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CHARLES SUMNER HAMLIN

DIARIES

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DIARY.

Volume #20.

December 1, 1931 - June 10, 1932.

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Henry Wright says that, who married John Cameron, is living in a house on the Granteville Road.
January 6, 1932. 37

Abbott, Mrs. John
Henry Wright says, is still living in Boston - over 90 years old, and that Kate Abbott is with her.
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Acceptances
C.S.H. believes that the 30 million of frozen German acceptances held by Paul Warburg's bank are the real cause of his illness.
Dec. 17, 1931. 21.

Gov. Harrison writes Glass that all open market operations, including the purchase of acceptances, were approved by Federal Reserve Board.

Gov. Harrison forgets that, under authority of the Board to buy acceptances in latter part of 1928 in order to provide seasonal funds, the Federal Reserve Bank of New York bought so many that the banks not only met all seasonal requirements, but were able to take down 197 millions of discounts; that the Federal reserve

Acceptances (Cont'd.)

bank actually held 2/3 of all acceptances outstanding and this turned the firming policy of the Board into a policy of ease; that even customers rates declined instead of the normal Fall stiffening, and that speculation increased enormously; that Burgess in a published address said the Federal Reserve Bank of New York bought at least 100 millions more than was necessary; that Gov. Harrison in testimony before Senate Committee admitted that an excessive amount was bought.
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Lichtenstein, Secretary of Federal Advisory Council, told C.S.H. that Prof. Bullock told him in 1928 of this undue purchase of acceptances.
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May 26, 1932. 177.

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Jan. 1, 1932. 35.

Josephus Daniels told H.P.H. that Rowland Morris, Counsel of Col. Smedley Butler, forced Sec. Adams to agree that Morris should write his own letter of apology to Sec. Adams, because of the attack on Mussolini, and should also write Sec. Adams's letter of censure to Major Butler.

Morris said if this was not agreed to, he would prove that at the Boxie uprising Hoover was found in a cellar disguised as a woman and dragged out.

Sec. Daniels said that Rowland Morris told him this.
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April 26, 1932. 143.

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Dec. 11, 1931. 9.

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Feb. 28, 1932. 84.

Gertrude Myer meets an accountant at dinner with, who wants to manage her property.
April 21, 1932. 136.

We dine with.
We met British Ambassador there.
May 3, 1932. 151.

Anderson, Miss. 9
See supra - Anderson, Mr. & Mrs.Lars

Annual leave
See - Economy bill
Glass
Hamlin, C. S.

Anglo-California Trust Co.

Board voted unanimously to approve a Federal Reserve Bank of San Francisco discount under Sec. 10 B. Glass emergency bill.

The bank had exhausted its eligible paper.

The bank was closely affiliated - but no control - with the Anglo-London and Paris National Bank with a capital of over 5 million and therefore ineligible under Sec. 10-B.

The Trust Company was in fairly good condition but expected to be called on to help the national bank. At first blush it looked as if the Trust Company, eligible under Sec. 10-B, was getting assistance merely to help the National bank whose capital precluded it from any assistance except from a group.

The Comptroler said there was a very critical emergency in California, and on this C.S.H. justified his vote.

Miller thought the national bank should apply to the Reconstruction Finance Corporation, but it was pointed out that if it did this or formed a group, it would advertise its condition and that this might imperil the whole banking situation in California.

C.S.H. can see no reason why a bank eligible under Sec. 10-B should not be permitted to borrow to meet an emergency even though it may use some of the proceeds to help a 5 million dollar bank.

Miller said he spent 3 hours with Gov. Calkins yesterday; that the matter was very urgent, and should be approved by Board.

C.S.H. suggested postponement until Monday in order more fully to look into the facts, but Miller said No, it should be put through today, and C.S.H. voted to approve.

The reason given by the Federal Reserve Bank of San Francisco was:

> "To meet demands arising out of a situation confronting a closely associated bank which has 19 affiliated banking institutions.
>
> "Further details relative to this application have been presented to the Board previously by Gov. Calkins."

C.S.H. felt the 19 affiliated banks made the situation clearly an emergency one.

Gov. Meyer showed some temper in discussing the application.

Anglo-California Trust Co. (Cont'd.)

He said his judgment approved it, implying that this should control the Board.

Miller later mentioned to C.S.H. Gov. Meyer's rough-neck manner.
April 15, 1932. 129-130, 131, 132

Annual leave
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Appeal of the 31. Association of Nations.
Dr. Butler said President Harding deceived those who signed.
Dec. 14, 1931.16.

Association of Nations
Dr. Butler said he wrote that part of President Harding's Iowa speech relating to; that he begged Harding not to reject the League of Nations, or at least the Association of Nations; that Harding told him that Sec. Hughes advised just the opposite.
Dec. 14, 1931. 16.

Atlantic National Bank, Boston
Chief Examiner Drinnen reported that the subsidiary of, was hopelessly insolvent, that its capital, surplus, and undivided profits were wiped out.

C.S.H. agreed that Board could do nothing until the Comptroller finished his examination of the parent bank.
Dec. 10, 1931. 7.

Board took up question of charging, with expense of examining its subsidiary - $500.

C.S.H. had declined to check a letter ordering this.

C.S.H. said the only reason for examining the subsidiary was to help the Comptroller to find out the condition of the subsidiary; that it would be an abuse of Board's power of examination; that, so far as the Board was concerned the examination would not helpit, as the Board had already ordered the parent bank to dispossess itself of the subsidiary, and the only question open was whether it had in point of law done this; that the parent banks records purported to show it had dispossessed itself, which, however, the Board denied.

The Board, however, all voted, except C.S.H., to impose the charge.
Feb. 15, 1932. 76.

Austria. Hungary.

Dr. Butler and Mr. Shotwell both said, and Hungary were hopelessly insolvent; that while the political boundaries under the Versailles Treaty could not be changed for many years, economic agreements could be entered into which might satisfy both Austria and Hungary.

Dec. 14, 1931. 13, 14.

See - National Bank of Austria.

Austro-German tariff agreement

Dr. Butler said that when the Austrian Finance Minister negotiated the, with Dr. Curtius, of Germany, he stipulated that it should not be made public until he could explain it to France and Italy, but that Germany deliberately gave it out prematurely and that this enraged France; that if it had been explained to France, she would have accepted it.

Dec. 14, 1931. 14, 15.

-B-

B.I.S.

Gov. Harrison said that Burgess in his address at B.I.S. dispelled the fear of the American dollar engendered by Dr. Willis.
Dec. 2, 1931. 1 B.

Norman Davis said the Bank of Hungary carried on its books as assets gold pledged with the B.I.S., which the B.I.S. should not have taken.
Dec. 14, 1931. 13.

Baker, Newton D.

Rowland Morris told C.S.H. that his choice for the Presidential nomination was Baker, Ritchie and Roosevelt in above order.
Dec. 14, 1931. 16.

Gov. Harrison suggested retaining, to appear before the Senate Committee with regard to the Glass banking bill in behalf of the Federal Reserve System.

C.S.H. said he believed that Glass favored Baker's nomination for President, and that itwould infuriate Glass to have one of his closest friends appear as a lobbyist against his bill; that he believed Baker in any event would be inclined to seek reasons for supporting rather than opposing the Glass bill.

Board took no action.

Miller said this shows that Gov. Harrison and Federal Reserve Bank of New York are desperate with their backs to the wall.
Mar. 23, 1932. 104.

C.S.H. expressed regrets to Mrs. Wilson that, in his Wilson address at the Cathedral failed to mention the L. Of N.

She thought he had.
June 2, 1932. 188

Ballantine, A.A.

Appointed Under Secretary of Treasury.
Feb. 4, 1932. 54.

Recommended a Boston man as Assistant Counsel of Federal Reserve Board.
April 14, 1932. 127.

Bank failures

Gov. Harrison said if railroad rate and wage question were not speedily settled, the decline in value of bonds would continue and many more banks would become insolvent; that December,

Bank failures (Cont'd.)

January and February were the months of greatest bank insolvencies; that increase in failed banks might start up a renewal of foreign demand for our gold and start up hoarding again at home. Dec. 2, 1931. 1-A

Bank of America
See - Transamerica Corporation

Bank of France
The Assistant of Gov. Moret told a member of our Embassy as to an agreement between Federal Reserve Bank of New York and, as to withdrawal of deposits.

Mark Sullivan claimed that Bank of France, as result of the Hoover-Laval Conference, agreed not to withdraw its deposits in Federal reserve bank except upon definite notice.

Gov. Harrison told Board above was absolutely false; that he had told the Bank of France it could withdraw its deposits at any time and that in the future it could not increase its deposits through the running off of acceptances, but must earmark or export the proceeds.

Later Gov. Harrison looked at clipping from Mark Sullivan's public letter, and said he was absolutely in error and that he would so tell him.

Sullivan's letter was to effect practically that Hoover-Laval agreement had turned these deposits from demand to time deposits. Dec. 2, 1931. 1-B, 2.

Gov. Meyer reads Board a long cablegram from Gov. Harrison to Gov. Moret explaining the System's discount and open market policy, and the Reconstruction Finance Act, pointing out that it was not inflationary but merely an attempt to stop the radical deflation and restore normal conditions. Jan. 19, 1932. 43.

Gov. Meyer said he had been considering for a long time the advisability of requesting the Bank of France to withdraw all its deposits, and of notifying it that its account with the Federal Reserve Bank of New York was closed; that we could get 50 or more banks to agree to discount and fill up the gap resulting from the gold exports; that he favored telling France that as it would take a long time to ship to her all her gold balances, the U.S. would expedite shipments by sending part in vessels of the U.S.

Bank of France (Cont'd.)

C.S.H. doubted our ability to do this unless the Federal Reserve Act were amended to permit issue of Federal reserve notes against Government bonds.

Gov. Meyer denied this, but said it would of course be better to have the Act amended.

C.S.H. said he sympathized with the feeling that the Bank of France had too much to do with our money market through its deposits and investments here, but that he felt we must have some economic or banking reasons for taking such a position, which might be construed as an attack on France and the Bank of France.

Gov. Meyer said he did not wish to seek for any such reason; that he wanted our action to be in fact an attack, open and understood.

Gov. Meyer said Ogden Mills throughly approved such action.

C.S.H. believes, on reflection, that this would be an act of stupid folly, which France would not accept lying down.

He does not believe the member banks would want to engage in such a war; to send deliberately 600 millions of gold out of the country, in such a critical time, would cause confusion to the banks and business.

The private banks have some deposits in this country, and some investments and if they and the Bank of France dumped their holding of acceptances and Government securities, much confusion would be certain.

In the long run this might cause an embargo on our trade.

C.S.H. believes this is purely a political move of the administration, through Ogden Mills and Gov. Meyer and Harrison, to punish France because of her attitude as to reparations, disarmament, Allied debts and tariff.

The Federal Reserve System should have nothing to do with such political moves.

It is really an attempt to punish France for becoming scared through Dr. Willis's false propaganda.

Jan. 19,1932. 43, 44, 45, 46.

Bank of France (Cont'd.)

New York Times says Gov. Harrison is trying to secure a promise from the Bank of France to make no further withdrawal of its deposits here, so that the Federal Reserve Bank of New York can expand upon them.

The Wall Street Journal prints a cablegram to same effect.
(See scrap books)
May 7, 1932. 153.

Gov. Meyer said he knew this was not time.
May 9, 1932. 153

Gov. Meyer said Gov. Harrison had under consideration a proposed communication intimating that it would be agreeable to Federal Reserve Bank of New York, if Bank of France would at once earmark all its deposits - now less than 100 million - in FR. Bank of New York.

C.S.H. pointed out that the gold exports, especially those to France were seriously interfering with our Open Market policy; that from April 6th to date out of 750 million purchases of Government securities, about 50% went into gold exports, while discount and acceptances were taken down only by 20% and member bank reserves increased only 20%.

The Board all seemed to approve such a cable.
June 9, 1932.
196, 197, 199.

See - Moret, Gov.

Bannister, Mrs.
Is at lunch given by Polish Ambassador to Mrs. Wilson who was there decorated.

C.S.H. and H.P.H. were not invited.
Dec. 15, 1931. 17.

Baruch, B.
C.S.H. meets, at Gov. Meyer's reception to Winston Churchill. He said he thought Gov. Roosevelt attacked the League of Nations in order to prevent his nomination for President.
Feb. 12, 1932. 71.

Barrets of Wimpole Street
We dined with Mr. and Mrs. Magee and attended performance of.
March 9, 1932. 90.

Bayard, Mrs.
Calls on us. Dec.11, 1932. 9

See - Anderson, Mr.and Mrs. Larz

Bells, Tolling of.
Henry Wright says Westford bells used to toll 4 times for a male and 6 times for a female, after striking the bell to indicate age of deceased.

He later wrote to same effect and added that when Abiel Abbott died,an old toll bell striker, formerly tolling in Westford was brought from New Hampshire to toll the bells for Abiel.
Jan. 5, 1932. 37.

Bentwick, Count John
We gave a lunch at Woman's National Democratic Club to, and Baroness De Heckeren of the Oxford group.

Present: C.S.H., H.P.H., Mr. & Mrs. Delano, Mrs. Newlands, Mrs. Frazer, Gertrude Myer, and Miss Hegeman.

May 22, 1932. 167

Biddle, Lydia
We had Christmas dinner at noon with.
Dec. 25, 1931. 32.

Death of. Mar. 22, 1932. 106.

She was most kind to us and we had had Christmas dinner with her for years. Mar. 22, 1932.106.

Bigelow, Grace
H. P. H. dines with, in New York, and has a good talk with her over Bryan Conrad's marriage to her niece - Charlotte Harding.
Dec. 13, 1931. 13.

Birthday
Of H.P.H. - 59 years of age.
April 8, 1932. 119.

Black, Gov.
At Open Market conference, favored, conferences between F.R. banks, member banks, and crushing industrialists.

Magee told C.S.H. he gave this idea to Gov. Black.
May 17, 1932. 162.

Blair, Emily Newall
Tells H.P.H. that when Reconstruction Finance Corporation members were appointed, Gov. Meyer was very angry at Dawes being appointed President and threatened to resign from the corporation and from the F.R. Board.
March 1, 1932. 84.

Bliss, Mrs.
We attend reception at house of, after wedding of Lawrence Coolidge and Miss Tytus.
January 16, 1932. 42.

Bond pool
Gov. Harrison said that when the Railroad wage question was settled, the N.Y. banks were ready to organize a, of 500 millions, which would turn the tide.
Dec. 2, 1931. 1-A

Gov. Harrison said the, had bought enough in January to keep prices stable; that if proposed amendments were enacted into law, the, would undoubtedly buy enough to put up prices - perhaps even up to Par.
Jan. 11, 1932. 41 (1)

Bond secured member bank collateral notes.
Glass was very bitter over above suggestion, saying they would eventually be same as greenback currency, and that if we must have a bond secured currency it would be better to have the national banks issue it.
Jan. 28, 1932. 49.

Boston & Maine R.R.
Henry Wright said the, had proposed the Stony Brook R.R. except for freight.
Jan. 6, 1932. 37.

Bowditch, Edward
Bessie Stevens sends C.S.H. a sketch of, whom C.S.H. is trying to secure an appointment for under Reconstruction Finance Corporation through Floyd Harrison.
March 7, 1932. 88.

Boxer uprising. 35.
See - Hoover
Daniels
Morris, Rowland

Branch banks. Glass bill
Senate Committee reported in favor of, even in states not allowing branches of state banks.
April 16, 1932. 132.

See - Glass
Wingo

Bristol, Admiral. 91
See - Graef, Olyve

British Ambassador, Sir Ronald Lindsay
We meet, at dinner at Larz Anderson's.
May 3, 1932. 151

British credits. 8
See - Dulles, John Foster

Brockelbank, Rev.
We attend wedding of daughter of Charles McLane to, at Baltimore.
March 29, 1932. 110.

Bullock, Prof.
Lichtenstein defended his statement that Federal Reserve Board did not reverse its easy money policy in 1928 because of the Presidential election, by, among other facts, quoting Prof. Bullock as to undue purchase of acceptances by Federal Reserve Bank of New York in Fall of 1928.
May 23, 1932. 171.

Burgess, W. R. Depy. Governor, Federal Reserve Bank, New York.
Gov. Meyer told Board in a very casual way that the Senate Glass Sub-Committee had asked Goldenweiser and Burgess, to sit with the Sub-Committee in connection with the Glass bill.

Gov. Meyer did not mention the conference at his house yesterday at which Burgess, Goldenweiser and Wyatt were present.

Wyatt told C.S.H. that while in Ogden Mills' office he heard Mills call up Gov. Harrison and direct him to send Burgess down to Washington.
Feb. 1, 1932. 52.

Goldenweiser lends C.S.H. for overnight a copy of his and Burgess' report on Glass bill.

It wiped out many of the contraction features of the Glass bill.

It advised striking out Secs. 3 and 9 as to power to control

Burgess, W. R. (Cont'd.)

speculative loans and suspension of member banks for abuse of Federal reserve facilities.

It favored Lombard loans in times of emergency.
Feb. 8, 1932. 58.

C.S.H. met Burgess at lunch at Cosmos Club.

He said Glass went over their report in a very reasonable frame of mind, accepting some suggestions and reserving others for consideration.

C.S.H. said there must be a recorded vote as to Sec. 3 - right to penalize a member bank for abuse of Federal reserve facilities.

Burgess said it was possible that some such power might be agreed upon. Feb. 9, 1932. 58.

Glass tells Miller that he understood that Burgess and Goldenweiser were authorized by the Federal Reserve Board to present its views to the Sub Committee.
Feb. 10, 1932. 60.

C.S.H. writes Glass that Burgess and Goldenweiser had no authority from the Board to express its views on the Glass bill or any other than their own personal view; that neither he nor, as he believed, any other Member of the Board even knew what B and G's views were until their report was filed with the Committee.

C.S.H. at first added a clause that while many of their views were helpful, he was emphatically opposed to some of their views, especially their recommendation to strike out Sec. 3.

C.S.H. called in Morrill who said that at the White House conference an agreement had been reached as to an emergency bill and that Sec. 3 had been put in the general bill for later consideration.

C.S.H . then omitted this sentence and sent the letter to Glass.
Feb. 10, 1932. 61.

The N. Y. Times said that after the White House conferences there was a conference at which Glass, Gov. Meyer, Morrill, Goldenweiser and Burgess were present.

C.S.H. had never been told of this.

Later Wyatt said it was held in Board room and that Sen. Wolcott also was present. Feb. 11, 1932. 65.

Burgess, W. R. (Cont'd.)

Glass tells C.S.H. that his Sub Committee never invited Burgess and Goldenweiser to assist it; that, on the contrary, Hoover told them at the White House conference that they were appointed to represent the Federal Reserve Board; that the administration would stand behind and press for any Federal Reserve Act amendments agreed upon by Glass, Democrat, Wolcott, Republican, and Burgess and Goldenweiser representing the Federal Reserve Board. Feb. 13, 1932. 73.

Gov. Meyer said that excepting Rounds there was not a single officer in Federal Reserve Bank of New York who was fairly efficient and experienced in banking.

He mentioned specifically Gov. Harrison, Federal Reserve Agent Case, and Burgess. Mar. 3, 1932. 85, 86.

Sen. Wolcott went over the draft, prepared by Willis, of agreement between Glass and himself as to Glass bill with Burgess, Goldenweiser and Wyatt.

They were satisfied that Willis's draft did not represent the draft agreed upon. Mar. 14, 1932. 92.

Glass spoke to C.S.H. as to Gov. Meyer's letter requesting hearings on the Glass bill, and said he saw no necessity for this because the Board had already made its views known to the Committee through Burgess and Goldenweiser.

C.S.H. said they did not represent the Board's views in any capacity.

Glass replied that Hoover told him that B. and G. had been chosen to represent the Treasury and the Federal Reserve Board before the Sub Committee.

Mar. 21, 1932. 99 (2)

Gov. Meyer reads to Board a letter from Glass, dated Mar. 21, 1932, stating that Burgess and Goldenweiser were not called into consultation by the Sub Committee; that they were delegated by Hoover to represent the Treasury and the Board; that the Sub-Committee assumed they were authoritatively assigned by the Treasury and Board; that during their work, B. & G. were in consultation with Gov. Meyer, Ogden Mills, and Gov. Harrison; that the Sub-Committee only learned then they filed their report that they were assuming to speak only for themselves.

Burgess, W. R. (Cont'd.)

Glass said that the written report of the Board will be received by the Sub-Committee and that further public hearings would be held.

Glass said he presonally telephoned Gov. Meyer and offered to give the Board a public hearing; that he also notified Gov. Harrison to same effect, but that both declined.

(See Sc. bks. Vol. 225)
Mar. 22, 1932. 100

Gov. Meyer said he told Glass the Board would express no opinion as to public hearings generally, but would like to be heard on the bill by the Sub-Committee; that he never saw the B. & G. report until after it was filed with the Sub-Committee; that on Feb. 7 he wrote Glass that Burgess and Goldenweiser, - as stated explicitly in their report, - did not represent the Board.
Mar. 22, 1932. 101.

Ogden Mills said Sen. Wolcott desired expert help, and that he, Mills, arranged to have Burgess come here from New York and to have Goldenweiser help him.

Mills said the President could not have said that he had designated B & G to act for the Board.
Mar. 22, 1932. 101.

Evidently when Gov. Meyer told the Board on Feb. 1 that the Sub-Committee had asked B & G to sit with the Committee (See supra p. 52), it really was Sen. Wolcott who made the request.
Mar. 22, 1932. 101.

Gov. Meyer read to Board a proposed answer to Glass letter of March 21 (Supra p. 100) in which Glass stated that the services of Burgess and Goldenweiser were not asked for by the Sub-Committee, but that they were designated by Hoover to represent the Treasury and the Board.

In the proposed letter Gov. Meyer said that it was his understanding that Sen. Wolcott had said that he and Senator Glass desired the assistance of Burgess and Goldenweiser.

