. 53

Dines with Secretary Hoover to meet Governor of National Bank of Belgium. Sept. 30, 1927. 60

Will take up Cuban tax on exports of money with State Department. Oct. 21, 1927. 72

C.S.H. writes Mellon advising that above tax be paid and appeal taken. Oct. 21, 1927. 73

Attends dinner to Board given by Chairmen and Governors at Metropolitan Club. Nov. 14, 1927. 79

Willis says one of the Governors of the Federal Reserve banks told him that Secretary Mellon had written him to appoint more Republicans on the roll of his bank; that the Governor bitterly resented this and later called on Mellon and told

Mellon, Sec. (Cont'd.)

him his bank never inquired into the politics of its appointees; that Sec. Mellon then asked him to forget that the letter had ever been written.

Dec. 10, 1927. 91

H.P. Willis objects to frequent interview of Sec. Mellon regarding discount rates and of his statement that Governor Young's appointment would not interfere with Federal Reserve discount policy.

Dec. 10, 1927. 91

C.S.H. told Willis that Sec. Mellon's statement did not mean that Governor Young had come onto the Board pledged to any discount policy.

Dec. 10, 1927. 91

C.S.H. tells Willis that Secretary Mellon never had tried to dominate the Board, which was never as independent of the Treasury as now.

Dec. 10, 1927. 92

C.S.H. tells, how well Gov. Young is doing and it pleased him very much.

Dec. 19, 1927. 97

C.S.H. explains the Carillons to Secretary Mellon. He said he should seriously consider putting one in a church in Pittsburgh which he had built in memory of his Father and Mother.

Dec. 19, 1927. 97

Loaned Secretary Mellon W.G. Rice's book on Carillons.

Dec. 20, 1927. 98

President Coolidge gives out a statement stating that he has made inquires of the Treasury and is satisfied there is nothing alarming in the N.Y. speculative situation.

Jan. 6, 1928. 105

Secretary Mellon tells Gov. Young he does not remember ever having had any talk with President Coolidge on this matter.

Jan. 6, 1928. 105

Dr. Goldenweiser tells Secretary Mellon that a material part of brokers loans represented unplaced securities, but he could not say how much.

Jan. 9, 1928. 107

Present at Open Market Committee meeting.

Jan. 11, 1928. 110

Mellon, Sec. 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

See - In-law
Discount rates
Open Market Committee

Officially announced resignation of Governor Crisler.

Tells C.S.H. he has two in mind for Governor Crisler's vacancy. Gov. Young and Becker of Minnesota. Said he wished to designate the appointee as Governor.

C.S.H. said both were splendid men. C.S.H. urged Mellon to designate Platt as Governor for the balance of his term.

Mellon feared that Platt might want to continue as Governor if reappointed.

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Algebra dinner to Board given by Chairman and Governors at Metropolitan Club. Nov. 14, 1927. 79

Willis says one of the Governors of the Federal Reserve banks told him that Secretary Mellon had written him to appoint more Republicans on the roll of his bank; that the Governor bitterly resented this and later called on Mellon and told

Mellon, Sec. (Cont'd.)

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that the letter had ever been written.
Dec. 10, 1927. 91

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much.
Dec. 18, 1927. 92

C.S.H. explains the Carlisle to Secretary Mellon. He said he
should seriously consider putting one in a church in Pittsburgh
which he had built in memory of his father and mother.
Dec. 18, 1927. 92

James Secretary Mellon W.B. Rice's book on Carlisle.
Dec. 20, 1927. 98

President Coolidge gives out a statement stating that he has made
indicates of the Treasury and is satisfied there is nothing
alarming in the N.Y. speculative situation.
Jan. 6, 1928. 108

Secretary Mellon tells Gov. Young he does not remember ever having
had any talk with President Coolidge on this matter.
Jan. 8, 1928. 108

Dr. Goldenweiser tells Secretary Mellon that a material part of
brokers loans represented unproductive securities, but he could not
say how much.
Jan. 9, 1928. 107

Present at Open Market Committee meeting.
Jan. 11, 1928. 110

Mellon, Sec. (Cont'd.)

Present at meeting to discuss proposed increase in Chicago rates.
Jan. 24, 1928. 115

Votes to approve increase. Jan. 24, 1928. 117

Says he will vote to approve all salaries recommended by F.R. Bank,
New York. Jan. 25, 1928. 117, 118

Votes for increase in Richmond rate.
Jan. 26, 1928. 120, 121

Tells Harrison he approves of Roumanian agreement and that he had
so advised President Coolidge.
April 3, 1928. 143

Harrison says Secretary Mellon told him the State Department had
never interfered with foreign loans placed in U.S. except
Government loans.

C.S.H. showed Harrison his digest which showed that Sec. Mellon in
his annual report claimed the right to pass on foreign
private loans when the Gov. t. debt had not been funded.
April 3, 1928. 143, 144

Does not object to increase in Boston rate, said it would not cause
any bad break in stock market but might slow it up.
April 16, 1928. 149

Is very indignant at Miller's attack on F.R. Board and its policies
in his testimony before H.R. Banking and Currency Committee.
Said "how could we have reappointed him? We never would
have had we realized what was to happen. I, of course, knew
of his long speeches in Board but thought he would improve."
May 25, 1928. 166

Secretary Mellon was very indignant at Miller's testimony that the
Federal Reserve Act should be amended so that the Secretary
should no longer be an ex-officio member of the Federal
Reserve Board.

He showed C.S.H. a clipping from N.Y. Journal of Commerce dated
May 25, 1928, quoting C.S.H.'s testimony against above contention
of Miller. It was entitled, "Hanlin lauds Mellon."
May 25, 1928. 166, 167

Mellon, Sec. (Cont'd.)

Present at meeting to discuss proposed increase in Chicago rates.
Jan. 24, 1928. 115

Votes to approve increase. Jan. 24, 1928. 117

Says he will vote to approve all matters recommended by F.R. Bank.
Jan. 25, 1928. 117, 118 New York

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of his long speeches in Board but thought he would improve."
May 28, 1928. 158

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Federal Reserve Act should be amended so that the Secretary
should no longer be an ex-officio member of the Federal
Reserve Board.

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May 28, 1928, containing C.S.H.'s testimony against above contention
of Miller. It was entitled "Hamlin lauds Mellon."
May 28, 1928. 157

Mellon, Sec. (Cont'd.)

C.S.H. told Mellon it was a splendid record for Coolidge and
himself to have reappointed Miller, Platt and C.S.H., - all
originally appointees of President Wilson.
May 25, 1928. 167

When C.S.H. left, Sec. Mellon took him by the hand and thanked
him for the confidence C.S.H. had shown in him, - referring
specially to C.S.H.'s testimony that he had given more
personal attention to Board matters and had attended more
meetings than any other Secretary of the Treasury.
May 25, 1928. 167

C.S.H. tells Ogden Mills about Miss Heizer's political attacks on
the Board and Sec. Mellon.
May 29, 1928. 174

See - By-law
Discount rates
Open Market Committee

Member bank collateral notes
See - Collateral notes

Memorial service. 158
See - Hamlin, Anna

Metropolitan Club
Dinner to Board given by Chairmen and F.R. Agents.
Nov. 4, 1927. 79

Lunch to Sir Otto Niemeyer.
June 30, 1928. 122

Metropolitan Coal Co.
Ned writes that firm of Chicago bankers (Becker) have bought
control of common stock, paying him and George 65 per share
(book value \$35), they to remain in their present positions
at least until April, 1929.
April 25, 1928. 157, 158

See - Hamlin, Edward

Meyer, Eugene
At Miller lunch to Governor of National Bank of Belgium.
Oct. 1, 1927. 60

At dinner given to Board at Metropolitan Club by Chairmen and
Governors.
Nov. 4, 1927. 79

Miller, Dr. A. C. (Cont'd.)

Meyer, Eugene (Cont'd.)

Sen. Norbeck will hold up Gov. Young's ratification until Meyer is ratified.

Jan. 22, 1928. 114

Milans

Proposed for Class B Director, Atlanta, by Williams the head of opposition to Governor Talley and elected; later voted to reappoint Gov. Talley.

Mar. 21, 1928. 137, 138

Miller, Dr. A. C.

1. Moves that purchase of foreign bills are subject to approval of Federal Reserve Board, under Sec. 13, F.R. Act.

C.S.H. suggested inserting Sec. 14 also, as he was in doubt whether Sec. 13 was not limited to domestic bills.

C.S.H. also got him to add "regulations" also.

C.S.H. voted for motion as understanding that "approval" refers to future regulations, and that, pending such regulations, no approval was necessary.

July 6, 1927. 1, 2

2. At lunch to Governor Norman, Schacht, et als, Miller spoke saying among other things that while he hated inflation, if it could be prevented, he hated deflation more.

July 6, 1927. 2, 3

3. Miller said he felt Board should regard present prices as a minimum and should do what it could to prevent further recession or even help to bring about some increase in prices.

July 6, 1927. 3

4. Prof. Young of Harvard tells Curtiss that Miller spoke to him most disparagingly of Pierre Jay, in really contemptible terms, which shocked Prof. Young greatly.

July 5, 1927. 5

5. Miller and Cunningham insist that weekly statement shall specify holdings of foreign bills in greater detail as Board some days ago voted to do, beginning July 13. They claimed the F.R. Act required this. Gov. Strong said it would merely help speculators.

James moved to rescind earlier vote and not change statement. Passed, Miller voting No.

July 13, 1927. 6, 7

Mellon, Sec. (Cont'd.)

C.S.H. told Mellon it was a splendid record for Coolidge and himself to have supported Miller, Platt and C.S.H. - all originally appointees of President Wilson. May 25, 1928. 187

When C.S.H. left, Sec. Mellon took him by the hand and thanked him for the confidence C.S.H. had shown in him - referring especially to C.S.H.'s testimony that had been given more attention to Board matters and had attended more meetings than any other Secretary of the Treasury. May 25, 1928. 187

C.S.H. tells Otto Miller about Miss Haisler's political attack on the Board and Sec. Mellon. May 29, 1928. 174

Open Market Committee
Discount rates
Sec - Ex-law

Member bank collateral notes
Sec - Collateral notes

Memorial services. 188
Sec - Hamilton, Anna

Metropolitan Club
Dinner to Board given by Chairman and F.R. Agents. Nov. 4, 1927. 79

Lunch to Sir Otto Weyerer. June 30, 1928. 123

Metropolitan Coal Co.
Mellon writes that firm of Chicago banks (Becker) have bought control of common stock, paying him and George 55 per share (book value \$25), they to remain in their present positions at least until April, 1928. April 25, 1928. 187, 188

Sec - Hamilton, Edward

Meyer, Eugene
At Miller lunch to Governor of National Bank of Belgium. Oct. 1, 1927. 80

At dinner given to Board at Metropolitan Club by Chairman and Governors. Nov. 4, 1927. 79

Meyer, Eugene (Cont'd.)

Gen. Knicker will hold up Gov. Young's ratification until Meyer is notified.
Jan. 22, 1928. 114

Proposed for Glass B Director, Atlanta, by Williams the head of
opposition to Governor Talley and elected; later voted to
reappoint Gov. Talley.
Mar. 21, 1928. 127, 128

Miller, Dr. A. C.

1. Moves that purchase of foreign bills are subject to approval
of Federal Reserve Board, under Sec. 13, F.R.A. Act.

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no approval was necessary.
July 6, 1927. 1, 2

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among other things that while he hated inflation, it could
be prevented, he hated deflation more.
July 8, 1927. 3, 4

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minimum and should do what it could to prevent further
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the F.R.A. Act required this. Gov. Strong said it would
merely help speculators.
James moved to rescind earlier vote and not change statement.
Passed, Miller voting No.
July 13, 1927. 7

Miller, Dr. A. C. (Cont'd.)

6. Miller said Norman, Rist and Schacht, in a talk he had with,
after the lunch, were evasive and evidently did not want
to discuss matters with him; that if it was for the purpose
of helping the gold standard in Great Britain that we sold
to Bank of France the 69 millions of gold held by us in
the Bank of England, taking in its place a sterling credit, -
we should get into an awful mess.
July 13, 1927. 7

7. Miller leaves today for a two months trip to California.
He left Board a memorandum that any needed ease of conditions
should be brought about by lowering discount rates and not
by purchase of Govt. securities; he said that agriculture
would have a billion dollars more of purchasing power
from the sale of its products and he saw no present reason
for easing conditions.
July 13, 1927. 8

8. While in the West Miller wired the Board suggesting no reduction
of discount rates.
See - Discount rates.

9. Votes against ratifying action of Executive Committee in
disapproving Chicago notice of no change in discount rates.
Sept. 6, 1927. 25

10. Objects to C.S.H. motion that existing 4% rate be held to be the
lawful Chicago rate until meeting of directors on Friday.
He said it might be construed by Chicago as a willingness to
keep in the 4% rate if Chicago so voted on Friday; that
apart from this he sympathized with C.S.H. motion.

On motion being put, Miller asked to be recorded as Not voting,
although he said he sympathized with the motion.
Sept. 6, 1927. 25

11. Voted for C.S.H. motion to postpone until Friday.
Sept. 6, 1927. 26

Agreed with C.S.H. that it was extraordinary to put in the 3 1/2%
rate Tuesday when the directors had practically agreed to
put it in on Friday.
Sept. 6, 1927. 28

12. Voted against putting in the 3 1/2% rate.
Sept. 6, 1927. 29

Miller, Dr. A. C. (Cont'd.)

- 5. Miller said Norman, Rist and Schacht, in a talk he had with after the lunch, were evasive and evidently did not want to discuss matters with him; that it was for the purpose of helping the gold standard in Great Britain that we sold to Bank of France the 89 millions of gold held by us in the Bank of England, taking in its place a sterling credit. We should get into an awful mess. July 13, 1927.
- 7. Miller leaves today for a two month trip to California. He left Board a memorandum that any needed case of conditions should be provided about by lowering discount rates and not by purchase of Govt. securities; he said that securities would have a billion dollars more of purchasing power from the sale of its products and he saw no present reason for raising conditions. July 13, 1927.
- 8. While in the West Miller wired the Board suggesting no reduction of discount rates. See - Discount rates.
- 9. Votes against ratifying action of Executive Committee in disapproving Chicago notice of no change in discount rates. Sept. 8, 1927.
- 10. Objects to C.S.H. motion that existing 4 1/2% rate be held to be the law of Chicago rate until meeting of directors on Friday. He said it might be construed by Chicago as a willingness to keep in the 4 1/2% rate if Chicago so voted on Friday; that apart from this he sympathized with C.S.H. motion. On motion being put, Miller asked to be recorded as not voting, although he said he sympathized with the motion. Sept. 8, 1927.
- 11. Voted for C.S.H. motion to postpone until Friday. Sept. 8, 1927.
- 12. Voted against putting in the 3 1/2% rate. Sept. 8, 1927.

Miller, Dr. A. C. (Cont'd.)

- 13. Miller suggested that the Board announce it was a majority decision. C.S.H. objected. Sept. 6, 1927. 29
- 14. Miller tells Federal Advisory Council that while he did not believe the 3 1/2% rate should have been initiated, and so voted, yet that if Chicago had not put in this rate on Friday (the Board postponing its action of Sept. 6) he would have then voted to put in the 3 1/2% rate had such a motion been offered. This amazes C.S.H. for Miller was opposed to any rate reduction and when he went west he stopped over at Chicago and Minneapolis both of which banks refused to reduce, and the San Francisco bank also. Sept. 16, 1927. 43, 44
- 15. Curtiss says he heard a rumor that Miller was responsible for the statements in the Chicago papers which angered the majority of the Board and made it put in the 3 1/2% rate. Sept. 19, 1927. 50
- 16. Miller suggests unanimous adoption of a gentleman's agreement as to future initiation of rates, -that such action shall require 5 affirmative votes. Sept. 27, 1927. 56
- 17. Miller opposed having requirement of 5 affirmative votes when the Federal Reserve Bank established a rate and the Board desired to put in a different rate. Sept. 27, 1927. 57
- 18. Miller and C.S.H. meet Governor of National Bank of Belgium in Platt's office. Sept. 29, 1927. 59
- 19. Attends dinner of Sec. Hoover to Governor Frank, of National Bank of Belgium. Sept. 30, 1927. 60
- 20. Gives lunch to Governor of National Bank of Belgium. Oct. 1, 1927. 60
- 21. Votes for an official stenographer at every meeting of Board with open market committee, altho he said the present records were well kept. Nov. 1, 1927. 76

Miller, Dr. A. C. (Cont'd.)

13. Miller suggested that the Board announce it was a majority decision. C.S.H. objected. Sept. 2, 1927. 29

14. Miller told Federal Advisory Council that he did not believe the 3% rate should have been initiated and so voted. Yet that if Chicago had not put in this rate on Friday (the Board postponing its action of Sept. 5) he would have then voted to put in the 3% rate had such a motion been offered.

This matter C.S.H. for Miller was opposed to any rate reduction and when he went west he stopped over at Chicago and Minneapolis both of which banks refused to reduce, and the San Francisco bank also. Sept. 16, 1927. 43, 44

15. Gutter says he heard a rumor that Miller was responsible for the statement in the Chicago papers which asserted the majority of the Board had made it put in the 3% rate. Sept. 19, 1927. 50

16. Miller suggests unanimous adoption of a gentleman's agreement as to future initiation of rates - that such action shall require 5 affirmative votes. Sept. 27, 1927. 52

17. Miller opposed having requirement of 5 affirmative votes when the Federal Reserve Bank established a rate and the Board desired to put in a different rate. Sept. 27, 1927. 57

18. Miller and C.S.H. meet Governor of National Bank of Belgium in Platt's office. Sept. 28, 1927. 58

19. Attends dinner of Gov. Hoover to Governor Frank of National Bank of Belgium. Sept. 30, 1927. 60

20. Gives lunch to Governor of National Bank of Belgium. Oct. 1, 1927. 60

21. Votes for an official stenographer at every meeting of Board with open market committee, also he said the present records were well kept. Nov. 1, 1927. 75

Miller, Dr. A. C. (Cont'd.)

22. Open Market Committee submitted a plan:

1. Continuation of offsetting gold movements by purchase and sale of Government securities.
2. Seasonal rate advances towards end of year to be met if necessary, by temporary purchase of securities.
3. During return flow of currency in January, Government securities should be sold to retire the seasonal issue and prevent its being added to member bank reserves.
4. In event of renewal of gold imports, (a) Gold may be purchased in London, Holland, or Switzerland (b) Exchange on those countries may be purchased up to a limit of 100 millions, such purchases to be offset the same as gold movements. (c) Gold or exchange purchased may be invested in bills or put out at interest the same as in case of Bank of England balances.

On C.S.H.'s motion of approval, Miller moved to substitute:

1. Any use of gold or exchange under 4 shall be subject to special authorization of Board in each case.
2. Any purchases of securities under Open Market Investment Account under 2 and 3 shall be made only after consultation with Governor of Board.

1 was lost

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

Miller then withdrew 2.

C.S.H.'s motion of approval was then passed without a dissenting vote. No roll call was demanded.

Miller offered no objection to offsetting gold movements or providing for seasonal increase of rates. All he sought was approval of Board in each instance, which in any emergency would be plainly impossible.

Nov. 2, 1927. 77, 78, 79

Miller, Dr. A. C. (Cont'd.)

Miller, Dr. A. C. (Cont'd.)

22. Open Market Committee submitted a plan (Cont'd.)

Miller says if the Board does not want to redesignate a Federal Reserve Agent, as a vacancy occurs each year in the Class C Directors, it could fill the new appointment with the man it wanted to make F.R. Agent and leave as a Class C Director the F.R. Agent it failed to redesignate.

C.S.H., however, pointed out that the F.R. Agent must be of tested banking experience and that to carry out Miller's suggestion the Board would have to appoint another banker as Class C Director, thus giving two bankers such positions; that this would be contra to the spirit of the Federal Reserve Act, which takes care of bankers in Class A, of business men in Class B and of the public in Class C; that the only practicable way would be to remove as a Class C Director the F.R. Agent who failed to be redesignated, which would not be a removal for "cause" under the Federal Reserve Act.
Nov. 15, 1927. 82

- 23. Votes against C.S.H.'s motion that Board issue no specific regulations on state banks coming in with branches but merely announce that it will impose suitable regulations on entry "pursuant to Federal Reserve Act."
Dec. 6, 1927. 87
- 24. Opposes Wyatt's ruling that a state member bank can not establish a foreign branch under McFadden Act, although a national bank can.
Dec. 6, 1927. 87
- 25. Votes against reversion of Board's vote that Snyder should be called on to resign from F.R. Bank, New York.
Dec. 6, 1927. 88
- 26. Board votes to redesignate all F.R. Agents. Miller asked to be recorded as not voting and said he would file a memorandum with his reasons later.
Dec. 8, 1927. 89
- 27. Voted against motion to offer no objection to payment of two months' salary to widow of F.R. Agent Wills, after his death.
Dec. 19, 1927. 97

Miller, Dr. A. C. (Cont'd.)

22. Open Market Committee submitted a plan

1. Continuation of offsetting gold movements by purchase and sale of Government securities.

2. Seasonal rate advances towards end of year to be met if necessary by temporary purchase of securities.

3. During return flow of currency in January, Government securities should be sold to retire the seasonal issue and prevent its being added to member bank reserves.

4. In event of removal of gold imports (a) gold may be purchased in London, Holland, or Switzerland (b) exchange on those countries may be purchased up to a limit of 100 million, such purchase to be offset the same as gold movements (c) gold or exchange purchased may be invested in bills or out at interest the same as in case of Bank of England balances.

On C.S.H.'s motion of approval, Miller moved to adjourn.

1. Any use of gold or exchange under 4 shall be subject to special authorization of Board in each case.

2. Any purchase of securities under Open Market Investment Account under 2 and 3 shall be made only after consultation with Governor of Board.

I was lost
Ave: Miller, Platt, Cunningham
Hon: Sec. Mellon, Gov. Young, James, C.S.H.

Miller then withdrew 2.

C.S.H.'s motion of approval was then passed without dissenting vote. No roll call was demanded.

Miller offered no objection to offsetting gold movements or providing for seasonal advance of rates. All he sought was approval of Board in each instance, which in any emergency would be plainly impossible.
Nov. 15, 1927. 82

Miller, Dr. A. C. (Cont'd.)

Open Market Committee exhibited a plan (Cont'd.)

Miller says if the Board does not want to redesignate a Federal Reserve Agent, as a vacancy occurs each year in the Class G Director, it could fill the new appointment with the man it wanted to make F. R. Agent and leave as a Class G Director the F. R. Agent it failed to redesignate.

F. R. Agent, however, pointed out that the F. R. Agent must be of tested banking experience and that to carry out Miller's suggestion the Board would have to appoint another banker as Class G Director, thus giving two bankers each position; that this would be contrary to the spirit of the Federal Reserve Act, which takes care of bankers in Class A, of business men in Class B and of the public in Class C; that the only practicable way would be to remove as a Class G Director the F. R. Agent who failed to be redesignated, which would not be a removal for "cause" under the Federal Reserve Act.
Nov. 12, 1927. 82

23. Votes against C.S.H.'s motion that Board issue no specific regulations on state banks coming in with branches but merely announce that it will impose suitable regulations on entry "pursuant to Federal Reserve Act."
Dec. 8, 1927. 87

24. Opposes Wright's ruling that a state member bank can not establish a foreign branch under McFadden Act, although a national bank can.
Dec. 8, 1927. 87

25. Votes against reversion of Board's vote that Ryder should be called on to resign from F. R. Bank, New York.
Dec. 8, 1927. 88

26. Board votes to redesignate all F. R. Agents. Miller urged to be recorded as not voting and said he would file a memorandum with his reasons later.
Dec. 8, 1927. 88

27. Voted against motion to offer an objection to payment of two months' salary to widow of F. R. Agent Willie after his death.
Dec. 19, 1927. 97

Miller, Dr. A. C. (Cont'd.)

28. Gov. Young tells C.S.H. that Gov. Talley told him not long ago that he met a New York banker on a Railroad train - he would not give his name - who said that his bank was loaning on call in New York over \$300,000 for Dr. Miller! Gov. Young said that Miller had disclosed this to him a few days ago, and that he, Governor Young, later told this to Gov. Strong in New York, and that Gov. Strong was horrified and said that if this became known Miller would be summarily driven out of office.
Jan. 6, 1928. 105

29. What would be the reaction of the public if it discovered that a member of the Board charged with the protection and development of business through discount rates, was feeding stock exchange speculation which was fast becoming a menace to business, by loaning on the speculative market \$300,000 to his own private gain! C.S.H. feels it Gov. Young's duty to report this to Sec. Mellon.
Jan. 6, 1928. 105

30. Board postponed Open Market Committee meeting in New York at urgent request of McGarrah who said that for the Board to go to New York might cause uncertainty and trouble, - that the situation was fuel of dynamite.

31. Miller, however, said he had an engagement in New York and would go there any way. C.S.H. feels it may well be that he has a private engagement and that he thus has Board pay his expenses!
Jan. 9, 1928. 107, 108

32. Miller tells Board that we, for International reasons, had made money cheap and that this policy had caused inflation in U.S.

C.S.H. feels Miller forgets that if we had not reduced rates in August 1927 gold would have poured into U.S. with an almost necessary inflation.

Miller denied C.S.H. statement that lowered rates helped the small manufacturer in his competition with big manufacturers and said that easy money helped the big manufacturers crush the smaller ones.

Gov. Young asked Miller whether he thought tighter money would have helped the small manufacturer, but Miller did not reply.
Jan. 9, 1928. 108

Miller, Dr. A. C. (Cont'd.)

- Returning from New York, Miller vigorously opposed increasing N. Y. rates and favored continued sale of Govt. securities. Jan. 11, 1928. 119
- 32. Miller, who a week ago, opposed any rate advance to check brokers loans now reversed himself and favored a rate advance, saying Govt. security sales were being made timorously and were exercising no control over the situation. Jan. 23, 1928. 115
- 33. C.S.H. asked Miller's views as to calling in the New York bankers and admonish them. This was Glass's suggestion but C.S.H. did not mention him.
Miller said the New York bank Presidents were alive to the situation and would do nothing as the money came from outside New York. Jan. 23, 1928. 115
- 34. Votes in favor of increasing Chicago rate from 3½ to 4%. Jan. 24, 1928. 117
- 35. Votes against increasing Asst. Federal Reserve Agent Burgess's salary by \$3000. Jan. 25, 1928. 117
- 36. Criticises Cunningham's resolution for report from F.R. banks as to rediscounts used by speculative purposes, pointing out, as did also Gov. Young, that there were few if any continuous borrowers rediscounting to any extent, except from day to day for temporary purposes. Jan. 26, 1928. 120
- 37. Miller favored an increase in rates for the reason that member banks would get higher rates from their customers and would be less likely to loan on call.
Miller gave C.S.H. the impression that he preferred an increase in rates to the resolution of Cunningham for an inquiry. Jan. 26, 1928. 120, 121
- 38. C.S.H. reminded Miller that on he delivered an address in Boston in which he claimed that rediscounts for banks carrying speculative loans were forbidden by the very terms of the F.R. Act.
Miller replied very equivocally and said his proposed letter to Federal Advisory Council, tabled by the Board, stated his attitude more plainly. Jan. 26, 1928. 121

Handwritten notes:
Miller's address in New York
In the morning Jan 25-28

Miller, Dr. A. C. (Cont'd.)