C.S.H. asked Gov. Meyer on what his understanding was based.

Gov. Meyer said it was based on what Ogden Mills told the Board the other day.

James said Ogden Mills told the Board that Sen. Wolcott said he and

Burgess, W. R. (Cont'd.)

Sen. Glass wanted the assistance of Burgess and Goldenweiser.

(C.S.H. notes were to effect that Ogden Mills stated that Sen. Wolcott wanted expert help, and Mills did not mention Glass's name (See supra p. 101)
Mar. 25,1932. 106, 107.

C.S.H. asked Ogden Mills just what Sen. Wolcott said to him about his need for expert advice.

Mills said Sen. Wolcott said it would be agreeable to himself and Sen. Glass to have the assistance of Burgess and Goldenweiser.
Mar.26, 1932. 107

Burgess in an address in late fall of 1928 - December - said that the Federal Reserve Bank of New York in fall of 1928 had bought at least 100 millions of acceptances more than credit conditions necessitated. 145

(See C.S.H. long article on direct pressure.)

Business depression

Gov. Harrison said that if the Railroad rate and wage question were settled, the New York banks would form a bond pool to buy 500 millions and the tide of, would turn.
Dec. 2, 1931. 1-A

Gov. Meyer said that hoarding was gradually subsiding, that bank failures had greatly diminished, and that he was satisfied that the tide of depression had turned; that if the damned hoarders will cease hoarding and the damned banks begin loaning, all will be well.
Mar. 3, 1932. 85.

Gov. Meyer said he still thinks the tide has turned, but that business would not improve before next fall.
Mar. 18, 1932. 95

Butler, Col. Smedley
See - Daniels, Josephus
Hoover
Morris, Rowland

Butler, Nicholas Murray
C.S.H. dines with, in New York.
Dec. 13, 1931. 13.

Butler, Nicholas Murray (Cont'd.)

Dr. Butler said at Carnegie meeting that when the Austrian Finance Minister arranged the Austro-German tariff agreement with Dr. Curtius, he stipulated that it should not be made public until he could explain it to France and Italy, but that Germany deliberately gave it out prematurely; which enraged France; that he was confident that if it had been explained to France, she would have accepted it.

Dec. 14, 1931.14.

Dr. Butler said a man had come to him who owned a tract of land in Washington which he wished to give to Columbia University and to endow it as a perpetual memorial to Woodrow Wilson, at which all his papers should be deposited.

Dr. Butler said he advised him to present it to the Wilson Foundation, and that Norman Davis was trying to bring this about.

Dec. 14, 1931. 15.

Dr. Butler, Norman Davis, and Rowland Morris all said there was quite a dispute or difference between Gov. Smith and Gov. Roosevelt and that Gov. Smith preferred Baker or Ritchie to be nominated, rather than Gov. Roosevelt.

Dec. 14, 1931. 15, 16.

Dr. Butler said he wrote that part of President Harding's first speech on Foreign Affairs, delivered in Iowa, relating to an Association of Nations, and that he begged him not to reject the League of Nations, or at least to come out for an Association of Nations; that Harding told him that Hughes had given him advice just to the contrary.

Dr. Butler said Harding had deceived those who signed the "Appeal of the 31".

Dec. 14, 1931. 16.

C.S.H. dines with in N. Y.

May 4, 1932. 151

See - Walter, John

Byrd, Mrs. (Bowditch)

We meet, at dinner at Dr. Richmond's.

Mar. 4, 1932. 87.

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Calkins, Gov. 131, 163

See - Anglo-American Trust Co.
Transamerica Corporation
Committees, Federal Reserve District

Cameron, Julian 37
See - Wright, Henry

Cameron, Senator
C.S.H. writes Rachel Hale that her Grandfather acted with the Democrats after his election to U.S. Senate, in 1845.
Jan. 30, 1932. 31.

Carey, Sen. and Mrs. Sarah
We dine with.
Sarah and Sen. Wolcott were present.
Dec. 17, 1931. 23, 24

Sarah Carey gives C.S.H. her photograph with inscription, "To Mr. Hamlin, From his best girl, Sarah Darlington Carey"
Dec. 23, 1931. 31.

Sarah Carey told C.S.H. it was generally understood that if a Democratic President is elected, C.S.H. will be the next Secretary of the Treasury.
Dec. 23, 1931. 31.

We dine alone with Sen. Carey. Miss Carey and Sarah were ill. After dinner we all went into Mrs. Carey's bedroom and talked with her.

We have Sen. and Mrs. Carey at dinner at Woman's National Dem. Club, also Sen. Wolcott, Mrs. Cong. Kahn and Josephine Patten.
Jan. 22, 1932. 47.

Carnegie, Andrew
Was a delegate to first Pan American Conference and worked for resolution forbidding recognition of territory seized by force.
May 5, 1932. 152.

See - Castle, Under Secretary

Carnegie Endowment
C.S.H. at meeting of, New York.
Dec. 14, 1931. 13

Carnegie Endowment (Cont'd.)

See - Davis, Norman
Butler, Dr.
Shotwell,
Houghton, A. B.
Morris, Rowland

C.S.H. at meeting in New York.
May 5, 1932. 152.

See - Castle
Carnegie, Andrew

Carroll, Judge James B.
Death of.
One of C.S.H.'s oldest friends.
Justice of Mass. Supreme Judicial Court.
Jan. 9, 1932. 40

Case, Federal Reserve Agent, F.R. Bank, N. Y.
Gov. Meyer said he had an understanding with Owen D. Young and the son of, that he will resign on May 1, unless fully restored to health.
Dec. 23, 1931. 30.

Gov. Meyer speaks of, as having little experience in practical banking. Mar.3, 1932. 85.

Castle, Under Secretary of State
Proclaims a new "Hoover doctrine", - non-recognition of territory seized by force.

Ridiculed at Carnegie meeting.

First announced by Grover Cleveland in his Hawaiian message.

Scott pointed out that it was recognized at the first Pan American Conference, later by Institute of International law, and finally, in 1926, sent by Pan American Conference to all members; that Andrew Carnegie was a delegate to first Pan American Conference, and worked and voted for it.

The Trustees all felt that Castle was densely ignorant or deliberately deceptive, in attributing this doctrine to Hoover.
May 5, 1932. 152.

Caucus
Daiger told C.S.H. that the H.R. and Senate Democrats had voted in caucus to suppor the Glass banking bill.
April 5, 1932. 114.

Central bank 19
See - Glass
McAdoo

Chase National Bank, New York
Gov. Meyer suggested postponing the examination of the Chase Bank in Paris, an Edge Corporation owned by, until the examiners now examining the Eastern branches of the, got around to Paris, as conditions in Paris were still somewhat disturbed as regards the U.S., and an examination now might start trouble.
All the Board agreed.
Dec. 10, 1931. 6.

Platt told C.S.H. that rumors were afloat as to the solvency of the Chase National Bank.
Dec. 10, 1931. 6.

Chase, Howland. Mr. and Mrs. (Hale)
Mrs. Rodgers said Mary had gone to New York with her Mother for Christmas. Dec. 27, 1931.32.

Mary Chase is visiting her Mother. She told H.P.H. she would remain as long as Howland would let her.
Feb. 20, 1932. 78.

Gertrude Myer told H.P.H. that Howland Chase had gone to Italy with Mrs. Rodgers, in connection with the elopement of her son's daughter, formerly Miss Moyer.
April 6, 1932. 117.

Wyatt tells C.S.H. that Howland Chase had applied for a position as Assistant Counsel of the F.R. Board, and showed C.S.H. a strong letter of recommendation for Mr. Agnew of N. Y. formerly Counsel of Federal Reserve Bank, San Francisco.

Wyatt said he had had a conference with Chase this morning and had taken him in to Floyd Harrison; that Harrison thought he rather lacked force and directness; that he did not give a very clear statement as to his legal work with the firm in New York and Washington, of which Carl de Gersdorff was a member, also Paul Cravath.

Wyatt said he would make inquiries as to whether his work with the firm had been strictly legal or largely ministerial.
April 14, 1932. 125, 126.

Chase, Howland, Mr. and Mrs. (Cont'd.)

Wyatt asked C.S.H. if he knew Chase.

C.S.H. said he knew him very well and praised him highly.

C.S.H. said he knew Chase's father and Mother, and Chase himself for many years; that he knew his wife and her Mother, Mrs. Hale, intimately, but that neither they nor any one else had ever spoken to him or communicated with him, directly or indirectly as to this matter; that Wyatt's statement was the first he had heard of the matter.

C.S.H. said it showed the character of Chase, in not asking his assistance. Wyatt said he would ask the representative of his firm in Washington as to Chase's legal capacity and the kind of work he had been doing for the firm.
April 14, 1932. 126.

C.S.H. told Wyatt that he must satisfy himself absolutely as to Chase's fitness and legal capacity; that he would accept his judgment in the matter even though it differed from his own; that he had a high opinion of Chase's legal ability based on many talks with him, but the responsibility for determination rested absolutely with him, - Wyatt.

C.S.H. said, however, that if Wyatt finally decided to recommend Chase it would please him very much.

C.S.H. told Wyatt he had heard that Chase had had a fine record in the Harvard Law School, and Wyatt said he had heard this also.
April 14, 1932. 127.

Wyatt said Under Secretary of Treasury Ballantine had also recommended a man for the place, - by the name of Montgomery, C.S.H. thinks. There were also other applications.
April 14, 1932. 127.

C.S.H. told Wyatt that Mrs. Chase was the niece of Sen. Hale of Maine. April 14, 1932. 127.

Rachel Hale calls up C.S.H. at his office.

She spoke of Chase's application and seemed much interested.

C.S.H. told her the chief criticism he had heard was that Chase did not seem very forceful and perhaps was too diffident and retiring.

Chase, Howland, Mr. and Mrs. (Cont'd.)

C.S.H. said he told Wyatt that if quietude and diffidence was to be the test even Newton D. Baker - one of the leaders of the American bar - could not qualify for this position!

C.S.H. said the matter was entirely in Wyatt's hands but that he had told him that if he finally recommended Chase, it would please him very much.

Rachel said Chase was still in the N.Y. office and that they had told him that if he obtained this position and at any time cared to come back, they would be very glad to have him.

C.S.H. said the matter would not be settled for several days but that he would see her soon.
April 16, 1932. 128

Wyatt told C.S.H. he had had a talk with the Washington representative of the firm who said Chase was an A-1 man, in whom his firm had confidence and in whom they had imposed much responsibility.

Wyatt said the firm representative agreed that Chase was not very assertive, but that he was sure Wyatt would be pleased with him; that he had not left their office and that if at any time he cared to return to it after accepting this position they would be glad at any time to take him back.
April 16, 1932. 129.

C.S.H. feels that all depends on whether Wyatt can satisfy Gov. Meyer.

C.S.H. believes Wyatt will recommend Chase and it would be certainly most extraordinary if Gov. Meyer would not accept the judgment of Wyatt and of C.S.H. of the Law Committee of the Board.
April 16, 1932. 129.

C.S.H. calls up Rachel Hale to say he was sending her a copy of questions and answers on Federal Reserve System, by F.R. Bank of Richmond; that she might suggest to Chase to read it so as to get a fair idea of the scope of the F.R. System.

Rachel was very grateful.

C.S.H. said there was nothing new and that the matter would not be decided by Wyatt probably for several days yet.
April 17, 1932. 132.

C.S.H. writes Carl De Gersdorff asking his opinion of Chase's ability.
April 18, 1932. 133.

Chase, Mr. and Mrs. Howland (Cont'd.)

De Gersdorff wires C.S.H. giving a fine statement of Chase's ability. April 19, 1932. 133.

De Gersdorff writes C.S.H. giving a strong recommendation for Chase. April 20, 1932. 133.

Justice Van Devanter writes Wyatt a very strong indorsement of Chase, who was once his private secretary. April 20, 1932. 133.

Wyatt tells C.S.H. he has decided to recommend Chase; that he has talked over the matter with Floyd Harrison and Morrill and that they both agreed.

Wyatt said he would put his recommendation in writing and submit it to C.S.H. and Miller as members of the Law Committee. April 20, 1932. 134.

C.S.H. called up Rachel Hale and said there was nothing new but that he was hopeful, but she would understand that nothing was certain in this world, especially considering that there were several men who, Wyatt said, were available.

Rachel said she understood perfectly.

C.S.H. did not tell her that Wyatt had said he would recommend Chase. April 20, 1932. 134.

C.S.H. tells Miller as to Chase speaking of the very fine indorsements of Justice Van Devanter and others.

Miller said Justice Van Devanters indorsement meant a great deal to him.

Miller asked if the appointment was to fill a vacancy.

C.S.H. said No, that Wyatt needed another assistant, - that Gov. Meyer Wyatt, Morrill, Floyd Harrison and C.S.H. agreed as to this.

C.S.H. asked Miller if any one had spoken to him about Chase. He said No.

C.S.H. said no one had spoken to him, that he first learned it from Wyatt; that it spoke well for Chase's character to keep away from us who knew his wife's family so well.

Chase, Howland, Mr. and Mrs. (Cont'd.)

Miller was perfectly agreeable to Chase's appointment, and C.S.H. hopes he will back it up at the Board meeting.
April 21, 1932. 134, 135.

Wyatt said Gov. Meyer had not yet seen Chase, although Harrison and Morrill had; that before formally presenting his name he would ask Gov. Meyer if he cared to see him.

Wyatt said Floyd Harrison tried to get Gov. Meyer in New York to get his consent to Chase's appointment but he was at the Directors meeting and could not be reached.
April 21, 1932. 135.

Wyatt told C.S.H. that he had seen Gov. Meyer who asked if all agreed on Chase and that he said Yes; that Gov. Meyer said to go ahead and appoint him but later said that Prof. Felix Frankfurter of the Harvard Law School was to see him tomorrow, and he would like to ask him as to Chase's record.
April 22, 1932. 140.

C.S.H. feels that if the Board had been as cautious in ascertaining as to Floyd Harrison's fitness as Assistant to Gov. Meyer, as Gov. Meyer is as to Chase, that Harrison would still be awaiting his appointment!
April 22, 1932. 140.

Wyatt told C.S.H. he had gone over the whole matter with Miller, who said he approved but would look up his recommendation.
April 22, 1932. 140, 141.

Wyatt said Felix Frankfurter had wired Gov. Meyer that while he did not remember Chase, he had looked up his record in the Harvard Law School and that it was one of very ordinary mediocrety.

Wyatt said, however, that he would stand by his recommendation in view of the many fine indorsements of Chase, especially Justice Van Devanter.

C.S.H. said he would back up Wyatt but that he feared that Felix Frankfurter's telegram might unfavorably affect Gov. Meyer, and that he should wire Dean Pound and ask his opinion of Chase, which C.S.H. did.

Dean Pound wired back that he remembered Chase, liked him, that his rank was above the average, and he believed he would be a good man forthe position. (See scrap book)
April 26, 1932. 142, 143.

Chase, Howland, Mr. & Mrs. (Cont'd.)

Wyatt later told C.S.H. he had obtained the O.K. of every member except Ogden Mills; that Floyd Harrison brought his recommendation to Gov. Meyer who at once checked it.
April 26, 1932. 143.

Wyatt later told C.S.H. that Harrison had just told him not to notify Chase until he had had a talk with him.

Later Wyatt said he had talked with Harrison who said Felix Frankfurter had telephoned him from Cambridge that he had gone over Chase's record and that he could not find a single mark above mediocrity.

Wyatt said he then showed Harrison Dean Pound's telegram; that Harrison took it in to Gov. Meyer, who finally said that Chase could be notified.
April 26, 1932. 144.

We both felt that in all probability Frankfurter had some one in mind for the office.

Gov. Meyer also had intimated to Wyatt that he could find him a good man.
April 26, 1932. 144

Wyatt called up Chase and told him. He was delighted. C.S.H. then called up Rachel Hale but she was in Virginia on a garden tour.

Mary came to telephone and was delighted at the new and most grateful to C.S.H.
April 26, 1932. 144, 145.

At 4 p.m. Chase and Wyatt called on C.S.H. Chase said he had wired Rachel of his appointment.
April 26, 1932. 145.

C.S.H. receives a very grateful letter from Rachel Hale dated Friday, April 29.
April 29, 1932. 151.

C.S.H. told Gertrude Myer who called and spoke of Chase's appointment, that it was absolutely on its merits.
May 2, 1932. 151.

C.S.H. invited Chase to lunch but he had gone. Later in afternoon he had a good talk with him.
May 6, 1932. 152.

Chase, Howland, Mr. and Mrs. (Cont'd.)

C.S.H. called on Rachel Hale. Howland and Mary were there so C.S.H. had no chance to say much about the appointment.
May 7, 1932. 153.

Gertrude Myer said to us at dinner that Rachel Hale would probably feel that Howland Chase's appointment was a favor to the Board rather than one from the Board to him.
May 11, 1932. 159, 160.

We called on Rachel and C.S.H. told her in confidence the whole story of Howland Chase's appointment.

She was very, very grateful to C.S.H.
May 19, 1932. 164.

H.P.H. called with Mary Chase on the wives of the Federal Reserve Board members. June 1, 1932. 187.

Chicago District Committee. 177
See - Committee, District

Chicago financial reporter. 171
See - Lichtenstein

Chief Federal reserve bank examiner
Gov. Meyer announced his selection of Leo H. Paulger as.

He said he had made a great record on the War Finance Corporation.

Gov. Meyer had spoken before of a man he had in mind but never mentioned his name to C.S.H.
Jan. 7, 1932. 38.

Christening
We attend, of Marjorie Wright's daughter at Gen. Wright's house in Georgetown. H.P.H gave the babt one of Anna's rattles and acted as Godmother.
March 19, 1932. 97.

Christmas dinner
We have noon, with Lydia Biddle, and in evening with Mr. & Mrs. George McClellan.
Dec. 25, 1931. 32.

Chronology
See - Wilson Chronology

"Chubby"
See - Hale, Rachel

Churchill, Winston
Gov. Meyer gives late evening reception to. C.S.H. attends.
Feb. 12, 1932. 70.

Clayton Anti-Trust Act
Wyatt agrees with C.S.H. that Sec. 8 of, recognizes security affiliates as between banks and trust companies.
May 11, 1932. 158.

Clephane
136, to 140, 141, 142, 150, 159
See - Myer, Gertrude

Cleveland, Grover
First to announce doctrine of non-recognition of territory acquired by force, in his Hawaiian message.
May 5, 1932.

See - Castle
Hoover

Coker, Federal Reserve Bank, Richmond
The Governors were unanimous against reducing Federal reserve salaries as advocated by, in a letter to Board and Governors.
Dec. 2, 1931. 3

Collateral
See - Federal reserve notes

Commercial paper
C.S.H. favors amendment allowing Federal reserve banks to buy, from member banks without their indorsement in times of emergency.

Governors Conference.
April 12, 1932. 123

See - Member bank collateral notes.

Committees, Federal reserve district
Miller, at Governors Conference, said purchase of Govt. securities alone would not ease the situation.

He favored a conference at Washington between the Board and Federal reserve banks and leading industrialists at which a plan for cooperation between banks and borrowers could be prepared.

Committees, Federal reserve district (Cont'd.)

Gov. Black favored this, but Gov. Calkins said such a conference if held in his district would cause uneasiness.

Miller suggestion was a conference at Washington and not in each District, at least in the first instance.

C.S.H. favored Miller's suggestion and said that, in addition each Federal reserve bank should make a survey of its District; that he believed that there was much construction work which not only could be but ought to be done; that while this might not create eligible paper, the Federal reserve banks could take care of it in an emergency under Section 10 B of Glass-Steagall bill.

Gov. Meyer said in Westchester County there was a need and demand for $10,000 houses which could speedily be sold; that in this crisis we should not think only in terms of eligible paper.

Magee congratulated C.S.H. on his suggestion.

Gov. Harrison said he had tried to bring about cooperation between banks and borrowers, but nothing could be accomplished because of uncertainty as to what Congress - still in session- would do.

Miller said Congress acted as it did because it could see no policy being adopted by the FR. Board.

The Board members intended to take up the question of such a conference at once.

May 17, 1932. Tuesday.
162, 163, 164.

New York Times states that Gov. Harrison has appointed a N.Y. District Committee, headed by Owen D. Young to make a survey in the District and bring about cooperation between banks and borrowers.

At the Governors Conference last Tuesday Gov. Harrison gave many reasons why Miller and C.S.H. plan could not be carried out, at least until Congress adjourned.

Yet yesterday, two days after the conference, he appointed the Committee!

He was evidently spurred up to speedy action!

Committees, Federal reserve district (Cont'd.)

Gov. Meyer was in New York yesterday at the directors meeting which appointed the Committee.
May 20, Friday. 165.

The next day - Saturday - Hoover came out with a statement that he was pleased at the formation of a N. Y. Committee, that the Governors of the other Federal reserve banks will at once organize similar Committees, and that he will be glad to invite them to confer with him inWashington.

The Associated Press despatch said the idea came from Washington and phrased it so the public would believe it originated with Hoover!
May 21, Saturday. 166.

Hoover thus brushes the Federal Reserve Board aside and claims credit for leadership!

As a fact, Miller and C.S.H. started this and it was taken up by the Governors or some of them at the Conference last Tuesday, but many of them did not seem very enthusiastic.

Miller made the suggestion long before the Governors Conference, but Gov. Meyer has always thrown cold water on the plan, from the very first.

Miller is entitled to all the credit for a Conference at Washington and C.S.H. for the survey in each District.
May 21, 1932. 166.

Gov. Meyer told the Board he attended a dinner in N.Y. last week at which the N.Y. directors, Ogden Mills and others were present. C.S.H. thinks it was on Thursday.

Gov. Meyer said Ogden Mills made a very fine address; that a Committee was at once formed; that it appeared there was much construction work which ought to be undertaken at once.

C.S.H. asked Gov. Meyer as to Gov. Harrison's sudden conversion to the plan of appointing a Committee, saying it exceeded in speed that of St. Paul!

Gov. Meyer somewhat brusquely said he paid little attention to what Gov. Harrison said at the dinner.

Gov. Meyer said everything went off splendidly and that tomorrow he was going to Chicago with Ogden Mills on a similar errand.
May 23, 1932. 167, 168.

Committees, Federal reserve district (Cont'd.)

C.S.H. then introduced a resolution calling for a survey in each district, and uring cooperation between banks and bankers.

Gov. Meyer objected to word "survey".

Finally Board sent a telegram to each Federal reserve bank to form a similar committee.

Miller stated that we should have a conference at Washington between bankers and industrialists and prepare a program to be worked out in each Federal reserve district.

C.S.H. agreed with Miller.

Gov. Meyer objected, and said that each Federal reserve bank should prepare its own program. No action was taken.

After the meeting, Miller told C.S.H. that Hoover sent for him just after breakfast a week ago last Saturday, May 14th, and that he was with him nearly two hours; that he, Miller, explained the necessity for having district committees appointed, preceded by a general meeting in Washington; that he told President Hoover that this was a plan for the Federal Reserve Board to work out; that Hoover quickly said he had no confidence in the Board!

C.S.H. asked Miller if Hoover referred to Gov. Meyer - whom he has always treated as the Board, or to the other Board members.

Miller said he could not tell which Hoover meant.

Miller said the sudden action of Gov. Harrison in appointing the N. Y. Committee is most mysterious; that he is inclined to think that Ogden Mills told Hoover of the plans discussed at the Governors Conference, and that Hoover must have directed Mills to go to N. Y. and put the Committee through at once.

C.S.H. feels this would satisfactorily explain Gov. Harrison's sudden conversion.

May 23, 1932. 169, 170.

Gov. Meyer told Board he and Ogden Mills had a very satisfactory meeting at Chicago which formed a District Committee.

May 26, 1932. 177.

Gov. Meyer leaves for N. Y. to be gone over Decoration Day.

May 26, 1932. Thursday. 179.

Committees, Federal reserve district (Cont'd.)

Gov. Meyer won't return until next Friday; he goes to Cleveland, and then to Phila.

May 31, Tuesday. 183.

Miller tells C.S.H. that he was at Sec. Lamont's dinner to Hoover last week; that Hoover told him he had kept in mind Miller's suggestion of a conference between bankers and industrialists; that he sent for Gov. Harrison anddirected him to form a N. Y. Committee.

Miller said that Gov. Harrison had received this direction just before the Governors Conference of Tuesday, May 19, but he said nothing about it at the meeting of the Governors, and even told the Conference that nothing could be done in New York along these lines, at least before Congress adjourned!

Miller said he was satisfied that Hoover had instructed Ogden Mills to present his plan at the N.Y. dinner.

Miller said Gov.Meyer knew nothing about these instructions to Gov. Harrison and Ogden Mills, nor about the appointment of the N. Y. Committee until he heard Mills speak at the dinner; that he thought Hoover had been discourteous to Gov. Meyer in concealing this from him; that he thought Hoover had probably talked with Gov. Meyer about it after he - Miller - had mentioned the plan to Hoover, and that probably Gov. Meyer threw cold water on it just as he did to Miller whenever he brought it up in Board meetings.

May 31, 1932. 183, 184.

C.S.H. feels Gov. Meyer should have consulted him before going to New York, Cleveland, or Phila. as he is on these Board Committees. May 31, 1932. 184.

Millertold C.S.H. he thought Gov. Meyer appeared very much embarrassed at the Board meeting when he explained about the N. Y. dinner. May 31, 1932. 184, 185.

To sum up:

Hoover learned from Miller that Board had before it plans for a Washington Conference advocated by Miller.

Hoover, to get ahead of the Board, ordered Gov. Harrison to call a conference in N.Y. and establish a Committee.

Committees, Federal reserve district (Cont'd.)

Hoover concealed them from Meyer and directed Ogden Mills to put it through with Gov. Harrison at New York dinner.

Gov. Harrison concealed his instructions from Governors Conference and from the Board.

The morning's paper ten days after the appointment of the New York Committee had a statement of Hoover's pleasure at the appointment, of his desire that each F.R. bank should appoint similar Committees, and of his offer to invite the Governors to a conference at the White House.
June 1, 1932. 186.

Gov. Young remained in N. Y. until Tuesday, when he went to Federal Reserve Bank of Cleveland and from there to Federal Reserve Bank of Philadelphia,

He told Board of the meetings and said they were most successful, especially at Cleveland, where he was told there was much new work which could be done, and that there were 175 applications for new credit. June 3, 1932. 189, 190.

C.S.H. suggested that an abstract of his New York and Cleveland meeting be sent to each F.R. Bank Committee.

Gov. Meyer threw cold water on this.
June 3, 1932. 190

Gov.Meyer and Magee go to Richmond to meet Richmond Committee.

C.S.H. said would be glad to go if Gov. Meyer thought he could be helpful, but he said he thought not.
June 7, 1932. 194.

Committees of Federal Reserve Board,1932.
Dec. 30, 1931. 34.

Commodity prices

Gov. Harrison on April 13, 1932, told the H.R. Committee - Price stabilization bill - that in 1928 and 1929 commodity prices were falling while security prices were rising; that if the Price Stabilization law were in force, it would have been his duty to buy Government securities and lower discount rates to help business, altho such course would have encouraged the rampant speculation.

Yet Gov. Harrison, in 1929, instead of arresting commodity prices

Commodity prices (Cont'd.)

by lower discount rates wanted radically to increase them, thus accelerating their decline, in order to break the increase in stock prices.

In other words, he was thinking in terms of security prices rather than of commodity prices.

From October, 1928 to June, 1929, commodity prices were slowly falling.

From Oct. 1928 to February, 1928, stock prices increased enormously.

From Feb. 1929 to June, 1929, stock prices fluctuated up and down (direct pressure lasted from Feb. 7th to about June 1st).

June 1, 1929, stock prices were lower than on Feb. 1 but far higher than in Oct. 1928.

May 10, 1932. 155, 156.

Community chest

Noell told C.S.H. that the quota fixed for the Federal Reserve Board and employes for the Community Chest and unemployment drive was $4070.40 which is 3 days salary of all in Washington connected with the Federal Reserve System; that he had collected - not counting the Board members - $2530.57, leaving a deficit of $1539. He then distributed subscription blanks among the Board members.

Dec. 11, 1931. 10.

C.S.H. gives Noell a pledge to pay $100 (3 days salary) in monthly installments.

Noell said the Executive Committee of the Community Chest, including Gen. Pershing and, C.S.H. thinks Delano, originated this plan and submitted it to Hoover, who approved it.

Noell said this quota called specifically for a three days salary, but that Sec. Morrill, in sending out the pledge, omitted this reference, but all employees were clearly given to understand that a 3 days salary subscription was required.

Noell said later that C.S.H., Magee and Miller had each pledged $100; that James had given $300 because of his original

Community Chest (Cont'd.)

suggestion to make up the deficit; that this made $600 and that he had collected $153 more, leaving the deficit $786.

He said Miller had given direct to Newbold Noyes $5000 last year, and would not credit any of it to the F.R. subscription by the employees; that Gov. Meyer gave $10,000 without any similar credit.

He said he hoped Gov. Meyer would make up the $786 deficit.
Dec. 12, 1932. 10,11.

Comptroller of Currency

C.S.H. suggests name of James McConnell as Counsel for the Receiver of the Federal National Bank, Boston.

C.S.H. told McConnell the matter was absolutely under the jurisdiction of the Comptroller and this was all he could do.

He wanted to come down to Washington but C.S.H. advised against it.

C.S.H. told Comptroller he was a sound lawyer and in one case got a judgment for $60,000 against this same bank.

The Comptroller said he would consider it.

C.S.H. wired McConnell that he had presented his name and asked if he had talked with Senator Walsh who the Comptroller said was to see him tomorrow about the same matter.
Dec. 16, 1932. 18, 19.

At least a year ago C.S.H. and Curtiss put the matter of the Federal National Bank up to the Comptroller.

He should have promptly closed it.
Dec. 17, 1932. 20.

Willis's draft of Glass bill following the report of Burgess and Goldenweiser, retained the provision that the Comptroller shall revalue real estate loans.
Mar. 14, 1932. 92.

Daiger said that the Comptroller alone had been given a copy of the Glass bill by Willis; that the Comptroller and Mills thought that a liquidating corporation was vital and that while the Glass bill provided for this, it would be a long time before it could become law; that thereupon they got Cong. Beedy to introduce a separate bill for this purpose; that this bill would call for only one or two days hearings and then could be reported to the Senate and get preference over the Glass bill; that Glass then got the Sub-Committee to report his bill

Comptroller of Currency (Cont'd.)

and tried to put it through the full Committee; that to do this Glass delayed hearings on the Beedy bill.

By reporting the Glass bill, it got precedence on the Senate calendar.

Daiger said Glass felt that Hoover, Mills, and the Comptroller had not played fair with him, and he finally forced the administration to have the Beedy bill withdrawn.
April 5, 1932. 114, 115, 116.

Conference, Paris peace
See - Houghton.

Conference, Governors.
See - Governors Conference.

Conferences.
Gov. Meyer, Morrill and Floyd Harrison went down to a Committee, either of H.R. or Senate, to speak for Reconstruction Finance bill. Nothing said to Board.
Dec. 18, 1931. 24.

Gov. Meyer, Gov. Harrison, Burgess, Goldenweiser, and Wyatt.

On Glass bill.

At house of Gov. Meyer.

Nothing said to Board about it.
Jan. 31, 1932. Sunday. 52.

Between Gov. Roosevelt and Hearst.
Feb. 9,1932. 57.

At White House, breakfast.

Glass was present. Agreement as to emergency legislation.
Feb. 11, 1932. 65, 66, 73, 91, 92.

Sen. Glass, Gov. Meyer, Sen. Wolcott, Morrill, Burgess, Floyd Harrison, after the White House Conference.

No mention to any Board member.
Feb. 11, 1932. 63

Conferences (Cont'd.)

Mills, Gov. Meyer, and Goldenweiser confer with H.R. Committee to have the 1 year limit of the Glass emergency bill extended.

No mention of this to Board.
Feb. 12, 1932. 67.

Gov. Meyer, Gov. Harrison and Sen. Glass at Treasury - Discussed Glass bill.

Gov. Meyer referred to this the day after.
Feb. 24, 1932. 80.

Gov. Meyer, Floyd Harrison, Morrill, Goldenweiser, and Wyatt.

Agreed that Board's Committee should report favoring Sec. 3 of Glass bill. Mar. 23, 1932. 105.

See - Meyer, Gov.

Gov. Meyer, Ogden Mills, at dinner in N.Y. with Gov. Harrison, et al.

N.Y. District Committee formed.

Not mentioned to Board until later.
May 23, 1932. 167, 168.

See - Hoover
Miller

At White House
Republican Senators, Ogden Mills, and Gov. Harrison present.

Mills later claimed Gov. Harrison summoned by Hoover merely to talk over business conditions.
May 30, 1932. 182, 183. 193.

Confirmation by Senate
Gov. Meyer and James were confirmed today.
Dec. 18, 1931. 24.

Congressional reception - White House
We were invited, but cards were sent us for the East door. Presidents Harding and Coolidge always sent us tickets to the South - the diplomatic door.

We did not attend. June 21, 1932. 46.

Construction work to aid depression

C.S.H. in open market conference first brought fact that there was much construction work which needed to be done. This was the first suggestion.

May 17, 1932. 163.

See - Governors Conference
C.S.H.

Coolidge, Lawrence
C.S.H. attends wedding of Miss Tyler to. H.P.H. stayed outside but went with C.S.H. to the reception given by Mr. & Mrs. Robert Bliss.

Jan. 16, 1932. 42.

Coolidge, President. 46
See - Congressional reception

Mrs. Samuel Eliot called and told us that her brother, Charles Hopkinson, was painting a portrait of Coolidge for the White House; that Coolidge wrote him giving dates for sittings and said he hoped he would not economize either in paint or canvas as he wanted the picture to last forever!

April 10, 1932. 121.

Coolidge, Sen. & Mrs.
We call on. Dec. 27, 1931. 32.

See - Woman's National Democratic Club

Cooperative marketing associations
Willis draft an agreement between Glass and Sen. Wolcott retained the provisions limiting loans on collateral securities, thus striking a blow at.

Mar. 14, 1932. 92.

Copper Range Co.
H.P.H. sends to Old Colony Trust Co. certificates for 150 shares of St. Mary's Mineral Land Co. to be exchange for equal number of shares of.

Dec. 17, 1932. 23.

Cotton
Jules Foster Dulles told Board Europe would not buy of us a pound of, beyond absolute necessities even tho we freely offered credits.

Dec. 11, 1931. 7, 8.

Cotton (Cont'd.)

Gov. Meyer said he would be glad to give long time loans on, at 7¢ per pound but feared it would seem too much like the Federal Farm Board's policy.

He asked for suggestions and C.S.H. spoke of the 135 million cotton loan of 1914.

Gov. Meyer sneered at this, and said succeeded only because of the war.

C.S.H. said the war caused cotton to collapse, and the fear of its bring made contraband made the situation even worse, and how could it be said that the war caused both depression and at same time made the cotton loan succeed?
May 26, 1932. 177, 178.

Cotton Loan Fund, 1914.
See - Supra ,Cotton

Cosmos Club
C.S.H. moves to Hay-Adams House from.
Dec. 1, 1931. 1.

C.S.H. told Page, Clerk of Cosmos Club, that he would take Room 38 beginning June 25 at regular rates and would take it from July 1 through September at summer rate - $40 per month, and after that at the regular rate.
May 28, 1932. 181.

Crane, Federal Reserve Bank, New York
Gov. Meyer said, had had little practical banking experience.
Mar. 3, 1932. 86.

Credit expansion
Ogden Mills in address before Acceptance Council in New York urged.
Feb. 26, 1932. 48.

Credits
See - British credits
Federal reserve credits
Political credits

Crissinger, Gov.
Obtained a copy of Sol. Gen. Lehman's opinion against the validity of national bank affiliates and when he resigned he gave it to Wyatt with instructions to give it to the next Governor of the Board.
May 11, 1932. 158.

Criticisms
See - Meyer, Gov.

Curtiss, Federal Reserve Agent, Boston
With C.S.H., put matter of Federal National Bank squarely before the Comptroller 2 years ago.
Dec. 17, 1931. 20.

Curtius, Germany. 14
See - Austro-Ger. Tariff agreement
Butler, Dr.

Customers notes
Glass told C.S.H. that Gov.Meyer was urging him to agree to have debentures of the Reconstruction Finance Corporation made eligible for both member bank collateral notes and customers notes, but that previously Gov. Meyer had told him he was absolutely opposed to this.
Dec. 16, 1931.19.

Czechoslovakia. 7
See - Dulles, John Foster.

-D-

Daiger, Mr. 114, 115. April 5, 1932.
See - Glass bill.

Daniels, Josephus
Jan. 1, 1932. 35.

See - Butler, Col. Smedley
Hoover
Morris, Rowland

Davis, John W.
C.S.H. told, he thought the World Court advisory opinion on the Austro-German tariff agreement, decided by a vote of 8 to 7, was a political opinion.

Davis said No and asked C.S.H. to read his article in the coming Atlantic Monthly on the subject.

Dec. 14, 1931. 14, 15.

(Later C.S.H. read it and was convinced by it, and so wrote Davis. See scrap book.)

Davis, Norman
Agrees with Shotwell that Austria and Hungary are hopelessly bankrupt.

He said that Hungary in its report to Parliament had concealed its deficit; that the Bank of Hungary carried as assets gold pledged with the B.I.S., which the B.I.S. should not have taken.

He and Shotwell both said the political boundaries could not be changed for a long time, if ever, but that economic agreements could be entered into which would probably satisfy Austria and Hungary; that Hungary did not want to get back its territory provided it could trade freely with the part taken away. Dec. 14, 1931. 13, 14.

Tells C.S.H. he believed the World Court judges decided on political grounds in the Austro-German tariff agreement decision, but as matter of law, he believed the decision happened to be right.

Dec. 14, 1931. 15.

Davis, Norman (Cont'd.)

Said there was a dispute between Gov. Smith and Gov. Roosevelt.

He thought Gov. Smith preferred Baker or Gov. Ritchie to Gov. Roosevelt. Dec. 14, 1931. 15, 16

Dawes, Charles G.
Mrs. Emily Newell Blair told H.P.H. that when, was appointed President of Reconstruction Finance Corporation, Gov. Meyer was very angry and threatened to resign from the Corporation and from the Federal Reserve Board.
Mar. 1, 1932. 84, 85.

Resigned as President of Reconstruction Finance Corporation. Rumored that he had differences with Gov. Meyer.
June 7, 1932. 194.

Boston Transcript speaks of friction. Gov. Meyer more conservative than Dawes. June 7, 1932. 196.

DeGernsdorff, Carl. 133
See - Chase, Howland

Deaths
See - Biddle, Lydia
Carroll, Judge James
Hill, David Jayne
McCagg, Mrs.
Perrin, John
Stratton, Charles
Tyler, C. W.
Warburg, Paul

Debentures
See - Reconstruction Finance Corporation

Delano, F. A.
We lunch with Mr. and Mrs.
Dec. 6, 1931. 4.

We lunch with Mrs. Jan. 17, 1932. 42.

We lunch with Mr. & Mrs. May 15, 1932. 161.

Mr. & Mrs. Delano lunch with us at Woman's National Democratic Club to meet Count John Bentnick and Baroness Van Heckeren.
May 22, 1932. 167.

DeLong, Mrs.

H.P.H. wrote, that we are to shut down the farm and sell the stock, she, however, to continue as caretaker at $50 per month for the present at least.

She also would pay Chester $30 per month while he was trying to get other work and to recover from his illness, provided he made some arrangement with Mrs. DeLong to do what he could about the place until he could get other work. The above was not intended as wages but merely as temporary help to Chester.

(See Vo. 220 scrap book)
Dec. 11, 1931. 9, 10.

C.S.H. sent Mrs. DeLong and Chester a check for December salaries saying that from Jan. 1, 1932, Chester would have $30 per month until he could get a new job.
Jan. 26, 1932. 48,49

Departmental reorganization
Hoover asks authority from Congress to reorganize all Departments, and asks for 4 or 5 more Asst. secretaries.

Under this plan the Federal Reserve Board could be consolidated, e.g. with the Labor Bureau.

The Democrats will fight this.
Feb.22, 1932. 79, 80.

Deposts
2, 147.

See - Bank of France
Harrison, Gov.
Norman, Gov.

Dinners (See lunches, suppers)

With Mr. & Mrs. Dean Sage.
Dec. 14, 1931. 17

With Mr. & Mrs. James to meet Richard and Marion Sanger.
Dec. 16, 1931. 20.

With Sen. & Mrs. Carey.
Sarah Carey and Sen. Wolcott were present.
Dec. 17, 1931. 23, 24.

Christmas dinner.
At noon with Lydia Biddle.
At night with Mr. & Mrs. George McClellan.
Dec. 25, 1931. 32.

Dinners (Cont'd.)

With Sen. Carey.
Jan. 18, 1932. 43.

We give dinner at Woman's National Democratic Club

Present:
Sen. & Mrs. Carey, Sen. Wolcott, Mrs. Cong. Kahn, & Mrs. Josephine Patten.
Jan. 22, 1932. 47.

We have Capt. and Mrs. McNamara at dinner at Woman's National Democratic Club.
Feb.12, 1932. 69.

With Mr. & Mrs. George McClellan.
Feb. 14, 1932. 73.

Mrs. Bayard Van Rensselaer with Ruth Goodrich dine with us.
Feb.21, 1932. 79.

Harriet & Jane with us.
Feb. 28, 1932. 84.

Mr. & Mrs. Magee give us dinner at Cosmos Club.
Later, to theatre.
Mar. 9, 1932. 89.

With Mrs. Newlands.
Mar. 13, 1932. 91.

We gave dinner at Woman's National Democratic Club.
Present: Mrs. Cong. Rogers, Robert Lincoln, O'Brien, Capt. & Mrs. McNamara.
Mar. 17, 1932. 97.

With Edith Helm.
April 2, 1932. 113.

Gertrude Myer dines at White House.
April 7, 1932. 117.

With Mr. & Mrs. Robert Lincoln O'Brien at New Willard.
April 7, 1932. 118.

With Gen. & Mrs. Treat to meet Godfrey Macdonald.
April 23, 1932. 142.

Dinners (Cont'd.)

With Mr. & Mrs. Larz Anderson.
Met.British Ambassador there.
May 3, 1932. 151.

C.S.H. dined with Dr. Butler, N. Y.
May 4, 1932. 151.

We dine with Gertrude Myer. May 11, 1932. 159.

Edith Helm dines with us. May 12, 1932. 160.

With Mr. & Mrs. Wyatt. June 1, 1932. 187.

Direct pressure
C.S.H. feels the unanimous action of the Board in agreeing on a draft of Sec. 3 of Glass bill which it sent to the Senate Committee was a direct indorsement of the fight for, in 1929, and one of the most important votes the Board has ever taken.
Mar. 30, 1932. 110.

Glass told Morrill the Board in its draft of Sec. 3 gave him more even than he asked for.
Mar. 31, 1932. 111.

Disarmament
C.S.H. fears movement to put an end to correspondent relations between Bank of France and F.R. Bank of New York, by Gov. Meyer and Ogden Mills, is founded on Administration anger at France for her attitude towards, etc.
Jan. 19, 1932. 46.

Discount policy
147, 148, 149

See - Harrison, Gov.
Norman, Gov.

Discount rates
Mills tells Board he hopes for a lower preferential rate on paper secured by Govt. securities, stating that the emergency was as great as during the war, and that the Federal reserve should cooperate.
Jan. 11, 1932. 41 (2)

Discount rates (Cont'd.)

Ogden Mills said he should ask the banks to buy the new Treasury issues and hold them until the Government called for the money, and that then they could rediscount using the certificates as security.