- 39. Votes to approve increase in Richmond rate.
Jan. 26, 1928. 121
- 40. Votes against accepting invitation of League of Nations to Board to send representative to statistical conference of European central banks at Paris.
Feb. 14, 1928. 124
- See - League of Nations
- 41. Miller bitterly attacked League of Nations. Did not want to have anything to do with it.
C.S.H. said the policy of the administration was to cooperate with the League of Nations, - which Miller denied.
C.S.H. pointed out that our Government had been officially represented at many League of Nations conferences, citing, among others, the Economic Conference.
Miller denied even this, altho he at the time urged the Board to violate the law and send Assistant F.R. Agent Buck to help his friend Robinson, who had been officially designated, with others, by President Coolidge to attend this conference.
Feb. 14, 1928. 124
- 42. Votes against permitting the Open Market Committee to make further sales of Government securities.
Mar. 26, 1928. 139, 140
- 43. Miller explained his vote in a memorandum. He favored no further purchases as they would necessitate higher discount rates.
Mar. 26, 1928. 140
- 44. Miller attacked the open market policy of Board, as to purchase and sale of Government securities, saying he had always opposed it.
As a fact he was practically its Father, especially in 1924 when he strongly advocated purchases of Govt. securities and said it would not cause inflation.
Mar. 27, 1928. 141
- 45. Miller objects to Roumanian credit claiming that F.R. Bank of New York would be bound by the decision of the Bank of France both as to the syndicate agreement and the stabilization plan.

Miller, Dr. A. C. (Cont'd.)

Resolving from New York, Miller vigorously opposed increasing N.Y. rates and favored continued sale of securities.
Jan. 11, 1928. 119

Miller, who a week ago, opposed any rate advance to check private loans now reversed himself and favored a rate advance, saying Govt. security sales were being made temporarily and were exerting no control over the situation.
Jan. 22, 1928. 115

C.S.H. said Miller's view as to calling in the New York bankers and attacking them. This was C.S.H.'s suggestion but C.S.H. did not mention him.

Miller said the New York bank presidents were alive to the situation and would do nothing as the money came from outside New York.
Jan. 22, 1928. 115

Miller in favor of increasing Chicago rate from 3 1/2 to 4 1/2.
Jan. 24, 1928. 117

Miller voted against increasing Assistant Federal Reserve Agent Burgess's salary by \$3000.
Jan. 25, 1928. 117

Criticism of C.S.H.'s resolution for report from N.Y. banks as to redemptions used for speculative purposes, pointing out as did also Gov. Young, that there were few if any continuous borrowings representing to any extent, except from day to day for temporary purposes.
Jan. 26, 1928. 120

Miller favored an increase in rates for the reason that member banks would get higher rates from their customers and would be less likely to loan on call.

Miller says C.S.H. the proposition that he preferred an increase in rates to the resolution of C.S.H. for an industry.
Jan. 26, 1928. 121

C.S.H. reminded Miller that on in Boston in which he claimed that redemptions for banks carrying speculative loans were forbidden by the very terms of the F.R. Act.

Miller replied very equivocally and said his proposed letter to Federal Advisory Council, tabled by the Board, stated his attitude more plainly.
Jan. 26, 1928. 121

*See Miller's declaration on Hoover
See No 178-92 Mar 25 '28*

Miller, Dr. A. C. (Cont'd.)

45. (Cont'd.)

C.S.H. asked Harrison who said the F.R. Bank could at any time withdraw because not satisfied with the syndicate plan or stabilization plan.

Miller voted against C.S.H. motion to approve.
April 4, 1928. 147

46. Miller files a memorandum stating that Board has practically assumed responsibility for the stabilization plan and has abdicated to the Bank of France.

C.S.H. places on record his reason for approval of agreement, in answer to Miller's memorandum:

1. Federal Reserve Bank, New York, expressly refused any responsibility for stabilization plan.
2. Reserved right to withdraw from syndicate agreement.

April 6, 1928. 147

47. Miller at first strongly favored approving increase in Boston discount rate; said he had just talked over telephone with Governor Harding who said discounts had greatly increased and that there was evidence that the proceeds were being used in the New York call loan market.

Later he veered around and said we ought to tell Governor Harding to wait until his directors meeting on Thursday, - that putting up rates would chill business.
April 16, 1928. 149

48. Miller strongly objects to increasing Boston rate, saying that approval would be tantamount to a declaration that the Board favored control of speculation through discount rates.
April 17, 1928. 150

49. Miller said if the Federal Reserve Bank of Boston should absolutely refuse to rediscount for member banks carrying speculative loans, it would be a great stroke.
April 17, 1928. 151

50. Miller talks almost incessantly from 10 to 12 opposing approval of Boston increase. Says he is satisfied that N.Y. pressure was working satisfactorily; that the matter would be settled if Boston would wait until Friday.
April 18, 1928. 152

Miller, Dr. A. C. (Cont'd.)

- 51. Miller said, over and over again, that he would never vote to increase discount rates for purpose of controlling N. Y. Stock Exchange speculation.
April 18, 1928. 152
- 52. C.S.H. pointed out to Miller that in the fall of 1925 he earnestly favored an advance in N.Y. rate to control speculation, although N.Y. said at the time that it had the situation well in hand through direct action; that he even voted for Cunningham's motion to initiate a 4% rate at New York.
April 18, 1928. 152
- 53. C.S.H. said Miller's arguments might have greater force if we had a central bank at Washington with a branch at Boston, but that Boston was an autonomous bank desiring to protect itself against unduly increasing rediscounts and falling reserves which were now only 57% - the lowest in the F.R. System.
April 18, 1928. 152
- 54. Finally on vote, - Sec. Mellon not voting, - the motion to approve failed by a tie vote, Miller voting No.
Board adjourned until 2 p.m.
April 18, 1928. 152 153
- 55. After adjournment, Sec. Mellon, (who had patiently listened to Miller's objections), said he did not feel that the Board could properly overrule the judgment of the Boston directors who based their judgment on local conditions.
April 18, 1928. 153
- 56. Miller then said he had talked with Gov. Case over the telephone during the recess; that Gov. Case was very much discouraged and said the situation was getting out of hand; that money was pouring into N.Y.; that he could identify 50 millions as coming from Boston.
April 18, 1928. 153
- 57. Sec. Mellon then called for a vote. Miller said that in view of his talk with Gov. Case, he felt impelled to change his morning vote and vote to approve.
Miller then voted to approve.
April 18, 1928. 153
- 58. Board took up increase in Chicago rate. Sec. Mellon and C.S.H. favored waiting until Heath's letter arrived explaining reasons.
Miller, Platt and James wanted an immediate vote.

Miller, Dr. A. C. (Cont'd.)

Miller voted against C.S.H. motion to approve.
April 18, 1928. 152

Miller gives a memorandum stating that Board has practically assumed responsibility for the stabilization plan and has indicated to the Bank of France.

C.S.H. places on record his reason for approval of agreement in answer to Miller's memorandum.

Federal Reserve Bank, New York, expressly refused any responsibility for stabilization plan.

Reserved right to withdraw from syndicate agreement.

April 18, 1928. 152

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Later he voted around and said we ought to tell Governor Harding to wait until his directors meeting on Thursday, - that putting up rates would chill business.
April 18, 1928. 152

Miller strongly objects to increasing Boston rate, saying that approval would be tantamount to a declaration that the Board favored control of speculation through discount rates.
April 18, 1928. 152

Miller said if the Federal Reserve Bank of Boston should definitely refuse to rediscount for member banks carrying speculative loans, it would be a great stroke.
April 18, 1928. 152

Miller talks about increasing from 10 to 12 opposing approval of Boston increase. Says he is satisfied that N.Y. pressure was working satisfactorily; that the last few weeks he settled at Boston with until Friday.
April 18, 1928. 152

Miller, Dr. A. C. (Cont'd.)

58 (Cont'd.)

McDougal read letters over telephone.

Miller voted to approve.

April 19, 1928.

154, 155

59. Miller voted to approve increase at St. Louis and Richmond.
April 23, 1928. 155

60. Board considered order of Richmond to sell its holdings of
Government securities in System account.

Miller claimed Board had complete power and could if it wished
forbid such sale.

C.S.H. said that under Section 14 the Board by regulation could
regulate but not forbid.

Miller denied this and said the N.Y. banks dominated under
existing arrangements.

Miller said Board had power to order each F.R. bank to operate
in Government securities only through the Open Market
Committee.

C.S.H. said such an order - apart from a voluntary agreement, -
took away from a F.R. bank one of its most important
functions and vest it in a Committee of all of the F.R. banks
or in the Board itself - making the System in effect one
central bank operating from Washington.

C.S.H. also said that if Miller was correct the Board could take
away from the F.R. banks the right to establish rates and
vest it in a Committee of the F.R. banks or in the Board
itself.

April 24, 1928. 156, 157

61. Miller then threatened to tell the H.R. Committee of the attitude
of C.S.H. and C.S.H. replied he could if he desired.
April 24, 1928. 157

62. Miller tells the Governors, in discussing the Open Market Committee
report - that open market operations should be put an end to
and discount rates only should be used to control speculation.

Miller said this had always been his attitude!

Miller, Dr. A. C. (Cont'd.)

51. Miller said, over and over again, that he would never vote
to increase discount rates for purposes of controlling
N. Y. Stock Exchange speculation.

April 18, 1928. 153

52. C.S.H. pointed out to Miller that in the fall of 1925 he expressly
favored an advance in N.Y. rate to control speculation,
although W.Y. said at the time that it had the situation
well in hand through direct action; that he even voted for
Committee's motion to initiate a 4% rate at New York.

April 18, 1928. 153

53. C.S.H. said Miller's arguments might have greater force if we had
a central bank at Washington with a branch at Boston,
but that Boston was an autonomous bank desiring to protect
itself against rapidly increasing rediscounts and selling
reserves which were now only 6% - the lowest in the F.R.
System.

April 18, 1928. 153

54. Finally on vote, - Sec. Miller not voting - the motion to approve
failed by a tie vote, Miller voting No.

Board adjourned until 3 p.m.

April 18, 1928. 153

55. After adjournment, Sec. Miller, who had patiently listened to
Miller's objections, said he did not feel that the Board
could properly override the judgment of the Boston directors
who based their judgment on local conditions.

April 18, 1928. 153

56. Miller then said he had talked with Gov. Case over the telephone
during the recess; that Gov. Case was very much discouraged
and said the situation was getting out of hand; that money
was pouring into N.Y.; that he could identify 50 millions
as coming from Boston.

April 18, 1928. 153

57. Sec. Miller then called for a vote.
Miller said that in view of his talk with Gov. Case, he felt
impelled to change his earlier vote and vote to approve.

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58. Board took up increase in Chicago rate.
Sec. Miller and C.S.H. favored writing until Board's letter
arrived explaining reasons.

Miller, Platt and James wanted an immediate vote.

Miller, Dr. A. C. (Cont'd.)

62. (Cont'd.)

Miller said that, while disposed not to vote at all on Committee recommendation for continuance of policy of sale of Government securities, yet he might decide to vote to give them "all the rope they wanted."

Miller's claim is preposterous.

See - C.S.H. memorandum. Scrap books.
May 1, 1928. 159

63. Miller demanded of Gov. Case that he call the Presidents of the large N.Y. banks together and admonish them that speculation must be controlled, and while Gov. Case began to answer him, he almost shouted - "And what will they say to you when you call them in! They will say you are responsible for the condition of things because of the cheap money policy!"
May 1, 1928. 159

64. C.S.H. prepared a memorandum showing up Miller's inconsistencies as to open market policy, as he was determined not to let Miller "get by" with his preposterous claim that he had always opposed Open market operations.
See - Scrap books.
May 1, 1928. 160

65. Board approved general policy outlined in Open Market Committee report but defined just what the policy was.
C.S.H. was prepared to point out to Miller his inconsistent position as to Open Market operations and his claim that cheap money had caused inflation, when suddenly Gov. Seay made a similar attack. Whereupon C.S.H. read his (Gov. Seay's) telegram to Open Market Committee, Aug. 17, 1926, strongly protesting against further tightening of the money market, which seemed to confound Gov. Seay.

Miller, seeing C.S.H. notes in his hand, kept quiet and said nothing.
May 2, 1928. 160

66. Miller has been testifying for some days before H.R. Banking and Currency Committee on the Strong stabilization bill. He specially attacked open market operations as the cause of inflation and gave Committee to understand that he had always opposed them.

C.S.H. will prepare a memorandum showing up Miller's record, for future use.
May 3, 1928. 162

Miller, Dr. A. C. (Cont'd.)

61. (Cont'd.)

McDonald read letters over telephone

Miller voted to approve

April 19, 1928

62. Miller voted to approve increase at St. Louis and Richmond

63. Board considered order of Richmond to sell its holdings of Government securities in System account

64. Miller claimed Board had complete power and could do as it wished

65. C.S.H. said that under Section 14 the Board by regulation could regulate but not forbid

66. Miller denied this and said the N.Y. banks dominated under existing arrangements

67. Miller said Board had power to order each N.Y. bank to operate in Government securities only through the Open Market Committee

68. C.S.H. said each an order - apart from a voluntary agreement - took away from a N.Y. bank one of its most important functions and vest it in a Committee of all of the N.Y. banks or in the Board itself - making the System in effect one central bank operating from Washington

69. C.S.H. also said that if Miller was correct the Board could take away from the N.Y. banks the right to establish rates and vest it in a Committee of the N.Y. banks or in the Board

April 24, 1928

70. Miller then threatened to tell the H.R. Committee of the attack of C.S.H. and C.W.H. would be called

71. Miller tells the Governors, in discussing the Open Market Committee report - that open market operations should be put an end to and discount rates only should be used to control speculation

Miller said this had always been his attitude

Miller, Dr. A. C. (Cont'd.)

- 67. Miller continues his testimony. May 7 and 8, 1928. 162
- 68. C.S.H. testifies before H.R. Banking and Currency Committee on Strong stabilization bill. C.S.H. prepared a list of questions for cross examination and gave it to McFadden who duly put the questions. Without mentioning Miller's name, C.S.H. took a position adverse to Miller's view on effect of open market operations and other matters. May 23, 1928 May 24, 1928 164
- 69. Miller made a distinctly unfavorable impression on the H.R. Banking and Currency Committee, as told me, the Committee gave him all the rope he wanted and were much amazed at his egotism and vanity. May 24, 1928. 165
- 70. Miller votes to approve Open Market Committee recommendation for policy of further sales of Govt. securities. May 25, 1928. 165, 166
- 71. C.S.H. tells Sec. Mellon of Miller's criticism of members of Board and Board policy. Sec. Mellon was very indignant and said, "How could we have reappointed him! We never would have had we realized how he was going to act! I knew, of course of his long windedness and his inconsistencies, but hoped he would improve after reappointment. May 25, 1928. 166
- 72. Secretary Mellon was also indignant at Miller for going out of his way to suggest that the Secretary of the Treasury should no longer be on Board as ex-officio member and chairman. Secretary Mellon showed C.S.H. a clipping from N.Y. Journal of Commerce dated May 25, 1928 headed "Hamlin lauds Mellon." See -Mellon May 25, 1928. 166, 167
- 73. The following is a brief abstract of some of the things Miller said before the H.R. Committee:
 - 1. Board should be reduced in number. May 2, 1928.
 - 2. Board too sensitively attuned to foreign view points. May 2, 1928.

Miller, Dr. A. C. (Cont'd.)

Miller said that while disposed not to vote at all on Committee recommendation for continuance of policy of sale of Government securities, yet he might decide to vote to give them "all the rope they wanted".

Miller's claim is unavailing. See - C.S.H. memorandum. May 1, 1928. 168

Miller demanded of Gov. Cass that he call the Presidents of the large N.Y. banks together and advise them that speculation must be controlled, and while Gov. Cass began to answer him he almost shouted - "And what will they say to you when you call them in! They will say you are responsible for the condition of things because of the cheap money policy!" May 1, 1928. 169

C.S.H. prepared a memorandum showing up Miller's inconsistencies as to open market policy, as he was determined not to let Miller "get by" with his proposition. Miller's claim that he had always opposed open market operations. See - Corp books. May 1, 1928. 169

Board approved general policy outlined in Open Market Committee report but defined just what the policy was. May 1, 1928. 169

C.S.H. was prepared to point out to Miller his inconsistent position as to open market operations and his claim that cheap money had caused inflation, when suddenly Gov. Cass made a sudden attack. Whereupon C.S.H. read his (Gov. Cass's) telegram to Open Market Committee, Aug. 17, 1928, strongly protesting against further tightening of the money market, which seemed to comfort Gov. Cass.

Miller, seeing C.S.H. notes in his hand, kept quiet and said nothing. May 2, 1928. 169

Miller has been testifying for some days before H.R. Banking and Currency Committee on the Strong stabilization bill. He especially attacked open market operations as the cause of inflation and gave Committee to understand that he had always opposed them.

C.S.H. will prepare a memorandum showing up Miller's record for future use. May 3, 1928. 169

Miller, Dr. A. C. (Cont d.)

73. (Cont'd.)

14. Says we have had much of "Innocents Abroad."

"When we go abroad I want to see the U.S. represented by men who know their way around and whose heads are balanced definitely between their shoulders."
May 9, 1928.

15. "I am a man of years, - I have had a great variety of human contacts, - an enormous variety of experience."
May 9, 1928.

16. Miller also vigorously attacked the Open Market policy of buying and selling Government securities saying it was mischievous and responsible for inflation.

Yet on Jan. 11, 1928, he vigorously opposed increasing the N.Y. rates to control speculation; on April 28, 1928, he said, in discussing proposed increase of Boston rate, that he never would vote to increase rates to control speculation; on May 1 he told the Governors at Open Market Committee meeting, that open market operations should be put an end to and discount rates should be used to check speculation; on May 9, 1928, he told the H.R. Committee that open market operations were the very heart of the F.R. policy.

May 26, 1928.
169, 170

C.S.H. answered Miller's contention that the purchase of Govt. securities caused inflation by putting into his testimony before the H.R. Committee a table prepared by Smead showing that from Oct. 31, 1924 to Oct. 31, 1927, and later to April 1, 1928, open market operations (Govt. securities and acceptances) increased only in 2 of the years while during the same 2 years the total F.R. credit actually decreased; that in 3 of these years while total F.R. credit increased, open market operations actually decreased.

May 26, 1928. 170

74. Goldenweiser tells C.S.H. that Miller felt very bad over the break in his testimony and in correcting the first draft tried to strike out certain portions, - especially the attack on Gov. Strong, but that the Committee insisted on its remaining.

May 26, 1928. 171

75. Glass speaks of Miller's performance before the H.R. Banking and Currency Committee with contempt. C.S.H. gave him a short abstract of some of the things Miller said.

May 27, 1928. 172

Miller, Dr. A. C. (Cont'd.)

73 (Cont'd.)

3. Men of imagination and sound judgment are very rare.
May 8, 1928.

4. Putting men in high Federal positions with high sounding titles may paralyze any native ability they may have.
May 8, 1928.

5. Says his function on the Board has been to maintain an attitude of relative calm where unconscious hysteria is developing.
May 8, 1928.

6. The conversation with Gov. Norman, Rice, and Wright should have been a matter of Board record.
May 8, 1928.

7. The Board is innocent of European psychology.
May 8, 1928.

8. Gov. Strong is an able man, but on this particular subject (Strong stabilization bill) - he does not know what he is talking about.
May 8, 1928.

9. Gov. Strong is an able man, but - a programme of economic statecraft such as this contemplates, calls for exercise of tact, experience, training, etc. that is very unusual in any group of men.
May 8, 1928.

10. Says he is embarrassed - because of loyalty to his colleagues - by questions put by the Committee to him.
May 8, 1928.

11. You have got to put into the Board and F.R. banks men of the mental stature who can take up these things and state the reasons for them.
May 8, 1928.

12. Says he did not approve sending a representative to Statistical Conference in Paris on April 28, 1928, attended by Dr. Goldenweiser and Asst. F.R. Agent Burgess.
May 9, 1928.

13. Says the Statistical Conference may have had some ulterior purposes behind it.
May 9, 1928.

Miller, Dr. A. C. (Cont'd.)

Miller, Dr. A. C. (Cont'd.)

- 76. Miller backs up Cunningham in his indignation at slow progress of his resolution calling on F.R. banks to report as to speculative use of F.R. discounts, and voted against accepting Gov. Young's report.
May 28, 1928. 173
- 77. Miss Heiser, a reporter full of bitter criticism, against Sec. Mellon, has a long talk with Miller. The other members refused to see her.
May 29, 1928. 174
- 78. Ogden Mills asks C.S.H. for a copy of his abstract of Miller's remarks before H.R. Committee and C.S.H. gives him one.
Mills said he thought the Committee had about sized up Miller; he was very bitter towards him.
May 29, 1928. 174
- 79. Glass tells C.S.H. he disagrees with Miller's view that the Comptroller and Sec. of Treasury should not be ex-officio members of the Board.
May 29, 1928. 175
- 80. Miller did not appear at meeting specially asked for by him to agree upon power to be given to Executive Committee during the summer so Board postponed action.
June 6, 1928. 179
- 81. Mrs. Miller told Bertie they were going to visit Franklin Roosevelt.
June 6, 1928. 179
- 82. Gov. Case tells Gov. Young that Miller attended a meeting of the N.Y. directors last Thursday; that the N.Y. banks were fast becoming continuous borrowers; that the directors seriously considered calling the bank Presidents together and admonishing them; that to the surprise of all, Miller vigorously opposed this!
June 9, 1928. 180
- 83. The Whaley-Eaton service has an article on Sec. Hoover's relations with Miller.
(See scrap books)
June 19, 1928. 183
- 84. Gov. Harding tells C.S.H. that Miller called on him a week ago and told him that he was an Independent with Democratic leanings, but that, on account of friendship he should vote for Hoover.
July 16, 1928. 192

Miller, Dr. A. C. (Cont'd.)

(Cont'd.)

- 74. Goldenweiser tells C.S.H. that Miller felt very bad over the...
May 28, 1928. 171
- 75. Glass speaks of Miller's performance before the H.R. Banking and Currency Committee with contempt. C.S.H. gave him a short abstract of some of the things Miller said.
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- 76. Miller also vigorously attacked the Open Market policy of...
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- 77. "I am a man of years - I have had a great variety of...
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- 78. "When we go abroad I want to see the U.S. B. B. represented by...
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- 79. Yet on Jan. 11, 1928, he vigorously opposed...
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- 83. Gov. Harding tells C.S.H. that Miller called on him a week ago...
July 16, 1928. 192

Miller, Dr. A. C. (Cont'd.)

85. At meeting with Open Market Committee James severely criticised Gov. Case for not calling the N.Y. bank Presidents together and admonishing them.

Gov. Case said, among other things, that Miller had vigorously opposed such action at a meeting of the N. Y. directors which he attended, while James now favored it.

Miller then went into a very long drawn-out and elaborate explanation of his opposing, faintly intimating that conditions now had changed.

C.S.H., to test Miller, asked if he would now favor doing this, pointing out that it would practically amount to an order to ration credit.

Miller said No, as it was too great a responsibility for the Board to undertake.

July 18, 1928. 192, 193

86. Miller says a practicable way can be found to prevent leakage of Federal Reserve credit into the speculative market.

C.S.H. asked Miller to explain how.

Miller said we should study individual banks and that where a bank had gone beyond its normal percentage of call loans we could admonish it.

July 18, 1928. 193

87. C.S.H. asked Miller whether we should not make a similar inquiry as to other kinds of speculative loans, e.g. real estate, etc., but Miller said No, we should try to regulate call loans first.

July 18, 1928. 193

88. Miller said if we bought any more Government securities we should be and ought to be hauled over the coals by Congress; that we should use the discount rate to control speculation; that with gold going out, we had the situation in hand and that it would be folly to change our policy.

July 18, 1928. 194

See - Discount rates
Open Market Committee

Mills, Ogden, Undersecretary

C.S.H. and James have conference with, as to Cuban Agency. C.S.H. loans him Traylor's brief and C.S.H.'s analysis, also brief of National City Bank.

July 6, 1927. 3

Mills, Ogden, Undersecretary (Cont'd.)

C.S.H. tells, of action of Board in Chicago rate case. He was very indignant about it. Sept. 7, 1927. 35

Tells C.S.H. he is satisfied that Gov Crissinger had been disloyal in the Chicago rate case; that he should have reported Gov. Strong's talks with him to the Board. Sept. 26, 1927. 54

Mills said he felt sure the Attorney General, if asked, would sustain Acting Attorney General King's opinion that the Board had power to initiate rates and that such an opinion would be embarrassing and would stiffen up the majority of possibly future similar action. Sept. 26, 1927. 54, 55

Mills said Governor Strong had suggested a by-law requiring 5 affirmative votes to initiate a rate.

C.S.H. said he had suggested this to Federal Advisory Council and had promised to draw one.

Mills said the Chicago bank agreed not to seek an opinion from Attorney General if such a by-law were voted.

C.S.H. promised Mills to draw up the by-law and Mills said Sec. Mellon would like Newton D. Baker's opinion as to its legality. Sept. 26, 1927. 55

Attends dinner of Sec. Hoover to Governor of National Bank of Belgium.

Tells C.S.H. after dinner that he admits that Governor Smith is a most remarkable personality, altho he dislikes him keenly personally. Sept. 30, 1927. 60

Delivers address, with C.S.H., at stockholders meeting of F.R. Bank of Boston. Nov. 11, 1927. 81

C.S.H. tells Mills of Miller's testimony before H.R. Banking and Currency Committee, and at his request gave Mills his abstract of certain of his remarks.

Mills was very bitter towards Miller and said the Committee had sized him up. May 29, 1928. 174

Miniature

Grant, Catherine
Delano called and showed us a miniature of Catherine which she had given him for a Christmas present. It was fairly satisfactory but the mouth was poor. Jan. 7, 1928. 106

Miller, Dr. A. C. (Cont'd.)

At meeting with Open Market Committee James severely criticized Gov. Case for not calling the N.Y. bank presidents together and administering them.

Gov. Case said, among other things, that Miller had vigorously opposed such action at a meeting of the N.Y. directors which he attended, while James now favored it.

Miller then went into a very long drawn-out and elaborate explanation of his opposition, finally insisting that conditions now had changed.

C.S.H. asked if he would now favor doing this, pointing out that it would practically amount to an order to ration credit.

Miller said No, as it was too great a responsibility for the Board to undertake.

July 18, 1928. 133, 134

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July 18, 1928. 133

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July 18, 1928. 133

Miller said if we bought any more Government securities we should be and ought to be handled over the coin by Congress; that we should use the discount rate to control speculation; that with gold going out we had the situation in hand and that it would be fairly to change our policy.