He said that was the original intent but that the banks had been dumping on the market all they bought, for profit, which was bad.

He said they could make a reasonable profit by rediscounting at a rate lower than the certificate rate; that the Treasury would distribute the proceeds all over the country, which would help all the banks.

Feb. 24, 1932. 82, 83.

Gov. Harrison said he should ask his directors tomorrow to lower, by 1/2 of 1%.

All seemed to feel that in this central time it would be desirable for the Federal Reserve Bank of New York at least to lower, and help the Treasury.

Feb. 24, 1932. 83.

Glass asked C.S.H. if Federal reserve bank can fix rate on member bank collateral notes without the final approval of the Board. C.S.H. said No. Mar. 21, 1932. 99.

Gov. Meyer told C.S.H. over a year ago that the Board should have approved N. Y. application for a 6% rate in 1929; that this would have met the situation.

Mar. 31, 1932. 111.

Glass asks Gov. Meyer whether the Board's recommendations to Sub-Committee under Sec. 14 took away from the Federal reserve bank the right to initiate discount rates, and asked him to write him as to this.

Board sent letter to Glass that the amendment was not intended to nor did it in any way affect such power.

April 6, 1932. 116, 117.

Gov. Harrison in a letter to Glass again says that only way to correct speculation is by open market power and by discount rates.

April 18, 1932. 146.

Discount rates (Cont'd.)

Gov. Norman in cable to Gov. Harrison says he will probably further reduce the bank rate.
April 19, 1932. 146.

Gov. Harrison replies to Gov. Norman that lowering the bank rate may imply sympathy with our programme, and says our discount rate is ineffective and would be so even if reduced to 2½ or 2%; that the present rate may be ofsome advantage over lower rates by way of encouraging banks to use the reserves we are giving them.
April 19, 1932. 147, 148.

C.S.H. feels above cable indiscreet as showing our future discount policy without approval of Board.
April 19, 1932. 149.

C.S.H. predicts that Gov. Harrison before long will ask for higher discount rates to protect our gold reserve.

Gov. Meyer said present 3% rate is negligible.

C.S.H. said a 4% rate would not burden industry and might induce banks to loan more from the higher profit.

No one agreed with him.
April 19, 1932. 150.

Gov. Harrison in 1929 was willing to injure business by increasing, in order to smash the stock market.
May 10, 1932. 155.

Discounts, Refusal of.
See - Rediscounts
Refusal of rediscounts
Glass

District Committees
See - Committees, District

Divorce of affiliates
See - Security affiliates

Dodge, Clarence
We lunch with Mr. & Mrs.
Feb. 14, 1932. 73.

Dollar, American
Gov. Harrison said Willis was responsible for the distrust of, abroad.
Dec. 2, 1931. 1B

Dollar, American (Cont'd.)

Only danger is flight from, by hoarding.
Goldenweiser. June 9, 1932. 198.

Domination
Magee said Gov. Harrison was the dominating influence in the FR. System. Feb. 12, 1932. 67.

Drinnen, Chief Examiner. 7
See - Atlantic National Bank, Boston.

Dulles, John Foster
Told Board about his trip abroad, the Board having asked him before he sailed to inquire into condition and let Board know.

He said conditions were very unfavorable abroad as to our exports; that Germany, Czechoslovakia, Jugoslavia, and Poland were using every effort to keep on the gold standard to avoid the inflation through which they had passed and from which they had suffered so severely; that to this end they were cutting down imports to absolute necessities.

He said they would not buy a pound of cotton beyond absolute needs even if American credits were freely offered.

He said the American Committee was badly fooled in the "Stand Pat" agreement, which provided that certain special British credits, known as "Political" credits, were to have priority and that 250 millions of these credits had been paid; that the American bankers were outwitted by the British bankers and were pursuaded to agree to something they really did not understand, but which they should have understood.

C.S.H. remembers how the N. Y. Times eulogized Gov. Harrison for his splendid work in getting the New York banks to carry out the standpat agreement!
Dec. 11, 1931. 7, 8.

-E-

Earmarking
Gov. Harrison, in reply to Gov. Norman, says that, of gold seems logical if Norman is forced to increase her dollars; that he - Gov. Harrison - has no objection, and will be glad to accommodate him; that earmarking may be misinterpreted in U.S. and should be timed so as to have the least possible reaction against our programme. April 18, 1932. 146, 147.

Gov. Meyer says Gov. Harrison is considering asking Bank of France to earmark at once all of its deposits. All seemed to approve. June 9, 1932. 196.

Easy money policy
See - Open market policy

Economic agreements. 14.
See - Davis, Norman.

Economy bill.
This bill as passed by H.R. cut down salaries of Federal Reserve Board from $12,000 to $10,000 permanently, and then cut down the remainder by 11%.

Glass secured passage of an amendment inSenate exempting from 11% cut salaries not paid by U.S. Govt. and assessed against banks. June 6, 1932. 194.

C.S.H. told Miller of his letters to Glass and of above amendment. He did not dissent. June 7, 1932. 194.

C.S.H. told James and Floyd Harrison who approved.

C.S.H. read his letters to Glass to Floyd Harrison.

C.S.H. told also Morrill.

C.S.H. did not speak to Gov. Meyer as he was away, and prompt action had to be taken. June 7, 1932. 195.

Senate passed economy bill with above amendment. June 8,1932. 197.

Magee told C.S.H. that Gov. Meyer talked with him as to economy bill on their way to Richmond and approved all C.S.H. had done. June 9, 1932. 198.

See - Salaries

Eligibility, Eligible paper

Hoover in message to Congress favors broadening of eligibility in times of stress.

He said a majority of the Federal reserve bank Governors favored this.

He did not mention the Federal Reserve Board.
Dec. 8, 1931. 5.

The Board, except possibly Miller, all favored Federal Intermediate Credit bank debentures as collateral for F.R. notes.

Hoover evidently played off Gov. Meyer against the Board!
Dec. 8, 1931. 6.

The Governor, three dissenting, favoring Lombard loans in times of emergency. Dec. 8, 1931. 6.

Glass said Gov. Meyer was urging him to agree to have debentures of the proposed Reconstruction Finance Corporation serve as collateral for customers notes and member bank collateral notes.

Glass said Meyer not long ago told him he was as much opposed to this as was Glass. Dec. 16, 1931. 19.

The Reconstruction Finance Act, - H.R. bill - gave both above privileges.

Wyatt saw no reason for objecting.
Dec. 17, 1932. 21.

Glass said the above bill was now before his Committee and he was much disturbed by it.

C.S.H. said, in view of present emergencies he was not inclined to object to it.

C.S.H. said the Federal Advisory Council and the Governors favored broadening of eligibility and that the spirit of their recommendation would include this bill.

Glass asked for a copy of these recommendations.
Dec. 17, 1931. 23.

Eligibility, Eligible paper (Cont'd.)

Glass disapproved the eligibility provisions of the Reconstruction Finance Act.

He said it looked as if everything the administration wanted would be put through regardless of the injury to the F.R. System.

C.S.H. said that in present emergency it might be helpful, but did not want to see it permanent.

Glass said it would dump 2 billions into the F.R. System.

C.S.H. explained that discount of notes secured by such debentures or member bank collateral notes secured by them would carry a higher rate and banks would prefer to offer paper taking a lower rate.

Dec. 18, 1931. 24, 25.

Gov. Harrison told C.S.H. that he had been before the Senate Glass Committee and that Sen. Glass would fight the eligibility provisions.

Gov. Harrison said he agreed with Glass, and would prefer to have power given totake these debentures only in emergencies.

Dec. 19, 1931. 25, 26.

Gov. Meyer asked Board if it cared to take up the emergency eligibility amendments to F.R. Act.

C.S.H. asked if Board had been asked to report on it. Gov. Meyer said No.

Miller objected.

C.S.H. said Board should consider the provisions, reserving for future determination whether we should send our conclusions to the Committee.

All the members except Miller agreed to C.S.H. suggestion.

The Board, except Miller, was unanimous.

1. The one year limitation should be made extended for another year by unanimous vote of Board.

2. The limitation of relief to banks under $500,000 capital should be stricken out.

C.S.H. at first wanted the limitation to be fixed at 1 million dollars.

Eligibility, Eligible paper (Cont'd.)

Gov. Meyer said this would exclude the big banks which have to take of non-member banks.

C.S.H. accepted this reasoning.
Feb. 15, 1932. 74.

Miller said Hoover sent for him and asked him to try to persuade Glass to accept the emergency eligibility amendment.
Feb. 15, 1932. 75.

When the Board finished its discussion of the Glass emergency bill, it considered whether or not to send its conclusions to the Sub-committee uninvited.

Aye: Gov. Meyer, Magee
No: C.S.H., Miller, James
Motion failed.
Feb. 15, 1932. 76.

Board met to consider report of its experts on Glass bill.

C.S.H. suggested maturity of 90 days for member bank collateral notes secured by eligible paper.

Accepted by Board.

C.S.H. suggested higher rate on member bank collateral notes secured by Government bonds, said increase not to take effect for 3 years.

Much opposition to this and C.S.H. withdrew it.
Mar 27. 1932. 108.

C.S.H. at Open Market Conference favored loans for new construction altho they might not create eligible paper.
May 17, 1932. 163.

See - Federal Advisory Council
Glass bill
Governors Conference

Eliot, Mrs. Samuel. 121
See - Coolidge, Ex-President.

Elliott, Mr.
Tells Livingstone Wright he has no place for him in Statistical Division of Reconstruction Finance Corporation.
Mar. 5, 1932. 88.

Ely, Gov. Mass.
James McConnell said, was making a poor Governor, - bad appointments, - that he feared great scandals might arise.
Feb. 12, 1932. 71.

Embargo on trade.
C.S.H. feels that to put an end to all correspondent relationships with the Bank of France, would amount to an.
Jan. 19, 1932. 45.

Emergency
See - Eligibility
Federal Advisory Council
Glass emergency bill
Governors Conference

Emergency bill
See - Glass emergency bill

Ernst, Helen
Writes thanking C.S.H. for a copy of Dr. Butler's address.
Jan. 28, 1932. 51.

"Esquire"
C.S.H. noticed that letters addressed to the Board were sent to Eugene Meyer, Esquire, instead of Honorable.

A letter from Ogden Mills to C.S.H. had same title, - "Esquire"

C.S.H. spoke to Morrill and McClelland about this.

McClelland said that under Morrill's direction, he called up the Protocol division of the State Dept. and asked why "Esquire" had been substituted for "Honorable."

The clerk in the Division said that heads and vice heads of Boards and Commissions were designated as "Honorable" but other members as "Esquire"; McClelland then pointed out that Gov. Meyer was being addressed as "Esquire", and the clerk said this was an error and would be remedied.

McClelland pointed out that the Governor's status was not superior to that of the other members, but was, in fact, subject to their supervisition under th F.R. Act.
Feb. 2, 1932. 53.

"Esquire" (Cont'd.)

Morrill tells C.S.H. that he took up the question of "Esquire" through McClelland with the Protocol Division and repeated what McClelland stated above.

This action makes Board members rank with Chiefs of Divisions!
Feb. 11, 1932. 65, 66.

Ogden Mills acknowledges C.S.H. letter of congratulation by a letter addressed to C.S.H. "Esquire".
Feb. 17, 1932. 77.

Europe 7, 38.
See - Dulles, John Foster
Exports
Meyer, Gov.

Examination.6, 7.
See - Chase National Bank
Drinnen, Chief Examiner

Examiner, Federal reserve chief
Gov. Meyer presents name of Leo H. Paulger for, saying he made a wonderful record under Wra Finance Corporation.

Gov. Meyer before this told Board he had a man in mind for this place but never mentioned who he was until now.
Jan. 7, 1932. 38.

Expenses, Travelling
See - Economy bill
Salaries

Export trade
Dulles told Board that European conditions were unfavorable to our export trade; that Europe would limits its purchases to absolute necessities; that it would not buy a pound of cotton beyond its absolute necessities even though we freely extended credits for this purpose.
Dec. 11, 1931. 7, 8.

Gov. Meyer said we had better cease worrying about Europe, and pay attention to the domestic situation; that he was tired of the constant talk about our export trade; that maintenance of our export trade was absolutely inconsistent with maintenance of the American standard of living; that exports were being encouraged at the expense of our home trade; that we ought now to have an import balance.

This is pure isolation.

Jan. 7, 1932. 38, 39.

Eyes
See - Joslin, Dr.
Morrison, Dr.

-F-

Failed bank
See - Fancher, Gov.
Federal Reserve Bank, Cleveland
Standard Trust Co.

Fancher, Gov.
Gov. Meyer spoke contemptuously of, saying that when he called him up Saturday about the Standard Trust Co. he kept saying er - er - and he had been almost rude to him; that we ought to get another Governor next year.

Gov. Meyer said this habit meant mental sluggishness, but Miller - who has the same fault - said it meant mental degeneration.
Dec. 23, 1931. 30.

See - Federal Reserve Bank, Cleveland.

Federal Advisory Council
C.S.H 'told Glass that, favored broadening of eligibility and he asked C.S.H. to send him a copy of its recommendation.
Dec. 17, 1931. 23.

Invites Gov. Meyer alone to lunch.
A discourtesy to the Board members.
Feb. 15, 1932. 75.

Board meets with.

Recommended some changes in Glass emergency bill to about all of which C.S.H. agreed to.

The Council at its own meeting yesterday voted to ask Board to send Council's suggestions to Sen. and H.R. Committee, which Gov. Meyer told the Board he had done.
Feb. 16, 1932. 77.

Board received notice of a special meeting of the Council in Washington on Monday, Mar. 28th.
Mar. 26, 1932. 107.

Board met with Council.

The Council severely condemned the original Glass banking bill.

Many of its criticisms had been already made by Board in its report to Sub-Committee on Glass bill.
Mar. 29, 1932. 109.

Federal Advisory Council (Cont'd.)

The Governors, sitting on Open Market Committee, wrote Gov. Meyer that they agreed with the criticism of the Glass bill made by the Council.

This criticism was a criticism of the original bill.
April 13, 1932. 124.

C.S.H. writes an answer to Lichtenstein, secretary of the Council, criticising his statement in an address before the Minneapolis Chapter of the N.W. Bankers Association, expressing the opinion that the Board neglected to reverse its policy of easy money because of the impending Presidential election of 1928.

C.S.H. sent a copy to each member of the Council.
May 19, 1932. 164, 165.

See - Lichtenstein.

Board meets with Council.
Most of the discussion turned on Traylor's suggestion that more long term bonds should be bought, under the open market purchases.

Gov. Meyer and Miller opposed this as ground that it would tie up the F.R. System, and if they had to sell them it would break the long term market.

Traylor said buying only short term bonds injured the long term bond market.

It was pointed out that short term bonds liquidated themselves.

Traylor said he advised Gov. McDougal to vote for the present open market policy, and said had no objection to trying it out, although he could not see that it had accomplished much, if anything. He denied that it had stopped withdrawal of deposits; at the beginning, many members seemed to sympathize with Traylor, but when the discussion was finished, most or all seemed to feel the Board's policy as to buying short term bonds was correct.
May 24, 1932. 174, 175.

The Council said nothing as to Lichtenstein's attack but as the Board was leaving, the presiding officer called the Council together saying there was another matter to discuss.

Miller felt sure this had to do with Lichtenstein.
May 24, 1932.

See - Lichtenstein.

Federal Advisory Council (Cont'd.)

C.S.H. has received replies from some of the Council as to his letter to Lichtenstein.

Most of them said they would read it.

Treman said vaguely that it would be better if, in the future, such criticisms should be avoided.

Smith, of St. Louis, the President of Council, frankly condemned the letter. May 28, 1932. 181.

Federal Farm Board
Gov. Meyer said he would be glad to loan on cotton except for the unfortunate analogy of the.
May 26, 1932. 177.

Federal Farm Loan Board. 12, 24.

See - Harrison, Floyd
Morrill

Federal National Bank, Boston
C.S.H. and Curtiss put matter of closing up, to Comptroller 2 years ago, but nothing was done by him.
Dec. 17, 1931. 20.

See - McConnell, James E.

Federal Reserve Act
See - Eligibility
Glass emergency bill
Glass bill

Federal Reserve Bank, Boston
Gov. Young says reduction of salaries is inevitable.
May 17, 1932. 163.

Federal Reserve Bank, Chicago
See - McDougal, Gov.

Federal Reserve Bank, Cleveland
Reported that the Standard Trust Co., a non-member labor bank, was in trouble and that it had notified it that it would no longer clear its checks as it had a clearing balance of only $16,000 instead of its required deposit of $500,000.

Miller telephoned the White House and directed Gov. Fancher to revoke the refusal.

Federal Reserve Bank, Cleveland (Cont'd.)

The State Superintendent, however, closed the bank today.

Miller never mentioned this to C.S.H. who is a member of the Cleveland Committee, although C.S.H. was there all Saturday morning until the Department closed!
Dec. 19, 1931. 27, 28.

C.S.H. appointed on Cleveland Committee for 1932.
Dec. 30, 1931. 34.

See - Fancher, Gov.

Gov. Meyer is to go to Cleveland next week to form a District Committee.
May 31, 1932. 183.

Gov. Meyer told Board of the Cleveland meeting - a great success; that there were 175 applications for new credit.
June 3, 1932. 189, 190.

Federal Reserve Bank, New York (See also, Harrison, Gov.)

Gov. Norris told C.S.H. that the Governors Conference felt that the N. Y. City banks should increase their rediscounts with, and that the Conference would not help them to increase their already great liquidity by the purchase of Govt. securities.
Dec. 2, 1931. 1.

Dispatch from State Dept. was read to effect that the Assistant to Gov. Moret of Bank of France told a member of the Embassy that the Federal Reserve Bank of New York had asked Bank of France not to withdraw its deposits without notice, and that Bank of France had consented on condition that the F.R. Bank of New York would not inflate.

C.S.H. also referred to letter of Mark Sullivan stating that the Hoover-Laval agreement provided that Bank of France would not withdraw its deposits without specific notice.

Gov. Harrison said their reports were absolutely false.

Dec. 2, 1931. 1-B, 1, 2.

See - Harrison, Gov.

Floyd Harrison said the State Dept. sends all dispatches affecting the F.R. Bank of N.Y. directly to it.
Dec. 7, 1931.

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

C.S.H. made Chairman of Committee for Federal Reserve Bank, N. Y.
Dec. 30, 1931. 34.

Glass told C.S.H. that the foreign loan policy of Federal Reserve Bank of N. Y. had practically bankrupted it.
Jan. 28, 1932. 49.

See - Harrison, Gov.

Glass told C.S.H. that his banking bill was directed against the domination of the F.R. Bank, N. Y.
Jan. 28, 1932. 51.

Board members feel it desirable for, to lower discount rates to help recovery. Feb. 24, 1932. 83.

Gov. Meyer told Board that, excepting only Rounds who was fairly efficient and experienced in banking, there was not a practical bank man in the F.R. Bank of N. Y.

He specifically referred to Gov. Harrison, Case, Burgess, and Crane.

He spoke almost with contempt about Sailer.
Mar. 3, 1932. 85, 86.

C.S.H. tells Glass of attitude of F.R. Bank as to control of speculation - only through the discount rate; that it even disagreed with the Board as to its public warning of Feb. 7, 1929.
Mar. 21, 1932. 99 (1)

C.S.H. told Glass he knew of no specific instance in which, actually refused discounts. Mar. 21, 1932. 99 (1) (2)

Gov. Meyer told C.S.H. a year ago that Board should have approved the 6% rate asked for by, in 1929; that it would have met the situation. Mar. 31, 1932. 111.

C.S.H. refers to excessive purchase ofacceptances by, in Fall of 1928.
April 18, 1932. 145.

Adjustment of salaries at, said by Gov. Harrison to be inevitable.
May 17, 1932. 163.

Gov. Meyer attended meeting of directors of.
May 19, 1932. 165.

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

Gov. Meyer attends dinner in New York with the Federal reserve bank directors, et al, at which the N. Y. District Committee was decided upon.
May 19, 1932. 167.

Lichtenstein told C.S.H. that Prof. Bullock of Harvard told him of the excessive purchases of acceptances by, in Fall of 1928.
May 22, 1932. 171, 172.

See - Harrison, Gov.

Federal Reserve Bank, Philadelphia
C.S.H. appointed on Phila. Committee.
Dec. 30, 1931. 34.

Gov. Meyer goes to, next week. May 31, 1932. 183.

Did not ask C.S.H. to go, although he is on Phila. Committee.
May 31,1932. 184.

Gov. Meyer tells Board of Phila. meeting.
189, 190.

Federal Reserve Bank, Richmond.
C.S.H. made Chairman of Richmond Committee.
Dec. 30, 1931. 34.

C.S.H. addresses stockholders meeting of. Magee went with him.
April 15, 1932. 127.

Federal Reserve Bank, St. Louis
C.S.H. appointed on Committee. Dec. 30, 1931. 34.

Federal Reserve Bank, San Francisco
Reduction in salaries inevitable.
May 17, 1932. 163.

See - Agnew
Anglo-American Trust Co.
Calkins, Gov.
Committees, District
Transamerica Corporation

Federal reserve banks
Governors unanimously opposed Coker plan for reduction of salaries.
Dec. 2, 1931. 3.

Gov. Harrison said two courses open to F.R. banks; - a bold course by buying Govt. securities to prevent further withdrawals of deposits, or, keepthemselves liquid to meet withdrawal of

Federal reserve banks (Cont'd.)

deposits, now being withdrawn at rate of 25% per year.

He advised taking the bold course.

Jan. 11, 1932. 41 (1)

See - Open market policy.

C.S.H. said he favored giving power to buy commercial paper in the open market, not in competition with member banks, but to help them in times of stress; that when confidence returned the member banks would buy such paper back from F.R. banks; that the first draft of F.R. Act empowered F.R. banks to buy even from individuals but later this was omitted.