July 18, 1928. 134

See - Discount rates
Open Market Committee

Miller, Ogden, Undersecretary
C.S.H. and James have conference with, as to Open Agency, C.S.H. loans him Taylor's report and C.S.H.'s analysis, also letter of National City Bank.

July 8, 1927.

Miniature (Cont'd.)

Hamlin, Anna. 83, 84, 93, 98, 99, 100, 101, 103, 104

See - Grant, Catherine
Hamlin, Anna

Mitchell, John

James gives as his reason for insisting on voting now to put in the Chicago rate the fact that, had asked Mr. Boehme, a director of the F.R. Bank of St. Louis, not to reduce the St. Louis rate as it would cut down the profits of the member banks.

Sept. 6, 1927. 26

Money, Cheap

Miller says F.R. System has caused inflation by making, for international reasons.

Jan. 9, 1928. 108

Money, Cuban tax 72, 73

See - Cuba

Moore, Ballard

Marries Olyve Graef. June 11, 1928. 181

Morgan, J. P.

119, 122, 165, 178

See - Auld Lang Syne

Morowitz, Victor

Willis says Fowler is entitled to greater credit than, in his plan for a regional reserve system; that, was asked to appear before the H.R. Committee but surlily declined on ground of pressure of business.

Dec. 10, 1927. 93

Morse, Dr.

At funeral of admiral Helm.

Said Edith Helm was to be brought from the sanitarium to the undertakers establishment after. Said later she did not comprehend what had happened and refused to leave the auto.

Oct. 31, 1927. 75

Morss, Gov. F.R. Bank, Boston

Death of.

July 5, 1927. 5

Miller, Ogden (Cont'd.)

O.S.H. tells of action of Board in Chicago rate case. He was very indignant about it.

Sept. 7, 1927. 33

Tells O.S.H. he is satisfied that Gov. Ortlesinger had been disloyal in the Chicago rate case; that he should have reported Gov. Strong's talks with him to the Board.

Sept. 28, 1927. 34

Miller said he felt sure the Attorney General, if asked, would maintain Acting Attorney General King's opinion that the Board had power to initiate rates and that such an opinion would be embarrassing and would reflect on the majority of possibly future similar action.

Sept. 28, 1927. 34

Miller said Governor Strong had suggested a by-law requiring affirmative votes to initiate a rate.

O.S.H. said he had suggested this to Federal Advisory Council and had promised to draw one.

Miller said the Chicago bank refused not to seek an opinion from Attorney General French a by-law were voted.

O.S.H. promised Miller to draw up the by-law and Miller said Sec. Walling would like Newton E. Baker's opinion as to its legality.

Sept. 28, 1927. 35

Attends dinner of Sec. Hoover to Governor of National Bank of Belgium.

Tells O.S.H. after dinner that he admits that Governor Smith is a most remarkable personality, also he details his keenly personal.

Sept. 30, 1927. 30

Delivers address, with O.S.H., at stockholders meeting of F.R. Bank of Boston.

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O.S.H. tells Miller of Miller's testimony before F.R. Banking and Currency Committee, and at his request gave Miller his abstract of certain of his remarks.

Miller was very bitter towards Miller and said the Committee had sided

May 29, 1928. 174

Miniature

Grant, Catherine

Delano called and showed us a miniature Catherine which she had given him for a Christmas present. It was fairly satisfactory but the month was poor.

Jan. 7, 1928. 102

Mortgage

C.S.H. pays off Mattapoisett mortgage - \$8000 principal and \$133.33 interest.

July 19, 1927. 11

C.S.H. sells Raleigh Street house subject to the mortgage.

July 19, 1927. 11, 12

See - Dodge

Myer, Gertrude

C.S.H. dines with, to meet Mrs. Grant and Col. Grant.

July 27, 1927. 17

Writes Bertie of death of Alice Riggs.

Sept. 6, 1927. 31

We dine with. Mar. 22, 1928. 139

We take, and Rachel Hale to see first presentation of "Wings" first giving them dinner at Woman's National Democratic Club.

May 3, 1928. 162

We dine with. June 12, 1928. 181

C.S.H. has talk with Rachel Hale as to Gertrude going abroad with a Mr. Rodgers as secretary.

June 15, 1928. 181

See - Hale, Rachel

C.S.H. dines with, and discusses European trip.

June 17, 1928. 182, 183

June 20, 1928. 184, 185

June 23, 1928. 185

June 27, 1928. 186

July 10, 1928. 191

July 18, 1928. 194

Asks C.S.H. to get name of a good lawyer in Buffalo to act for her.

June 25, 1928. 186

C.S.H. asks Mr. Donaldson of Commercial National Bank as to a maid for.

June 28, 1928. 187, 188

Writes C.S.H. that Dr. Ruffin advised her not to go abroad.

July 26, 1928. 195

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National Bank of Belgium

C.S.H. dines with Sec. Hoover to meet Governor Frank of.
Sept. 30, 1927. 60

C.S.H. lunches with Miller to meet.
Oct. 1, 1927. 60

Gov. Frank tells C.S.H. that while he could not say it was a fixed custom to charge commissions for central bank credits such as that given, to help stabilization, yet that his bank was most willing to pay the commission.
Oct. 1, 1927. 62

National City Bank, New York

C.S.H. gives Mills reply of, to Traylor brief on Cuban Agency.
July 6, 1927. 3

Asst. Sec. White tells C.S.H. he will get in touch with, as to Cuban tax on exports of money.
Oct. 21, 1927. 73

National Press Club

Gives C.S.H. tickets for private performance of "Wings" we take Rachel Hale and Gertrude Myer to it.
May 3, 1928. 162

New Bedford Institution for Savings

C.S.H. discharges Mattapoisett mortgage.
July 19, 1927. 11

New York

C.S.H. confers with Executive Committee of F.R. Bank, New York.
July 9, 1928. 191

New York Stock Exchange

Goldenweiser addresses Board on brokers loans.
Jan. 9, 1928. 107

Miller says cheap money brought about by F.R. System for international reasons is responsible for speculation on.
Jan. 9, 1928. 108

Glass favors calling big N.Y. banks together and warning them to control speculation on.
Jan. 22, 1928. 113

New York Stock Exchange (Cont'd.)

C.S.H. says he does not want to increase discount rates to control speculation on, unless agriculture and commerce is being injured or in imminent danger of injury.
Jan. 24, 1928. 116
Mar. 7, 1928. 136

Miller says to approve increased rate at Boston would be tantamount to a declaration that the Board favored control of speculation on, through discount rates.
April 17, 1928. 150

Miller says he will never vote to approve increase of discount rates to control speculation on.
April 18, 1928. 152

Miller reluctantly changes his mind and votes to approve Boston increased rate in order to control speculative use of rediscounts on.
April 18, 1928. 153

Gov. Young says New York may have to increase to 5% to curb speculation on.
May 27, 1928. 171

See - Miller
Speculation

Newton, Federal Reserve Agent, Atlanta
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Newton, Federal Reserve Agent, San Francisco. 72
See - Robinson

Niemeyer, Sir Otto
Board gives, a lunch at Metropolitan Club.

He admitted to C.S.H. that a holder of a 5% bank note could not of right demand gold for it at Bank of England but that it would be redeemed in currency notes.

This shows that England is not on a real unqualified gold standard.
Jan. 30, 1928. 122

Norbeck, Sen. 114
See - Glass
Gov. Young

Norman, Gov. Bank of England
Spends nearly an hour with C.S.H.

Norman, Governor, Bank of England (Cont'd.)

He believes present falling prices are due to appreciation of gold.

C.S.H. said not in U.S. certainly as we had ample credit.

He seemed to feel we should not have kept our rates up to 4%.

He inquired most sympathetically about Bertie and asked to be remembered to her.

He spoke at the lunch given by Gov. Crissinger but only in very general terms.

Later Governor Strong said Gov. Norman believed that gold appreciation was causing falling prices, and not depreciation of commodities.

July 7, 1927. 2, 3

Gov. Norman, Schacht and Rist had no meeting with the Board but merely called separately on individual members.

July 7, 1927. 3

C.S.H. feels Gov. Norman and the others did not want to take the Board into their confidence.

July 7, 1924. 4

Miller told Board he had a talk with Gov. Norman, Rist and Schacht after the lunch, but they were very reticent and aloof and evidently did not want to discuss matters with him.

July 13, 1927. 7

Gov. Crissinger tells C.S.H. that there was a conference in N.Y. between Norman, Rist and Schacht, and the officers of the F.R. Bank of New York, together with the Open Market Committee, and the F.R. bank directors the day after they left Washington; that he went to N.Y. with them but did not know of the conference until he got there. He said Gov. Norman told what a critical position the Bank of England was in as regards gold; that it must put up its rates, to the injury of business and commerce, unless the F.R. Bank of New York reduced its rate.

July 25, 1927. 12

Norris, Gov.

Feels Board should not advise F.R. banks of its desire to have lower rates in such form as to amount to an order.

July 27, 1927. 17

Tells C.S.H. Wayne objects to Phila reducing its rate because Gov. Norris believes, it would force a reduction in customers rates.

Aug. 12, 1927. 19

Morris, Gov. (Cont'd.)

Governor Harding writes, suggesting a new construction of word "established."

Sept. 21, 1927. 53

Attends lunch of C.S.H. to Sir Herbert Ames.

May 2, 1927. 160

"Not voting"

Miller records himself as "not voting" on C.S.H. motion that 4% rate be considered to be the lawful rate at Chicago until close of business on Friday - the day of directors meeting, altho he said he sympathized with it.

Sept. 6, 1927. 25

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O'Laya

Mr. and Mrs., Minister of Columbia dine with us at Mattapoisset.

July 23, 1927. 12

Oblensky, Princess

See - McAdoo, Mrs.

Old Colony Trust Co.

87, 88

See - Foreign branches

Oldfield School, Glencoe, Md.

We visit, - Elizabeth Hamlin's graduation.

June 1, 1928. 175

Olds, Under Secretary

Raises no objection to Roumanian credit.

April 2, 1927. 142

April 3, 1927. 143

Open market 6

See - Foreign bills

Open Market Investment Committee

Members of, attend Conference in N.Y. with Gov. Norman, Rist and Schacht.

July 8, 1927. 12

Norman, Governor, Bank of England (Cont'd.)

He believes present falling prices are due to appreciation of gold.

C.S.H. said not in U.S. certainly as we had made credit.

He seemed to feel we should not have kept our rates up to 4%.

He inquired about sympathy about Rist and asked to be remembered to her.

He spoke at the lunch given by Gov. Grayson but only in very general terms.

Later Governor Strong said Gov. Norman believed that gold appreciation was causing falling prices, and not depreciation of commodities.

July 7, 1927. 5

Gov. Norman, Schacht and Rist had no meeting with the Board but mainly called separately on individual members.

July 7, 1927. 8

C.S.H. feels Gov. Norman and the others did not want to take the Board into their confidence.

July 7, 1927. 8

Miller told Board he had a talk with Gov. Norman, Rist and Schacht after the lunch, but they were very reticent and altho and evidently did not want to discuss matters with him.

July 12, 1927. 7

Gov. Grayson like C.S.H. thought there was a conference in N.Y. between Norman, Rist and Schacht, and the officers of the F.R.B. of New York, together with the Open Market Committee, and the F.R.B. bank directors the day after they left Washington; that he went to N.Y. with them but did not know of the conference until he got there. He said Gov. Norman said what a critical position the Bank of England was in as regards gold; that it must put up its rates to the injury of business and commerce, unless the F.R.B. Bank of New York reduced its rate.

July 22, 1927. 12

Board should not advise F.R.B. Bank of its desire to have lower rates in such form as to amount to an order.

July 27, 1927. 17

Ellis C.S.H. Wayne objects to Rist reducing its rate because Gov. Morris believed it would force a reduction in currency rates.

Aug. 12, 1927. 19

(Cont'd.)

Gov. Young, Gov. Biggs, F.R. Agent Martin, Harrison and Burgess.

Gov. Strong spoke of conditions in Europe, stating that Great Britain will lose her gold unless she raises her rate or F.R. Bank, New York, lowers its rate; that if Great Britain raises her rate it will be an injury to her manufacturers and people and will decrease her ability to buy our cotton, wheat, etc.; that if she increases her rate other European countries will follow with the same result; that by lowering our rates we could finance our exports to Great Britain which would be of great advantage to us.

He said discounts had fallen off greatly at the F.R. banks; that from the domestic point of view it was certainly advisable to lower the rate of F.R. Bank of New York; that he thought it should be made a System matter and that all rates should be reduced; that it should be done now before the crop movement is financed; that if not done European central banks must increase their rates to the injury to American exports.

Gov. Harding said the F.R. System had been attacked by the agricultural interests because in the past we had lowered rates only after the crops had left the farmers hands and had gone into the hands of the speculators, while we had put up rates in the autumn when farmers were buying; that we now had a fine chance to reverse the process.

Most of those present said that while there was no immediate demand for lowering rates, they felt their directors would join in making the matter a System matter and that they would advise their directors to do this.

Gov. McDougal said his directors saw no need of any rate reduction and intimated they would not be willing to join.

C.S.H. then read the resolution of the Federal Advisory Council at the meeting in May, 1927, to the effect that rates should not be reduced, but, if necessary, open market investments should be sold to keep rates up to the then present level, - meaning that 4% should be the irrevocable minimum.

C.S.H. then asked Gov. McDougal if the above resolution expressed the present attitude of the Chicago F.R. bank directors, and after some hesitation he admitted that it did.

Gov. Strong said this was a purely selfish bankers view, - that none of the large Chicago banks wanted rates reduced.

Open Market Investment Committee (Cont'd.)

Board meets with

Also present: Gov. Young, Gov. Biggs, F.R. Agent Martin, Harrison and Burgess.

Gov. Strong spoke of conditions in Europe, stating that Great Britain will lose her gold unless she raises her rate or F.R. Bank, New York, lowers its rate; that if Great Britain raises her rate it will be an injury to her manufacturers and people and will decrease her ability to buy our cotton, wheat, etc.; that if she increases her rate other European countries will follow with the same result; that by lowering our rates we could finance our exports to Great Britain which would be of great advantage to us.

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Open Market Investment Committee (Cont'd.)

Board meets with (Cont'd.)

C.S.H. said he concurred in the recommendation of the Committee, - 1. Reduction to 3½%. 2. Purchase of say 50 millions of Government securities to make the rate effective; that he was much puzzled at the decline in prices during the past 5 years; that they were now slightly under the lowest point reached after the crisis of 1920; that he saw a parallel between 1872 - 1893 and now, perhaps a faint parallel; from 1872 to 1893 prices fell although wages measured in gold did not fall but, on the contrary, increased; that some claimed that gold was appreciating, while others stressed improved industrial processes, inventions, development of steamships, railroads, elimination of work, etc.; that at last came the crisis of 1893; that he did not look for any such crisis now for other forces were at work, - sound financial laws, the F.R. System, etc., improved industrial processes, labor saving devices, etc.; that he could see no appreciation of gold in the U.S. but rather a depreciation of commodities measured in gold; that many economists, however, felt there was an appreciation or an imminent danger of such in Europe.

C.S.H. added that there was undoubtedly marked business recession today over the U.S. and that he put himself the question whether it might not be conceivable that the existing 4% rate may be acting as a slight restriction on business and agricultural credits; that while he believed the existing recession was only temporary, yet no one could say with confidence that it might not continue or even increase in the fall; that if such an increase should come he wanted our rates so low that it could not be claimed, as it was in 1920, that the recession was brought about by high F.R. rates.

C.S.H. added that discounts were falling off at the F.R. banks, that money was very easy and that the F.R. System was practically out of touch with the market; that he felt it should always be in touch with the market; that these were his reasons for lowering F.R. rates.

All agreed that, - except Gov. McDougal, - the only reason for not lowering rates was the fear that it might encourage speculation in commodities and on the N. Y. Stock Exchange but the feeling was general that this fear should not be allowed to militate against needed help to agriculture and commerce and that direct action should be used to prevent increase in speculative loans.

C.S.H. moved that the Board suggest to the banks that rates should be reduced.

Open Market Investment Committee (Cont'd.)

Board meets with

Also present: Gov. Young, Gov. Higgs, F. W. Agnew, Martin, Harrison and Burgess.

Gov. Strong spoke of conditions in Europe, stating that Great Britain will lose her gold unless she raises her rate; that if she does not raise her rate it will be an injury to her manufacturing and people and will decrease her ability to pay our cotton, wheat, etc.; that if she raises her rate other European countries will follow with the same result; that by lowering our rates we could finance our exports to Great Britain which would be of great advantage to us.

He said discounts had fallen off greatly at the F.R. banks; that from the domestic point of view it was certainly advisable to lower the rate of F.R. Bank of New York; that he thought it should be made a system matter and that all rates should be reduced; that it should be done now before the crop movement is finished; that if not done European central banks must increase their rates to the injury to American exports.

Gov. Harding said the F.R. System had been attacked by the agricultural interests because in the past we had lowered rates only after the crop had left the farmers' hands and had gone into the hands of the speculators, while we had put up rates in the autumn when farmers were buying; that we now had a fine chance to reverse the process.

Most of those present said that while there was no immediate demand for lowering rates, they felt their directors would join in making the matter a system matter and that they would advise their directors to do this.

Gov. McDougal said his directors saw no need of any rate reduction and insisted they would not be willing to join.

C.S.H. then read the resolution of the Federal Advisory Council at the meeting in May, 1927, to the effect that rates should not be raised, but, if necessary, open market investments should be sold to keep rates up to the then present level, - meaning that it should be the irrevocable minimum.

C.S.H. then asked Gov. McDougal if the above resolution expressed the present attitude of the Chicago F.R. bank directors and after some hesitation he admitted that it did.

Gov. Strong said this was a purely selfish business view, - that some of the large Chicago banks wanted rates reduced.

Open Market Investment Committee (Cont'd.)

Board meets with (Cont'd.)

...the Board should be careful not to have its communication put in such shape that it could possibly be construed as an order, which all agreed it was not and which Gov. Strong had always contended was beyond the power of the Board.

After lunch, Gov. Strong reported a draft of the minutes of the meeting, declaring that they expressed the sentiment of the Board, but carefully omitting anything which could be construed as an order.

It was moved and voted that each member report these minutes to his directors.

C.S.H. said his opinion in favor of rate reduction was based primarily on domestic grounds but that he was fully in accord with what Gov. Strong said as to the propriety of lowering rates to help stabilize the purchasing power of Europe and thus help our export trade.

C.S.H. then moved approval of policy of continuing purchase of Govt. securities up to 50 millions. Passed unanimously. July 27, 1927. 13, 14, 15, 17

Open Market Investment Committee (Cont'd.)

Board meets with (Cont'd.)

Gov. Strong and Gov. Norris said the Board should be careful not to have its communication put in such shape that it could possibly be construed as an order, which all agreed it was not and which Gov. Strong had always contended was beyond the power of the Board.

After lunch, Gov. Strong reported a draft of the minutes of the meeting, declaring that they expressed the sentiment of the Board, but carefully omitting anything which could be construed as an order.

It was moved and voted that each member report these minutes to his directors.

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C.S.H. then moved approval of policy of continuing purchase of Govt. securities up to 50 millions. Passed unanimously. July 27, 1927. 13, 14, 15, 17

Gov. Crissinger wants to initiate a 3 1/4% rate for Chicago.

C.S.H., Platt, and Comptroller objected as the Board has not asked any F.R. bank to reduce rates, - it merely sent each F.R. bank the minutes of the open market meeting which simply expressed the feeling that rates should be reduced. Aug. 12, 1927. 19

See - Discount rates

C.S.H. says he feels the underlying reason in the minds of most of the members of the Board and of the Open Market Committee was to prevent further gold imports and to stabilize the European purchasing power, thus helping our exports, altho Gov. Strong also put his recommendation on the domestic situation, - falling off of rediscounts, etc. Sept. 6, 1927. 27

C.S.H. said it was also in the minds of the Board and Committee that under existing relation of rates gold would continue to move to the U.S.

Open Market Investment Committee (Cont'd.)

Board meets with (Cont'd.) (Cont'd.)

C.S.H. said he had some doubt of the power to fix a rate solely for international reasons, and felt that there was no power to prescribe a uniform rate for that or for any other reason.

Sept. 6, 1927. 27

C.S.H. said he explained above at open market meeting.

Sept. 6, 1927. 28

James moves for an official stenographer at every meeting of Open Market Committee with Board.

C.S.H. moved as substitute that an abstract of each meeting be prepared for insertion in the Board's records.

Miller attacked Board's records as wretchedly kept, as regards open market meetings, and later shifted his ground and opposed C.S.H.'s motion on ground that an abstract is now made and put in records and that it is a well kept one!

C.S.H. withdrew his motion expressly for reason that Miller said present abstract and records were well kept.

James motion failed

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

Nov. 1, 1927. 76

Board meets with Committee

Committee presented report as to policy until Mar. 1, 1928.

The policy recommended was:

1. To maintain stable rates at present level.
2. To prevent further gold imports

The following programme was suggested:

- a. Offsetting gold movements by Govt. security operations.
- b. Any considerable seasonal advance in rates at end of year to be offset by temporary purchases of Govt. securities.

Open Market Investment Committee (Cont'd.)

Board meets with (Cont'd.)

Gov. Strong and Gov. Harris said the Board should be careful not to have the communication put in such a way that it could possibly be construed as an order, which all agreed it was not and which Gov. Strong had always contended was beyond the power of the Board.

After lunch Gov. Strong reported a draft of the minutes of the meeting, detailing that they expressed the sentiment of the Board, but carefully stating anything which could be construed as an order.

It was moved and voted that each member report three minutes to his director.

C.S.H. said his opinion in favor of rate reduction was based primarily on domestic grounds but that he was fully in accord with Gov. Strong's view as to the propriety of lowering rates to help stabilize the purchasing power of Europe and thus help our export trade.

C.S.H. then moved approval of policy of continuing purchase of Govt. securities up to \$3 million. Passed unanimously. July 27, 1927. 18, 19, 20, 21

Gov. Orleslager wants to initiate a 3% rate for Chicago.

C.S.H., Platt, and Comptroller objected as the Board has not asked any F.R. bank to reduce rates. - It merely sent each F.R. back the minutes of the open market meeting which simply expressed the feeling that rates should be reduced. Aug. 12, 1927. 19

Red - Discount rates

C.S.H. says he feels the underlying reason in the minds of most of the members of the Board and of the Open Market Committee was to prevent further gold imports and to stabilize the European purchasing power, thus helping our exports, also Gov. Strong also put his recommendation on the domestic situation, - falling off of refinance, etc. Sept. 8, 1927. 27

C.S.H. said it was also in the minds of the Board and Committee that their existing relation of rates gold would continue to move to the U.S.

Open Market Investment Committee (Cont'd.)

Board meets with Committee (Cont'd.)

C.S.H. said he had some doubts of the power to fix a rate solely for international reasons, and felt that there was no power to purchase a uniform rate for that or for any other reason.

Sept. 8, 1927. 77

C.S.H. said he explained above at open market meeting. Sept. 8, 1927. 78

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Miller attached Board's records as previously kept, as regards open market meetings, and later shifted his ground and proposed C.S.H.'s motion on ground that an abstract is now made and put in records and that it is a well kept one!

C.S.H. withdrew his motion expressly for reason that Miller said present abstract and records were well kept.

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Aye: Miller, James, Cunningham
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Nov. 1, 1927. 78

Board meets with Committee

Committee presented report as to policy with Mar. 1, 1928.

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- The following programs was suggested:

- a. Offsetting gold movements by Govt. security operations.
- b. Any considerable seasonal advance in rates at end of year to be offset by temporary purchases of Govt. securities.

Open Market Investment Committee (Cont'd.)

Board meets with Committee (Cont'd.)

c. During return flow of currency in January, sales of Government securities should be made to prevent seasonal issue from being added to member bank reserves.

d. In event of renewal of gold imports:-

- 1. Gold may be purchased abroad.
- 2. Exchange, - limited to 100 millions, - may be purchased.
- 3. Gold or exchange thus purchased may be invested abroad in bills or loaned at interest as in case of Bank of England account.
- 4. Considerations to guide Committee as to D:-
 - (a) Amount of borrowings by F.R. banks
 - (b) General level of interest rates.
 - (c) Movement of foreign exchange rates as indication of possible gold imports

C.S.H. moved approval of Committee recommendations.

Miller proposed a substitute or qualification of D:-

- a. Any use made of gold or exchange under D shall be conditioned on special authorization of Board in each case.
- b. Any purchases or sales under B and C shall be made only after consultation with Governor of Federal Reserve Board.

(a) was put to vote and lost

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

Miller then withdrew (b).

C.S.H.'s motion of approval was then passed without a dissenting vote. Nov. 2, 1927. 77, 78, 79

Open Market Investment Committee (Cont'd.)

Board meets with Committee (Cont'd.)

c. During return flow of currency in January, sales of Government securities should be made to prevent seasonal issue from being added to member bank reserves.

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Nov. 2, 1927. 77, 78, 79

Open Market Investment Committee (Cont'd.)

Board meets with Committee (Cont'd.)

C.S.H. said he had some doubt of the power to fix a rate solely for international reasons, and felt that there was no power to purchase a uniform rate for that or for any other reason.

Sept. 8, 1927. 77

C.S.H. said he explained above at open market meeting.

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James moved for an official stenographer at every meeting of Open Market Committee with Board.

C.S.H. moved as substitute that at meeting of each meeting be prepared for insertion in the Board's records.

Miller attacked Board's records as worthless, kept, as regards open market meetings, and later shifted his ground and approved C.S.H.'s motion on ground that an abstract is now made and put in records and that it is a well kept one!

C.S.H. withdrew his motion expressly for reason that Miller said present abstract and records were well kept.

James motion failed

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

Nov. 1, 1927. 78

Board meets with Committee

Committee presented report on its policy until Mar. 1, 1928.

The policy recommended was:

1. To maintain stable rates at present level.
2. To prevent further gold imports.

The following programs were suggested:

3. Offsetting gold movements by Govt. security operations.

4. Any considerable seasonal advance in rates at end of year to be offset by temporary purchases of Govt. securities.

Open Market Investment Committee (Cont'd.)

Board decided to go to New York and hold open market meeting. McGarrah advised against this as it might precipitate trouble as the situation was full of dynamite. Board decided not to go, in view of President Coolidge's statement and McGarrah's advice.

Jan. 9, 1928. 107

Board voted to authorize Committee to sell from 50 to 75 millions of Government securities, as Gov. Case, for the Committee, requested.

C.S.H. fears nothing but a radical rate increase will cope with the situation caused by Coolidge's statement.

Jan. 10, 1928. 109

Gov. Young points out that an increase in discount rates does not directly change the amount of credit, but merely its price, while a sale of Govt. securities immediately changes the amount of credit.

Jan. 11, 1928. 110

C.S.H. moved to approve sale by Committee, from time to time, of further Govt. securities with accompanying power to buy temporarily should events, not now foreseen, require such action.

Platt moved to substitute a resolution more closely based on Committee report.

Cunningham moved to substitute C.S.H.'s motion of approval.