Gov. Seay asked if he meant that F.R. banks should buy commercial paper from banks.

C.S.H. said he would certainly favor allowing Federal reserve banks to buy commercial paper from member banks, in times of stress, without their indorsement; that the Board considered such a plan during the war.

April 22, 1932. 122, 123.

C.S.H. introduces a resolution calling for a survey of conditions by each Federal reserve bank.

Gov. Meyer objected to word "survey"

Finally a telegram was sent each Federal reserve bank toform a District Committee.

May 23, 1932. 168.

C.S.H. agreed with Miller that we should have a conference in Washington to prepare a programme for the District Committees.

Gov. Meyer objected and said each Federal reserve bank would prepare its own programme.

May 23, 1932. 169.

Miller is working on a circular to each Federal reserve bank forbidding payment out of gold except to foreign depositors.

June 4, 1932. 192.

See - Discounts, Refusal of.
Glass bill

Federal Reserve Board

Approved renewal of Austrian and Hungarian credits.

Jan. 8, 1932. 39.

Federal Reserve Board (Cont'd.)

Board voted to wire Gov. Calkins to ask the parties in the Transamerica Corporation controversy to agree to a Committee of 3, the 3rd to be appointed by the Reconstruction Finance Corporation or the Federal Reserve Board, to iron out the differences.

Feb. 1, 1932. 52.

Board voted not to send its comments on the Glass emergency bill, in absence of request from the Senate Sub-Committee.

Aye: Gov. Meyer, Magee
No: C.S.H., Miller, James

Feb. 15, 1932. 76.

Board approved charge imposed on Atlantic National Bank for exercising its subsidiary.

C.S.H. voted No.

Feb. 15, 1932. 76.

Cong. Howard attacks Board at a dinner at Woman's National Democratic Club.

H.P.H. floored him afterwards.

April 11, 1932. 122.

See also:

Anglo-American Trust Co.
Burgess
Chase, Howland
Chase Natl Bank.
Committees, District
Committess, F.R.
Community Chest
Conferences
Dawes, Charles G.
Discount rates
Domination
Economy bill
Eligibility
Federal Advisory Council
Federal Reserve Bank, N. Y.
Federal reserve banks
Federal reserve notes
Glass bill
Glass emergency bill
Goldenweiser

Federal Reserve Board (Cont'd.)

See also:

Governors Conference
Hamlin, C. S.
Harrison, Floyd
Harrison, Gov.
Hoover
Lichtenstein
Member bank collateral notes
Meyer, Gov.
Miller, Adolph
Mills, Ogden
Morrill
Open market policy
Paulger
Reconstruction Finance Corporation
Secretary of Treasury
Security affiliates
Smead
Title, Board member
Transamerica Corporation
Wyatt

Federal reserve credits

Board voted to renew Austrian and Hungarian credits.
Jan. 8, 1932. 39.

Federal reserve Chief Examiner.
38, 197.

See - Paulger

Federal reserve notes

Gov. Harrison said he had suggested to Glass an amendment providing that Federal reserve notes may be issued against any collateral which Federal reserve banks are authorized to require, - specifically, Govt. securities.

He said the necessity of pledging gold in place of commercial paper was becoming a menace to the System.
Jan. 11, 1932. 41.

C.S.H. said we could not ask Bank of France to withdraw her deposits unless an amendment were passed authorizing pledge of Government bonds as collateral for.
Jan. 19, 1932. 44.

C.S.H. told Glass that if any collateral were necessary for Federal reserve notes, he should prefer eligible paper to Govt. bonds, but that this was hardly the time to

Federal reserve notes (Cont'd.)

exempt them from all collateral, altho C.S.H. believed none was necessary as they are a first lien.
Jan. 28, 1932. 50.

At Governors Conference some thought the gold behind F.R. notes should be drawn down at once under the Glass emergency bill.

Gov. Meyer suggested drawing down gold enough to keep the free gold at 500 million.

Others favored doing nothing until an emergency should arise.

C.S.H. opposed taking it down at once.
Feb. 24, 1932. 81.

Willis draft for Glass Committee ~~extended~~ limited domestic acceptances as collateral for F.R. notes.
Mar. 14, 1932. 92.

Federal Reserve System.

Gov. Harrison attacked Willis for his untrue and unpatriotic articles attacking.
Dec. 2, 1931. 1-A.

Miller said that some years ago Hoover asked him to go over his annual message; that it contained extravagant praise for the F.R. System; that he, Miller, told him he was ashamed of the F.R. System; that by its open market operations it encouraged a secondary speculative movement in 1931; that, later, Hoover told him the F.R. System was a failure.
Feb. 9, 1932. 59.

C.S.H. criticises Gov. Harrison's exchange of cables with Gov. Norman for disclosing policies, present and future, of the Federal Reserve System without previous authority from the Board.
April 19, 1932. 149.

C.S.H. fears that Gov. Harrison's presence at White House at a conference with Republican leaders, may be used as basis for a charge of political work on Gov. Harrison's part.
June 5, 1932. 193.

Fiery, Mrs.

Bishop Lawrence, with his daughters, Mrs. Slattery and, called on us.
May 6, 1932. 153.

Finley, David C.
Attends decoration of Mrs. Wilson by Polish Ambassador and lunch.
Dec. 16, 1931. 17.

Fletcher, John
Henry Wright said that, the old Postmaster at Westford died years ago.
Jan. 6, 1932. 37.

Flight from the dollar
Goldenweiser says there is no danger from gold exports; that the only danger is from, through hoarding.
June 9, 1932. 198.

Foreign depositors
Miller is preparing for consideration a draft directing F.R. banks not to pay out gold except to meet demands of.
June 4, 1932. 192.

Foreign loan policy
Glass said Gov. Harrison's, had practically bankrupted the F.R. Bank of N. Y.
Jan. 28, 1932. 49.

Fort Myer. 187
See -Myer, Gertrude

France
43, 44, 45, 46.

See - Bank of France
Austro-German tariff agreement.

Frankfurter, Felix
140, 143, 144.

See - Chase, Howland

Fraxer, Mrs.
We lunch with.
Jan. 10, 1932. 40

Lunches with us to meet Count John Bentink and Baroness Van Heckeren.
May 22, 1932. 167.

Free gold. 81
See - Federal reserve notes

Freeman, Bishop 9
See - Anderson, Larz

Friction
See - Dawes, Charles G.
Meyer, Gov.

Frozen German acceptances
C.S.H. feels that the 30 millions of, held by Warburg's bank - the International Acceptance Bank - is the cause of Warburg's illness.
Dec. 17, 1931. 21.

Furlough, Economy bill
Senate passed economy bill last Saturday striking out the H.R. salary cut and substituting an enforced 30 day furlough.
June 9, 1932. 197.

Furniture, Antique
C.S.H. sent to H.C. Valentine & Co., Richmond, a photograph of our side board in Mattapoisett dining room.

The firm replied, Dec. 21, 1931, that:

"The photograph shows the picture of a very fine Sheraton sideboard, and under normal conditions it is quite expensive, but as antiques are worth now, the price has greatly shrunk as you doubtless know. If the Board is original throughout and is an antique, the retail price would be about $1500."

On Dec. 12th the firm wrote that the price of their side board of which C.S.H. had seen an advertised photograph, was $2250 but they would sell it for $1100.

This latter piece is exactly like C.S.H. Swan Tavern, Yorktown sideboard.
Dec. 22, 1931. 29.

Last week C.S.H. wrote Valentine & Co. that Koopman once valued his Mattapoisett Sheraton sideboard at $2500, but that he might be willing to sell it for $2000.

Dec. 29, 1931, Valentine replied that no doubt the sideboard was worth $2500 some years ago, but under present conditions it was almost impossible to secure a reasonable price, and he did not believe it would bring $2000 today.
Dec. 29, 1931. 34.

-G-

Garner, Cong.
Attacks Hoover and Republicans for claiming credit for emergency legislation which was entirely non-partisan.
Feb. 21, 1932. 79.

Miller said that statement of, that if Hoover would keep quite for 30 days, the situation would clear up, while not in good taste, yet was in part justified.
May 23, 1932. 170.

German acceptances 21.
See - Warburg, Paul.

Germany
See - Curtius
Austro-German tariff agreement
Dulles

Gilbert, Mr.
We meet, author of "Mirrors of Washington" at dinner with Robert Lincoln O'Brien. April 7, 1932. 118.

Gifford, Cong.
Writes C.S.H. as to cranberry loans. 78.

Gillett, Sen.
Thanks C.S.H. for humorous letter of Sen. Hoar to C.S.H. as to his lack of appreciation of music, in relation to Prof. Paine's opera of Azara. Says he will use it in his book.
May 31, 1932. 185.

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GLASS. GLASS BANKING BILL. GLASS CURRENCY BILL.
GLASS EMERGENCY BILL.

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26, 27,33, 55, 78, 80, 87.

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Glass, Glass bill, Glass emergency bill.

1. Gov. Harrison said the N. Y. Journal of Commerce published the Reserve Committee report before it was released; that he believed Willis got a copy from Glass and gave it to N. Y. Journal of Commerce in violation of Glass's confidence.

Dec. 2, 1931. 1-B.

2. Glass called on C.S.H.

He said Gov. Meyer was urging him to agree to have debentures of the proposed Reconstruction Finance Corporation made eligible as collateral for member bank collateral notes and for customers notes; that Gov. Meyer only recently told him he was absolutely opposed to this.

Dec. 16, 1931. 19.

(Page 69 follows)

Glass, Glass bill etc. (Cont'd.)

3. Glass said he had talked with Hoover several times during the last three weeks, the last time only two days ago; that Hoover was densely ignorant, pitifully ignorant, on banking questions.
Dec. 16, 1931. 19.

4. Glass said that the statement of McAdoo in his book that he really did not want the central bank he advocated to Glass, and that when he told Glass he wanted it there was a "twinkle in his eye", - was a deliberate lie; that he knew that McAdoo pleaded for it with Noyes of the N. Y. Times and begged him to support it.
Dec. 16, 1931. 19, 20.

5. Glass said the Sub-Committee would cooperate with him in every way and that they would be unanimous.
Dec. 16, 1931. 20.

6. Glass said he had adopted Miller's draft giving power to Federal Reserve Board to refuse discounts.
Dec. 16, 1931. 20.

7. Glass said he would like to go over the whole proposed bill with C.S.H. in conference.
Dec. 16, 1931. 20.

8. Glass said Gov. Harrison's charges vs. Willis were not true; that he had carefully investigated the matter.
Dec. 16, 1931. 20.

9. Glass called up C.S.H. at 7:15 p.m. and said the emergency bill was before his Committee and he seemed much disturbed about it.

C.S.H. said he was studying it and was inclined to offer no objection, in view of present critical conditions.

C.S.H. told Glass the Federal Advisory Council and the Governors favored broadening of eligibility and that the spirit of their recommendations would seem to include the changes in eligibility covered by this emergency bill.

Glass asked C.S.H. for a copy of these recommendations.
Dec. 17, 1931. 23, 24.

Glass, Glass bill etc. (Cont'd.)

10. Glass telephones C.S.H. that James and Magee had been confirmed by the Senate.
Dec. 18, 1931. 24.

11. Glass expressed to C.S.H. deep disapproval of the Reconstruction Finance bill. He said it looked as if everything the administration wanted would be put thru regardless of its effect on the F.R. System.

C.S.H. said that in the present fearful emergency he felt the bill might do good, altho he agreed with Glass that it should be temporary and not permanent.

12. Glass said it would dump two billions of debentures into the F.R. System.

C.S.H. explained that advances against member bank notes collateralled by such debentures would carry a higher rate and that, consequently, the member banks would offer other eligible paper before the debentures.
Dec. 18, 1931. 24, 25.

13. C.S.H. met Gov. Harrison in the Treasury corridor.

He said he had just been before the Glass Sub-Committee on the Reconstruction Finance bill; that Glass would fight the eligibility provisions; that he agreed with Glass; that he would prefer to have the power to take debentures limited to emergencies.
Dec. 19, 1931. 25, 26.

14. Gov. Harrison told Board he had suggested to Glass an amendment permitting issue of F.R. notes against any collateral which F.R. banks are now permitted to acquire, - meaning specifically, Government securities.
Jan. 11, 1932. 41.

15. N. Y. Journal of Commerce publishes contents of Glass Sub-Committee report.

McClelland called up Glass's secretary who said no copies would be ready until afternoon.
Jan. 22, 1932. 47.

16. C.S.H. got a copy at 4 p.m. very crudely drawn.

The rediscount clause would force every member bank to withdraw from the F.R. System. Jan. 22, 1932. 47.

Glass, Glass bill etc. (Cont'd.)

17. The whole force of the Federal Reserve Board spent the day in going over the Glass bill.
Jan. 24, 1932. Sunday. 48.

18. The Glass bill is filled with contraction features.

See Goldenweiser's memorandum. Scrap book.
Jan. 25, 1932. 48.

19. Glass called up C.S.H.
He was very bitter towards Gov. Harrison and the F.R. Bank of N.Y.
He said that Gov. Harrison, by his foreign loan policy, had practically bankrupted the F.R. Bank of N.Y.
Jan. 28, 1932. 49.

Glass told Gov. Meyer he would like Board's comment on the Glass bill.

Board sent circular to every F.R. bank receiving replies from all except F.R. Bank of N.Y.

Did not send these to Glass, as his bill had been temporarily displaced for emergency bill.
Jan. 26, 1932. 49

See infra, 86.

20. Glass was very bitter as to bond secured member bank collateral notes, saying that they were greenbacks to all intent and purpose; that if we are to have a bond secured currency it would be better to let the national banks issue it.

C.S.H.advised postponing the question for the present.

Glass said he had agreed to give the banks two years to put commercial paper behind the member bank collateral notes in lieu of Govt. bonds; that Governor Harrison told him the banks had plenty of commercial paper and could make the exchange within3 months.
Jan. 28, 1932. 49.

See - Meyer, Gov.

21. C.S.H. told Glass he was opposed to having the Board fix a percentage for speculative loans.

Glass replied that Miller wrote this provision!
Jan. 28, 1932. 50.

Glass, Glass bill etc. (Cont'd.)

22. Glass defended Willis's draft saying he had merely put in shape what many banks had long ago mildly suggested.
Jan. 28, 1932. 50.

23. C.S.H. said that if any collateral was needed by F.R. notes, which he doubted, he preferred eligible paper rather than Government bonds, but that this was not the time to make radical changes.
Jan. 28, 1932. 50.

24. Glass said the power to make advances on member bank collateral notes was granted as a war measure under an agreement to repeal it when the war was over.

C.S.H. said we are now in an economic war causing greater suffering than the world war.
Jan. 28, 1932. 50.

25. Glass said his banking bill was aimed at the domination of the F.R. Bank of N.Y.
Jan. 28, 1932. 51.

26. Gov. Meyer told Board that the Glass Sub-Committee had asked Goldenweiser and Burgess to sit with them and go over the Glass bill.

He did not mention the conference at his house yesterday at which Gov. Harrison (or possibly Floyd Harrison), Burgess, Goldenweiser and Wyatt were present.

Wyatt said that while in Ogden Mills's office he heard him call up Gov. Harrison and direct him to send Burgess down.

Neither Miller nor any of the Board knew of this.
Feb. 1, 1932. 52.

27. C.S.H. wished to send Glass a copy of Wyatt's analysis of the Glass bill, but as all of the Board objected C.S.H. said he would abide by its decision.
Feb. 2, 1932. 53.

28. Robert Luce told Platt that Glass would be given a week to straighten out his bill, and that if not done by that time the matter would be taken out of his hands.
Feb. 3, 1932. 54.

Glass, Glass bill (Cont'd.)

29. C.S.H. goes over Glass bill briefly with Cordell Hull.
Feb. 5, 1932. 55.

30. C.S.H. can not understand how Glass could have reported his banking bill without first having consulted the F.R. Board.
Feb. 5, 1932. 55.

31. C.S.H. believes Willis has "put it over" on the Glass Sub-Committee.
Feb. 5, 1932. 55.

32. C.S.H. spent the day in preparing a new draft of Sec. 3, Glass bill, as to control of speculation and penalizing of member banks abusing F.R. facilities.
Feb. 8, 1932. 56.

33. C.S.H. called up Goldenweiser and asked when his and Burgess' report to Glass Sub-committee would be ready. He said not before tomorrow, Sunday, night. C.S.H. said he wanted a copy as soon as possible, and Goldenweiser said he would give him one.
Feb. 6, 1932. 56.

34. Wyatt told C.S.H. the other day that Goldenweiser Committee had decided to recommend striking out of Glass bill everything relating to the power to penalize banks for abuse of F.R. facilities.
Feb. 8, 1932. 56.

35. C.S.H. calls up Goldenweiser and asks if his report on Glass bill is ready. He said Yes, that he had given a copy to Glass Sub-committee and one to Gov. Meyer.

C.S.H. asked if the other Board members were not to have copies.

He said Yes, probably at this time - 4 p.m. tomorrow.

C.S.H. said he wanted very much to study it tonight and asked him to send a copy to C.S.H. at Hay-Adams House. He said he thought he could do this.

His hesitant manner satisfied C.S.H. that Gov. Meyer must have directed him not to show it to any member. This seems extraordinary to C.S.H.
Feb. 8, 1932. 57.

36. The N. Y. Journal of Commerce stated this morning that the recommendations of the F.R. Board would be in the hands of the Glass Committee this morning; also that Glass would hold up his bill until the administration officially presented to him its objections to the bill.
Feb. 8, 1932. 56.

Glass, Glass bill etc. (Cont'd.)

37. Goldenweiser loans C.S.H. for over night a copy of his and Burgess' report on Glass Sub-committee bill.

The report advised dropping many of the contraction provisions of the bill.

It recommended striking out Sections 3 and 9, giving power to suspend offending banks from F.R. facilities.

It favored Lombard loans in times of stress and emergency.
Feb. 8, 1932. 58.

38. C.S.H. met Burgess at lunch at Cosmos Club. He said Glass went over their report in very reasonable frame of mind, accepting some suggestions and considering others.
Feb. 9, 1932. 58.

39. C.S.H. told Burgess there must be a vote in Congress on the power to penalize offending banks.

Burgess said it was distinctly possible that some such power might be agreed upon.
Feb. 9, 1932. 58.

40. C.S.H. reread Gov. Harrison's testimony before the Sub-committee and found that he specifically presented to Glass and favored a grant of power to penalize offending banks; that he said he had advised the Board when he was its counsel, that the power existed now; that the explicit grant of such power would strengthen the Board.
Feb. 9,1932. 59.

41. Miller told C.S.H. that Hoover hated the N.Y. banks but also feared them, but that no one could tell what his attitude would be as to the power to penalize them under Sec. 3 of the Glass bill.
Feb. 9, 1932. 59.

42. Miller said Glass asked him to call last night, and he spent two hours with him, and went over the proposed Glass bill.

Miller did not say what he said to Glass.

Miller said Glass asked as to C.S.H.'s views and particularly as to Sec. 3.

Miller suggested to Glass to ask C.S.H. for his views in general

Glass, Glass bill etc. (Cont'd.)

42. (Cont'd.)

but that as to penalizing the banks, C.S.H. stood with Glass, although he had made a draft rewriting Sec. 3.
Feb. 10, 1932. 60.

43. Glass told Miller that he understood that the F.R. Board had authorized Burgess and Goldenweiser to present, by their report, the views of the F.R. Board.
Feb. 10, 1932. 60.

44. Glass asked Miller to submit his views on the bill.

Miller said C.S.H. should send him his views.

C.S.H. said he would if Glass asked for them.

Miller said C.S.H. could consider, from what Glass said to him, that he had asked for his views.
Feb. 10, 1932. 60, 61.

45. Miller said later that Glass had telephoned that he could meet Miller this morning, as he had agreed to do, as he had to meet Hoover at the White House.
Feb. 10, 1932. 61.

46. C.S.H. then wrote Glass a letter stating that Burgess and Goldenweiser had no authority to express any views except their own in their report; that he did not know nor, so far as he knew, did any member know, what the report contained before it had been given to the Glass Committee.

C.S.H. said at first in his letter that while many of their suggestions were helpful, he was unalterably opposed to their suggestion that Sec. 3 be stricken out.

Miller approved this letter.

Gov. Meyer was over at the Reconstruction Finance Corporation so C.S.H. could not show it to him.

C.S.H. then showed it to Morrill who suggested that he omit the reference to Sec. 3, for the following reason and C.S.H. sent the letter with the part omitted.
Feb. 10, 1932. 61, 62, 63.

Glass, Glass bill etc. (Cont'd.)

47. Morrill told C.S.H. that at the Conference called by Hoover at the White House, at which Glass was present, an agreement was reached to divide the Glass bill into two parts, - 1. emergency legislation; 2. the rest of the bill; that it was agreed to press 1 and to postpone 2 for the present.

Feb. 10, 1932. 62.

48. C.S.H. struck out the part objected to by Morrill on the ground that consideration of Sec. 3 had been postponed, and Morrill approved the letter.

C.S.H. said in the letter that if Glass wanted to confer with him at any time he would be ready and glad.

Feb. 10, 1932. 62, 63.

49. Miller shows C.S.H. a draft defining F.R. facilities.

C.S.H. said it would debar any bank carrying a single speculative loan from discounting eligible paper.

Miller finally agreed to insert that the primary purpose of the act was to care for business, and also to insert the word "undue", to which Miller agreed.

It then read:

> The primary purpose of the F.R. Act is defined to be the accommodation of industry, trade, and agriculture, the protection of depositors of member banks and the maintenance of economic and financial stability in the U.S.
>
> The Federal Reserve Board and every F.R. bank shall therefore exercise care to protect the resources of the F.R. System from undue diversion into security financing and speculative uses.

Feb. 10, 1932. 63, 64.

50. Miller later added another clause empowering the Board to frame regulations as to the use of F.R. credit.

Feb. 10, 1932. 64.

C.S.H. finally accepted the whole draft of Miller and authorized him to say so to Glass.