Unanimously passed.

Jan. 11, 1928. 110

C.S.H. referred to his views expressed at Open Market Committee meeting on July 27, 1927. (supra p. 15)

Mar. 7, 1928. 136

Board meets with Committee

Gov. Strong submitted a report asking authority to work for firmer money conditions but not with any desire to bring about higher discount rates.

The report was somewhat ambiguous but plainly meant that the stock market situation must be taken in hand.

Open Market Investment Committee (Cont'd.)

Board meets with Committee (Cont'd.)

Gov. Strong said his directors unanimously favored further sales of Govt. securities.

The Board voted to authorize further sales of Govt. securities but indicated in the wording of the vote its feeling that it did not authorize any increase in discount rates.

C.S.H. explained his vote by saying that sales of Govt. securities meant increased discounts and that this change would enable the F.R. banks to handle the situation more effectively and avoid the necessity of penalizing agriculture and commerce by raising discount rates.

Cunningham voted for the motion but said he concurred with C.S.H.'s explanation.

The vote was:

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

Miller later put on record an explanation of his vote, stating that he favored doing nothing as further sales of Govt. securities would necessitate raising of discount rates.

Miller attacked bitterly the whole policy of open market operations in Govt. securities, saying he had always opposed it.

As a fact he was its Father and for a long time its most enthusiastic supporter!
Mar. 26, 1928. 139, 140

Board discusses Open Market Committee report at conference of Governors.

Miller told Governors that open market operations in Govt. securities should be put an end to and that discount rates alone should be used to regulate credit.

Miller said this had always been his attitude; that he was disposed not to vote at all on Committee's report favoring further sales of Govt. securities, but he might vote to give them all the rope they wanted, (meaning with which to hang themselves.)

Miller demanded of Governor Case that he call the Presidents of the large N.Y. banks together and warn them that the speculative loans must be reduced.

While Gov. Case was answering Miller, Miller almost shouted out:

Open Market Investment Committee (Cont'd.)

Board decided to go to New York and hold open market meeting. Mr. Strong advised against this as it might prejudice the public as the situation was still of doubtful nature. Board decided not to go, in view of President Coolidge's statement and Mr. Strong's advice.
Jan. 9, 1928. 137

Board voted to authorize Committee to sell from \$0 to \$5 million of Government securities, as Gov. Case, for the Committee, requested.

C.S.H. says nothing but a radical rate increase will cope with the situation caused by Coolidge's statement.
Jan. 10, 1928. 139

Gov. Young points out that an increase in discount rates does not directly change the amount of credit, but merely its price, while a sale of Govt. securities immediately changes the amount of credit.
Jan. 11, 1928. 140

C.S.H. moved to approve sale by Committee, from time to time, of further Govt. securities with accompanying power to buy temporarily should events, not now foreseen, require such action.

Platt moved to substitute a resolution more closely based on Committee report.

Cunningham moved to substitute C.S.H.'s motion of approval.

Unanimously passed.
Jan. 11, 1928. 140

C.S.H. referred to his views expressed at Open Market Committee meeting on July 27, 1927. (page 131)
Mar. 7, 1928. 146

Board meets with Committee. Gov. Strong submitted a report asking authority to work for firmer money conditions but not with any desire to bring about higher discount rates.

The report was somewhat ambiguous but plainly meant that the stock market situation must be taken in hand.

Open Market Investment Committee (Cont'd.)

Board meets with Committee (Cont'd.)

"When you get them together they will say to you -
Who is responsible for our condition? The F.R. System!"

Miller's claim of opposition to open market purchases and
sales of Govt. securities is preposterous and yet
amusing!

(See C.S.H. memorandum of Miller's record in scrap books.)

May 1, 1928. 159, 160

Board votes to approve report of Open Market Committee but
defines what it understands to be the general policy of
the Committee as referred to in its report.

May 2, 1928. 160

Gov. Seay vigorously attacked the open market policy of the
Committee and Board for past years saying it had caused
inflation.

C.S.H. asked him if his criticism included the year 1926 and he
said it did.

C.S.H. then read Gov. Seay's telegram to Open Market Committee
of Aug. 27, 1926 in which he vigorously opposed continuing
sales of Govt. securities, saying that what the country
needed was greater ease and not stringency. Gov. Seay was
very much embarrassed and could scarcely make any reply.
The whole meeting was convulsed with laughter.

C.S.H. told him that his records contained a note that in his
opinion Gov. Seay was right, - but this gave cold comfort to him.
May 2, 1928. 160

Board meets with Committee:

Committee favored continuing sales of Govt. securities - the
special investment account is now only 100 millions.

Committee also asked authority to buy up to 100 millions in
case of any sudden emergency.

Gov. Case said Morgan had made a firm offer for 25 millions
which Committee wanted to sell.

Open Market Investment Committee (Cont'd.)

Board meets with Committee (Cont'd.)

Gov. Harding alone objected to this, saying it was poor policy to buy and sell in small amounts too frequently.

All members of Board objected to giving power to buy further Government securities, preferring to wait until the necessity should arise.

Adjourned until afternoon.

In afternoon, Committee presented a new report striking out request for authority to make further purchases.

The report after discussion was slightly amplified to please Miller and James.

Later, in Executive Session, C.S.H. moved to give authority asked for to continue sales, and C.S.H. called for a record vote.

Unanimously passed.

Aye: Gov. Young, Miller, Platt, James, C.S.H.
May 25, 1928. 165, 166

For Miller's inconsistent record as to open market dealings in Govt. securities see "Miller."
May 26, 1928. 169, 170

C.S.H., testifying before H.R. Banking and Currency Committee on the Strong bill put in a table covering the years beginning Oct. 1924 to 1927 and later to April 1, 1928, showing that open market purchases of Govt. securities (and also of acceptances) increased only in 2 of those years, while in the same years total F.R. credit decreased; that during 3 years, while total F.R. credit increased, purchases of Govt. securities decreased.

May 26, 1928. 170

During his testimony of May 9, 1928 Miller forgot his antipathy to open market dealings in Govt. securities and told the Committee they were the very heart of F.R. policy!

May 26, 1928. 170, 171

Gov. Case tells Board that Miller, at a recent meeting of the F.R. Bank of N.Y. directors vigorously opposed calling the New York bank Presidents together and admonishing them, - a clear

Open Market Investment Committee (Cont'd.)

Board meets with Committee (Cont'd.)

"When you get them together they will say to you - Who is responsible for our condition? The F.R. System!"

Miller's claim of opposition to open market purchases and sales of Govt. securities is preposterous and yet amusing.

(See C.S.H. memorandum of Miller's record in some books.)

May 1, 1928. 168, 169

Board votes to approve report of Open Market Committee but declines what it understands to be the general policy of the Committee as referred to in its report.

May 2, 1928. 169

Gov. Case vigorously attacked the open market policy of the Committee and Board for past years saying it had caused inflation.

C.S.H. asked him if his criticism included the year 1928 and he said it did.

C.S.H. then read Gov. Case's telegram to Open Market Committee of Aug. 27, 1928 in which he vigorously opposed continuing sales of Govt. securities, saying that what the country needed was greater ease and not stringency. Gov. Case was very much embarrassed and could scarcely make any reply. The whole meeting was convulsed with laughter.

C.S.H. told him that his remarks contained a note that in his opinion Gov. Case was right - but this gave cold comfort to him.

May 2, 1928. 169

Board meets with Committee

Committee favored continuing sales of Govt. securities - the special investment account is now only 100 million.

Committee also asked authority to buy up to 100 million in case of any sudden emergency.

Gov. Case said he had made a firm offer for \$5 million which Committee wanted to sell.

Open Market Investment Committee (Cont'd.)

reversal of his former opinion.

Miller gave a blundering explanation for this change, implying that conditions had then changed.

C.S.H., to scorch out Miller, asked if the members now approved such a warning. All said No and Miller finally said No.
July 18, 1928. 193

Miller said if Board authorized any further purchase of Govt. securities it would be hauled over the coals by Congress and ought to be. (He gave the distinct impression that members so voting should be removed from Board.)
July 18, 1928. 194

Miller said Board had a wonderful opportunity, in view of the gold exports, to regulate credit through discount rates and to drop (as we have been doing since Jan. 1927) - open market operations.
July 18, 1928. 194

See - Miller
Open market operations
Open market powers

Open market operations
Miller says that if it is desired to bring about easier credit conditions it should be done by lowering discount rates and not by open market operations.
July 13, 1927. 8

Federal Advisory Council in May, 1927, favored prevention of rates lower than 4% by.
July 27, 1927. 15

C.S.H. favored, to make 3 1/2% rate effective.
July 27, 1927. 16

Miller attacks
See - Miller
Open Market Investment Committee

See - Open Market Investment Committee
Open Market powers

Open market policy
See - Miller
Seay, Gov.

Open market powers, F.R. Board

Miller claims Board has complete power over open market operations and could if necessary forbid a bank to buy or sell Government securities.

Question arose on order of F.R. Bank of Richmond to open market committee to sell all Govt. securities held for it.

C.S.H. pointed out that Sec. 14, F.R. Act gave F.R. banks power to buy and sell Govt. securities subject to rules and regulations of the Board, not subject to approval by Board, nor subject to limitations or restrictions as all acceptances under Sec. 13; that the Board can issue reasonable regulations, e.g. as to maturities and perhaps as to total amount to be purchased by any F.R. bank; that the Board under the power of regulation could not forbid all transactions; that the Board's exercise of approval as now carried out rests upon the arrangement entered into by the F.R. banks and the Board; that any bank could withdraw from this arrangement and, e.g. set up its own agency in New York for their purchase and sale, subject only to reasonable regulations of the Board; that the Board had issued one general regulation but it applied to the arrangement under which the F.R. banks waived their individual rights and agreed to permit an Open Market Committee of the banks to conduct these operations for them, and the banks voluntarily agreed that the Board should have the right of approval or disapproval; that the Board in issuing its circular appointing the new Open Market Committee claimed it was issued under its general power, which C.S.H. contends does not exist; that while the Board claimed it had the power, it in fact only issued general rules and did not limit the right of the Committee except in the most general way.

Miller denied this, and said that the Open Market Committee was dominated by the Federal Reserve Bank of New York.

Miller claimed that Board had lawful power to forbid a F.R. bank operating in Govt. securities except through the Open Market Committee.

C.S.H. said if this were true the Board would be taking from the F.R. banks one of their most important functions and could vest the power in the Board itself, alone, or could take from the F.R. banks the right to initiate discount rates and vest it in a Committee of the F.R. banks or in the Board itself, thus turning the System into a central bank.

C.S.H. said he remembered one case where the Board forbade Philadelphia to buy long term bonds, but he said such order was illegal in his opinion.

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Open market powers, F.R. Board (Cont'd.)

Miller threatened to tell the H.R. Committee of C.S.H.'s attitude and C.S.H. said he could if he wished.

April 24, 1927. 155, 156, 157

(Later C.S.H. prepared a memorandum on above and filed it in Board's records)

(See also C.S.H. testimony before H.R. Banking and Currency Committee on Strong bill.)

Operations, Surgical

Edward Hamlin. Appendicitis.

Feb. 18, 1928. 125, 126

Out of line

116, 117, 118, 135, 154

See - Discount rates

-P-

Pacific S.W. Trust & Savings Co.

Mr. Robinson, President, and F.R. Agent Newton, came before Board, Mr. Robinson explained how he had raised millions of new capital for the bank, now merged into a national bank.

He explained why he still retained Hervey in the bank and other indicted employees. He said Hervey was one of the most prominent free Masons in the state. He said he did not defend their actions.

Board then considered the matter alone.

Some time ago Board had given discretion to Newton as to when he should officially inform the U.S. District Attorney as to the violations of national laws.

C.S.H. at first felt the District Attorney should be notified at once.

The Comptroller pointed out that the men were all under state indictment and if new Federal indictments were procured for practically the same offense, it would bring the matter before the public again and the notoriety would severely injure the new national bank.

Oct. 11, 1927.

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Miller denied this, and said that the Open Market Committee was dominated by the Federal Reserve Bank of New York.

Miller claimed that Board had legal power to forbid a F.R. Bank to raise in Govt. securities except through the Open Market Committee.

C.S.H. said if this were true the Board could be taking from the F.R. Banks one of their most important functions and could vest the power in the Board itself, alone, or could take from the F.R. Banks the right to initiate discount rates and vest it in a Committee of the F.R. Banks or in the Board itself, thus turning the system into a central bank.

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Open market powers, F.R. Board (Cont'd.)

Miller threatened to tell the H.R. Committee of C.S.H.'s attitude and C.S.H. said he could if he wished.

April 24, 1927. 155, 156, 157

(Later C.S.H. prepared a memorandum on above and filed it in Board's records)

(See also C.S.H. testimony before H.R. Banking and Currency Committee on Strong bill.)

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He explained why he still retained Hervey in the bank and other indicted employees. He said Hervey was one of the most prominent free Masons in the state. He said he did not defend their actions.

Board then considered the matter alone.

Some time ago Board had given discretion to Newton as to when he should officially inform the U.S. District Attorney as to the violations of national laws.

C.S.H. at first felt the District Attorney should be notified at once.

The Comptroller pointed out that the men were all under state indictment and if new Federal indictments were procured for practically the same offense, it would bring the matter before the public again and the notoriety would severely injure the new national bank.

Oct. 11, 1927.

Pacific S.W. Trust & Savings CO. (Cont'd.)

Board finally voted to leave the matter in Newton's discretion as to just when to report the facts to the District Attorney but he is directed to report it at some time.

C.S.H. said he voted for this on the understanding and promise of Newton - given to the Board yesterday that he would ascertain when the Statute of Limitations will have run, and would report matter to District Attorney before then.

C.S.H. feels it better to take this course to avoid severe and perhaps fatal injury to the new national bank.

C.S.H. believes Robinson should at once dismiss Hervey and the other indicted officers, for although they may not ultimately be proved guilty, yet their conduct as to loans, etc. was such as to clearly warrant their dismissal.

Both Newton and Robinson admitted this to the Board.

C.S.H. feels Robinson made a very weak appearance, and suspects he does not dare remove these men because of some hold they may have on him.

C.S.H. can not understand how Robinson could have gone abroad to the Economic Conference with such conditions in his bank.
Oct. 12, 1927. 66, 67

Fall Bearer

Jeannie Riggs wanted C.S.H. to be a, at funeral of Alice Riggs but he was out of Washington. C.S.H. regrets she did not wire him to Mattapoisett.
Sept. 6, 1927. 31

Paris Statistical Conference

124, 132, 133

See - League of Nations
Miller

Parker, Amasa J. Jr.

Death of.
July 15, 1928. 192

Peabody, George Foster

C.S.H. calls on, at Carlton Hotel, Washington.

He strongly favors Gov. Smith for President.

Last winter he opposed him.

Open market reports, T.N. Board (Cont'd.)

Miller announced to tell the H.R. Committee of O.S.H.'s attitude and O.S.H. said he could be wished.
April 24, 1927. 182, 183, 184

(Lester O.S.H. prepared a memorandum on above and filed it in Board's records)

(See also O.S.H. testimony before H.R. Banking and Currency Committee on strong bill.)

Operations, Bank of

Edward Hamilton, Assistant

Sept. 18, 1928. 185, 186

Out of line

186, 187, 188, 189

See - Discount rates

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The Controller pointed out that the men were all under state indictment and if new Federal indictments were procured for practically the same offenses, it would bring the matter before the public again and the notoriety would severely injure the new national bank.

Oct. 11, 1927.

88

Peabody, George Foster (Cont'd.)

Invites C.S.H. to dinner and says Mrs. Wilson will be there

C.S.H. says he will let him know and calls up Bertie at Mattapoisett who strongly urges him to accept, predicting she would be glad to see me, outwardly at least.

Mr. Peabody said he lunched with her today and that she spoke much about us.

Sept. 28, 1927. 58, 59

C.S.H. dines with.

Present: Mr. Peabody, his newly adopted daughter and her brother, Mr. and Mrs. Turrentine, Randolph Bolling, Dr. and Mrs. Johnson of St. Johns Church, and C.S.H. Oct. 1, 1927. 61, 62

See - Wilson, Mrs.

Pease, Z. W.

Talks about European trip of editors sent by Carnegie Endowment at a clam bake by Dartmouth Historical Society. Oct. 8, 1927. 64

Pennington, Mr. and Mrs.

Mrs. Wilson visits, at Lincolnville, Maine. Sept. 4, 1927. 23

F. A. Stokes Co. sends C.S.H. a copy of chronology of Wilson with compliments of Mrs. Pennington. Sept. 21, 1927. 53

Sends C.S.H. her check for \$62.50 being one-half of first payment of royalties on Wilson Chronology. C.S.H. indorsed it to Woman's National Democratic Club, as trustee, and sent it to Mrs. Cunningham. Mrs. Pennington's letter was dated Sept. 30, 1927. Oct. 8, 1927. 64

C.S.H., at dinner with Mrs. Harriman, told her of his troubles with Mrs. Pennington over the Wilson Chronology. C.S.H. told her of his efforts, partly successful, in having stricken out from the part inserted by Mrs. Pennington errors and extreme partisanship. She spoke of the row between the Book Committee and Mrs. Pennington, and C.S.H. told her Mrs. Pennington refused to agree to allow the Club to have any part of the profits while C.S.H. insisted it should; that Mrs. Pennington then retained a lawyer, Mr. Clephane, and we effected a compromise.

Pennington, Mr. and Mrs. (Cont'd.)

C.S.H. said Mrs. Pennington hated her because of her talk with Mrs. Wilson about the book

See - Harriman, Mrs.
Wilson, Mrs.

Mrs. Harriman told C.S.H. that Mrs. Wilson told her that Mrs. Pennington had given her many hours of anxiety and worry during the summer of 1926.

C.S.H. can not understand in view of above, how Mrs. Wilson could have so completely sided with Mrs. Pennington.
Dec. 27, 1927. 102, 103

Mrs. Andrieus Jones tells Bertie she called recently on Mrs. Pennington to ask her to autograph several copies of the Wilson Chronology and that while there she asked Mrs. P. to become a life member of the Woman's Democratic Club; that Mrs. P. said she was not a Club woman, but would take the matter under consideration.
Feb. 13, 1928. 124

See - Jones, Mrs.

Mrs. Meigs and Mrs. Thompson wrote Mrs. P. asking her to found a life membership in the club in memory of Mr. Wilson, which she politely declined to do. Later Mrs. Wilson sent \$1000 for life membership for Miss Bolling, saying donor was anonymous. We think it may have been Mrs. P.
April 2, 1928. 142, 143

Mrs. P. sends C.S.H. following letter:

My dear Mr. Hamlin:

I have just received from Frederick A. Stokes Co. a check for \$90.60, and an account of which the enclosed is a copy. I accordingly send you herewith check to your order as trustee for 3/6 of the total amount, or \$45.30.

The account referred to, reads:

1927.	To Dec. 31	
	By royalty, Chronology of Woodrow Wilson	- \$215.60
	Sept. 22. To advance	125.00
	Balance due Jan. 1, 1928	90.60
	F. A. Stokes Co.	
	To Mary V. Pennington	

(The check was on National Newark and Essex Banking Co. May 29, 1928.)

June 1, 1928. 175, 176

Pennington, George (Cont'd.)

Invites C.S.H. to dinner and says Mrs. Wilson will be there

C.S.H. says he will let his name and wife go Bertie as Mattie says she strongly urges him to accept, pending she would be glad to see me, especially if I could

Mr. Pennington said he lunched with her today and that she spoke much about me

Sept. 27, 1927. 88, 89

C.S.H. dined with

Forwarded Mr. Pennington his newly adopted daughter and her property, Mr. and Mrs. Pennington, Hamilton, N.Y. Dr. and Mrs. Johnson of St. Johns, N.Y., and C.S.H. Oct. 1, 1927. 91, 92

See - Wilson, Mrs.

Pennington's letter about Chronology sent by Carnegie Endowment at a time when by Dr. Johnson's Chronology Oct. 8, 1927. 94

Pennington, Mr. and Mrs. Mrs. Wilson visits at Lincolnville, Maine. Sept. 4, 1927. 93

I. A. Stokes Co. sends C.S.H. a copy of Chronology of Wilson with specimens of Mrs. Pennington. Sept. 11, 1927. 93

Send C.S.H. pay check for \$25.50 being one-half of first payment of royalties on Wilson Chronology. C.S.H. informed it to Woman's National Democratic Club, as trustee, and sent it to Mrs. Pennington. Mrs. Pennington's letter was dated Sept. 30, 1927. Oct. 8, 1927. 94

C.S.H. at dinner with Mrs. Pennington, told her of his troubles with Mrs. Pennington over the Wilson Chronology. C.S.H. told her of his efforts, withy successful, in having returned out from the part inserted by Mrs. Pennington and other corrections. She was one of the few between the Book Company and Mrs. Pennington, and C.S.H. told her Mrs. Pennington refused to allow the Club to have any part of the profits while C.S.H. insisted it should; that Mrs. Pennington threatened a lawyer, Mr. Glendon, and we effected a compromise.

Pennington, Mr. and Mrs. (Cont'd.)

C.S.H. writes Mrs. Pennington acknowledging letter and check, and sends check duly indorsed as trustee to Mrs. F. H. Snell, Chairman Executive Committee, Woman's National Democratic Club. June 2, 1928. 175, 176

C.S.H writes Mrs. Pennington acknowledging letter and check, and sends check duly indorsed as trustee to Mrs. F. H. Snell, Chairman Executive Committee, Woman's National Democratic Club. June 2, 1928. 175, 176

The members of Executive Committee ask H.P.H. as to above check.

Mrs. Huston Thompson asked if Bolling had a share of the profits. H.P.H. said Mrs. Pennington had 1/3 and the Club 1/3.

This was an error as Mrs. P. had 1/2 and C.S.H. as trustee 1/2.

H.P.H. said she supposed Mrs. Pennington gave her share to Bolling.

Mrs. Eskler asked the same question. June 4, 1928. 177

After the meeting, H.P.H. told Mrs. Harriman about Mrs. Pennington's check and said C.S.H. thought this represented a sale of only about 600 copies. June 4, 1928. 177

See - Harriman, Mrs.

One of the Executive Committee asked H.P.H. why Mrs. Pennington wanted to take from the Club what belonged to it. H.P.H. said that Mrs. Pennington was very angry with Mrs. Harriman for her talk with Mrs. Wilson. June 4, 1928. 177

Mrs. Snell acknowledges Mrs. Pennington's check for royalties and writes:

"Please believe that our Club is deeply grateful for all you have done about the book. We know of all the work you have done in the matter of research. We know what your original plan was and we still approve of that first plan. We trust and hope that the sincere thanks of our Club will be of some little amelioration of what must have been your disappointment as to the outcome of that original plan. Thank you again. Sincerely yours, Isabelle Cromwell Snell."

Chairman, Executive Committee. June 7, 1928. 179

Perrin, Federal Reserve Agent

C.S.H. writes Mrs. Pennington acknowledging letter and check, and sends check duly indorsed as per Mr. V. H. Shell, Chairman Executive Committee, Woman's National Democratic Club. June 5, 1927. 128

The members of Executive Committee met N.P.H. at to above check. Mrs. Pennington advised if holding had a share of the profits. N.P.H. said Mrs. Pennington had 1/3 and the Club 1/3. This was an error as Mrs. P. had 1/3 and N.P.H. as trustee 1/3. N.P.H. said she supposed Mrs. Pennington gave her share to holding. Mrs. Pennington asked the same question. June 4, 1927. 127

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See - Hartman, Mrs.

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Mrs. Shell acknowledges Mrs. Pennington's check for royalties and writes:

"Please believe that our Club is deeply grateful for all you have done about the book. We have of all the work you have done in the matter of research. We know that your original plan was not still approved of that first plan. We trust and hope that the single thanks of our Club will be of some little consolation of what must have been your disappointment as to the outcome of that original plan. Thank you again. Sincerely yours, Isabella Crowell Shell." June 7, 1927. 129

Chairman, Executive Committee

Perrin, Federal Reserve Agent
 Attends dinner given to Board by F.R. Agents and Governors at Metropolitan Club.
 Nov. 4, 1927. 79

Pew, Dedication of
 We go to Albany for, at St. Peters Church in memory of Mr. and Mrs. John V. L. Pruyn. Carillon concert also.
 Sept. 18, 1927. 50

Philadelphia, Federal Reserve Bank of
 Decides not to reduce to 3 1/2%.
 Aug. 12, 1927. 19

Philippine National Bank
 Willis says Warburg sent one of his employees, - a son of Governor Strong - to the N.Y. agency of, to get facts discreditable to him as to his management of the, but he found that all the transactions complained of were either opposed by Willis or done after he left the bank; that Warburg when in San Francisco, made similar inquiries of Mr. Wilson, the President of a San Francisco bank, who had been in the Philippine National bank and got similar answers and that Warburg had to omit his chapter on the Philippine National bank, from his proposed book.
 Dec. 10, 1927. 92, 93

Photographs
 Catherine Grant gives C.S.H. a, of herself as a birthday present. She sent a card with it, "With love and best wishes for many, many happy returns of the day, from Catherine."
 Aug. 30, 1927. 22

C.S.H. gives to Woman's National Democratic Club an enlarged photograph of Grover Cleveland with photograph of a letter from Cleveland praising the photograph.
 Feb. 23, 1928. 127

Later, C.S.H. wrote Mrs. Cleveland (Preston) who fully approved.
 May 2, 1928. 131

Pittsburgh coal dispute. 129

See - Interstate Commerce Commission Glass

Platt, Edmund
 Returns from Europe.
 July 27, 1927. 17

Particulars of Federal Reserve Bank
Accounts shown to Board by F.R. Bank, Chicago and Governor of
Metropolitan Bank

Nov. 4, 1927. 19

Particulars of Federal Reserve Bank of
Chicago shown to Board by F.R. Bank, Chicago and
Governor of Metropolitan Bank

Nov. 18, 1927. 20

Particulars of Federal Reserve Bank of
Chicago shown to Board by F.R. Bank, Chicago and
Governor of Metropolitan Bank

Nov. 19, 1927. 21

Particulars of Federal Reserve Bank
of Chicago shown to Board by F.R. Bank, Chicago and
Governor of Metropolitan Bank

Dec. 10, 1927. 22

Particulars of Federal Reserve Bank
of Chicago shown to Board by F.R. Bank, Chicago and
Governor of Metropolitan Bank

Dec. 30, 1927. 23

Particulars of Federal Reserve Bank
of Chicago shown to Board by F.R. Bank, Chicago and
Governor of Metropolitan Bank

Jan. 3, 1928. 24

Particulars of Federal Reserve Bank
of Chicago shown to Board by F.R. Bank, Chicago and
Governor of Metropolitan Bank

See - Interstate Commerce Commission
Glass

Particulars of Federal Reserve Bank
of Chicago shown to Board by F.R. Bank, Chicago and
Governor of Metropolitan Bank

July 27, 1927. 17

Platt, Edmund (Cont'd.)

Telephones C.S.H. he objected to initiating a 3 1/2% rate at
Chicago. Aug. 5, 1927. 18

Platt, C.S.H. and Comptroller object to initiating 3 1/2% rate at
Chicago and matter went over.
Aug. 12, 1927. 19

Objects to ratification of action of Executive Committee in
disapproving action of F.R. Bank, Chicago, in not changing
discount rate.

Points out Board gave Executive Committee merely power to approve
any proposed reduction to 3 1/2%.

Votes against ratification.
Sept. 6, 1927. 24, 25

Votes for C.S.H. motion that 4% be considered the lawful rate
until Friday when Chicago directors meet.
Sept. 6, 1927. 25

Votes for C.S.H. motion to postpone action until Friday, when
Chicago directors meet.
Sept. 6, 1927. 26

Agrees with C.S.H. that it would be extraordinary to initiate a
3 1/2% rate on Tuesday when Chicago directors had agreed to
establish 3 1/2% rate on Friday.
Sept. 6, 1927. 28

Claims Board has no power to fix a rate except where the F.R.
bank establishes a rate and asks approval of Board, and
that a statement of "no change" was not such an establishment;
that Board had never so considered it as it merely "noted"
such communications.

C.S.H. disagreed with Platt, pointing out that the circulars of
1915 and 1918, still in force, construed such a statement
as an establishment of a rate. He also showed that the
Record in this case referred to the statement "No change"
as a request for approval of the 4% rate established by the
F.R. bank.
Sept. 6, 1927. 29

Votes against initiation of 3 1/2% rate at Chicago.
Sept. 6, 1927. 29

Tells Board Sec. Mellon will be back shortly and should have an
opportunity to be heard.

Objection was raised that vote had been taken.
Sept. 6, 1927. 29

Platt, Edmund (Cont'd.)

Platt, Edmund (Cont'd.)

When Platt spoke as above Gov. Crissinger merely said Sec. Mellon would be in Washington the next morning. Had he said this before vote was taken, Platt and C.S.H. would have inserted a postponement.

Sept. 9, 1927. 36

Platt tells C.S.H. the Board met yesterday but not a word was said about the rate case but that a newspaper reporter told him Governor Crissinger was to resign today.

Sept. 15, 1927. 38

C.S.H. urges Sec. Mellon to designate Platt as Governor for remainder of his term.

Sec. Mellon said he feared that if designated Platt would expect to remain Governor for a new term.

C.S.H. said not necessarily, and cited his own case.

Sept. 16, 1927. 46

Platt calls up C.S.H. and reports an interview with Glass; asks C.S.H. to send Glass Wetmore's address.

Sept. 16, 1927. 48

Platt calls up C.S.H. and speaks of rumor that Gov. Young had been appointed and had accepted.

Sept. 21, 1927. 53

Gov. Harding writes Platt a new construction of word "established."

Sept. 21, 1927. 53

Platt tells C.S.H. he distinctly recollects that Gov. Crissinger was called out of the meeting on Sept. 6, 1927 by a N.Y. telephone call, before the Board had wired Chicago.

Sept. 26, 1927. 55

(See next volume, "McGarrah").

Attends dinner of Sec. Hoover to Gov. of National Bank of Belgium.

Sept. 30, 1927. 60

Attends lunch of Dr. Miller to Gov. of National Bank of Belgium.

Oct. 1, 1927. 60

Comptroller was not in Board meeting when Platt said Sec. Mellon would shortly be in Washington.

Oct. 10, 1927. 65

Platt, Edmund (Cont'd.)

Votes against James motion to have an official stenographer at every meeting of Board with Open Market Committee and Federal Advisory Council.

Nov. 1, 1927. 76

Votes for Miller's motion that operations in Government security investment account shall be made only after consultation with Governor of Board.

Nov. 2, 1927. 78

Votes for C.S.H. motion that Board should simply announce it would impose regulations as to state banks entering the System with branches "pursuant to F.R. Act."

Dec. 6, 1927. 87

Modifies regulation as to forbidding purchase by a state member bank of stock in another company without consent of F.R. Board.

Dec. 6, 1927. 87

Votes to interpose no objection to payment of 2 months salary to widow of F.R. Agent Wills of Cleveland.

Dec. 19, 1927. 97

Moves to substitute for C.S.H. motion of approval of further purchases of Govt. securities a draft more nearly like Committee report. Lost.

Jan. 11, 1928. 110

Voted to approve increase of Chicago from 3 1/2 to 4%.

Jan. 24, 1928. 115, 117

Votes to approve Richmond increase to 4%.

Jan. 26, 1928. 121

Testifies before H.R. Banking and Currency Committee in behalf of bills to amend Clayton Act and F.R. pension bill.

Jan. 27, 1928. 121

Moves to substitute an investigation and report by Gov. Young in lieu of Cunningham's motion that F.R. banks report as to discounting banks loaning on call.

Feb. 2, 1928. 123

Votes to accept invitation of L. of N. to attend Paris Statistical Conference of European central banks.

Feb. 14, 1928. 124

Platt, Edmund (Cont'd.)

Votes against James motion to have an official stamp at every meeting of Board with Open Market Committee and Federal Advisory Council.

Nov. 1, 1927. 78

Votes for Miller's motion that operations in government security investment account shall be made only after consultation with Governor of Board.

Nov. 7, 1927. 78

Votes for C.S.H. motion that Board should study and announce its views on regulations as to state banks entering the system with branches in government.

Dec. 6, 1927. 87

Motion regulation as to forbidding members by a state member bank of stock in another company without consent of F.R. Board.

Dec. 6, 1927. 87

Votes to impose no objection to payment of 2 months salary to widow of F.R. Adam Williams of Cleveland.

Dec. 19, 1927. 87

Moves to substitute for C.S.H. motion of approval of further purchases of Govt. securities a draft more nearly like Committee report.

Jan. 11, 1928. 110

Votes to approve increase of Chicago from \$1 to \$2.

Jan. 24, 1928. 117

Votes to approve Richmond increase to \$4.

Jan. 26, 1928. 121

Testifies before N.E. Banking and Currency Committee in behalf of bill to amend Division Act and F.R. general bill.

Jan. 27, 1928. 121

Moves to substitute an investigation and report by Gov. Young in lieu of Cunningham's motion that F.R. banks report as to discounting banks pending on call.

Feb. 3, 1928. 123

Votes to accept invitation of I. of N. to attend Paris Statistical Conference of European central banks.

Feb. 14, 1928. 126

Platt, Edmund (Cont'd.)

Testifies before Senate Banking and Currency Committee on brokers loans.

Mar. 7, 1928. 133

Votes to approve report of Open Market Committee to work for firmer money conditions.

Mar. 26, 1928. 139, 140

Votes for Roumanian credit. April 4, 1928. 147

Telephones C.S.H. that Gov. Case hopes Boston will increase its rate.

April 16, 1928. 148

Votes to approve increase in Boston rate.

April 18, 1928. 153

Favors approving Chicago increase immediately.

April 19, 1928. 154

Votes to approve Chicago increase.

April 19, 1928. 155

Attends lunch of C.S.H. to Sir Herbert Ames.

May 2, 1928. 160

President Coolidge appoints Platt for the year term.

May 14, 1928. 163

(The time of expiration of his commission was slightly shortened so as to bring it within spirit of F.R. Act that all terms should begin Aug. 10.)

Platt is confirmed. May 24, 1928. 164

Votes approval to Open Market Committee for further sales of Govt. securities.

May 25, 1928. 166

Has interview with Senator Glass, together with Gov. Strong and C.S.H.

See - Glass.

May 27, 1928. 171

Votes to approve Gov. Young's report on Cunningham resolution to require a report from F.R. banks as to member banks dealing in call loans.

May 28, 1928. 173

Platt, Edmund (Cont'd.)

Writes C.S.H. that Chicago increased its rate from 4 1/2 to 5%; says he told Heath Board would not act on it before July 10, 1928. 189

See - Discount rates

Poem

C.S.H. and H.P.H. send poem to Delano on being late for dinner. May 8, 1928. 162

We read the poem to Catherine Grant and gave her a copy. July 3, 1928. 189

Policy, Foreign loan. 143, 144
See - Mellon, Sec.

Politics

C.S.H. tells Miller he will ask Glass to join with him in asking Mellon to ask Attorney General to give another opinion on power of Board to initiate rates, in order to avoid any suspicion of politics should the Attorney General reverse Acting Attorney General King. Sept. 15, 1927. 41, 45, 46

James says Harris, the new Class C Director at Atlanta, is a Republican. Dec. 10, 1928. 90

H.P. Willis tells C.S.H. that one of the Governors of a Federal Reserve Bank told him that Sec. Mellon had written him asking him to appoint more Republicans in his Bank; that the Governor bitterly resented this and later called on Mellon and told him his bank never inquired into the political affiliations of its appointees; that Mellon then told him to forget the letter was ever written. Dec. 10, 1927. 91

Appointment of Cyrus Woods on Interstate Commerce Commission. Feb. 26, 1928. 130

See - Glass

James says that to get votes for McFadden bill the Comptroller agreed to have Governor Talley removed from F.R. Bank of Dallas and to vote for F.R. branches in Charlotte, N.C. and San Antonio, Texas. Mar. 22, 1928. 138
June 19, 1928. 183

Politics (Cont'd.)

Wyatt tells C.S.H. there were undoubtedly deals made to obtain passage of McFadden bill and that the Comptroller's office was scared to death lest Glass and his investigating committee should discover them.
Mar. 22, 1928. 139

Presentiment

C.S.H. had a, that all is not right with Ned. A week later Harriet telephoned that Ned had appendicitis.
Feb. 20, 1928. 126

President of U.S.

Ambassador Houghton jocularly offers C.S.H. the secretaryship of Treasury should he become.
Nov. 7, 1927. 80

See - Coolidge

Preston (Cleveland) Mrs.

C.S.H. writes, as to his gift of photograph of Grover Cleveland and letter, to Mrs. Preston, and she replied expressing pleasure.
Mar. 2, 1928. 131

Prices

Gov. Norman tells C.S.H. he believes present falling prices are caused by an appreciation of gold.

C.S.H. disputed this, at least as to U.S.
July 7, 1927. 3

C.S.H. sees faint parallel between present fall in prices and the period between 1876 to 1893.
July 27, 1927. 15

See - H.R. Banking and Currency Committee
Stabilization of prices

Prohibition

See - Shaver, Mrs. Clem

Pruyn, Mr. and Mrs. John V.L.

C.S.H. and H.P.H. go to Albany for dedication of a pew in St. Peter's Church in memory of.
Sept. 18, 1927. 50

Pruyn, Mr. and Mrs. Robert

We call on Mr. and Mrs. Robert Pruyne.
Sept. 18, 1927. 50

Platt, Edmund (Cont'd.)
Writes C.S.H. that Chicago increased its rate from 4 1/2 to 5%; says he told Hatch Board would not act on it before July 10, 1928.
138
See - B. Board rates
C.S.H. and H.P.H. went down to Dallas on train late for dinner.
July 8, 1928. 132
We read the poem to Catherine Grant and gave her a copy.
July 8, 1928. 132
Policy, Foreign Loan, 1927, 1928
See - Nelson, Sec.
Politics
C.S.H. tells Miller he will ask Glass to join with him in asking Mellon to ask Attorney General to give another opinion on power of Board to institute rates, in order to avoid any suspicion of politics should the Attorney General reverse ruling Attorney General King.
Sept. 15, 1927. 41, 42, 43
James says Harrie, the new Glass Director of Atlanta, is a Republican.
Dec. 10, 1928. 30
H.P. Willis tells C.S.H. that one of the Governors of a Federal Reserve Bank told him that Sec. Mellon had written him asking him to appoint more Republicans in his Bank; that the Governor directly presented this and later called on Mellon and told him his bank never inquired into the political affiliations of its appointees; that Mellon then told him to turn the letter over ever written.
Dec. 10, 1927. 31
Appointment of Cyrus Woods on Interstate Commerce Commission.
Jan. 26, 1928. 130
See - Glass
James says that to get votes for Mellon bill the Comptroller agreed to have Governor Bailey removed from F.R. Bank of Dallas and to vote for F.R. branches in Charlotte, N.C. and San Antonio, Texas.
Mar. 27, 1927. 128
June 19, 1928. 133

Purchasing power

C.S.H. tells Board that by helping Great Britain stabilize her currency we increase her, to buy our agricultural products.
July 13, 1927. 7
Sept. 6, 1927. 27

Miller says purchasing power of farmers will be greatly increased this fall, - at least a billion dollars, and that he saw no reason for easing up on credits.
July 13, 1927. 8

Gov. Strong says reduction in our rate will help to stabilize the purchasing power of Great Britain and other European countries and will help our export trade.
July 27, 1927. 13

-Q-

-R-

Reyburn, S. W., Director F.R. Bank, New York
Board asks, Woolley and McGarragh to come to Washington to discuss discount rates. Jan. 9, 1928. 107

Reyburn, Woolley and McGarragh come to Washington.

Says rates should be increased and that business will not be injured.

Says Coolidge's statement as to brokers loans will not deceive professional operators in stocks but that it will encourage small investors to hold or increase their investments; that Coolidge's statement was most unfortunate.
Jan. 11, 1928
109, 110

Raleigh Street house

We sell, to R. G. Dodge for \$35,000, Dodge to assume mortgage of \$20,000.
July 15, 1927. 8, 11

See - Dodge, R. G.

Rationing of credit

C.S.H. points out that to summon the Presidents of N.Y. banks and demand a liquidation of speculative loans would be practically a.
July 18, 1928. 193

See - Direct pressure
Miller
Speculative loans

Politics (Cont'd.)

What tells U.S.H. there were undoubtedly deals made to obtain passage of Miller bill and that the Governor's office was scared to death last June and his investigating committee should discover them.
Mar. 23, 1928. 128

Presentment

C.S.H. says that all is not right with Fed. A week later Harris telephoned that Fed had accepted.
Feb. 20, 1928. 128

President of U.S.

Ambassador Houston formerly offers C.S.H. the secretaryship of Treasury should he become.
Nov. 7, 1927. 80

See - Coolidge

Preston (Cleveland) Mrs.

C.S.H. writes, as to his gift of photograph of Grover Cleveland and letter, to Mrs. Preston, and she replied expressing pleasure.
Mar. 2, 1928. 131

Prices

Gov. Norman tells C.S.H. he believes present falling prices are caused by an overvaluation of gold.

C.S.H. dispensed this, at least as to U.S.
July 7, 1927. 3

C.S.H. sees that parallel between present fall in prices and the period between 1873 to 1893.
July 27, 1927. 12

See - H.A. Harding and Currency Committee
Stabilization of prices

Prohibition

See - Shaver, Mrs. Clem

Prize, Mr. and Mrs. John V.H.

C.S.H. and H.P.H. go to Albany for dedication of a new in St. Peter's Church in memory of.
Sept. 18, 1927. 80

Prize, Mr. and Mrs. Robert

We call on Mr. and Mrs. Robert Prize.
Sept. 18, 1927. 80

Real estate speculative loans

C.S.H. asks Miller if his plans for restricting the seepage of F.R. credit into speculative loans, includes all forms of speculation, e.g. in real estate. Miller says No, to begin on brokers loans first.

July 18, 1928. 194

Reappointment

Platt reappointed for 10 year term on F.R. Board.

May 14, 1928. 163

Recession of business

C.S.H. believes, only temporary but no one can predict, and he favors the lowest possible rates, so that if recession is permanent it can not be claimed it was caused by high rates.

July 27, 1927. 16

Woolley says there is a faint improvement from business recession and that an increase in rates might kill it.

Jan. 11, 1928. 109, 110

Redemption of Bank of England notes

Can not be demanded in gold unless about \$8000 is presented and this would be redeemed in bullion.

Smaller presentation would be redeemed in currency notes. Niemyer.

Jan. 30, 1928. 122

Redesignation

See - F. R. Agents

Reed, Sen. Pa. 129, 130

See - Glass

Regulations

1, 68, 87

See - Foreign bills
Renewal acceptances
Secured bills
State banks

Removal of members of Board 48, 49

See - Glass

Renewal acceptances

Kenzel asks liberalization of regulations so as to permit.

Oct. 13, 1927. 69

Republican
James says Harris, appointed as Class C Director, Atlanta, is a.
Dec. 10, 1927. 90

Republicans 91
See - Mellon, Sec.

Resignation
Gov. Crissinger.
Sept. 15, 1927. 38, 39

Resolution
Condemning Chicago discount initiation of 3 1/2% rate.
Federal Advisory Council
Sept. 16, 1927. 48

Council gives Board a copy. Nov. 18, 1927. 83
See - Cunningham. 120, 121, 173

Reynolds, Geo
Tells Board Committee he can obtain resignation of F.R. Agent Heath
at any time should the Board redesignate him.
Nov. 15, 1927. 81

Reynolds, James
Willis tells C.S.H. that President Coolidge had decided that
Gov. Crissinger should go off the F.R. Board and had asked, of
Commercial National Bank, very close to the Smith Co., to
arrange for Gov. Crissinger's speedy acceptance of the Smith Co.
offer.
Dec. 10, 1927. 90

Rhineland, Bishop
We meet, at dinner at Edith Eustis's.
Jan. 13, 1928. 111

Rhoades, Mrs.
H.P.H. lunches with, at Woman's National Democratic Club.
Jan. 19, 1928. 112

Rice, Mr. and Mrs. W. G.
We meet, at Albany for dedication of memorial pew at St. Peters.
Sept. 18, 1927. 50

Visit us at Mattapoisett. Sept. 23, 1927. 54

Wire us of death of Amasa Parker, Jr.
July 15, 1928. 192

Rice, W. G. Jr.

Visits us at Mattapoisett with Mrs. Rice and the children.
July 30, 1928. 196

Riggs, Alice

Death. Sept. 2, 1927. 31

Riggs, Jeannie

Tries to reach C.S.H. to ask him to be a pall bearer at funeral
of Alice Riggs. Sept. 5, 1927. 31

We dine with. Jan. 26, 1928. 121
Mar. 26, 1928. 141
June 14, 1928 181

Rist, Gov. Bank of France

Calls on C.S.H. July 7, 1927. 2, 3

Lunch of Board to, and others. 2, 3

Miller has talk with, after the lunch.
July 7, 1927. 7

At conference in N.Y. July 8, 1927. 12

See - Norman, Gov.

Robbins, Canon

We meet, at dinner at Edith Eustis's.
Jan. 13, 1928. 111

Robinson, Pacific S.W. Savings & Trust Co. 66, 67, 68, 72

See - Pacific Southwest Savings & Trust Co.

Rodgers, Mr. 181, 182, 184, 185, 186

See - Myer, Gertrude

Rogers and Howes

Insures Auld Lang Syne for \$5000 en route to Albany and return.
Jan. 17, 1928. 112

Roman Catholic

See - Shaver, Mrs. Clem
Smith, Gov.

Roosevelt, Franklin

Miller visits. June 6, 1928. 179

C.S.H. listens to, nominating Gov. Smith for President
June 27, 1928. 187

Rosenbach, Mr. 119
See - Auld Lang Syne

Roumanian credit

Harrison explains proposed, to Board.

He said that under proposed agreement the F.R. Bank of New York would be bound even if only the Bank of France joined; that the Bank of England would join only if we would agree to enter into a satisfactory stabilization plan for Roumanian currency, which the N.Y. bank declined to do; that a Government loan of 70 millions depended on a satisfactory stabilization plan and syndicate arrangement.

C.S.H. pointed out that in all previous credits the central banks had agreed to come in and we were merely asked to join; that in this case we are asked to join by the Bank of France in order to bring in the other central banks; that there was evidently some dispute between the Bank of England and the Bank of France; that Harrison had said the Bank of England wanted the League of Nations to supervise the stabilization plan but that Roumania objected; that here really a balance of power dispute into which we were injecting ourselves; that, assuming the purchase of Roumanian bills indorsed by the Roumanian bank was safe, he thought we ought not to join unless State Department was consulted and had no objection.

Harrison said Under Secretary Olds had been consulted and raised no objection.

Harrison said he hoped the precedent would not be established of consulting the State Department, or rather, asking for its affirmative approval; that his bank, in fact, had always discussed these credits with the State Department.

Harrison agreed that the Board could not accept his statement as to the attitude of the State Department, and Gov. Young was directed to ascertain it.

April 2, 1928. 141, 142

Harrison tells C.S.H. that Sec. Mellon thought the agreement was all right and that he had told Coolidge so; that Sec. Kellogg and Olds saw no reason to disapprove it; that they agreed that in case of a syndicate agreement between F.R. Bank of New York and European central banks, the N.Y. bank was not bound to get approval of State Department or even to notify it except as a matter of courtesy.

Harrison said Mellon told him the State Department had never interfered with foreign loans except to foreign Governments, - never with private loans.

Roumanian credit (Cont'd.)

C.S.H. showed Harrison from his digest that Sec. Mellon in his annual report claimed the right to disapprove private foreign loans, where the debt of the nation to U.S. had not been funded.

Harrison said he hoped C.S.H. would not insist on a formal application to State Department for its approval.

C.S.H. said all he wanted to know was that the State Dept. offered no objection and that a statement by Sec. Mellon to him to that effect would satisfy him; that in his opinion we should only address the State Department thru Sec. Mellon.

Harrison said he was sorry his remarks had been interpreted as indicating a dispute between Bank of France and Bank of England; that their relations were most cordial; that the Bank of England had not definitely refused to join the syndicate but had accepted on condition that the Federal Reserve Bank, New York, and Bank of France, would be responsible for a satisfactory stabilization plan, which condition the N. Y. bank declined to agree to; that he thought the Bank of England would ultimately decide to come in in any event.

C.S.H. said the syndicate agreement for purchase of bills was entirely proper; that what he feared was that if the Board approved it without any reservations, it would be practically siding with the Bank of France against the Bank of England, - an extraneous political controversy; that he accepted Harrison as to the relation of the two banks; that as he now saw it, for the Board to impose as a condition of approval that the Bank of England must join, would be of itself a political determination beyond the scope of the agreement on its merits.

C.S.H. feels that such a condition might be construed as a desire of the Board to be dominated by the Bank of England policies.

Harrison said that the State Department was worried only as to whether it should interpose no objection to the private loan of 70 millions.
April 3, 1928. 142, 143, 144, 145

Gov. Young says State Department has no objection to syndicate agreement, that its only doubt was as to the 70 millions private credit.
April 4, 1928. 146

Miller objected on ground that the F.R. Bank, New York, would be bound by the decision of the Bank of France both as to the stabilization plan and the syndicate agreement.
April 4, 1928. 146

Harrison said that the Board had been consulted and raised no objection.

Harrison explained proposed to Board.

Harrison explained proposed to Board.

Harrison explained proposed to Board.

Harrison explained proposed to Board.

Harrison explained proposed to Board.

Harrison explained proposed to Board.

Harrison explained proposed to Board.

April 3, 1928. 142, 143

Harrison explained proposed to Board.

Harrison explained proposed to Board.

Roumanian credit (Cont'd.)

C.S.H. then had Harrison come in and asked him: -

1. After entering the syndicate agreement could the F.R. bank withdraw for reason that the syndicate plan as arranged by Bank of France was not satisfactory to it?
2. Because of dissatisfaction with the stabilization agreement?

Harrison read from letters between Bank of France and F.R. Bank, New York, and answered each question in the affirmative.

C.S.H. moved approval upon the conditions and reservations made by Federal Reserve Bank, New York.

Passed:

Aye: Gov. Young, Platt, Comptroller, C.S.H.
No: Miller, James

Miller said he would file a statement as to his vote.

April 4, 1928. 146, 147

Miller files a statement to effect that the Board had practically assumed responsibility for the stabilization agreement and had abdicated its functions to the Bank of France.

C.S.H. then asked to be recorded the fact, as stated by Harrison, that the Federal Reserve Bank, New York.

1. Had expressly refused any responsibility for the stabilization plan.
2. Had reserved right to withdraw from syndicate if either the syndicate plan or the stabilization plan were unsatisfactory to it.

April 6, 1928. 147

Ruffin, Dr. 129
See - Glass
Wingo

Royalties
53, 64, 175, 176, 177, 179

See - Wilson Chronology

Royalties
53, 64, 175, 176, 177, 179

See - Wilson Chronology

-S-

Sacco Vanzetti

Sacco and Vanzetti were executed this morning shortly after midnight.

C.S.H. has read everything which has appeared in the papers about this case, and feels that guilt was established but only by a preponderance of evidence and not beyond a reasonable doubt, nor did the findings of the Lowell Commission change this feeling.

Aug. 23, 1927. 20

C.S.H. wrote Judge Grant, of the Commission, suggesting that Gov. Fuller ask the legislature to restore the old law requiring 3 judges to sit in a capital case, and meantime to commute the sentence for the reason that the judgment of one judge, especially Judge Thayer who presided, was more fallible than the judgment of 3 judges.

The Commission in its report censured Judge Thayer for talking out of court about the case during the trial. While, probably, his remarks never reached the jury, - which was locked up during the trial, - yet the clear prejudice shown by Judge Thayer, to C.S.H.'s mind, made it improper for him to hear motions for a new trial. The Supreme Judicial Court held, doubtless correctly, that the alleged prejudice could not be objected to after sentence, and it follows that it never passed on this question at all. Here was a hiatus which only Gov. Fuller could provide for.

Aug. 23, 1927. 20, 21

Warren says reason Judge Brandeis refused to hear petition in Sacco Vanzetti case was that Mrs. Brandeis loaned her house in Dedham one summer to Mrs. Glendower Evans, a staunch supporter of Sacco and Vanzetti; that Mrs. Evans invited Mrs. Sacco to spend the summer with her and she moved into the house; that Judge and Mrs. Brandeis objected to this and that, thereupon, Mrs. Sacco left the house.

Aug. 23, 1927. 22

Judge Brandeis tells C.S.H. the English reviews severely criticised the Lowell report.

Oct. 12, 1927. 68

Sackett, Sen. 128

See - Glass

Salary adjustments

Gov. Fancher says in preparing draft of letter to Attorney General as to payment of Wills salary after death.

July 27, 1927. 17

Board settled all salary adjustments before it.

Dec. 14, 1927. 94

Board voted to raise no objection to payment by F.R. Bank, Cleveland, to widow of F.R. Agent Wills for two months after death.

Wyatt advised us we could do this.

Aye: Gov. Young, Platt, James, C.S.H.

No: Miller, Cunningham

Dec. 19, 1927. 97

Board approved all salary adjustments except for New York, Phila. and San Francisco.

C.S.H. moved to approve increase of \$3000 to Burgess.

Lost.

Aye: Gov. Young, Platt, .CSH.

No: Miller, Comptroller, Cunningham

Jan. 25, 1928. 117

Long discussion over proposed increased of \$10,000 in Harrison's salary, -from \$30,000 to \$40,000. Sec. Mellon was called in and said he would vote for all salaries recommended by the New York Directors.

Finally it was agreed that Gov. Young should take up matter of compromise on increase with F.R. Agent, McGarrah.

Jan. 25, 1928. 117, 118

Sale of furniture, Raleigh Street

See-Furniture

San Antonio F.R. Branch

James says Comptroller agreed to vote for, in return for votes for McFadden bill.