C.S.H. said he reserved the right to send Glass his own substitute for Secs. 3 and 9.

Feb. 10, 1932. 64.

Glass, Glass bill (Cont'd.)

51. How Morrill knew of the above White House agreement is a mystery to C.S.H.

Evidently outside forces are at work dominating or setting aside the Board.
Feb. 10, 1932. 64.

52. N. Y. Times gives an account of the above White House agreement.
Feb. 11, 1932. 65.

53. N. Y. Times says that after the Hoover conference, there was a conference between Glass, Gov. Meyer, Morrill, Burgess, et al. No member of the Board was informed of this!
Feb. 11, 1932. 65.

54. Gov.Meyer tells Board about the Hoover breakfast agreement as to emergency legislation, at which Glass was present.
Feb. 11, 1932. 65.

55. Wyatt said that after the White House agreement there was a conference in the Board room at which Sen. Wolcott, Floyd Harrison, Morrill, Goldenweiser, and he were present.

Where was the Federal Reserve Board?
Feb. 11, 1932. 65.

56. C.S.H. sends to Glass a draft of revision of Sec. 3, with a memorandum stating that it represented merely his own personal views and not those of the Board, no member of which had seen it.

C.S.H. later gave a copy to each member of the Board.
Feb. 11, 1932. 66.

57. There is a dispute as to what was agreed upon at the Hoover conference.

Glass insists it was agreed that the emergency powers should be limited to one year.

The others contend that it was agreed that the Board should be given power to extend this time for cause.
Feb. 12, 1932. 66.

58. Goldenweiser told C.S.H. that Ogden Mills, Gov. Meyer, and he went before the H.R. Committee to urge extension of the one year limit.

Gov. Meyer never told Board of this!
Feb. 12, 1932. 67.

Glass, Glass bill (Cont'd.)

59. Magee complained to C.S.H. that he knew nothing of what was going on as to the emergency bill.

C.S.H. said he knew as much as he did!
Feb. 12, 1932. 67.

60. Miller said he had not been consulted either; that he really preferred not to be consulted; that those responsible must fear the responsibility.

The Board has practically ceased to exist!
Feb. 12, 1932. 67.

61. While at Gov. Meyer's house at the reception to Winston Churchill, Gov. Meyer, before C.S.H., telephoned Ogden Mills and discussed plans for approaching various members of H.R. and Senate to induce an extension of the one year time limit of the Glass emergency bill.
Feb. 12, 1932. 70.

62. The Glass emergency bill is being pressed as an administration measure, without any consultation with the F.R. Board.

C.S.H. believes this is why Glass hesitates, - he looks on the whole emergency plan as Republican politics, - which of late it certainly has become.

C.S.H. believes that if he and Miller had been pushed forward and not ignored, the path of the emergency bill would have been easier. Feb. 12, 1932. 70.

63. Glass called up C.S.H.

He said he had received C.S.H.'s draft of Sec. 3; that Miller was to go over his draft with him tomorrow afternoon.

He said C.S.H.'s draft was weaker than his, - especially the word "primary".

C.S.H. said that Glass's draft literally construed, would shut the discount window to any bank carrying a single speculative loan.

Glass denied this, saying that a bank could discount even if 50% of its loans were speculative, but that it simply could not increase said loans while it had out its collateral member bank advances on penalty of losing the privilege.

Glass, Glass bill etc. (Cont'd.)

63. (Cont'd.)

C.S.H. said he was referring to discounts, and that Sec. 3 should be changed.

C.S.H. said the power to penalize offending banks was of vital importance, to which Glass agreed.
Feb. 13, 1932. 72.

64. Glass said the Wall Street banks through Gov. Harrison were fighting Sec. 3.

C.S.H. pointed out that his memorandum to Glass accompanying his draft of Sec. 3, pointed out that Gov. Harrison in his testimony before the Glass Committee favored the right to close the discount window to offending banks.

Glass said Yes, but Wall Street has forced him now to object to it. Feb. 13, 1932. 72, 73.

65. Glass said the Sub-committee never invited Burgess and Goldenweiser to assist it; that on the contrary, Hoover told him at the White House Conference that they were appointed to represent the F. R. Board, adding that the administration would stand behind and press for any amendment agreed upon by Sen. Walcott, Republican, Glass, Democrat, and Burgess and Goldenweiser, representing the F.R. Board.
Feb. 13, 1932. 73.

66. Gov. Meyer asked Board if it would take up and consider the Glass emergency bill.

C.S.H. asked if the Committee had asked the Board to report on it.

Gov. Meyer said No.

Miller objected to considering it at all.

C.S.H. said we should consider it and later decide as to sending its conclusions to the Committee.

C.S.H.'s view prevailed.
Feb. 15, 1932. 74.

Glass, Glass bill (Cont'd.)

67. All of the Board, except possibly Miller, agreed that the one year limit should be made extendable for another year by a unanimous vote of the Board; also that the limitation of relief to banks under $500,000 capital, should be stricken out.

C.S.H. at first favored extending the limit to 1 million dollars but Gov. Meyer pointed out that any limitation would exclude big banks which have to help non-member banks, and C.S.H. accepted this and favored no limitation.
Feb. 15, 1932. 74.

68. Miller said Glass came to his home yesterday but was called away by Sen. Wolcott; that Glass was in a fairly quiet mood; that he said he would carefully go over Miller's and C.S.H.'s drafts; that he feared they were not strong enough; that there was an overwhelming sentiment in Congress favoring the disciplining of member banks for undue use of F.R. facilities.
Feb. 15, 1932. 75.

69. Miller said Hoover sent for him yesterday afternoon and that before leaving, Hoover said he hoped Miller would use his influence with Glass towards straightening out the emergency bill; that he had no doubt but that Hoover was asked by some one to make this request.
Feb. 15, 1932. 75.

70. Federal Advisory Council makes a few suggestions as to Glass emergency bill, C.S.H. agreed to about all of them.

The Council voted at its separate meeting yesterday to ask Board to send them to Senate and H.R. Committee.

Gov. Meyer told Board he had already done this.
Feb. 16, 1932. 77.

71. The Democrats are very bitter against the Republicans for claiming credit for the emergency bill and similar legislation.

Garner attacks Hoover bitterly.
Feb. 22, 1932. 79.

72. Governors Conference.

Governor Meyer referred to a conference yesterday at the

Glass, Glass bill (Cont'd.)

72. (Cont'd.)

Treasury regarding the emergency bill at which he, Gov. Harrison, and Glass were present. None of Board knew of it.

Feb. 24, 1932. 80.

73. Governors considered subject of regulations under Glass emergency bill.

Gov. Harrison said the regulations should be:

1. Federal reserve banks may issue emergency loans up to say 100% of banks surplus, or

2. Decide each case as it should arise.

He favored 1.

As to substitution of Government bonds for gold behind Federal reserve notes, some thought it should all be done at once.

Gov. Meyer favored increasing the free gold to say 500 million and keeping it there.

Some favored doing nothing until the contingency arose.

C.S.H. pointed out that the emergency bill was primarily passed to:

1. Provide against investments in non-eligible paper

2. Obtaining a huge fund for open market operations.

So far as gold exports were concerned the banks can discount and their discounts would produce eligible paper which could be pledged against F.R. notes and the gold collateral could be taken down.

C.S.H. said that to take down all the gold at once would look as if we feared we might have to use it for non-eligible paper.

Feb. 24, 1932. 80, 81.

Glass, Glass bill, etc. (Cont'd.)

74. Board considered a draft of letter to all member banks as to procedure under Glass emergency bill.

This draft had been prepared by a Committee of Federal reserve bank officials.

The Committee, in the draft, used langauge to indicate that Sec. 10-A - Group relief- was the primary method of obtaining relief and that 10-B was to be used only when a Group was not feasible.

C.S.H. objected to this saying that 10-A and 10-B were absolutely distinct, and that recourse to 10-A was not a condition precedent to relief under 10-B.
Mar. 9, 1932. 88, 89.

75. Morrill tells C.S.H. he is convinced that specific authority should be given both to the Federal Reserve Board and Federal reserve banks, under Sec. 3 of Glass bill, to refuse discounts and penalize banks abusing Federal reserve facilities. Mar. 9, 1932. 89.

76. Board took up again procedure under emergency bill and ratified all done yesterday. Mar. 10, 1932. 90

77. Gov. Meyer said Gov. Harrison felt it was not proper for the Board to write to Federal reserve banks, asking them to communicate contents of the letter to their member banks.

All the Board took a different view, - that the proposed letter merely took the place of a regulation.

Gov. Meyer said he would call up Gov. Harrison and ask him to state specifically his objections.

C.S.H. raised no objection to this course, although it seemed as if Gov. Meyer was afraid of Gov. Harrison's displeasure.
Mar. 10, 1932. 90.

78. At the Hoover Conference on the emergency bill, it was agreed that if Glass would consent to the emergency bill, the administration would support the rest of the Glass bill in so far as Sen. Walcott and Glass could agree.

They reached an agreement and Willis was asked to draft it.

Glass, Glass bill, etc. (Cont'd.)

78. (Cont'd.)

Walcott went over it with Burgess, Goldenweiser and Wyatt, and finally became satisfied that Willis' draft did not represent his agreement with Glass.

Willis's draft made a few changes suggested by Burgess and Goldenweiser, but not many.

Willis' draft retained Sec. 3 as it originally was, disregarding both Millers and C.S.H.'s suggestions.

It retained the original limitations on loans on collateral security, thus striking a blow at cooperative marketing associations, warehouse receipts, etc.

It retained the provision for revaluing real estate loans by the Comptroller.

It gave up, however, the prohibition against domestic acceptances as collateral for Federal reserve notes.

It modified the provision that member banks must pay off their 15-day collateral notes on increasing their speculative loans, by adding a provision, - "after warning by a Federal reserve bank".

It, according to Wyatt, retained a "joker" in the reserve section.

March 14, 1932. 91, 92, 93.

79. C.S.H. and Miller fear a serious row between Glass and Walcott, which may bring the Federal Reserve System into politics. Mar. 14, 1932. 93.

80. Wyatt said that at first it was rumored that Glass and Walcott had agreed; later, that they could not agree; that Willis some time ago resigned but that Glass persuaded him to remain, telling the Sub-committee he would not continue without him.

Mar. 16, 1932. 93.

81. Associated Press says an agreement has been reached and that the bill will be reported to full Committee and reported to Senate today, and that the administration will support it.

Mar. 17, 1932. 93, 94.

82. Glass yesterday introduced a new bill as changed by Sub-Committee. Mar. 18, 1932. 94.

Glass, Glass bill etc. (Cont'd.)

83. N. Y. Times has interview with Glass explaining some of the changes.

Glass said the Sub-Committee voted unanimously to report the bill to the full Committee and to support it in full Committee. Mar. 18, 1932. 94.

84. N. Y. Times also prints an interview with Senator Walcott and Townsend stating that there are features in the bill they can not support although they do support much of it.

An unfortunate issue of veracity has thus arisen! Mar. 18, 1932. 94.

85. Gov. Meyer reads letter from Glass stating that Sub-committee will be glad to have the Board's comments on the bill introduced by him today.

Goldenweiser said Sen. Walcott asked him to say to Board he hoped it would ask for a hearing before the Sub-Committee.

Gov. Meyer read draft of a proposed reply, to effect that Board would send him a statement on the bill.

Gov. Meyer favored asking for a hearing, to which all agreed except Miller.

C.S.H. suggested adding a clause that the Board ask for an opportunity to be heard after its report is submitted.

All finally agreed as to this.

Miller said ordinarily such a request would be made as a matter of course, but now he hesitated, fearing Glass might think we were trying to delay the passage of the bill.

C.S.H. said the Board's report would place a heavy responsibility upon it, and that members should be given the privilege of explaining in person any reasons they might have, e.g. for dissent to any part of the bill; that if all members agreed as to its report, very likely no one would care to appear before the Sub-committee, but it should be made clear that each member should have the right to appear.

Mar. 18, 1932. 95, 96.

86. McClelland tells C.S.H. that Glass asked Gov. Meyer, at a personal conference, forthe views of the Board on Jan. 26, and that the Board sent a circular to all the Federal reserve banks, receiving replies from all except

the Federal reserve Bank, N. Y.; that the Board did not send their replies to Glass, because at that time the Glass bill had been temporarily set aside for consideration of the emergency bill.
Mar. 18, 1932. 96, 97.

See supra 19½.

87. Wyatt said he would like one week to prepare report on Glass bill for Board to send Glass.

C.S.H. moved that Burgess and Wyatt, et al, drop all other work and present report by Friday of this week, if not earlier.

C.S.H. accepted an amendment - "at least a preliminary report".

Morrill said he felt sure Committee could do this.

Gov. Meyer said he declined to be dominated by the Senate and that he should insist on all the time necessary.

C.S.H. said his only wish was to get the report as quickly as possible, and he made his motion so record would show an effort to expedite the matter in face of possible future criticism.

Gov. Meyer did not put C.S.H.'s motion and Ogden Mills reminded him it was pending, and then he put it and it was passed unanimously.
Mar. 21, 1932. 97, 98.

88. C.S.H. feels, from Gov. Meyer's manner, that he hopes the Glass bill will fail.

Later Miller said his language clearly implied this.
Mar. 21, 1932. 98.

89. Glass called up C.S.H.

He asked if there was any doubt as to the power of the Federal reserve bank to refuse discounts; that a prominent banker had told him that neither the Board nor the Federal reserve banks had any such power; that he felt that the word "may" in Sec. 16 clearly implied such power.

Glass, Glass bill etc. (Cont'd.)
89 (Cont'd.)
C.S.H. said Miller and he construed the word "may" as giving discretionary power, when Federal reserve facilities have been abused; that while he remembered no formal ruling of the Board to this effect, the Board had been so advised by Wyatt and Newton D. Baker.

C.S.H. said the power has been denied and Glass asked, by whom?

C.S.H. said McGarrah of Federal Reserve Bank of New York by letter of May 1, 1929, speaking for his directors, denied any power either in the Board or in the Federal reserve banks even to examine into customers security loans, or to refuse discounts because of undue increase of such loans, even though the bank were a frequent or even continuous borrower.

Glass asked if any Federal reserve bank had actually refused discounts for above reason.

C.S.H. said he thought the Federal Reserve Bank of N.Y. had threatened some banks which were "out of line", - i.e. borrowing more than the average banks of their size in the community, or if they were borrowing for profit; but that in cases where all banks are expanding at the same time, C.S.H. understands that the Federal Reserve Bank of NY. will not try to stop such expansion except thru increase in the discount rate; that Gov. Harrison even disagreed with the Board as to its warning of Feb. 7, 1929, stating that it was not the proper way to meet the situation; that it should be met by increases in discount rate.
Mar. 21, 1932. 99.

90. Glass asked if F.R. banks can increase the rate on member bank collateral notes without final approval of the F.R. Board.

C.S.H. said No.
Mar. 21, 1932. 99.

91. C.S.H. again told Glass of Sec. 3 of his bill, but suggested that as drawn it meant absolute prohibition of discounts if the bank had a single speculative loan and suggested at least the addition of a qualifying clause, "except as provided in the amendatory act", - which might meet the difficulty.

C.S.H. said he understood that the Committee bill intended to permit a reasonable volume of speculative loans; that, in fact, Sec. 8 of his bill imposed the duty on the Board

Glass, Glass bill etc. (Cont'd.)

91 (Cont'd.)

of fixing the percentage of these loans; that he assumed that the banks could discount eligible paper to maintain their reserves against deposits arising out of speculative loans so fixed.

Glass at first demurred to this, saying they must use their vault cash; that these deposits would give them funds ample for such purpose.

C.S.H. replied that when prices are stable, and there is no hoarding nor gold exports, the actual cash received by banks would about equal the cash paid out by them over the counter; that the banks, therefore, would have to rely on discounts of eligible paper to keep up their reserves against deposits growing out of all their loans, speculative and commercial.

Mar. 21, 1932. 99 (1), 99 (2)

92. Glass spoke of Gov. Meyer's letter requesting hearings.

He said he saw no necessity for hearings as the Board had already expressed its views to the Sub-committee through Burgess and Goldenweiser.

C.S.H. said they did not express views of the Board.

Glass replied that Hoover told him that they had been chosen to represent the Treasury and the Board before the Committee.

Glass said he asked Governor Meyer some time ago whether the Board wanted a hearing and he said No.

C.S.H. said he desired to go over every clause in the Glass bill, and he felt this was the desire of all the members.

C.S.H. said the Board had asked its staff Committee to report fully as to the bill, showing changes made by the recent revision by the Sub-committee, so that the Board could act upon it quickly and intelligently; that the Board hoped to receive the report by Friday of this week.

Mar. 21, 1932. 99 (2)

93. Gov. Meyer read a letter from Glass dated yesterday, stating that Burgess and Goldenweiser were not called into consultation by the Sub-Committee; that they were delegated by Hoover to represent the Treasury and the Federal Reserve Board;

Glass, Glass bill etc. (Cont'd.)

93. (Cont'd.)

that the Sub-committee assumed they were authoritatively assigned by the Treasury and by the Federal Reserve Board; that while engaged on their report they were in consultation with Gov. Meyer, Ogden Mills, and Gov. Harrison; that not until the Sub-committee received their report did it know they were speaking only for themselves; Glass added that the written report of the Board will be received by the Sub-committee and further public hearings will be held.

Glass added that he personally some time ago telephoned Gov. Meyer and offered to give the Board a public hearing, as also to Gov. Harrison, but each declined.
See scrap books, Vol. 225.
Mar. 22, 1932. 100.

94. Gov. Meyer said that what he said to Glass was that the Board would express no opinion as to "public" hearings but would like to be heard by the Sub-committee on this bill.

Gov. Meyer said he never saw Burgess and Goldenweiser's original report until after it had been filed with the Sub-committee.

Gov. Meyer added that on Feb. 7, 1932, he wrote Glass that Burgess and Goldenweiser - as expressly stated in their report - did not represent the Federal Reserve Board.
Mar. 22, 1932. 101.

95. Ogden Mills said Sen. Walcott told him he desired expert help and that he - Mills- arranged to have Burgess come down and help him, as also Goldenweiser; that Hoover could not have said they represented the Board or that he had delegated them to act for the Board.

Evidently when Gov. Meyer told the Board the Sub-committee had called for the experts, it was Senator Walcott who made the request. Mar. 22, 1932. 101.

96. Mills scored the Glass bill saying there was not the faintest chance of its passage; that the Committee would never report it; that it should be postponed for at least a year.

Gov. Meyer said he agreed with the statement.

James added - it should be postponed for five years.

He opposed any legislation at this time.
Mar. 22, 1932. 101, 102.

Glass, Glass billetc. (Cont'd.)

97. Miller said Congress was determined to enact legislation to prevent a repetition of the craze of 1929; that it was the duty of the Board to consider this bill with this end in view, recommending as few changes as possible.
Mar. 22, 1932. 102.

98. C.S.H. said the ends in view of this bill were good and met his approval; that the plain duty of the Board was to make suggestions in harmony with the end of the bill.

C.S.H. said he differed from Ogden Mills and Gov. Meyer; that he felt sure some bill would be passed; that we should assist by making helpful suggestions.
Mar.22, 1932. 102.

99. C.S.H. said if the Committee refused to report the bill, and Glass should move to discharge the Committee and bring the bill before the Senate he believed the Senate would so order. Mar. 22, 1932. 102, 103.

100. Hoover asked Miller to lunch today. He did not speak of the Glass bill but Miller brought up the subject.

Miller said Hoover did not know of the latest draft of the Glass bill and asked him to send him a copy with any suggestions he cared to make; that he agreed finally with Miller that every effort should be made to secure some bill which Glass would approve.
Mar. 22, 1932. 103.

101. C.S.H. believes Hoover has turned the whole matter over to Gov. Meyer and Ogden Mills.
Mar. 22, 1932. 103.

102. Miller said Gov. Meyer and Mills want to have the Glass bill rejected rather than amended.

C.S.H. agrees with this.

We both agreed it would be almost political insanity for the administration to defeat the bill; that such action would make it a political issue;that Glass could fairly claim it was an alliance between Wall Street and the administration.
Mar. 22, 1932. 103.

103. C.S.H. wrote Glass quoting a dictum in the Raichle case in N.Y.

Glass, Glass bill, etc. (Cont'd.)

103. (Cont'd.)

Circuit Court of Appeals that a Federal reserve bank could in its discretion decline to discount eligible paper. Mar. 22, 1932.104.

104. At the Board meeting, Gov. Meyer or Ogden Mills - C.S.H. thinks the latter - said that Gov. Harrison had suggested the desirability of retaining Newton D. Baker to appear before the Senate Committee in behalf of the Federal Reserve System, on the Glass bill.

C.S.H. said he had heard that Glass favored the nomination of Baker for President and that Glass would be justly infuriated to see one of his close political friends appear as a practical lobbyist against his bill.

C.S.H. said he believed Baker would be strongly inclined to seek reasons for supporting the bill, rather than for defeating it.

No action was taken.

Mar. 23, 1932. 104.

105. Miller feels that Gov. Harrison's suggestion as to Baker shows that he is desperate with his back against the wall!

Mar. 23, 1932. 104, 105.

106. Wyatt told C.S.H. that the Staff Committee sat up last night until after midnight; that Gov. Meyer and Floyd Harrison and, C.S.H. thinks, Morrill, discussing the proposed report on the Glass bill; that they finally agreed to report a section permitting the refusal of discounts with powers to suspend from Federal reserve facilities banks abusing Federal reserve credit, - substantially as C.S.H. desired; that Gov. Meyer finally said he was inclined to think such a power should be given to Federal reserve banks and to the Federal Reserve Board!

Gov. Meyer told C.S.H. long ago that the Board should have approved the 6% rate asked for by F.R. Bank of N.Y. in 1929, and that increase in the discount rate was the only proper remedy and would have corrected the situation.

Gov. Meyer's change of heart followed directly what C.S.H. and Miller said yesterday.

Glass, Glass bill, etc. (Cont'd.)

106. (Cont'd.)

Had any other member of the Board sat secretly with this Committee, how angry Gov. Meyer would have been!

Gov. Meyer never told Board of this meeting!
Mar. 23, 1932. 105.

107. Gov. Meyer read a proposed answer to Glass letter stating that Burgess and Goldenweiser were not invited by the Sub-committee to assist them, but were designated by Hoover to represent the Treasury and the Federal Reserve Board. (See supra 94)

Gov. Meyer stated in the letter that it was his understanding that Sen. Walcott had said that he and Glass desired the help of Burgess and Goldenweiser.

C.S.H. asked on what his understanding was based.

Gov. Meyer replied - on what Ogden Mills told the Board the other day.

James said Mills told the Board that Sen. Walcott said he and Glass desired the help of Burgess and Goldenweiser.
Mar. 25, 1932. 106, 107.

108. Board received notice that Federal Advisory Council had called a special meeting in Washington on Monday to consider the Glass bill. Mar. 26, 1932. 107.

109. C.S.H. asked Ogden Mills just what Sen. Walcott said to him as to getting the services of Burgess and Goldenweiser.

Mills said Walcott said it would be agreeable to him and to Glass to have the services of Burgess and Goldenweiser.
Mar. 26, 1932. 107.

110. Board discussed provision of Glass bill removing Secretary of Treasury from the Federal Reserve Board.

Our Committee of experts made no recommendation as to this.

Mills said that while he did not care personally, he felt the Sec. of the Treasury should remain on the Board.

C.S.H. said he so testified at the stabilization hearings a year ago, when Miller took the opposite view.

Glass, Glass bill (Cont'd.)

Mills raised question of keeping the Secretary of Treasury on Board but without the voting privilege. This seemed somewhat to impress Miller.

Mar. 26, 1932. 107, 108.

111. The Board met at Treasury from 3 to 6:30 p.m. to discuss the Glass bill and consider the report of its expert Committee.

C.S.H. secured a change in report making member bank collateral notes secured by eligible paper, run for 90 days.

C.S.H. tried to secure a recommendation that member bank collateral notes secured by Government bonds should take a higher rate after expiration of 3 years.

This failed.

The expert Committee objected to divorce of affiliates after 3 years, as contained in Glass bill.

C.S.H. and Miller strongly favored absolute divorce.

Board finally voted to instruct expert Committee to prepare a draft providing for divorce of <u>certain</u> security affiliates.

The Expert Committee reported a draft providing for power to refuse discounts and suspend offening banks from use of Federal reserve facilities.

Mr. 27, 1932. Sunday. 108, 109.

112. Board met for further consideration of expert committee report.

The meeting lasted from 8:15 p.m. Monday to 12:45 a.m. Tuesday.

Board agreed on an open market clause along the lines suggested by Miller.

Board agreed on a draft providing for divorce of security affiliates after 3 years..

Board discussed at length whether the report as to undue use of Federal reserve credit should be made to the Board by the Federal Reserve Agent, as laid down in Expert Committee's report, or should be made by the Chairman of the Board.

Miller insisted on the latter as phrased in the Glass bill.

C.S.H. backed up Miller on ground that it would place direct

Glass, Glass bill etc. (Cont'd.)

112. (Cont'd.)

responsibility on the Board of Directors.
Mar. 27, 1932. 108, 109.

113. Board meets with Federal Advisory Council which condemned the original Glass bill unreservedly.

Most of its suggestions had already been met by the Board.
Mar. 29, 1932. 109.

114. Gov. Meyer at 2:30 p.m. presented Board's report on Glass bill to the Senate Committee, stating that it represented the unanimous conclusions of the Board, including the Comptroller and theSecretary of the Treasury, Ogden Mills.
Mar. 29, 1932. 110.

115. Wyatt later told C.S.H. that Ogden Mills said he had joined in the report, although he could not quite understand the language as to divorce of security affiliates; that he concurred, on principle, however, that they or many of them should be divorced.
Mar. 29, 1932. 110.

116. C.S.H. and Miller feel that the unanimous agreement of the Board is a positive indorsement of the Board's warning of Feb. 7, 1929 and the direct action taken under it.

The unanimous agreement is one of the most important actions ever taken by the Board.
Mar. 30, 1932. 110.

117. Miller said he talked with Glass at the hearing yesterday; that Glass was much pleased and impressed at the unanimous report of the Board.

Glass said the Board's draft of Sec. 3 gives him even more than he asked for.

Glass was also very much pleased at the draft for divorce of security affiliates.
Mar. 31, 1932. 110.

118. C.S.H. believes Glass should accept the Board's report and dare the Republicans to defeat it.
Mar. 31, 1932. 111.

Glass, Glass bill, etc. (Cont'd.)

119. Gov. Meyer told C.S.H. over a year ago that he believed the Board should have approved the 6% rate asked for by New York in 1929 and that this would have met the situation.

Yet Gov. Meyer finally voted for Sec. 3 of the Glass bill as reported by the Board, giving the Board power to penalize banks for undue use of Federal reserve credit, thus ratifying the Board's warning and direct pressure!

C.S.H. feels that Gov.Meyer did not approve of Sec. 3 in any form, but knew that if he opposedit he would have to face C.S.H. and Miller before the Senate Committee, when strong language would be used, and, further, that it would hurt his prestige to have to go before the Committee as the head of a faction, pleading, in effect, in behalf of the Wall Street banks.

C.S.H. believes he finally yielded fromabove considerations and obtain the credit of having a united Board behind him.

It was a great triumph for Miller and C.S.H.

We accepted Gov. Meyer's unconditional surrender, but, like General Grant, we gave him back his sword, which he buckled on and paraded down to the Committee, the proud leader of a united Board!

Mar. 31, 1932. 111.

120. C.S.H. called on Glass.

He was in very good humor.

He said he thought he could accept most of the Board's suggestions, - that they were really mostly changes in classification.

He confessed his surprise at the Board action in recommending divorce of security affiliates but very gratified; that he felt our draft on this subject was better than his.

April 1, 1932. 112.

121. Miller said Sen. Walcott told him yesterday that Glass and the Sub-committee unanimously agreed to report the Board's draft, with slight exceptions, in lieu of the Glass bill.

April 4, 1932. 114.

Glass, Glass bill, etc. (Cont'd.)

122. The Board asked Wyatt and Morrill to prepare a draft of the Senate Sub-committee report should it ask for our help.
April 4, 1932. 114.

123. Morrill said Glass sent for him to help draw a modified bill divorcing affiliates, exempting holding companies, and confining the divorce to sister affiliates and subsidiary affiliates.
April 5, 1932. 114.

124. Glass told Morrill he would accept practically all of the Board's recommendations.
April 5, 1932. 114.

125. Daiger told C.S.H. that the Democrats in Senate and H.R. had concurred and voted to support the Glass bill. This was before the Board made its report.
April 5, 1932. 114.

126. Daiger said the reason why the Sub-committee suddenly reported to the full Committee the original Glass bill was to get ahead of the Thomas-Beedy liquidating bond bill; that the Comptroller alone had a copy of the original Glass bill which provided for a liquidating corporation; that he and Ogden Mills felt that a liqudating corporation was vital and that the Glass bill would be so opposed that it would be a long time before it could become law; that, therefore, they prepared the Thomas-Beedy bill and had it introduced; that this bill could be more quickly reported and then would obtain precedence over the Glass bill; that they arranged to have only a day or two spent in hearings; that Glass got the Sub-committee to report his bill at once, and blocked hearings on the Thomas-Beedy bill.

Daiger said Glass and the Sub-committee felt that Hoover, Ogden Mills and the Comptroller had not played fair, and forced the administration to withdraw the Thomas-Beedy bill.
April 5, 1932. 114, 115, 116.

127. Glass asked Gov. Meyer at the hearing whether the Board's draft of Sec. 14 took away from the Federal reserve banks the right to initiate discount rates, and asked him to prepare a memorandum as to this.

The Board considered this and wrote Glass that it was was not intended to and did not affect in any way the power of Federal reserve banks to initiate rates.

Glass, Glass bill etc. (Cont'd.)

127. (Cont'd.)

C.S.H. thinks Glass feared that the clause "subject to limitations and restrictions of the Board," had this result.

The Board believes it neither adds to nor detracts from such power.

April 6, 1932. 116, 117.

128. Glass told Morrill that Miller no longer acted as adviser of the Sub-committee, and he added that Willis was a poor draughtsman.

April 6, 1932. 117.

129. Glass intimated that he might strike out the Board's reserve provisions, taken from the Reserve Committee report.

April 6, 1932. 117.

130. Glass told Morrill he should accept many but not all of Board's recommendations; just what he means by this none of us know. April 6, 1932. 117.

131. C.S.H 'called on Glass who has been ill for two days.

He said he had adopted most of Board's report; that a new draft would be ready this p.m.; that some changes had leaked out - this in response to C.S.H. statement that Platt had seen a confidential abstract of them - and that one of the Committee had been guilty of a breach of good faith.

C.S.H. told this to Morrill who said he had had a copy for some days, but he never told the Board of this.

April 7, 1932. 118.

132. Gov. Harrison sends Glass a memorandum criticising the Glass bill as favored by the Board. It was a typically Bourbonish document.

C.S.H. borrowed a copy from Gov. Meyer who had one.

Gov. Harrison approved 22 sections of the Board's draft but said 13 of them were not necessary now and should be postponed.

Among these latter were the parts relating to security affiliates, open market operations, member bank collateral notes secured by eligible paper, supervision of holding

Glass, Glass bill etc. (Cont'd.)

132. (Cont'd.)

companies, power of removal of officers and directors, etc.

Gov. Harrison opposed:

Power to penalize banks
Reserve provisions
Separation of bank and affiliate stock
Divorce of affiliates.

Gov. Harrison favored immediate action only as to branch banks and Federal Liquidating corporation.

In his letter transmitting the memorandum, Gov. Harrison said:

"There do not appear to be any parts of the bill for which there is imperative need for immediate legislation".

The above quotation would seem to include even branch banks and the Liquidating Corporation, which is memorandum did favor.

Gov. Harrison said in his memorandum that the power to refuse discounts and suspent member banks from Federal reserve facilities would be ineffective and involved responsibility for the management and operation of individual banks which would be impossible for the Federal reserve bank or the Federal Reserve Board to fulfill, and the assumption of which would be harmful to the Federal Reserve System as a whole and to the individual member banks.

Gov. Harrison, however, in his testimony before the Glass Sub-committee, said the Federal reserve banks had the power now, but that some had denied it, and he asked the Sub-committee explicitly to give the Federal reserve bank such power.

(See scrap books 226 or 227.)
April 8, 1932. 119, 120, 121.

Glass, Glass bill etc. (Cont'd.)

133. C.S.H. prepares a reply to Gov. Harrison's memorandum contained in above letter.
April 11, 1932. 121.

134. The Governors met in open market conference.

While discussing participation in open market purchases, Gov. Harrison asked for a statement by the Board that the Federal reserve banks could exchange the Government bonds pledged for member bank collateral notes for gold held as collateral by the Federal Reserve Agent.

C.S.H., James, and Miller felt the best way would be a pro rata participation by the Federal reserve banks which are able to do so, the other Federal reserve banks to take some position, and later to ask the Board to apply the emergency provision as to gold to individual Federal reserve banks.

This view prevailed.
April 12, 1932. 124.

135. Gov. Meyer read a letter signed by the Governors in their capacity of "open market Committee", stating that they were unanimously opposed to the Glass bill even in the form sent to the Sub-committee by the Federal Reserve Board; that they agreed with the criticism of the Federal Advisory Council (these criticisms, however, were to the original bill).

They further asked that this letter be sent to the Senate Committee.

All of the Board agreed that this letter should not be sent to the Senate as the Governors went clearly beyond their powers as members of the Open Market Conference, in sending such a letter.

C.S.H. suggested sending such a reply and adding that if they desired to be heard on the open market sections of the bill, they should address the Senate Committee directly and request a hearing.

A reply is being prepared by the Board.

At the open market conference the Governors never alluded to their opposition to the bill.

Their action in going away and leaving this letter behind them is almost ludicrous!
April 13, 1932. 124, 125.

Glass, Glass bill etc. (Cont'd.)

136. The Glass Committee reported the Glass bill to the Senate.

One or two members reserved the right to try to make Sec. 3 the power to penalize member banks for abuse of Federal reserve facilities - more severe.

Some members reserved the right to object to the broad branch bank provision.

These were the points on which dissent was expressed.
April 16, 1932. 132.

137. Goldenweiser told C.S.H. that Glass said - I think to him - that Willis had slipped intothe Glass bill a clause repealing all of the present exceptions to U.S.R.S. Sec. 5200. April 18, 1932. 133.

138. Glass sends C.S.H. a copy of his reply to Gov. Harrison's letter and memorandum. It was a terrific denunciation! See Vol.227. Scrap books.
April 18, 1932. 133.

139. Gov. Harrison answers Glass's letter.

He said that, among other things, that all open market operations had been approved from time to time by the Board.

He forgets 1928, however, when under guise of permission from the Board to furnish desired Federal reserve credit to help the fall stringency which was expected, it actually bought so many that the banks not only met the fall need for credit, but were able to take down some 190 millions of discounts; that they finally held 2/3 of all the acceptances outstanding; that the plethora of money actually reduced even customers rates which normally stiffen in the fall; that Burgess in a public address admitted they had bought 100 millions more than was necessary - that they turned the Board's firming policy into an easing policy causing a great increase of speculative activity.

Gov. Harrison admitted the error of his testimony before the Sub-committee.

April 18, 1932. 145, 146.

Glass, Glass bill etc. (Cont'd.)

140. Gov. Harrison in above letter again insisted that the only way to stop speculation was through discount rates and open market operations. He seems to have lost his head!

April 18, 1932. 146.

141. Glass calls on C.S.H. and asks him as to the effect of the increase in discount rates to 7% at New York in 1926, on brokers loans and customers security loans.

C.S.H. later sent him figures prepared by Smead.

April 28, 1932. 149.

142. Gov. Meyer last week told the Board he had sent Glass, at Glass' request, a list of further changes in Glass bill, telling the Board they were all suggestions already suggested by the Board.

C.S.H. did not check this letter when it went over his desk, as Miller wanted to see it as soon as possible so C.S.H. sent it to him before he had fully read over it.

The principal part of the letter was to extend the divorce of security affiliates from 3 to 5 years.

Gov. Meyer sent this to Glass without any authority from or consultation with the Board!

May 11, 1932. 156.

143. Glass in his speech on his banking bill spoke of the suppression by the Taft administration of the opinion of Sol. Gen. Lehman to effect that security affiliates of national banks were illegal.

C.S.H. found a reference in his diaty to the attempt of John Skelton Williams to have this opinion formally called for.

It was really only a memorandum of Lehman to Wickersham never called for or sent to the Comptroller or the Treasury.

Glass at first intimated that it had been suppressed by Attorney General McReynolds and he relied on a statement to him by present Attorney General Mitchell to this effect.

Later Mitchell retracted this.

Glass, Glass bill, etc. (Cont'd.)

143. (Cont'd.)

Then Glass put the responsibility on Attorney General Palmer who vigorously denied it.

C.S.H. diary shows that Palmer told Houston he would send him the memorandum or give him an opinion if he desired it.
May 11, 1932. 157.

See - Lehman
Clayton Act
Wyatt

144. C.S.H. telephoned Glass who said that Cong. Wingo received $2000 from American Bankers Association in 1927 for attending the Convention at Los Angeles and fighting the branch bank extension; that $1000 was for expenses and $1000 given as a fee; that this was a bribe; that Wingo was on the Conference Committee having charge of the bill as to branch banks, etc.

See earlier diaries.
May 13, 1932. 160.

145. Morrill said all feel that the Glass bill is dead; that last evening Gov. Meyer, Goldenweiser, and he went over the bill with Sen. Metcalf who is preparing amendments.

Nothing of this was said to the Board!
May 14, 1932. 161.

146. C.S.H. writes Glass as to reduction of Boards and employees salary under economy bill as passed by H.R., pointing out that Board's salary was reduced from 12 to 10 thousand permanently and further reduced by a 10% cut.

Later Glass's secretary telephoned that Glass had received the letter and "would attend to the matter".
June 2, 1932. 187.

147. Glass secures passage of an amendment to economy bill exempting from the salary cut all whose salary is paid by assessments on banks. This seems to exempt the Board and its staff, but Wyatt says we are all probably subject to the limitation of annual leave to 15 days and the $5 limit for subsistence when travelling.
June 2, 1932. 191.

Glass, Glass bill etc. (Cont'd.)

148. C.S.H. writes Glass enclosing an amendment which will cover the above. C.S.H. said the letters of yesterday and today represented his personal views merely, and not necessarily those of the Board.
June 3, 1932. 191, 192, 194.

149. C.S.H. told Miller about his letters to Glass, above.

Miller agreed; also Floyd Harrison and Morrill.

C.S.H. did not speak of this to Gov. Meyer who was out and the letters had to be sent at once.
June 7, 1932. 194, 195.

150. C.S.H. read letters above to Floyd Harrison and Morrill who approved; also to James who approved.
June 7, 1932. 195.

151. The Senate passed economy bill with above amendment.
June 8, 1932. 197.

152. Magee told C.S.H. that on his trip to Richmond Gov. Meyer spoke of the effort to exempt Board and staff from salary cut and fully approved.
June 9, 1932. 198.

See - Hoover
Open market policy

Godmother

H. P. H. acts as, at christening of daughter of Marjorie Key (Wright), daughter of Gen. Wright, giving her one of Anna's rattles - the last one we have left.
Mar. 19, 1932. 97.

Gold

Gov. Harrison said further increase of bank failures might start up a withdrawal of gold by foreign depositors.
Dec. 2, 1931. 1-A.

Gov. Meyer said it would take some time for France to withdraw her deposits and export the gold, as the amount on any one ship was limited as to insurance.

He favored telling France we would help by shipping gold in U.S. vessels. Jan. 19, 1932. 44.

Gold (Cont'd.)

C.S.H. felt that to invite the shipment of 6 or 700 millions of gold by France might be detrimental to banks and business.
Jan. 19, 1932. 45.

See - France

Substitution of bonds for gold as collateral for F.R. notes under Glass emergency bill.
April 13, 1932. 81, 124.

See - Federal reserve notes.

Gov. Harrison cables Gov. Norman that he has no objection to his earmarking and exporting gold.
April 19, 1932. 147.

See - Harrison, Gov.

Miller is preparing draft of circular to Federal reserve banks directing them not to pay out gold except to foreign depositors, - for use if an emergency should arise.
June 4, 1932. 192.

About 50% of our open market purchases of Government securities has gone into gold exports.
June 9, 1932. 197.

Goldenweiser says there is no danger from gold exports; that the only danger is from domestic hoarding.
June 9, 1932. 198.

Gold standard

Dulles says European nations are using every effort to keep on the gold standard to avoid inflation from which they have so suffered. Dec. 11, 1931. 7.

Gold suspension

Glass said Hoover wanted a reduction in required reserves.

Miller said this might start a run on our gold by foreign depositors and force us off the gold standard by bringing about a general moratorium.
Feb. 9, 1932. 63.

Goldenweiser

N. Y. Journal of Commerce publishes the Sub-committee report on Glass bill.

Goldenweiser and Gov. Meyer said they had a copy but C.S.H. only got one at 4 p.m.
Jan. 22, 1932. 47.

Goldenweiser (Cont'd.)

Goldenweiser prepares a memorandum showing defects in Glass bill.
Jan. 25, 1932. 48.

Says Sen. Walcott asked him to tell Board he hoped it would ask fora hearing on Sub-committee report on Glass bill.
Mar. 18, 1932. 95.

Says Glass said that Willis had slipped into the Glass bill a clause repealing all of the exceptions in U.S. Revised Statutes Sec. 5200. April 18, 1932. 133.

Says there is no danger from gold exports, as we have plenty of gold; only danger is from domestic hoarding, - a flight from the dollar.
June 9, 1932. 198.

See - Burgess
Glass bill

Goodrich, Ruth (Pruyn)
Dines with us, also Mrs. Van Rensceller of Albany.
Feb. 21, 1932. 79.

Gordon, George
We meet, Anna's old friend, at supper at Mrs. Harriman's.
Feb. 7, 1932. 55.

Gordon-Cumming, Mrs.
We dine with. Dec. 24, 1931. 31.

Government securities.
See - Governors conference

Governors
See - Governors Conference
Open market policy

Governors of Federal reserve banks
Hoover says will be glad to call a conference of, to push District Committees. May 21, 1932. 166.

Governors Conference, Open market policy
Meeting with Board.

The Reserve Committee asked for further time to report.

Resolution passed that while no action is necessary just at present, the Executive Committee should be given authority to buy up to 200 millions of Government securities, the same to be sold after end of the year.

Governors Conference, Open market policy (Cont'd.)

Gov. Norris later told C.S.H. he interpreted this to mean that the conference felt that the New York banks should increase their rediscounts, and that the conference did not want to help them still further increase their great liquidity by the purchase of Government securities, and that their consent to buying 200 millions was in order to meet sudden emergencies.

Gov. Norris said only 8 of the Federal reserve banks could participate, and that the views expressed above, certainly represented the views of Philadelphia and Chicago.

All agreed that there was, in effect, a credit embargo, in effort to maintain liquidity.
Dec. 2, 1931. 1, 1-A.

See - Harrison, Gov.
Pool

The Governors unanimously opposed suggestion of Mr. Coker of Federal reserve bank, Richmond, for a uniform cut in Federal reserve wages. Dec. 2, 1931. 3.

Hoover, in message to Congress, said a majority of the Governors favored broadening of eligibility in times of emergency.
Dec. 8, 1931. 5.

The Governors, three dissenting, favored Lombard loans in emergencies. Dec. 8, 1931. 6.

C.S.H. tells Glass of above action of the Governors.
Dec. 17, 1931. 23.