Mar. 22, 1928. 138

June 19, 1928. 183

See - Comptroller

James

Sargent, Associated Press. 49

See - Glass

Schacht, Gov. Reichsbank

Calls on Board with Gov. Norman, Gov. Rist, and Gov. Strong.

Gov. Crissinger gives them a lunch

Speaks briefly at lunch

Did not call on C.S.H. Met him first at lunch.
July 7, 1927. 2

Spent most of morning with Governor Crissinger.

July 7, 1927. 3, 4

Miller said he had a talk with, also with Gov. Norman and Gov. Rist, but found them rather aloof and evidently not desirous of a discussion with him.

July 7, 1927. 7

Gov. Crissinger says he went to New York with Gov. Schacht and the others; that they had a conference next day in New York; that he knew nothing of this until he got there.

July 25, 1927. 12

School, Oldfield, Maryland

We attend graduating exercises of Elizabeth Harlin at.
June 1, 1928. 175

Scott, General Hugh

Calls on us at Lee House. May 11, 1928. 163

Seay, Gov.

At lunch at Charlotte, N.C. the presiding officer put Governor Seay on his right and C.S.H. on his left!
Dec. 9, 1927. 89

At conference of Governors, during a discussion of the report of Open Market Committee, Gov. Seay severely criticised Board policies during last few years as to purchase of Govt. securities, claiming it had caused inflation.

C.S.H. asked him if he included 1926 in this criticism, and he said he did.

C.S.H. then read telegram of Gov. Seay to Open Market Committee, dated Aug. 17, 1926, vigorously protesting against further sales of Govt. securities and saying that business required further ease rather than credit contraction.

Those present roared with laughter while Gov. Seay was most embarrassed and could say nothing.
May 2, 1928. 160

Secretary of Agriculture

Tells C.S.H. he voted once for Wilson, C.S.H. thinks he said in 1914 but might have been in 1916.
Sept. 30, 1927. 60

Secretary of State 79

See - Cuba
League of Nations
Roumanian credit

Secretary of Treasury 175

See - Glass
Mellon

Section 14, F.R. Act

See - Open market powers

Secured bills

Gov. Young argued with Board to change its regulations forbidding F.R. banks to buy, where warehouse giving receipt was owner of the grain.

James said if we did this for grain in Minneapolis, we must give same privilege to grain all over the country and extend it to other staple products. Board declined to change regulations.

Oct. 13, 1927. 68, 69

Securities, Govt.

See - Government securities
Open Market Investment Committee

Senate

Gov. Young, Platt, C.S.H. and Cunningham go before Senate Banking and Currency Committee on LaFollette resolution on brokers loans.

Mar. 7, 1928. 133, 134, 135, 136, 137

See - Brokers loans
Glass
Young, Gov.

See - Banking and Currency Committee, Senate Finance Committee, Senate

Shaver, Mrs. Clem

Calls on us at Lee House

Very bitter against Gov. Smith because of wet views and religion.

Sargent, Associated Press

See - Glass

Schacht, Gov. Reichsbank

Galle on Board with Gov. Norman, Gov. Hest, and Gov. Strong

Gov. Christianer gives them a lesson

Speaks briefly at lunch

Did not call on C.S.H. Met his first at lunch

July 7, 1927. 5

Spent most of morning with Governor Christianer

July 7, 1927. 5

Miller said he had a talk with Gov. Norman and Gov. Hest, but found them rather aloof and evidently not in a discussion with him.

July 7, 1927. 7

Gov. Christianer says he went to New York with Gov. Schacht and the others; that they had a conference next day in New York; that he knew nothing of this until he got there.

July 28, 1927. 12

School, Gifford, Maryland

We spend studying practices of Maryland Health Bd.

June 1, 1928. 128

Scott, General Regd

Galle on us at Lee House

May 11, 1928. 132

See, Gov

At lunch at Gifford, N.C. the preceding officer and Governor went on his right and C.S.H. on his left!

Dec. 8, 1927. 89

At conference of Governors, during a discussion of the report of Open Market Committee, Gov. says a newly organized Board policies during last few years as to purchase of Govt securities, claiming it had caused inflation.

C.S.H. asked him if he included 1928 in this criticism, and he said he did.

C.S.H. then read telegram of Gov. Goff to Open Market Committee dated Aug. 17, 1928, vigorously protesting against further sale of Govt securities and saying that business required further ease rather than credit contraction.

Those present roared with laughter while Gov. Goff was most embarrassed and could say nothing.

July 7, 1927. 130

Shaver, Mrs. Clem (Cont'd.)

Said great issue was Roman Catholicism.

Said immigration laws should be tightened to exclude all Catholics.

Her platform, apparently, was: -

1. Down with the Catholics
2. Down with the "Wets"
3. Sidetrack the tariff
4. Down with the League of Nations
5. Down with the World Court

She said these were her personal views and not necessarily those of her husband, but C.S.H. believes they must also be those of her husband.

She said her husband had defeated the repeal of the 2/3 rule and the unit rule under a threat from her that if he did not she would come out publicly and oppose them.

She finally suggested Wane Woolen of Indianapolis as a good candidate, and, I suppose, to show her breadth of view, she said that he was being pushed by Tom Taggart, - a Roman Catholic.

She said the bulk of the Party would bolt Gov. Smith, but that if a dry Protestant were nominated, the Catholics would not bolt or at most only for this election.

She was the narrowest, most bigoted woman I ever met.

She said the Republicans all wanted Gov. Smith nominated as he would be so easy to defeat!

Dec. 14, 1927. 95, 96

Sherman

See - Carnegie Foundation

Simpson

Heath said, would vote to reduce the Chicago rate if he F.R. Board wished it. Sept. 6, 1927. 24

Sir Otto Niemyer. 122

See - Niemyer

Sir Herbert Ames

C.S.H. gives lunch to. May 2, 1928. 160

Addresses Woman's National Democratic Club.

May 2, 1928. 161

Sir Herbert Ames (Cont'd.)

H.P.H. drives, around Washington and to Canadian Legation for tea.
May 2, 1928. 161

Sir Maurice Low

We lunch with, to meet Canadian Minister and Mrs. Massey

Present: Mr. and Mrs. Massey, Mrs. Wilson, Mrs. Harriman,
Mrs. Chilton, Mrs. Warren, Sen. Walsh, Mr. Chilton,
Mrs. Warren, C.S.H., H.P.H.
Dec. 20, 1927. 98

We meet, at dinner at Edith Eustis's.
Jan. 13, 1928. 111

Dines with us at Woman's National Democratic Club to meet
Sir Herbert Ames. May 2, 1928. 161

Smead

See - Open market operations. 170
Young, Gov. 173

Smith, Gov.

George F. Peabody strongly for nomination of.
Opposed him a year ago.
Sept. 28, 1927. 58

McAdoo says he is absolutely independent and shall vote as he
sees fit for President (meaning against Gov. Smith).
Sept. 30, 1927. 59

Mrs. Clem Shaver bitterly opposes.
Dec. 14, 1927. 95, 96

See - Shaver, Mrs. Clem

Senator Glass says the whole south will turn against, if he is
nominated. Jan. 21, 1928. 113

C.S.H. listens on radio to Franklin Roosevelt nominate Gov. Smith.
June 27, 1928. 187

Smith Company 91

See - Crissinger, Gov.

Smith, W. H. 119

See - Auld Lang Syne

Shaver, Mrs. Clem (Cont'd.)

Said great issues are Roman Catholicism

Said investigation law should be enacted to exclude all Catholics

Her position, apparently, was:

- 1. Down with the Catholics
- 2. Down with the "West"
- 3. Sidetrack the tariff
- 4. Down with the League of Nations
- 5. Down with the World Court

She said these were her personal views and not necessarily those
of her husband, but C.S.H. believes they must also be
those of her husband.

She said her husband had belated the report of the S.C. rule and
the rule under a current from that if he did not
she would come out publicly and oppose them.

She finally suggested some women of Indianapolis as a good
candidate, and I suppose, to show her breadth of view, she
said that he was being named by her husband - a Roman
Catholic.

She said the bulk of the party would vote Smith, but that if
a very Protestant were nominated, the Catholics would not
vote or at most only for this election.

She was the narrowest, most bigoted woman I ever met.

She said the Republicans all united for Smith nominated as he would
be so easy to defeat.
Dec. 14, 1927. 95, 96

Sherman
See - Carnegie Foundation

Simpson
Heath said, would vote to remove the Chicago rate if he had
wished it.
Sept. 4, 1927. 54

Sir Otto Mierker, 123
See - Mierker

Sir Herbert Ames
C.S.H. gives lunch to.
May 2, 1928. 160

Addressess Woman's National Democratic Club
May 2, 1928. 160

Smoot, Senator. 114
See - Young, Gov.

Snell, Mrs. F. H. 176, 179
See - Wilson Chronology

Snyder, Carl
At McGarran's earnest request Board reconsiders its vote that,
should be dropped from rolls of F.R. Bank, New York.
Dec. 6, 1927. 88

Speculation
Gov. Harding says in past we have put down rates when crops have
left farmers hands and gone into hands of speculators; that
now is a good time to reverse the process.
July 27, 1927. 14

All agreed that only reason against putting down rates was that
it might encourage, but it was felt this fear was not a valid
reason for giving relief to agriculture and business, and
that direct pressure should be used to control speculation.
July 27, 1927. 16, 17

Coolidge makes statement that he sees no danger in brokers loans
situation. Jan. 6, 1928. 105

A New York banker tells Gov. Talley that his bank was carrying
over \$300,000 on call in New York for Dr. Miller!

Gov. Young said Miller told him of this a few days ago, and that
he (Governor Young) had told Gov. Strong of it who was
shocked, saying that if known Miller would be summarily driven
from office.

The Public charges F.R. Board with the duty of checking the wave
of speculation now running in New York, and what would be
its reaction if it knew that a Board member was feeding this
speculation for his own profit by placing \$300,000 in the call
loan market.

Gov. Young told C.S.H. the above, who said he should tell Sec. Mellon.
Jan. 6, 1928. 105, 106

Goldenweiser addresses Board on brokers loan speculation.

Said there was no speculation in commodities.
Jan. 9, 1928. 107

Speculation (Cont'd.)

Gov. Young says it is rumored the N.Y. Stock Exchange will shortly issue a warning against.

Jan. 10, 1928. 108

C.S.H. says he does not want to put up rates merely to stop speculation.

Jan. 24, 1928. 116

Cunningham says Chicago gives no reason for advancing rates except to check.

Jan. 25, 1928. 118

C.S.H. points out to Miller that in his Boston speech he claimed that rediscounts for banks carrying speculative loans were forbidden expressly by F.R. Act.

Jan. 26, 1928. 121

Gov. Young testifies before Senate Banking and Currency Committee. He did not say recent increases in rates were made to check speculative brokers loans but put in largely on ground of gold exports.

Mar. 27, 1928. 134, 135

See - Brokers loans
Young, Gov.

C.S.H. did not approve recent increase on ground of controlling speculation nor did Cunningham.

Mar. 7, 1928. 135

Nor did C.S.H. approve the reduction to 3 1/2%, of Aug. 4, 1927, for purpose of encouraging stock speculation.

Mar. 7, 1928. 135

C.S.H. will approve an increase of rates or sale of Govt. securities to control speculation only when it was interfering or on point of interfering with agriculture and industry, especially at crop moving time.

Mar. 7, 1928. 136

Miller opposes increase in Boston rates on ground that it would be tantamount to a declaration that the Board is trying to control speculation through discount rates.

April 17, 1928. 150

C.S.H. believes Boston showed that its rediscounts were being used in support of speculative loans, that its reserves were being depleted, that its only practicable defense would be to increase rates.

April 17, 1928. 150, 151

Gov. Young, Jan. 10, 1928.

See - Young, Gov.

Miller, Jan. 26, 1928.

See - Miller, Jan. 26, 1928.

Young, Gov. Jan. 27, 1928.

At Governor's request Board members are to be

should be dropped from rolls of F.R. Bank, New York

Dec. 6, 1927. 88

Speculation

Gov. Harding says in case we have put down rates when crops have

left farmers hands and gone into hands of speculators; that

now is a good time to reverse the process.

July 27, 1927. 14

All agreed that only reason against putting down rates was that

it might encourage, but it was felt that was not a valid

reason for giving weight to agriculture and business, and

that direct pressure should be used to control speculation.

July 27, 1927. 14

Collins makes statement that he sees no danger in brokers loans

Jan. 8, 1928. 108

A New York banker tells Gov. Miller that his bank was carrying

over \$300,000 on call in New York for Dr. Miller!

Gov. Young said Miller told him of this a few days ago, and that

he (Gov. Young) had told Gov. Strong of it who was

shocked, saying that it meant Miller would be necessarily driven

from office.

The public charges F.R. Board with the duty of checking the wave

of speculation now running in New York, and would be

its reaction if it knew that a Board member was feeling this

speculation for his own profit by being \$300,000 in the call

loan market.

Gov. Young told C.S.H. the above, and said he should tell Sec. Vailan

Jan. 8, 1928. 108, 109

Goldensweiser addresses Board on brokers loan speculation.

Said there was no speculation in commodities.

Jan. 9, 1928. 107

Speculation (Cont'd.)

Miller said it would be a great stroke to refuse rediscounts to check speculative use of F.R. funds, and James agreed with him. April 17, 1928. 151

C.S.H. said it would be monstrous to tell Boston it must stand by and watch New York try to control speculation by sales of securities, and when it fails refuse to permit Boston to put up its rates. April 17, 1928. 151

Miller says he never will vote to control stock speculation by increasing discount rates. April 18, 1928. 152

C.S.H. reminded Miller that in the fall of 1925 he earnestly favored a rate increase at New York to control speculation and even voted to initiate a 4% rate at N.Y. April 18, 1928. 152

Miller changed his earlier vote and voted to approve increase in Boston rate for control of speculative activity. April 18, 1928. 153

Miller told the Governors on May 1, 1928, that the only way to control credit, speculative or otherwise, was through discount rates. Yet on Jan. 11, 1928, returning from N.Y. he opposed any increase in discount rates to control speculation, and favored sales of Govt. securities. May 26, 1928. 170

- See - Coolidge
- Cunningham
- Direct action
- Glass
- Miller

Speculative use, F.R. funds

- See - Cunningham
- Miller
- Open Market Investment Committee

Speculators, Foreign Exchange

Gov. Young says to put into weekly statements precise data as to foreign bills would merely aid. July 13, 1927. 6

Speculation (Cont'd.)

Gov. Young says it is through the N.Y. Stock Exchange will shortly issue a warning against. Jan. 10, 1928. 108

C.S.H. says he does not want to put up rates merely to stop speculation. Jan. 24, 1928. 116

Cunningham says Chicago gives no reason for advancing rates except to check. Jan. 25, 1928. 118

C.S.H. points out to Miller that in his Boston speech he stated that rediscounts for bank buying speculative loans were forbidden expressly by N.Y. Act. Jan. 24, 1928. 151

Gov. Young testifies before Senate Banking and Currency Committee. He did not say recent advances in rates were made to check speculative brokers loans but in largely on ground of high exports. Mar. 27, 1928. 154, 155

See - Exports loans
Young, Gov.

C.S.H. did not approve recent increase on ground of controlling speculation nor did Cunningham. Mar. 7, 1928. 158

For did C.S.H. approve the reduction to 3% of Dec. 4, 1927, for purpose of encouraging stock speculation. Mar. 7, 1928. 158

C.S.H. will approve an increase of rates or sale of Govt. securities to control speculation only when it was interfering or on point of interfering with agriculture and industry, especially as crop marketing time. Mar. 7, 1928. 158

Miller opposes increase in Boston rate on ground that it would be tantamount to a declaration that the Board is trying to control speculation through discount rates. April 17, 1928. 150

C.S.H. believes Boston showed that the rediscounts were being used in support of speculative loans, that the reserves were being depleted, that the only practicable defense would be to increase rates. April 17, 1928. 150, 151

Spee Club, Harvard

George Hamlin, Jr. elected into.
Nov. 27, 1927. 85

Sprague, Mrs. Henry

We meet, at Chilton Club, Boston.
Nov. 27, 1927. 85

Sprague, Prof. O. M. W.

C.S.H. invites, to come to Washington to discuss brokers loans,
and arranges with Glass to have him called before Committee,
but not as representing the Board.

Sprague told C.S.H. he was satisfied the Board, by slow, constant
pressure was doing all that could be done.

He testified similarly before the Committee.

A few weeks later he published an article in the Annalist (in
scrap books) in which he changed his opinion and said brokers
loans threatened business and even criticised Board for not
having drastically put up rates and sold securities early in
March!

Later he again testified before Committee and took same position.
Mar. 7, 1928. 133, 134

St. Agnes Church, Washington

We attend service in memory of Anna
April 26; 1928. 158

St. Peters Church, Albany

We attend dedication of a pew given by H.P.H. and Mrs. Rice in
memory of Mr. and Mrs. J. V. L. Pruyn.
Sept. 18, 1927. 50

Stabilization bill, Strong

See - H.R. Banking and Currency Committee
Miller, Dr.
Sprague, O.M.W.
Young, Gov.
Strong, Gov.

Stabilization of purchasing power

Lower discount rates in U.S. will help, of European countries
and will be of benefit to our export trade.
July 13, 1927. 7

Stabilization plan

See - Roumanian credit

Staunton, Admiral

Dines with us to meet Sir Herbert Ames.
May 2, 1928. 161

State Department

5, 73, 132, 133, 142, 143, 144, 146

See - Cuba

League of Nations
Roumanian credit
White, Asst. Sec. July 7, 1927. 3

Statistical conference, Paris.

124, 132, 133

See - League of Nations

Statute of Limitations

See - Newton, F.R. Agent
Pacific S.W. Trust & Savings Bank

Stenographer 76

See- Open Market Investment Committee

Sterling credit. 7

See - Bank of England
Great Britain

Stock speculation

See- Speculation

Stockholders meeting

F.R. Bank, Boston
C.S.H. addresses.
Nov. 11, 1927. 81

Stokes Company, F.A.

53, 54, 176

See - Wilson Chronology

Stokas, Mrs. Canon. 188

See - Myer, Gertrude

Strong, Governor

Says Gov. Norman believes falling prices are caused by
appreciation of gold and not by depreciation of
commodities, and suggests that both causes may be at work.
July 7, 1927. 3

George Washington, Jr. elected into
Nov. 27, 1927. 88

Henry, Mrs. Henry
Nov. 27, 1927. 88

Prof. O. M. W. O. M. W.
C.S.H. invited to come to Washington to discuss program loans
and arranged with Glass to have his called before Committee
but not as representing the Board.

Sproule said C.S.H. he was satisfied the Board, by slow, constant
pressure was doing all that could be done.

He testified similarly before the Committee.

A few weeks later he published an article in the Analyst (in
some books) in which he changed his opinion and said brokers
loans threatened business and even criticized Board for not
having drastically cut its rates and sold securities early in
March!

Later he again testified before Committee and took same position.
Mar. 7, 1928. 122, 123

St. Agnes Church, Washington
We attend service in memory of Anna
April 26, 1928. 188

St. Peter's Church, Albany
We attend dedication of a new given by H.P.R. and Mrs. Rice in
memory of Mr. and Mrs. J. V. R. Pryor.
Sept. 18, 1927. 90

Stabilization bill, Strong
See - H.R. Bankers and Currency Committee
Miller, Dr.
Sproule, O.M.W.
Young, Gov.
Strong, Gov.

Stabilization of purchasing power
Power discount rates in U.S. will help, or European countries
and will be of benefit to our export trade.
July 13, 1927. 7

Stabilization plan
See - Roumanian credit

Strong, Governor (Cont'd.)

C.S.H. heard the Comptroller say he would meet Gov. Strong in New York tomorrow.
July 7, 1927. 4

C.S.H. believes, is showing poor judgment in not discussing with Board questions which were discussed in N.Y. with Governor Norman, Rist, and Schacht.
July 7, 1927. 4

Says that to report foreign bills in greater detail in weekly statements will simply aid clever speculators in foreign exchange and might even impair the gold standard in Great Britain.
July 13, 1927. 6

Burgess says in American Academy of Political Science publications, Vol. 12, No. 3, July 1927, that Gov. Strong conceived the great idea that the F.R. System has a great responsibility for putting the world back on the gold standard.
July 13, 1927. 7

Gov. Crissinger tells C.S.H. of New York Conference between Gov. Strong and Governors Norman, Rist and Schacht.

C.S.H. feels Gov. Strong was very short sighted in ignoring the Board (except Gov. Crissinger and the Comptroller)
July 25, 1927. 13

Speaks of European conditions before Open Market Committee and favors lower discount rate.
July 27, 1927. 13, 14

See - Discount rates
Open Market Committee

Says Chicago bankers are selfish in opposing lower rates.
July 27, 1927. 15

Advises Board not to issue anything which might be construed as an order to reduce rates.
July 27, 1927. 17

Glass explains his old dispute with Gov. Strong.
Sept. 7, 1927. 32

See - Glass

Stanton, Admiral
Dinner with us to meet Sir Herbert Ames
July 7, 1927. 181

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See - Cuba
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U. S. H. addresses
Nov. 11, 1927. 18

Stocks Company, F. R.
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See - Wilson, Gustavus

Stones, Mrs. Cannon, 198
See - Mrs. Cannon

Strong, Governor
Says Gov. Norman believes falling prices are caused by
appreciation of gold and not by depreciation of
commodities, and suggests that both causes may be at work.
July 7, 1927. 3

Strong, Governor (Cont'd.)

Lunches with C.S.H. at Cosmos Club and tells him of his telephone message to Gov. Crissinger, saying Sec. Mellon asks for a postponement of Chicago rate case for one day.
Sept. 9, 1927. 35
Sept. 15, 1927. 38

See - Discount rates

Sec. Mellon confirms all that Gov. Strong said to C.S.H.
Sept. 15, 1927.40

See - Discount rates

C.S.H. is satisfied that Gov. Strong's claim made to Sec. Glass that a F.R. bank has a right to put in a rate apart from the Board, really was about the same as Gov. Harding's recent construction of the word "established."
Sept. 15, 1927. 42

C.S.H. believes Glass and Leffingwell, in asking the Attorney General as to the Board's power to initiate rates, wished to show Gov. Strong that the Board was supreme as to discount rates.
Sept. 15, 1927. 42

C.S.H. explains to Sec. Mellon, Leffingwell's charge that Gov. Strong promised the Bank of England to put up the New York rates but was unable to make good; that out of vindictiveness he tried to put in on certain Treasury certificates a higher rate of discount than the certificates bore.
Sept. 15, 1927. 43

Harrison gets authority from Gov. Strong to give C.S.H. from Sec. Mellon copies of opinions of John G. Johnson and White and Case on Board's right to initiate rates.
Sept. 16, 1927.45

C.S.H. asks Alexander to ascertain from Gov. Strong the exact time of his telephone message to Gov. Crissinger saying that Sec. Mellon wanted 1 day's postponement of Chicago rate case.
Sept. 16, 1927. 45

Gov. Strong telephones C.S.H. from New York and says his telephone message to Gov. Crissinger was before 12:23 p.m. (New York 1:23 p.m.), the time the telegram to Chicago announcing the Board's decision was sent.
Sept. 20, 1927. 51

Strong, Governor (Cont'd.)

Ogden Mills tells C.S.H. that Gov. Crissinger was disloyal in not giving Gov. Strong's telephone message to Board.

He said Gov. Strong suggested a new by-law providing for 5 affirmative votes for rate initiations.

Sept. 26, 1927. 54, 55

Gov. Young says Gov. Strong told him he had had a talk with Glass and had showed him a memorandum as to the Chicago rate which Alexander had O.K.'d, and that all differences with Glass had been adjusted.

C.S.H. believes this must have referred to the old dispute with Glass in 1919, as he knows of no dispute as to Chicago rate case between Glass and Gov. Strong.

Oct. 12, 1927. 68

Gov. Strong calls up Gov. Young at 5 p.m. and says Netherlands Bank wants to increase its rate and wants to know whether it should be 1/2 of 1% or 1%; that it had asked a credit of 10 millions which his Board wished to grant.

The Board voted to approve this credit, Cunningham alone voting No.

Oct. 12, 1927. 70

Presents report of Open Market Committee.

Nov. 2, 1927. 77

See- Open Market Committee

Willis says Warburg has had one of his employees, - a son of Gov. Strong, - prepare a chapter to be put in his book on National Bank of Philippines.

Dec. 10, 1927. 92

Gov. Young tells, of Dr. Miller's investment of \$300,000 in call loans market, New York. Gov. Strong was horrified and said if this became known, Dr. Miller would be summarily driven out of office.

Jan. 6, 1928. 105

Presents report of Open Market Committee.

Mar. 26, 1928. 139

See- Open Market Committee

Strong, Governor (Cont'd.)
Mrs. Shaver says, is working to coordinate large banks for President.
Dec. 14, 1927. 86

Miller in his testimony before H.R. Banking and Currency Committee
on Strong Stabilization bill said Gov. Strong was an able man,
but on this particular subject (stabilization of prices) he
does not know what he is talking about.

May 26, 1928. 168

Goldenweiser tells C.S.H. that Miller regrets his attack on
Gov. Strong in his testimony before H.R. Banking and Currency
Committee and wished to strike it out of the proof, but the
Committee insisted it must remain.

May 26, 1928. 171

Strong Stabilization bill
See - H.R. Banking and Currency Committee
Miller, Dr.
Sprague
Young, Gov.

Suicide
Patrick Grant.

Oct. 28, 1927. 74

Suppers (See also, Dinners, Lunches)
With Catherine Grant, Fairhaven.

Nov. 13, 1927. 81

With Mr. and Mrs. Lansing.

Dec. 18, 1927. 97

With Mr. and Mrs. Charles Warren.

Jan. 1, 1928. 103

Sweet, Miss
Calls on us at Lee House with John Grant.

April 4, 1928. 147

Dies of pneumonia.

April 17, 1928. 151

We place a wreath on her casket at R.R. station.

April 18, 1928. 154

Switzerland
See - Open Market Committee

Syndicate agreement
See - Roumanian credit

System matter. 14
See - Discount rates

Taggart, Tom
Mrs. Shaver says, is working to nominate Evans Woolen for President.
Dec. 14, 1927. 96

Talley, Gov. F. R. Bank of Dallas
Is present at dinner given by Governors and F.R. Agents to Board
at Metropolitan Club.
Nov. 4, 1927.79

Tells Gov. Young as to Miller's loaning on call in New York market.
Jan. 6, 1928. 105

See - Miller

Judge Hough, Counsel of F.R. Bank of Dallas, tells C.S.H. the
directors made no findings as to the charges against, but
simply voted to reappoint him.
Mar. 21, 1928. 137

Judge Hough says Lenz told him that he had conferred last summer
with Comptroller McIntosh, and he believes the Comptroller
influenced him against.
Mar. 21, 1928. 137

Judge Hough said Williams, the chief opponent of, nominated, through
his bank, Mr. Milan to fill a vacancy, and that he was elected
a Director in opposition to Governor Talley but that after
reading the evidence he voted to reappoint Gov. Talley.

He also said Bank Examiner Collins was determined to let no national
bank fail even though the F.R. Bank had to give money away.
Mar. 21, 1928. 137, 138

James said the Comptroller, Lenz and Williams agreed to "get" Governor
Talley last summer; that the Comptroller or his officers made
various deals to get votes for the McFadden bill; that among these
were promises to vote for the Charlotte and San Antonio F.R.
branches, and to remove Governor Talley.
Mar. 22, 1928. 138

Wyatt says bargains were undoubtedly made to put the McFadden bill
through by the Comptroller or his office, and that they were
scared to death for fear Glass's investigating committee should
discover them.
Mar 22, 1928.138

James says the attack against Gov. Talley is scandalous and was
started by Congressman Black because Gov. Talley would not
advance money to his brother's bank.
Mar. 22, 1928. 138

James says that Comptroller McIntosh, at a meeting in Texas, with
Williams and Lenz, promised to have Gov. Talley removed and to
vote for Charlotte and San Antonio F.R. branches, in return
for votes for McFadden bill.

James said he knew this. June 19, 1928. 183

Tariff

Mrs. Shaver wishes to sidetrack.
Dec. 14, 1927. 95

Tax on exported money, F.R. Bank, Atlanta.
5, 72, 73, 79

See - Cuba

Thanksgiving dinner

We take, with Harriet and Jane.
Nov. 24, 1927. 84

Thayer, Judge

21
See - Sacco-Vanzetti

Thomas, Ex-Senator

We dine with.
Dec. 29, 1927. 103

Thoron, Ben. 184

See - Myer, Gertrude

Thompson, Mrs. Huston

Writes Mrs. Pennington asking her to take a life membership in
Woman's National Democratic Club in memory of Woodrow
Wilson, - which she declined to do. C.S.H. feels this
is extraordinary as Mrs. Thompson was one of the Book Committee.
April 2, 1928. 142, 143

Asks H.P.H. if Bolling has a share of the profits from the Wilson
Chronology. June 4, 1928. 177

Thurston, Miss

122, 178
See - Auld Lang Syne

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See - Cuban Agency
Discount rates

Treasury

See - Mellon, Sec.

Treasury certificates

See - U.S. Treasury certificates

Tucker, H. St. George
Funeral of Mrs. Tucker.
Feb. 19, 1928. 125

Turrentine, Mr. and Mrs.
We meet, at dinner with G. F. Peabody.
Oct. 1, 1927. 61

Two-thirds rule
See - Shaver, Mrs. Clem

Tyler, Charles
C.S.H. lunches with, and talks over Corning matter.
July 16, 1927. 192

-U-

Uniform discount rate
C.S.H. feels Board would have no power to put in a, to help
England stabilize her purchasing power.
Sept. 6, 1927. 27

Glass says if Board can initiate rates it could put in one
uniform rate which Congress never intended; that the power
to fix a uniform rate killed the Aldrich bill; that the
Board could put in a rate which would draw all the money
of the country into New York and vice versa.

C.S.H. believes Board could not put in a.
Sept. 7, 1927. 33, 34

Unit rule
See - Shaver, Mrs.

U. S. District Attorney
See - Newton, F.R. Agent
Pacific S.W. Savings Bank & Trust Co.

U. S. Treasury certificates
See - Strong, Gov.

Votes, Federal Reserve Board (Cont'd.)

-V-

Van Schuylenburch, Mme

We entertain Mr. and, at dinner at Woman's Democratic Club, Niece of Mme Boreel.

Mar. 21, 1928. 139

Votes, Federal Reserve Board

C.S.H. explains his vote for regulations for purchase of foreign bills. July 6, 1927. 1

Board votes to rescind earlier vote to put details as to purchase of foreign bills in weekly statement.

Aye: Gov. Crissinger, James, C.S.H.

No: Miller, Cunningham.

July 13, 1927. 7

Board votes to authorize Open Market Committee to purchase Government securities up to 50 millions.

Passed unanimously. Miller away.

July 27, 1927. 17

Board votes to report minutes of Open Market Committee Conference to each F.R. Bank.

Passed unanimously.

July 27, 1927. 17

Board votes to ratify action of executive Committee in disapproving Chicago notice of no change in rates.

Aye: Gov. Crissinger, Comptroller, James, Cunningham

No: C.S.H., Miller, Platt

Sept. 6, 1927. 25

C.S.H. motion that 4% be considered the lawful rate at Chicago until directors meet on Friday.

Lost:

Aye: C.S.H., Platt

No: Gov. C., Comptroller, James, Cunningham

Not voting: Miller

Sept. 6, 1927. 25

C.S.H. motion to postpone action on Chicago rate until meeting of directors on Friday.

Lost:

Aye: Platt, Miller, C.S.H.

No: Gov. C., James, Comptroller, Cunningham

Sept. 6, 1927. 26

Votes, Federal Reserve Board (Cont'd.)

Board votes to initiate a rate of 3 1/2% at Chicago

Passed.

Aye: Gov. C. Comptroller, James, Cunningham

No: Platt, C.S.H., Miller

Sept. 6, 1927. 29

Board votes to approve F.R. Bank of New York credit to Bank of Netherlands.

Unanimous, except Cunningham voted No.

Oct. 12, 1927. 70

James motion to have stenographer at every meeting of Board with Open Market Committee and Federal Advisory Council.

Lost by tie vote.

Aye: Miller, James, Cunningham

No: Gov. Young, Platt, C.S.H.

Nov. 1, 1927. 76

Miller motion to substitute for C.S.H. motion to approve report of Open Market Committee by providing that any dealings in gold or exchange by Open Market Committee shall be subject to specific authorization of Board in each case, and that any dealings in Govt. securities shall be subject to prior consultation with Governor of Board.

Lost:

Aye: Miller, Platt, Cunningham

No: Sec. Mellon, Gov. Young, James, C.S.H.

Nov. 2, 1927. 78, 79

C.S.H. motion to approve report of Open Market Committee for offsetting gold movements; emergency flow of currency.

Passed without dissenting vote, no roll call.

Nov. 2, 1927. 79

C.S.H. motion that Board, in fixing regulations for state member banks with branches, simply state it will impose regulations on each bank when admitted, - "Pursuant to F.R. Act."

Lost by tie vote:

Aye: Gov. Young, Platt, C.S.H.

No: Miller, James, Cunningham

Dec. 6, 1927. 87

Votes, Federal Reserve Board (Cont'd.)

Board votes to reappoint Martin and Heath as Class C Directors and to redesignate them and all other F.R. Agents whose terms have not expired.

Passed unanimously except Miller was recorded as not voting.

Miller will file a memorandum giving reasons for not voting.
Dec. 8, 1927. 89

Board voted, on advice of Wyatt, to interpose no objection to the payment by F.R. Bank of Cleveland to widow of F.R. Agent Wills, two months salary after his death.

Aye: Gov. Young, Platt, James, C.S.H.
No: Miller, Cunningham
Dec. 19, 1927. 97

Board approves report of Open Market Committee- sale of from 50 to 75 millions of Govt. securities.

Passed unanimously.
Jan. 10, 1928. 109

Motion of C.S.H. approving sales of Govt. securities from time to time with authority to buy temporarily should events not now foreseen require.

Platt moved to substitute a resolution more closely in accord with Committee recommendations.

Cunningham moved to substitute C.S.H.'s motion.

Passed unanimously.
Jan. 11, 1928. 110

Motion to approve Chicago increase.

Passed.
Aye: All except Cunningham who voted No, and will put reasons into record.
Jan. 24, 1928. 117

Motion to approve Richmond increase.

Passed: Aye: Sec. Mellon, Gov. Young, Platt, Comptroller, Miller
No: Cunningham
Jan. 26, 1928. 121

Votes, Federal Reserve Board (Cont'd.)

Board votes to accept invitation of League of Nations to attend Statistical Conference of European central banks in Paris. Feb. 14, 1928. 124

Board votes to approve report of Open Market Committee to work for firmer conditions, but without intention of thus forcing higher discount rates.

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

C.S.H. explained his vote saying that the charge to discounts by sale of Govt. securities would better enable the System to handle the agricultural and business credit situation.

Cunningham joined with C.S.H.

Miller later explained his vote in a memorandum which said he favored doing nothing as further sales of Govt. securities would necessarily force an increase in discount rates. Mar. 26, 1928. 140

C.S.H. motion for approval of Roumanian credit.

Passed:
Aye: Gov. Young, Platt, Comptroller, C.S.H.
No: Miller, James

Miller explains vote.
April 4, 1928. 147

See - Miller

C.S.H. motion to approve increase of Boston rate.

Lost by tie.
Aye: C.S.H., Platt
No: Miller, James
Not voting: Sec. Mellon
April 18, 1928. 153

Board voted in afternoon to approve

Aye: Sec. Mellon, Platt, Miller, C.S.H.
No: James
April 18, 1928. 153

Votes, Federal Reserve Board (Cont'd.)

Board voted to accept invitation of League of Nations to attend Statistical Conference of European central banks in Paris, July 14, 1928. 154

Board voted to approve report of Open Market Committee to work for lower conditions, but without intention of thus forcing higher discount rates.

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

C.S.H. explained his vote saying that the change to discounts by sale of Govt. securities would better enable the business handle the agricultural and business credit situation.

Cunningham joined with C.S.H.

Miller later explained his vote in a memorandum which said he favored doing nothing as further sale of Govt. securities would necessarily force an increase in discount rates.
Mar. 28, 1928. 140

C.S.H. motion for approval of Resolutions credit.

Passed:
Aye: Gov. Young, Platt, Comptroller, C.S.H.
No: Miller, James

Miller explains vote.
April 4, 1928. 141

See - Miller

C.S.H. motion to approve increase of notes rate.

Passed by tie.
Aye: C.S.H., Platt
No: Miller, James

Not voting: Sec. Mellon
April 18, 1928. 152

Board voted in afternoon to approve

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

April 18, 1928. 153

Votes, Federal Reserve Board (Cont'd.)

C.S.H. motion to approve Chicago increase.

Passed:
Aye: Sec. Mellon, Platt, Miller, C.S.H.
No: James

April 19, 1928. 155

Board voted to approve Richmond increase. James voted Aye because Richmond had ordered sale of all its Govt. securities held in System account.

Others all voted Aye
April 23, 1928. 155

C.S.H. motion to authorize open market Committee to continue sales of Govt. securities

Passed unanimously
Aye: Gov. Young, Platt, James, Miller, C.S.H.
May 25, 1928. 165

Motion of C.S.H. to approve report of Open Market Committee, - to continue sales of Govt. securities.

Passed unanimously
Aye: Gov. Young, Platt, Miller, James, C.S.H.
May 25, 1928. 166

Board approves Gov. Young's report on.

Cunningham resolution, t- put in future reports to Comptroller, beginning Oct. 1928 - data as to banks discounting with F.R. banks and loaning on call.

All voted Aye except Miller and Cunningham who voted No.
May 28, 1928. 173

Approval of Chicago increase.

Aye: Sec. Mellon, Platt, Miller, C.S.H.
No: Comptroller, James

July 10, 1928. 191

-W-

Walsh, Senator, Dallas
Wall Street

- See - Brokers loans
- Call loans
- N. Y. Stock Exchange
- Speculation

Wall Street Journal

Says F.R. Bank of Chicago will defy Board as to discount rates.

Gov. Crissinger demands explanation of Heath who says no officer or director is responsible for this statement.
Aug. 4, 1927. 18

Glass says Chicago rate action satisfies him that, as charged by Wall Street Journal, a majority of Board was arrogating the functions of a central bank.

C.S.H. believes here Glass is on strong ground.
Sept. 12, 1927. 37

C.S.H. tells Glass the majority put in the Chicago rate because of anger and vindictiveness at the Wall Street Journal article stating that Chicago had refused to comply with Board's request to reduce the rate; that although Heath denied any bank responsibility for the article, Gov. Crissinger said at least three of the Board wished to initiate the 3 1/2% rate at once.
Sept. 15, 1927. 40

C.S.H. tells Glass that the eulogistic statement as to McGarrath's appointment contained no direct statement that the Board wished to centralize its authority; that the Wall Street Journal simply so construed it.
Sept. 16, 1927. 47, 48

Glass inquires of C.S.H. as to the article in Wall Street Journal. C.S.H. says each member of Board has denied inspiring it or knowing of its authorship.

C.S.H. advised him to talk to Sargent of Associated Press who wrote it and might give him the source of his information.
Sept. 17, 1927. 49

Walsh, F.R. Agent, Dallas
Attends dinner to Board given by F.R. Agent and Governors at Metropolitan Club.

Delivers address.
Nov. 4, 1927. 79

Walsh, Senator, Montana

At lunch of Sir Maurice Low to Mr. and Mrs. Massey, the Canadian Minister. Dec. 20, 1927. 98

Warburg, Paul

Willis tells C.S.H. that, is writing a book largely written for him, to prove his authorship of F.R. Act, and incidentally attacking Glass and himself; hat he had sent one of his bank employees - a son of Gov. Strong - to the Agency of the Philippine National Bank in New York to get facts discreditable to his (Willis's) management of the Philippine National Bank, but Strong found that all the things complained of were either opposed by Willos or done after he had left the bank; that Warburg, when in San Francisco, made similar inquiries of Wilson President of a San Francisco bank, who had been in the Philippine National Bank and got similar answers and that Warburg finally had omitted from his proposed book the chapter on the Philippine National Bank;

Dec.10, 1927. 92

Warder, Mrs.

We dine with. Dec. 30, 1927. 103

H.P.H. some days ago showed, our Cellini cup and left it with her for a few days. Mrs. Warder called in a young woman reporter in whom she was interested and she published in the Washington Post an account of it, greatly distorted. It was a shocking breach of faith on Mrs. Warder's part.

Feb. 5, 1928. 125

We dine with.

Mar. 23, 1928. 139

April 15, 1928. 148

Death of

May 14, 1928. 163

Warehoused grain. 68

See - Secured bills

Warran, Charles

Mr. and Mrs. attend lunch of Sir Maurice Low to Canadian Minister and Mrs. Massey. Dec. 20, 1927. 98

We dine with, to meet General and Mrs. Crozier. Jan. 8, 1928. 107

We dine with, on his birthday. Mar. 8, 1928. 137

We lunch with. April 1, 1928. 141

Wall Street Journal
See - Brokers Loans
Call Loans
N. Y. Stock Exchange
Speculation

Wall Street Journal
says F.R. Bank of Chicago will help Board as to discount rates
Gov. Christian's demands explanation of Board who says no officer
or director is responsible for this statement.
Aug. 4, 1927. 18

Glass says Chicago will action called him that as charged by
Wall Street Journal, a majority of Board was supporting
the functions of a central bank.
O.S.H. believes more Glass is on strike ground.
Sept. 13, 1927. 27

O.S.H. tells Glass the majority put in the Chicago case because
of anger and vindictiveness at the Wall Street Journal article
stating that Chicago had refused to comply with Board's
request to reduce the rate; that although Board denied any
bank responsibility for the article, Gov. Christian calls
at least three of the Board wished to initiate the rate
at once.
Sept. 18, 1927. 40

O.S.H. tells Glass that the article contained as to McGowan's
appointment contained no direct allusion that the Board
wished to centralize its authority; that the Wall Street
Journal simply as contained it.
Sept. 18, 1927. 47, 48

Glass indicates O.S.H. as to the article in Wall Street Journal.
O.S.H. says each member of Board has denied inquiring it
or knowing of its authorship.

O.S.H. advised him to talk to Sergeant of Associated Press who wrote
it and might give him the source of his information.
Sept. 17, 1927. 49

Wall St. Agent, Dallas
Attends dinner to Board given by F. V. Woodland Governor of
Metropolitan Club.

Delivers address.
Nov. 4, 1927. 73

Warren, Charles (Cont'd.)

We lunch with, to meet Bishop Atwood.
April 29, 1928. 159

We dine with, in honor of our wedding day. Rachel Hale and
Delano were present.
June 4, 1928. 178

See - Brandeis, Judge
Holmes, Judge
21, 22

Washburn, Charles G.
Death of. May 25, 1928. 165

Washington Cathedral 123
See - Wilson, Woodrow

Wayne, J.
Gov. Norris says, objected to reducing Philadelphia rate for the
reason, as Gov. Norris believes, that it would necessitate
reducing customers rates.
Aug. 12, 1927. 19

Wedding anniversary
Charles Warren gives us a small dinner in honor of our. Rachel
Hale and Delano present.
June 4, 1928. 178

Weeden, Mrs.
We dine with, to meet Edith Helm.
April 3, 1928. 143

Wellesley College 52
See - Child, Mrs. Huntley

Wet
See - Prohibition
Shaver, Mrs. Clem

Wetmore, F.R. 44, 48, 49
See - Federal Advisory Council
Glass

Whaley-Eaton Service
Article on Hoover and Dr. Miller. (See scrap books)
June 19, 1928. 183

White and Case

Harrison sends C.S.H., to give to Sec. Mellon, opinion of, on power of Board to initiate rates.

Sept. 16, 1927. 45

White, Assistant Secretary, State Department

5, 73

See - Cuba

White, Henry

Death of. July 16, 1927. 9

Widener Library, Harvard

See - Auld Lang Syne
Winship, Dr.

Willert, Lady Arthur

Lunches with us at Mattapoisett.

Sept. 2, 1927. 23

We meet, at lunch with Mrs. Clark at Marion.

Sept. 4, 1927. 23

Williams, Mr.

137, 138, 183

See - Hough, Judge
James
Talley, Gov.

Willis, H. P.

Tells C.S.H., from reliable information, that President Coolidge desired to get Gov. Crissinger off the F.R. Board and asked James Reynolds, very close to Smith & Co., to expedite Gov. Crissinger's admission into Smith & Co.

Dec. 10, 1927. 90, 91

Tells C.S.H. that a Governor of a F.R. Bank told him that Sec. Mellon had written him asking him to appoint more Republicans on his bank staff; that the Governor bitterly resented this and later called on Sec. Mellon and told him his bank never inquired into the political affiliations of its employees, whereupon Sec. Mellon asked him to forget the letter was ever written.

Dec. 10, 1927. 91

Complains of Coolidge's reference to low discount rates in the 1924 campaign and Sec. Mellon's frequent interviews as to discount rates.

Dec. 10, 1927. 91

Willis, H. P. (Cont'd.)

Complains of Sec. Mellon's statement that Gov. Young's appointment would have no effect on F.R. discount policies, citing this as evidence of domination of Board by the Treasury. C.S.H. told him Coolidge had never tried to influence Board policies, and that Sec. Mellon's statement as to Gov. Young did not mean that Gov. Young had come on to Board pledged as to any discount policies; that Sec. Mellon had never tried to dominate or influence the Board; that the Board never was as free from Treasury domination as now; that the only time the Treasury had "dominated" the Board was during and just after the war when, by putting in low rates in Treasury certificates, it forced Board to give correspondingly low rates on discount of notes secured by such paper.

Dec. 10, 1927. 91, 92

Tells C.S.H. that Warburg is having written a book to show he was the author of the F.R. Act, and in it he is to attack Glass and himself; that he got an employee of his, - a son of Gov. Strong- to go to the agency in New York of the Philippine Natl Bank to get facts to discredit his (Willis's) management of that bank; that Strong found that all the transactions complained of were either opposed by him (Willis) at the time or took place after he left; that Warburg when in San Francisco, made similar inquiries of Mr. Williams, a San Francisco Bank President, once employed in the Philippine National Bank; that Williams gave the same answer and that Warburg omitted this chapter from his book.

Dec. 10, 1927. 92, 93

C.S.H. asked Willis as to claim of Victor Morowitz as originator of Regional Reserve banks.

Willis said the idea was based on local clearing house committee and that Fowler was entitled to more credit than Morowitz, who was asked to appear before the Committee but had rather surlily declined on ground of pressure of business.

Dec. 10, 1927. 93

Wills, D. C. F.R. Agent, Cleveland

Gov. Fancher is preparing a letter asking for opinion of Attorney General as to right of Bank to pay two months salary to widow of, after his death.

July 27, 1927. 17

Board voted, on letter of Wyatt, to interpose no objection to above payment.

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

Dec. 19, 1927. 97

White and Case
Harrington and C.S.H. gave to Sec. Mellon opinion of on power
of Board to initiate rates
Sept. 16, 1927. 48

White, Assistant Secretary, State Department
Sept. 2, 28

White, Henry
Death of July 18, 1927. 9

White, Henry
See - and long type
White, Dr.

White, Lady Arthur
Lunches with us at Harrington's
Sept. 5, 1927. 53

White, at lunch with Mrs. Clark at Harrington
Sept. 4, 1927. 53

Williams, Mr.
187, 188, 189

See - Rough, James
James
Talley, Gov.

Willis, H. P.
Tells C.S.H. from reliable information, that President Coolidge
desired to get Gov. Crissinger off the F.R. Board and named
James Reynolds, very close to Smith & Co., to expedite
Gov. Crissinger's resignation into Smith & Co.
Dec. 10, 1927. 91

Tells C.S.H. that a Governor of a F.R. Bank told him that Sec. Mellon
had written him asking him to appoint more Republicans on his bank
and that the Governor bitterly resented this and later called
on Sec. Mellon and told him his bank never indicated into the
political affiliations of its members, whereas Sec. Mellon
asked him to forget the letter was ever written.
Dec. 10, 1927. 91

Complains of Coolidge's reference to low discount rates in the 1924
campaign and Sec. Mellon's present interview as to discount
rates
Dec. 10, 1927. 91

Wilson Chronology (Cont'd.)

Mrs. Pennington sends C.S.H. a check for \$45.30, being 1/2 of royalties, as her account of the Stokes Co.
May 29, 1928. 175

Account of Stokes Co.

1927.

To Dec. 31	
By royalty	\$215.60
To advance	125.
Balance due Jan. 1, 1928	90.60

F. A. Stokes Co.
To Mary V. Pennington
May 29, 1928.
175, 176

At Executive Committee Meeting of Woman's National Democratic Club the members ask H.P. as to above check.

H.P.H. said Mrs. Pennington had 1/3 and Club 1/3. (H.P.H. was mistaken. Mrs. Pennington had 1/2 and Club as trustee 1/2)

Mrs. Huston Thompson asked if Bolling had a share.

H.P.H. said she supposed that Mrs. Pennington gave him her share, but did not know.

Mrs. Eckler asked the same question.
June 4, 1928. 177

After the meeting H.P.H. told Mrs. Harriman that C.S.H. figured out from the royalties that only about 600 copies could have been sold.

One of the Committee asked why Mrs. Pennington wished to take away from the Club what belonged to it?

H.P.H. said Mrs. Pennington was very angry with Mrs. Harriman because of her talk with Mrs. Wilson.
June 4, 1928. 177

See - Wilson, Mrs.

Mrs. Snell acknowledges C.S.H.'s check for royalties and writes: -

Mrs. Wilson and Bolling were there, arriving after C.S.H. When they came C.S.H. put up and first check made with Bolling.

Wilson Chronology (Cont'd.)

"Please believe that our Club is deeply grateful for all you have done about this book. We know of all the work you have done in the matter of research. We knew what your original plan was, and we still approve of that first plan.

We hope and trust that the sincere thanks of our Club will be of some little amelioration of what must have been your disappointment as to the outcome of that original plan.

Thank you again.

Sincerely yours,

Isabelle Cromwell Snell,
Chairman, Executive Committee.

June 7, 1928. 179

(Later, at Mrs. Snell's request, C.S.H. prepared a very short statement as to the royalties to be put in the records, saying nothing as to the controversy.)

Wilson, Mrs. Woodrow

H.P.H. replies to a note received from, and renews the invitation to her to visit us this summer, but made no reference to Bolling.
July 5, 1927. 1

Writes to H.P.H.

Says she has to put her vacation trips on ice but does not explain why.
Aug. 6, 1927. 19

Papers say, is guest of Mr. and Mrs. Barney Baruch at Saratoga.
Sept. 4, 1927. 23

Writes H.P.H. from Lincolnville, Maine, but says nothing as to visiting us.
Sept. 11, 1927. 37

G. F. Peabody asks C.S.H. to dinner saying, will be there. He says he lunched with her today and that she spoke much about us.

C.S.H. calls up H.P.H. on telephone and she strongly advises acceptance and predicts that, will, at least apparently, be overjoyed to see C.S.H.

Sept. 28, 1927. 58, 59

C.S.H. dines with Mr. Peabody.

Mrs. Wilson and Bolling were there, arriving after C.S.H. When they came in, C.S.H. went up and first shook hands with Bolling.

Wilson Chronology (Cont'd.)

Mrs. Pennington sends C.S.H. a check for \$25.00, being 1/3 of royalties, as per account of the Stokes Co.
May 29, 1928. 175

Account of Stokes Co.

1927
To Mrs. Pennington
By check
Balance due Jan. 1, 1928
\$25.00

At Executive Committee Meeting of Woman's National Democratic Club the members ask H.P. as to above check.

H.P.H. tells Mrs. Pennington that 1/3 and give 1/3 (H.P.H. was mistaken. Mrs. Pennington had 1/3 and give as trustee 1/3)

Mrs. Weston Chapman asked if Bolling had a share.
H.P.H. said she supposed that Mrs. Pennington gave him her share, but did not know.

Mrs. Bolger asked the same question.
June 4, 1928. 177

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June 4, 1928. 177

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Wilson Chronology (Cont'd.)

Please believe that our ship is deeply grateful for all you have done about this book. We know of all the work you have done in the matter of research. We know what your original plan was, and we still approve of that first plan.

We hope and trust that the sincere thanks of our ship will be of some little consolation of what must have been your disappointment as to the outcome of that original plan.

Thank you again.

Sincerely yours,

Isabelle Grosvenor Bell,
Chairman, Executive Committee.

Jan 7, 1927. 178

(Later, at Mrs. Bell's request, C.S.H. prepared a very short statement as to the requisites to be put in the records, saying nothing as to the controversy.)

Wilson, Mrs. Woodrow

H.P.H. replied to a note received from Mrs. Wilson, and means the invitation to her to visit on this matter, but made no reference to Bolling.

July 2, 1927. 1

Wilson, Mrs. Woodrow

Wilson, Mrs. Woodrow says she has to put her vacation aside on ice but does not explain why.

Aug. 6, 1927. 19

Wilson, Mrs. Woodrow says, in guest of Mr. and Mrs. Barney Barnhart at Barnstable.

Sept. 4, 1927. 28

Wilson, Mrs. Woodrow from Lincolnville, Maine, but says no plans to visit.

Sept. 11, 1927. 37

G.F. Peabody asks C.S.H. to dinner evening, will be there. He says he dined with her today and that she spoke much about us.

Sept. 28, 1927. 52

C.S.H. dined with Mr. Peabody.

Mrs. Wilson and Bolling were there, arriving after C.S.H. When they came in, C.S.H. went up and first shook hands with Bolling.

Wilson, Mrs. Woodrow (Cont'd.)

who called him "Charlie" and then with Mrs. Wilson.

C.S.H. had not seen her since last February. She seemed worried when she shook hands, and appeared as if greatly relieved to find that C.S.H. greeted her with courtesy and politeness. C.S.H. chatted with her about Senator Glass and other topics, as if nothing had happened.

C.S.H. noticed that during the dinner she was furtively watching him. The dinner lasted almost 3 hours in all. C.S.H. sat opposite Bolling and they talked together casually.

After dinner we went into the parlor (Carlton Hotel). Mrs. Wilson sat at one end of a sofa and C.S.H. thought she looked at him rather pathetically and appealingly, as no one else stepped forward to take the seat beside her, C.S.H. did.

We talked as if nothing had happened, she talking almost confidentially as in old times. Anyone looking at us would have taken us for devoted friends.

When I bade her good-night, she pressed C.S.H.'s hand perceptibly. She seemed as if immensely relieved to know that C.S.H. was willing, at least, to keep up outward appearances.

Oct. 1, 1927. 61, 62

Neither Mrs. Wilson nor Bolling were at funeral of Admiral Helm.

Oct. 31, 1927. 75

We meet Mrs. Wilson at lunch of Sir Maurice Low to Canadian Minister and Mrs. Massey. C.S.H. had no opportunity to speak to her until she was about to leave, she being the guest of honor. She spoke very pleasantly, remarking how well C.S.H. looked. During the lunch she several times looked over at C.S.H. smiling in a most friendly way.

Dec. 20, 1927. 98

She sends us a Jerusalem cherry plant on Christmas Eve. On it was written, - "A blessed Christmas."

Dec. 24, 1927. 99

C.S.H. tells Mrs. Harriman that Mrs. Pennington dislikes her because of her talk with Mrs. Wilson about the Chronology.

Dec. 27, 1927. 102

Wilson, Mrs. Woodrow (Cont'd.)

Mrs. Harriman tells C.S.H. that Mrs. Wilson told her that Mrs. Pennington had given her many hours of anxiety and worry during the summer of 1926.

C.S.H. wonders, if above is so, how Mrs. Wilson could have written him such a note.

Dec. 27, 1927. 102

Mrs. Harriman referred to Randolph Bolling, Mrs. Wilson's brother, in a most sneering way, saying he was utterly devoid of breeding and good taste.

Dec. 27, 1927. 103

H.P.H. receives a letter from Mrs. Wilson thanking her for her charming Christmas message.

H.P.H. had merely sent her a Christmas card with C.S.H.'s and H.P.H.'s name on it, and nothing more.

We believe she has been doing some quiet thinking during the past year in which we have kept away from her, and that she would like to wipe out the past.

Jan. 7, 1928. 106

We meet Mrs. Wilson at dinner at Edith Eustis's.

She was very cordial with C.S.H. who sat down with her after dinner. She seemed much pleased at this attention of C.S.H., and we talked together, outwardly as in the old days. She inquired after Harriet and Jane and even Mrs. DeLong. She said C.S.H. looked well, and asked how much vacation he had had during the summer.

Her evident eagerness to talk with C.S.H. was really surprising to him.

Finally she wistfully and almost pathetically asked C.S.H. if she could not drive him and H.P.H. home. C.S.H. thought quickly to himself and finally said Yes, and her pleasure at this was plainly apparent.

On the way home she was sweet and almost affectionate to us both, calling C.S.H. "Charlie" several times.

Jan. 13, 1928. 111

We firmly believe her conscience is beginning to work.

May 2, 1928. 161

Wilson, Mrs. Woodrow (Cont'd.)

H.P.H. meets Mrs. Wilson at lunch at Woman's National Democratic Club. She was most cordial and spoke of "Charlie" several times. She begged H.P.H. to let her drive her home, but H.P.H. had to remain at the Club.

Jan. 19, 1928. 112

C.S.H. meets Mrs. Wilson at a small musicale at Canadian Minister's. She seemed glad to see him and called him "Charlie."

Feb. 1, 1928. 122

We drive out to Washington Cathedral and leave a laurel wreath on Wilson's tomb, but without any card. Driving back we passed Mrs. Wilson walking out and she waved her hand to us in a most affectionate way.

We were sorry to meet her for undoubtedly on reaching the Cathedral the verger would tell her of the wreath from the unknown donors, and she would at once believe it was ours.

She never, however, referred to it after this, and she may not have known who sent it.

Feb. 3, 1928. 123

Mrs. Wilson sends Woman's Democratic Club a check for \$1000 for life membership for Bertha Bolling.

She said the donor wished to remain anonymous.

We believe it was very likely given by Mrs. Pennington, for some little time ago Mrs. Huston Thompson and Mrs. Meigs wrote to Mrs. Pennington asking her to found a life membership in memory of President Wilson, - which she politely declined to do.

April 2, 1928. 142, 143

Mrs. Wilson brought Sec. and Mrs. McAdoo, Admiral and Grs. Grayson and Miss Massey to the dinner at Woman's National Democratic Club to Sir Herbert Ames, C.S.H. presiding.

Before dinner she spoke very pleasantly to C.S.H. and H.P.H.

After dinner, as C.S.H. and Sir Herbert were going from the table, passing by Mrs. Wilson, she stopped us, and, taking C.S.H.'s hand, thanked him very cordially for the manner in which he had presided and for his opening address of introduction of Sir Herbert. C.S.H. believes she was touched by his statement as to the League of Nations "That priceless gift the immortal Wilson had given to the world."

May 2, 1928. 161

Wilson, Mrs. Woodrow (Cont'd.)

Mrs. Harriman told H.P.H. that it was too bad about the Chronology, - that Mrs. Wilson hitherto had always been so level-headed, that she could not understand it. She added, "It is one of those things of which there is nothing to be said!"
June 4, 1928. 177

Wilson, Woodrow

Sec. Jardine tells C.S.H. he voted for Wilson either in 1914 or 1920
C.S.H. does not remember which.
Sept. 30, 1927. 60

See - Wilson, Mrs.

Wingo, Cong. 129

See - Glass

"Wings"

We take Rachel Hale and Gertrude Myer to the movie, "Wings"
May 3, 1928. 162

Winship, Dr.

5, 71, 127, 178

See - Auld Lang Syne

Walcott, Mrs.

We meet, at dinner with Delano.

Jan. 19, 1928. 112

Woman's National Democratic Club

We dine at.

Feb. 9, 1928. 123

C.S.H. gives, a photograph of Grover Cleveland enlarged and also a photograph of a letter from Cleveland saying he thinks it is one of his best pictures.

Feb. 23, 1928. 127

Mrs. Preston (Cleveland) writes C.S.H. approving of the gift.

Mar. 2, 1928. 31

We give a dinner at, to Mr. and Madame Van Schuylenburch, the sister of Baron D'Ivoy and niece of Madame Boreel.

Mar. 21, 1928. 139

(Mirrored bleed-through text from the reverse side of the page, including names like Wilson, Woodrow, and dates like 1928.)

Wyatt, Walter (Cont'd.)

Woman's National Democratic Club (Cont'd.)

We give a dinner at, on occasion of Sir Herbert Ames talk.
May 2, 1928. 161

We give dinner to Rachel Hale and Gertrude Myer at.
May 3, 1928. 162

Delano Fudgets to attend dinner at, and we send him a poem
"The vacant Chair."
May 8, 1928. 162

Woods, Cyrus

See - Jones, Mrs. Andrius
Wilson Chronology
Wilson, Mrs.

Woodlock, Interstate Commerce Commission. 129
See - Glass

Woods, Cyrus 130
See - Glass

Woolen, Evans

Mrs. Shaver says Tom Taggart is pushing, for nomination for President.
Dec. 14, 1927. 96

Woolley, American Radiator Co. (F.R. Bank of New York)

Comes to Washington to discuss rates.
Jan. 11, 1928. 107, 109

Fears an increase in rates may discourage business.
Jan. 11, 1928. 109, 110

World Court

Mrs. Clem Shaver opposes. Jan. 11, 1928. 95

Wyatt, Walter

Says Board has no power to provide in by-law that more than a majority
must concur to initiate a rate.
Sept. 27, 1927. 56

C.S.H. and Sec. Mellon disagree with Wyatt.
Sept. 27, 1927. 57

Doubts legality of a gentleman's agreement as to requiring 5 votes
to initiate a rate. Sept. 27, 1927. 58

Gov. Young takes oath of office.

Oct. 4, 1927. 53

Wilson, Mrs. Woodrow (Cont'd.)

Mrs. Woodrow Wilson told H.P.H. that it was too bad about the Chronology,
that Mrs. Wilson herself had always been so level-headed that
she could not understand it. She added, "It is one of those
things of which there is nothing to be said!"
Jan. 4, 1928. 177

Wilson, Woodrow
See Lathrop calls C.S.H. he voted for Wilson either in 1914 or 1920
C.S.H. does not remember which.
Sept. 30, 1927. 80

See - Wilson, Mrs.

Wilson, Woodrow
See - Glass

"Wilson"
We take Rachel Hale and Gertrude Myer to the movie "Wilson"
May 3, 1928. 162

Wilson, Dr.
S. VI, 1927. 178

See - And Lang Spine

Wilson, Mrs.
We meet at dinner with Delano
Jan. 19, 1928. 112

Woman's National Democratic Club
We dine at.

Feb. 9, 1928. 123

C.S.H. gives a photograph of Grover Cleveland enlarged and also
a photograph of a letter from Cleveland saying he thinks it
is one of his best pictures.
Feb. 23, 1928. 127

Mrs. Preston (Cleveland) writes C.S.H. approving of the gift.
Mar. 2, 1928. 31

We give a dinner at to Mr. and Madame Van Schuylenburgh, the sister
of Baron D'Yvoy and niece of Madame Borel.
Mar. 21, 1928. 133

Wyatt, Walter (Cont'd.)

Tells C.S.H. that undoubtedly the Comptroller and his office entered into deals to secure passage of McFadden bill, and that they are scared to death lest Glass and his Committee should get wind of it.

Mar. 22, 1928. 138

-XI-

Y'Voy, Baron

C.S.H. meets, on train coming from Charlotte, N.C. His father has recently died. He sails for the Hague tomorrow.

Dec. 9, 1927. 90

Young, Governor, F.R. Board

Attends meeting of Board with Open Market Committee.

July 27, 1927. 13

Sec. Mellon says he is considering, to fill Gov. Crissinger's place on Board.

C.S.H. praises him highly.

Miller says he wants to make him Governor.

C.S.H. suggests designating Platt for few remaining months of his term and then designating Young.

Mellon said he feared Young would not accept unless at once designated as Governor.

C.S.H. says Gov. Young has had some differences on banking questions with the other Governors but is able, broad, and fair.

Sept. 16, 1927. 46, 47

Platt tells C.S.H. of rumor that, has been appointed on Board.

Sept. 21, 1927. 53

Agreed that a gentleman's agreement should be drawn as to initiating rates to be submitted after Gov. Young qualifies.

Sept. 27, 1927. 57

C.S.H. secures room at Cosmos Club for Gov. Young.

Sept. 30, 1927. 60

Gov. Young takes oath of office.

Oct. 4, 1927. 62

Woman's National Democratic Club (Cont'd.)

He give a dinner at, on occasion of Sir Herbert Ames talk
May 2, 1928. 181

We give dinner to Rachel Hale and Gertrude Meyer at
May 3, 1928. 182

Delano forgets to attend dinner at, and we send him a poem
"The vacant Chair."
May 8, 1928. 183

See - Jones, Mrs. Adrienne
Wilson, Mrs.
Wilson, Mrs.

Woodlock, Interstate Commerce Commission. 189
See - Glass

Woods, Cyrus. 190
See - Glass

Woolen, Evans
Mrs. Shaver says Tom Platt is pushing for nomination for President.
Dec. 14, 1927. 98

Woolley, American Radiator Co. (F.R. Bank of New York)
Comes to Washington to discuss rates.
Jan. 11, 1928. 107, 109

Fears an increase in rates may discourage business.
Jan. 11, 1928. 108, 110

World Court
Mrs. Glass Shaver opposes.
Jan. 11, 1928. 98

Wyatt, Walter
Says Board has no power to provide in by-law that more than a majority
must concur to initiate a rate.
Sept. 27, 1927. 58

C.S.H. and Sec. Mellon disagree with Wyatt.
Sept. 27, 1927. 57

Doubts legality of a gentleman's agreement as to reducing 5 votes
to initiate a rate.
Sept. 27, 1927. 58

Young, Governor, F.R. Board (Cont'd.)

Governor Young thinks gentleman's agreement should be postponed for awhile, Sec. Mellon agrees.

Oct. 4, 1927. 63
Oct. 10, 1927. 65

Gov. Young wanted Board to change regulations so as to permit F.R. banks to buy bills secured by warehoused grain owned by owner of elevator but finally yielded to negative attitude of Board.

Oct. 13, 1927. 68

C.S.H. talks with Gov. Young and Eddy at Cosmos Club as to Cuban tax on exported currency.

Oct. 21, 1927. 73

Tells Gov. Harding that Curtiss will be redesignated as F.R. Agent.

Oct. 26, 1927. 74

Votes against James motion for an official stenographer at every meeting of Board with Open Market Committee and Federal Advisory Council.

Nov. 1, 1927. 76

Votes against Miller's substitute motion that all purchases of gold or exchange and open market operations be made after specific authority from and consultation with Board.

Nov. 2, 1927. 79

Votes for C.S.H. motion that Board state that it will merely impose regulations "pursuant to the Federal Reserve Act" on state banks entering with branches.

Dec. 6, 1927. 87

Willis complains of Sec. Mellon's statement that Gov. Young's appointment will not affect the F.R. discount policy.

C.S.H. says this did not mean that Gov. Young came on Board pledged to any discount policy.

Dec. 10, 1927. 91

Votes to interpose no objection to F.R. Bank of Cleveland paying to widow of Federal Reserve Agent Wills two months salary after his death.

Dec. 19, 1927. 97

Tells C.S.H. that President Coolidge has given to press a statement as to the brokers loans in New York, - that he had inquired at the Treasury and was satisfied there was nothing alarming in the situation.

Jan. 27, 1928. 123, 124

(Cont'd) Walter, J. H.

...the Controller and his office entered into deals to secure passage of Hoffman bill, and that they are secured to death last time and his Committee should get wind of it.

Mar. 23, 1928. 138

-XX-

Y. V. ... on train coming from Charlotte, N.C. His father has recently died. He calls for the papers tomorrow.

Dec. 9, 1927. 90

Young, Governor, F.R. Board
Attends meeting of Board with Open Market Committee.

July 27, 1927. 12

Sec. Mellon says he is considering to fill Gov. Crissinger's place on Board.

C.S.H. praises him highly.

Miller says he wants to make his governor.

C.S.H. suggests designating Platt for few remaining months of his term and then designating Young.

Mellon said he feared Young would not accept unless at once designated as Governor.

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Sept. 16, 1927. 48, 47

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Agreed that a gentleman's agreement should be drawn as to initiating rates to be submitted after Gov. Young qualifies.

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C.S.H. secures room at Cosmos Club for Gov. Young.

Sept. 30, 1927. 60

Gov. Young takes oath of office.

Oct. 4, 1927. 62

Young, Governor, F.R. Board (Cont'd.)

Gov. Young added that Sec. Mellon told him he could not remember that Coolidge had talked with him on this matter.

Gov. Young said he feared the Coolidge statement would cause another wave of speculation.
Jan. 6, 1928. 105

Gov. Young told C.S.H. that Gov. Talley told him shortly ago that he met a N.Y. banker on a train, - he would not give his name, - and that the banker told him that his bank was loaning on call in New York for Dr. Miller over \$300,000. Gov. Young said Miller also referred to this in talking with him a few days ago, and that he (Gov. Young) told it to Gov. Strong who was horrified and said that if this became known Miller would be summarily driven out of office. C.S.H. told Gov. Young he should tell Sec. Mellon of this.
Jan. 6, 1928. 105, 106

Miller claimed that the easy money created by reduction of discount rate to 3 1/2% helped the big manufacturers crush the smaller ones, and not vice versa, as claimed by C.S.H.

Governor Young asked Miller how tight money could have helped the small manufacturers, and Miller did not reply.
Jan. 9, 1928. 108

Tells C.S.H. of rumor that N.Y. Stock exchange will shortly issue a warning in matter of brokers loans;
Jan. 10, 1928. 108

Gov. Young says the N.Y. Directors want to put up rates, as did also Richmond but that he should advise Hoxton to wait until after meeting of Open Market Committee.
Jan. 10, 1928. 109

Gov. Young favors further sales of Govt. securities before increase in rates, pointing out that a change in discount rate does not change, necessarily, the quantity of credit, while the sale of Govt. securities does.
Jan. 11, 1928. 110

Calls on Glass with C.S.H.

Glass said Sen. Norbeck thought Gov. Young's name was before his Committee but he told him it was by error sent to Finance Committee which had reported it out favorably.

He said he had had it referred back to Banking and Currency Committee with Norbeck's consent, and would try to expedite confirmation; that Heflin objected to immediate consideration but could not defeat confirmation.
Jan. 22, 1928. 113, 114

Young, Governor, F.R. Board (Cont'd.)

Gov. Young thinks gentleman's agreement should be postponed for awhile, Sec. Mellon agrees.
Oct. 4, 1927. 88
Oct. 10, 1927. 88

Gov. Young wanted Board to change regulations so as to permit N.Y. banks to pay bills secured by warehouse grain owned by owner of elevator but finally yielded to negative attitude of Board.
Oct. 13, 1927. 88

C.S.H. talks with Gov. Young and says as Governor will be tax on exported currency.
Oct. 21, 1927. 78

Tells Gov. Harding that Currier will be re-elected as N.Y. Agent.
Oct. 28, 1927. 74

Votes against James motion for an official stenographer at every meeting of Board with Open Market Committee and Federal Advisory Council.
Nov. 1, 1927. 78

Votes against Miller's substitute motion that all purchases of gold or exchange and open market operations be made after specific authority from and consultation with Board.
Nov. 2, 1927. 78

Votes for C.S.H. motion that Board state that it will merely impose regulations pursuant to the Federal Reserve Act on state banks entering with branches.
Dec. 8, 1927. 87

Willie complains of Sec. Mellon's statement that Gov. Young's appointment will not affect the N.Y. discount policy.

C.S.H. says this did not mean that Gov. Young came on Board pledged to any discount policy.
Dec. 10, 1927. 91

Votes to interpose no objection to F.R. Bank of Cleveland paying to widow of Federal Reserve Agent Willie two months salary after his death.
Dec. 19, 1927. 97

Tells C.S.H. that President Coolidge has given to press a statement as to the brokers loans in New York, - that he had inquired at the Treasury and was satisfied there was nothing alarming in the situation.

Young, Governor, F.R. Board (Cont'd.)

Gov. Young asked that Sen. Mellon told him he could not remember that Coolidge had talked with him on this matter.

Gov. Young said he feared the Coolidge statement would cause another wave of speculation. Jan. 6, 1928. 108

Gov. Young told C.S.H. that Gov. Talley told him shortly ago that he met a N.Y. banker on a train - he would not give his name - and that the banker told him that his bank was looking on call in New York for Dr. Miller over \$300,000. Gov. Young said Miller also referred to this in talking with him a few days ago, and that he (Gov. Young) told it to Gov. Strong who was horrified and said that if this became known Miller would be summarily driven out of office. C.S.H. told Gov. Young he should tell Sen. Mellon of this. Jan. 6, 1928. 108

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Jan. 22, 1928. 114

Young, Governor, F.R. Board (Cont'd.)

Voted to approve Chicago increase from 3 1/2 to 4%. Jan. 24, 1928. 117

Votes to approve \$3000 increase in Burgess's salary. Jan. 25, 1928. 117

Directed by Board to take up matter of Harrison's salary increase with McGarrath, and arrange for some adjustment. Jan. 25, 1928. 118

Criticises, as also does Miller, Cunningham's resolution calling on F.R. banks to report as to discounts used for speculative purposes which the resolution stated to be illegal.

Points out that practically no banks which are continuous borrowers have large amounts on call. Jan. 26, 1928. 120

Votes to approve Richmond increase. Jan. 26, 1928. 121

Testifies before H.R. Banking and Currency Committee on bill to amend Clayton Act and F.R. Pension bill. Jan. 27, 1928. 121

Votes to accept invitation of L. of N. to participate in Paris Statistical Conference of European central banks. Feb. 14, 1928. 124

Writes State Department that if it does not approve Statistical Conference the Board will reconsider its vote. Mar. 7, 1928. 132

Secretary of State writes Gov. Young he will consult President as to above; that the Board should advise it of any future communications from League of Nations before answering them. Mar. 7, 1928. 132, 133

Testifies before Senate Banking and Currency Committee on LaFollette resolution on brokers loans, as follows:

1. Can not tell whether excessive or not.
2. From banking standpoint they are well collateralized and safe
3. They are not depriving agriculture or commerce of a dollar of credit.

Young, Governor, F.R. Board (Cont'd.)

Voted to approve Chicago increase from \$4 to \$5
Jan. 24, 1928. 117

Votes to approve \$3000 increase in Burgess's salary
Jan. 25, 1928. 117

Directed by Board to take up matter of Harrison's salary increase
with McGarr, and arrange for some adjustment.
Jan. 25, 1928. 118

Criticized, as also does Miller, Cunningham's resolution calling
on F.R. banks to report as to discounts used for speculative
purpose which the resolution stated to be illegal.

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Jan. 26, 1928. 120

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Writes State Department that if it does not approve Statistical
Conference the Board will reconsider its vote.
Mar. 7, 1928. 128

Secretary of State writes Gov. Young he will connect President as
to above; that the Board should advise if of any future
communications from League of Nations before answering them.
Mar. 7, 1928. 128

Testifies before Senate Banking and Currency Committee on legislative
resolution on broke loans, as follows:

1. Can not tell whether excessive or not.
2. From banking standpoint they are well collateralized and safe.
3. They are not depriving agriculture or commerce of a dollar of credit.

Young, Governor, F.R. Board (Cont'd.)

Testifies before Senate Banking and Currency Committee (Cont'd.)

4. The loans made to brokers by banks are less today than in 1922.
5. The increase is practically wholly due to loans by corporations other than banks.
6. Of bank loans, the New York banks have decreased as also the out of town banks.
7. Practically no banks which are constant borrowers from F.R. banks have large amounts on call.
The very few banks which have are gradually reducing them.
8. Any constant borrowers have been admonished by F.R. banks just as they were in 1925.
9. F.R. funds, speaking generally, are not today being used to obtain call loan funds.
10. No new legislation is needed.
The F.R. banks can care for situation under present law.
11. Should these loans increase so as to react on agriculture and commerce, the F.R. banks can increase discount rates and sell Govt. securities.

Mar. 7, 1928. 133, 134, 135

Gov. Young did not tell Committee that the recent rate increases were put in force to control speculation; he put it largely on ground of gold exports.

Mar. 7, 1928. 135

Votes to approve Open Market Committee report for firmer money conditions.

Mar. 26, 1928. 140

Board asks Gov. Young to ascertain the attitude of State Department as to the Roumanian credit.

April 2, 1928. 142

Says State Department does not object; that its only doubt is as to the private credit and not as to the syndicate agreement.

April 4, 1928. 146

Votes to approve Roumanian credit.

April 4, 1928. 147

May 28, 1928. 173

Young, Governor, F.R. Board (Cont'd.)

Testifies before Senate Banking and Currency Committee (Cont'd.)

- 4. The loans made to brokers by banks are less today than in 1928.
- 5. The increase is practically wholly due to loans by corporations other than banks.
- 6. Of bank loans, the New York banks have decreased as also the rest of town banks.
- 7. Practically no banks which are constant borrowers from F.R. banks have large accounts on call.
- 8. The very few banks which have are gradually reducing them.
- 9. Any constant borrowers have been abandoned by F.R. banks just as they were in 1928.
- 10. F.R. funds, speaking generally, are not today being used to obtain call loans.
- 11. No new legislation is needed.
- 12. The F.R. banks can care for situation under present law.
- 13. Should these loans increase so as to result in speculation and commerce, the F.R. banks can increase discount rates and sell Govt. securities.
- 14. Gov. Young did not tell Committee that the recent rate increases were put in force to control speculation; he put it largely on ground of gold exports.
- 15. Votes to approve Open Market Committee report for finer money conditions.
- 16. Board asks Gov. Young to ascertain the attitude of State Department as to the Romanian credit.
- 17. State Department does not object; that its only doubt is as to the private credit and not as to the syndicate agreement.
- 18. Votes to approve Romanian credit.

Young, Dr. State Department

Young, Governor, F.R. Board (Cont'd.)

- 19. Is in Florida with the Comptroller. April 16, 1928. 149
- 20. Votes to approve Open Market Committee report - favoring continued sales of Govt. securities. May 25, 1928. 166
- 21. Calls on Sen. Glass, with C.S.H. and Platt
- 22. Gov. Young told Glass that all banks should be allowed to borrow on Govt. securities at the same uniform rate.
- 23. Glass said this would put a premium on F.R. discounting which ought not to be.
- 24. Gov. Young convinced Glass, C.S.H. thinks, that no F.R. bank could permanently carry lower discount rates than New York for it would encourage banks to borrow and put proceeds into New York call loans at higher rates caused by the higher N.Y. discount rate. May 27, 1928. 172
- 25. Gov. Young said that a New York increase to say 5% would force all other F.R. banks to increase also; that the New York bank may have to increase to curb speculation. May 27, 1928. 172
- 26. Gov. Young did not discuss with Glass whether other F.R. banks could maintain a higher rate than New York. May 27, 1928. 172
- 27. See - Glass
- 28. Gov. Young reports that he has carefully studied Cunningham's resolution to require F.R. banks to report as to discounts of member banks in connection with call loans, with Smead, and had decided that the best way would be to have Comptroller require national banks put this information into their reports, but that it was too late to put it in July reports, but would be put in October reports.
- 29. Cunningham was very indignant and Miller backed him up, although when the resolution was introduced on Jan. 26, 1928, he had criticised it.
- 30. Gov. Young said the delay would do no harm as we could not have had a reply to Cunningham's resolution in time for any legislation by Congress. Board approved Gov. Young's report, Cunningham and Miller voting No. May 28, 1928. 173
- 31. See - Comptroller
Glass
Miller
Strong, Gov.

Young, Governor, F.R. Board (Cont'd.)

is in Florida with the Comptroller.
April 18, 1928. 148

Notes to approve Open Market Committee report - favoring continued
sales of Govt. securities.
May 28, 1928. 152

Call on Sen. Glass, with C.S.H. and Platt

Gov. Young told Glass that all banks should be allowed to borrow
on Govt. securities at the same interest rate.

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See - Comptroller
Glass
Miller
Young, Gov.

Young, Dr. State Department
Lunches with C.S.H. at Cosmos Club to meet Sir Herbert Ames.
May 2, 1928. 160

See - League of Nations
Roumanian Credit

Young, Prof., Harvard
Tells Federal Reserve Agent Crittiss that Miller spoke to him
very disparagingly about former F.R. Agent Jay - almost in
terms of contempt, which shocked him greatly.
July 5, 1927. 5

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(End of Volume)