Governors meet with Board.

Gov. Harrison spoke of existing deflation and advised a bold course of purchasing Government securities.

See - Harrison, Gov.

Gov. McDougal strongly advocated the sale of all Government securities bought in last two months; he said we had already bought during last two years more than any one would have dreamed of; that the Federal reserve banks should keep liquid to meet withdrawal of deposits from member banks.

Governors Conference, Open market policy (Cont'd.)

Gov. Seay agreed with Gov. McDougal, assuming the Federal Reserve Act to remain as it is.

Gov. Harrison said he favored large purchases only if necessary following the correction of the railroad situation as to wages, and the passage of the amendment as to substitution of funds for gold behind Federal reserve notes; that he was fearful an emergency might arise within two or three weeks, which would require such purchases.

The conference unanimously voted that the assistance of the operating facilities and services of the Federal reserve banks should be made available for the Reconstruction Finance Corporation, the Corporation to reimburse the banks for such services in such manner as may be agreed upon.

Jan. 11, 1932. 41, 41 (2)

Voted that to relieve the present critical situation the work of the Reconstruction Finance Corporation should be supplemeted by the purchase of Government securities, not exceeding 200 millions to be made only after approval of Executive Committee at a meeting to be called in the necessity thereof.

No. Gov. Seay, McDougal and Dept. Gov. Day (San. Fran.)
Gov. Young not present.

Ogden Mills came before the conference in the afternoon to explain Treasury policy.

He said Hoover had told Congress that 2 billions of Government securities may have to be issued to meet the deficit for fiscal year 1932; that after that no further issues will be made but deficits will be met by taxes.

C.S.H. asked if this statement was necessary for his plans and he said Yes.

Miller asked Board to establish a preferential rate on paper secured by Government securities in order to help place them.

He said this was done during the war and the emergency was now equally great, and that the Board should cooperate.

Board took no action.

Jan. 11, 1932. 41 (2).

Governors Conference, Open market policy (Cont'd.)

C.S.H. pointed out to Magee and Miller that many of the Governors were at heart opposed to Gov. Harrison's views as to open market policy; that Gov. Harrison wanted to buy 500 millions of Govt. securities but that the Governors cut this down to 200 millions.

Feb. 12, 1932. 67, 68.

Governors meet with Board.

Considered proposed regulations under Glass emergency bill.

Gov. Harrison said two courses were open:

1. To permit relief up to say 100% of Federal reserve banks surplus.

2. To decide each case as it arose.

He seemed to prefer 1.

As to deposit of funds and withdrawal of gold for Federal reserve agent, some favored taking down all the gold at once.

Gov. Meyer suggested keeping the free gold at say 500 millions.

Some favored doing nothing until an emergency arose at each F.R. bank.

C.S.H. pointed out that the Glass Emergency Act was passed primarily:

1. To provide for loss of gold from investing in non-eligible paper.

2. Getting a huge fund for open market operations.

So far as gold exports were concerned, the banks must rediscount and this would give the Federal reserve banks eligible paper which could be exchanged for gold held by the Federal Reserve Agent.

C.S.H. opposed taking down the gold all at once as it would look as if we feared we might have to pay it out for non-eligible paper.

Gov. Harrison asked authority to buy 250 millions of Government securities, say 25 millions per week. He said bank credit in relation to prices was never as low as now; that prices generally ran along with bank credit; that if bank credit

Governors Conference, Open market policy (Cont'd.)

were not increased prices would drop even to lower levels.

James said many interior banks had no bonds to sell, and would not be helped by further purchases of Government securities.

All agreed, however, that the interior banks would get an indirect benefit from such purchases.

Miller said he had always opposed the policy of buying Govt. securities but that now he deemed it wise and would even vote for 500 millions.

Ogden Mills said to buy now would relieve the N.Y. banks which had to bear the burden of future heavy Treasury issues; that he would ask them to buy the new issues and hold them until the Treasury called for the money, and that then they could rediscount using the certificates as collateral.

He said this was the original plan of the Treasury, but that the banks had been dumping all their purchases in the market for profit, - which was bad.

He said they could make a reasonable profit by rediscounting the issues at a F.R. rate lower than the rate carried in the certificates; that the Treasury would distribute the proceeds over the country, which would help all of the banks.

Gov. Harrison said he would ask his directors to reduce discount rates tomorrow by ½ of 1%.

All seemed to feel that in this critical time it was desirable for the F.R. Bank of NY. to lower discount rates to help bring about recovery.

The Governors, at their separate conference, voted to approve the purchase of 250 millions of Government securities at the rate of 25 millions per week.

The Board then met and approved this purchase.

Feb. 24, 1932. 80, 81, 82, 83, 84.

Gov. Harrison, at the Conference, referred to the fact that the large N. Y. banks were not rediscounting. Some one asked him if he could not force them to rediscount.

He said Yes, but that if he did he would go abroad, <u>not</u> for the purpose of consulting the central banks, but because he would be out of a job!

Mar. 1, 1932. 85.

Governors Conference, Open market policy (Cont'd.)

Meeting with Board.

Gov. Meyer gave a good statement as to existing conditions, but little was left of his former optimism.

He said there was an embargo on credit; that he wished the Board had power to buy commercial paper in the open market, not in order to compete with the member banks, but to assist them in this crisis; that, with returning confidence the member banks would buy this paper from the F.R. banks.

Gov. Seay asked if C.S.H. meant that the F.R. banks should buy such paper from the member banks.

C.S.H. said he believed the Federal reserve banks should have power to buy commercial paper directly from individuals and corporations; that this power at first was in the draft of the Federal Reserve Act but was later dropped out; that he would also favor an amendment permitting Federal reserve banks to buy commercial paper from member banks without their indorsement, in times of stress; that this had been seriously considered during the war but not acted upon.

C.S.H. said the objection raised would be that poor paper would be dumped upon the F.R. banks, but that he believed the directors could be trusted.

Gov. Meyer and Miller said boldness was necessary, and favored the authority to purchase 500 millions in addition to the 100 millions previously authorized but not yet expended.

Most of the Governors seemed to be willing, but Gov. Young opposed, saying it would be resisted by the member banks.

The Governors voted approval of above, 11 to 1, Gov. Young alone voting No.

Gov. McDougal voted Aye.

C.S.H. believes Gov. Young was instructed by his directors so to vote.

Gov. Harrison asked Board to issue a statement that Federal reserve banks could take down their gold by putting up bonds with the Federal Reserve Agent to insure their participation in purchases of Government securities.

C.S.H., Miller and James thought the best way would be to have all banks participate which were able to do so, the other banks to take all they could, and then later ask the Board to give

Governors Conference, Open market policy (Cont'd.)

to individual banks to take down their gold under the Glass emergency bill.

This latter view prevailed.

April 12, 1932. 122,123, 124.

Gov. Meyer read to Board a letter signed by some of the Governors as the "Open Market Committee" stating that they were unanimous in opposition to the Glass bill even as changed by the Federal Reserve Board in its report; that they agreed with the criticisms of the Federal Advisory Council (this was solely to the original Glass bill), and asking that their letter be sent by the Board to the Senate Committee.

All of the Board were opposed to this.

C.S.H. suggested telling them that their letter transcended the functions of the Open Market Committee, in criticisng the Board's report on the whole Glass bill; that if they had any suggestions as to the Open Market clause of the bill they could address the Senate Committee directly and ask for a hearing.

Later a letter was sent along these lines.

The Governors never attended to this at the Conference and their action in going away and leaving their letter behind them is almost ludicrous!

April 13, 1932. 124, 125.

Gov. Harrison sends Gov. Meyer a copy of his cable to Gov. Norman saying, among other things, that the System's energetic open market program will result in lower rates on Government securities, etc. etc.

April 19, 1932. 147.

Miller told Board that the purchase of Government securities was doing no good, and that he did not favor buying another 500 million of Government securities.

Gov. Meyer and C.S.H. took decided issue against him.

May 12, 1932. 160.

Meeting with Board.

After long discussion the Governors voted 10 to 2 to

Governors Conference, Open market policy (Cont'd.)

continue further purchases of Government securities up to a further amount of 500 millions, the extent and amount to be determined by the Executive Committee.

Gov. Young and Gov. McDougal voted No.

Many of the members seemed to doubt the success of the policy, but almost all seemed to feel that once embarked upon, it should be carried through.

Miller said the purchase of Governments alone would not accomplish the result, but that cooperation was necessary and suggested a conference at Washington between the Federal reserve banks, member banks, and leading industrialists, and that a general programme be mapped out, to be carried out in each district by Committees formed for that purpose.

Gov. Black and some others favored this.

Gov. Calkins said such a plan would surely cause uneasiness in his district.

Gov. Harrison said the policy so far was working satisfactorily, that it had apparently stopped deflation.

C.S.H. agreed with Miller as to calling a conference in Washington and subsequent appointment of district Committees to work along the plans prepared at the Washington Conference; he said a survey should be made in each Federal reserve district, especially as to construction work, much of which he believed was immediately needed; that while such work might not create eligible paper, it would create paper which Federal reserve banks could take under the Glass emergency bill.

Gov. Meyer said there was a demand for construction of moderate priced residences, say $10,000, in Westchester County, that we should cease to think solely in terms of "eligible paper".

Magee congratulated C.S.H. on his constructive suggestions.

The Conference decided to break precedent and give out a statement of its proceedings.

The Conference discussed the question of salary reductions. Some said the directors would make some move along this line.

All, however, seemed to agree that nothing should be done until the end of the current year.

Governors Conference, Open market policy (Cont'd.)

Gov. Harrison said he had tried to secure cooperation between the banks and borrowers, but that it would not work because of uncertainty as to what Congress would do.

Miller said Congress acted as it did because it could see no well defined policy either of the administration or of the F.R. System; that he really had some sympathy with Congress.
May 17, 1932. 161, 162, 163, 164.

N. Y. Times announces that Gov. Harrison has appointed a District Committee, headed by Owen D. Young, to make a survey of conditions in the District and encourage cooperation between banks and borrowers.

At the Governors Conference last Tuesday Gov. Harrison gave many reasons why a conference at Washington and formation of District Committee could not be carried out, at least until after adjournment of Congress!

Some thing, evidently has speeded him up!
May 20, 1932, Friday. 165.

Hoover comes out with a statement that he is pleasedat the appointment of the N. Y. District Committee; that the other Governors will at once form similar Committees; that he will call them in Conference at Washington.

The Associated Press dispatch clearly intimated that the idea of District Committees emanated from Hoover.

Hoover has stolen the Board's thunder, and pushed it aside, in an effort to claim sole credit for a plan with which he had nothing to do, and which was originated by Miller and C.S.H. at the Governors Conference.

Miller originally suggested this plan some time ago, -before the Governors Conference, and C.S.H. supported it.

Gov. Meyer, from the first, threw cold water on it.

Gov. Meyer is so engrssed with the Reconstruction Finance Corporation that he has had no time for such an important question as this.

The Federal Reserve Board is without a rudder and is hopelessly drifting.

Governors Conference, Open market policy (Cont'd.)

Hoover has not filled the vacancy and has not even appointed a Vice Governor!

May 20, 1932. 165, 166, 167, 168.

Gov. Meyer told Board he was at a dinner in N. Y. last Wednesday or Thursday to meet the F.R. Bank of N. Y. directors, bankers, business men; that Ogden Mills also was there; that Mills made a fine address as to the necessity for forming a District Committee; that a Committee was at once formed; that it was found that there was much constructive work which could and should be started at once.

May 23, 1932. 167, 168.

C.S.H. asked Gov. Meyer what brought about Gov. Harrison's sudden conversion to the plan of appointing a District Committee.

Gov. Meyer said he paid little attention to Gov. Harrison at the dinner; that the plan went throught with a rush; that tomorrow he was going to Chicago with Miller to form a similar Committee.

May 23, 1932. 168.

C.S.H. introduced a resolution calling on each Federal reserve bank for a survey to bring about immediate cooperation between banks and borrowers.

Gov. Meyer objected, especially to the word "survey".

Finally Board sent a telegram to each F. R. bank to form a District Committee.

Miller again said we should have a conference at Washington to prepare a programme, and C.S.H. backed him up.

Gov. Meyer objected, saying that each F.R. bank could and should prepare its own programme!

No action was taken by the Board!

May 23, 1932. 168, 169.

Miller says he explained to Hoover a week ago as to the necessity of a conference in Washington and the appointment of District Committees; that he told Hoover there was a plan to be worked out by the Board; that Hoover quickly said he had no confidence in the Board!

Miller did not know whether Hoover referred to Gov. Meyer or to the whole Board.

Governors Conference, Open market policy (Cont'd.)

Miller says there is a mystery about the formation of the N.Y. Committee; that he is inclined to believe that Mills told Hoover about the discussion in the Governors Conference, and that Hoover directed him to go to N. Y. and have a Committee appointed at once.

C.S.H. feels above would explain the sudden shift of Gov. Meyer and Gov. Harrison.

May 23, 1932. 169,170.

Federal Advisory Council met with Board and considered principally Traylor's suggestion that the F.R. System should buy more long-term Government bonds, -which Board could not agree to.

May 24, 1932. 172, 173.

See - Federal Advisory Council.

Miller said that at dinner of Sec. Lamont to Hoover last week Hoover told him that he had kept in mind Miller's suggestion of District Committees, etc; that he sent for Gov. Harrison and directed him to appoint a N. Y. Committee.

Miller said Gov. Harrison had been thus directed at the time of the Governors Conference, altho he made no mention of this to the Conference nor, Miller thinks, even to Gov. Meyer.

Thus while Gov. Harrison was explaining to the Conference why it would not be possible to appoint a N. Y. Conference at least until Congress adjourned, he had inhis pocket or in his mind Hoover's instructions to appoint such a Committee immediately.

Miller believes Hoover instructed Ogden Mills to go tothe dinner and put the Committee through, and that Gov. Meyer knew nothing about it until he heard it at the dinner.

Miller felt Hoover had been very discourteous to Gov. Meyer in not taking him into his confidence, but thinks he may have broached the subject to Gov. Meyer and found him, as he actually was to us, unresponsive.

May 31, 1932. 183, 184.

Miller said Gov. Meyer was plainly ill at ease and chagrined in explaining the N.Y. dinner to the Board, altho he tried to make the Board believe he himself had put it through.

May 31, 1932. 185.

Governors Conference, Open market policy (Cont'd.)

A summing up of events leading up to N. Y. dinner.
June 1, 1932. 186.

C.S.H. suggested that an abstract of the Cleveland and N. Y. Committee proceedings be sent to each F.R. bank.

Gov. Meyer threw cold water on the suggestion and nothing was done.
June 3, 1932. 190.

C.S.H. had minutes of the Governors Conference corrected, through Burgess, to show that he first made the suggestion of new construction work which could and ought to be undertaken.
June 6, 1932. 194;

C.S.H. pointed out to Board that its open market policy -the purchase of Government securities, was very much interfered with by the Bank of France withdrawals; that, since April 6, 1932, about 750 millions of Government securities have been purchased, but that nearly 500 millions of this has been taken by Bank of France withdrawals, only 20% went totaking down of discounts and the same per cent of increase of member bank excess reserves.
June 9, 1932. 196, 197

Graef, Olyve
See -Moore, Ballard.

Grant, Catherine
C.S.H. writes, a Christmas letter.
Dec. 21, 1931. 27.

C.S.H. receives a very depressed letter from.

"I've wanted to do all the Christmasing I could this year, for perhaps we may never have another real Christmas! By another year we may all be doing manual labor and real frivolities be things of the past! So here's to the present!"
Dec. 28, 1931. 33.

Catherine sends C.S.H. a sweet letter of thanksfor the Christmas presents to the children.
Dec. 30, 1931. 34.

C.S.H. sends Catherine a long letter.
Feb. 26, 1932. 84.

Grant, Catherine (Cont'd.)

Received letter from. Said she had had a slight attack of bronchial pneumonia from which she had entirely receoved.
March 3, 1932. 86.

H. P. H. receives a long letter from, dated May 13.
May 16, 1932. 161.

Grant, Mrs. Veynes
We meet, at dinner at Gertrude Myer's.
Feb. 28, 1932. 84.

Great Britain. 8
See - Dulles, John Foster

-H-

Hale, Mary
See - Chase, Howland

Hale, Rachel
Platt said his wife was at school with, in N. Y.
Dec. 8, 1931. 5.

We called on.

Delighted to see us.

C.S.H. said he had been tempted to call her up several times. She seemed disappointed and said, "Why didn't you?"

On leaving she said "remember to call me up and tell me anything of interest".

C.S.H. believes she really missed his calls.
Dec. 19,1931. 26.

Sends us a Christmas card with picture of "Chubby" her dog, with a note on the back saying Chubby had died, - which she had told us Saturday when we called.
Dec. 21, 1931. 27.

C.S.H. writes, thanking her for the Christmas card.
Dec. 22, 1931. 29.

Gertrude Myer said shewas to dine with, tomorrow.
Dec. 24, 1931. 31.

Mrs. Rodgers told us that, went to N. Y. to spend Christmas with Mary; that after lunch she was ill and had to go to bed and could not come down to dinner; that she was worried about Rachel; that the best expert in Baltimore could find nothing wrong about her, but ordered her to rest, rest, rest.
Dec. 27, 1931. 32.

C.H.S. calls on.

Met Col. Rodgers, Ellen Leonard, and Nancy Warren there.

Rachel said some one had told her that the society people of Mt. Kisco who had ostracized Gov. and Mrs .Meyer, had cheekily written to ask her to open her house at.Westchester for some social entertainment; that Mrs. Meyer replied regretting that under the circumstances, she could not comply with their request.

All praised her for this.
Jan. 5, 1932. 36.

Hale, Rachel (Cont'd.)

Calls on H.P.H. with Gertrude Myer.
Jan. 22, 1932. 47.

C.S.H. calls on,

Told her of Bessie Stevens proposed trip to Foxcroft and H.P.H.'s efforts to get accommodations for her.

She said at once she would ask Bessie and his daughter to stay with her and asked C.S.H. to give her Bessie's N. Y. address.

H.P.H. called up Rachel and gave it.
Jan. 29, 1932. 51.

C.S.H. writes, sending a copy of, one of Dr. Butler's addresses, and telling her that her grandfather, Simon Cameron, acted with the Democratic party after his election tothe Senate in 1845. There was then no Republican party.
Jan. 30, 1932. 51.

C.S.H. called up Rachel's house.

The maid said she was receiving.

C.S.H. called but was told she was out.

Later, C.S.H. called her up and she said she was at Dr. Burke's, the oculist.

The maid at the door had asked me if I was Mr. Wylie.

Rachel said this was Andrew Wylie who was calling to see Donald.

C.S.H. said there was much of interest to talk with her and she said she hoped C.S.H. would soon try again, which C.S.H. said he would do next week.

She did not seem over-anxious to hear about current events, altho very polite and courteous.

C.S.H. believes she is tired out, and thinks he will give her a rest.
Feb. 12, 1932. 68, 69.

Bessie Stevens and daugther arrive at Rachel's. H.P.H. talked with her over the telephone.
Feb. 19, 1932. 77, 78.

Hale, Rachel (Cont'd.)

H.P.H. goes to Rachel's to call on Bessie Stevens.

Bessie said Rachel said, "Why did I not think to invite the Hamlins to meet you!"

Rachel was dining out.
Feb. 20, 1932. 78.

Rachel was thoughtless in not asking us.

H.P.H. said Mary Chase and her baby were with Rachel; that Mary said they would stay with their mother as long as Howland would let them. Feb. 20, 1932. 78.

We meet, at lunch with Gertrude Myer.
Feb. 28, 1932. 84.

C.S.H. calls on.

She said she had decided to sell "His Lordship's Kindness", as Mary said she could not live there with her during the summer.

C.S.H. told her that he met a Mrs. Henning, wife of the correspondent of the Chicago Tribune, at supper at Mrs. Harriman's; that she said she had a friend who wanted to lease a house for the summer near "His Lordship's Kindness", and that she asked him if he knew of any such place. C.S.H. said he would get in touch with Mrs. Henning if Rachel wished, and she asked him to do so.
March 4, 1932. 86.

C.S.H. called up Mrs. Henning who said her friend wished to lease and not buy, and she asked if Rachel would lease it.

C.S.H. said he did not know but asked her to write or telephone Rachel.

C.S.H. wrote Rachel about this talk sending it by special delivery.
March 4, 1932. 87.

Rachel wrote C.S.H. thanking him for his letter and saying she would consider a lease if Mrs.Henning followed the matter up.
March 7, 1932. 87, 88.

Hale, Rachel (Cont'd.)

C.S.H. called up Rachel to see if she was at home. She said Yes and would love to see him, but felt she ought to say that Gertrude had just telephoned she was coming to call.

C.S.H. said he would call later in the week and added, jocosely, that he was just a little jealous of Gertrude, which pleased Rachel immensely.
Mar. 23, 1932. 106.

C.S.H. called up Rachel but found she had gone away.
Mar.31, 1932. 112.

C.S.H. calls on, and has a good talk with her.
April 7, 1932. 118.

C.S.H. told Wyatt that neither Mrs. Hale or Mary had evern spoken to him about it before Howland Chase applied for a position under the Federal Reserve Board, although he knew them both very well. April 14, 1932. 126.

Rachel called up C.S.H. at his office and said she was very much interested in Howland Chase's application.

C.S.H. told her the only criticism he had heard was that he seemed very quiet and unassuming and did not seem very forceful.

She said the matter was absolutely in Wyatt's hands but that he had told him that if his choice fell on Howland he would be very much pleased.

She said Howland was still with the N. Y. firm which had told him that if he decided to leave there, they would be glad at any time to take him back.

C.S.H. said it would not be settled for some days, and that he would come around and see her soon.
April 15, 1932. 128.

Called up Rachel to say I was sending her a copy of the book on Federal Reserve Act published by F.R. Bank, Richmond, and told her to ask Howland to read it to get a good idea of the Federal Reserve Act. She was very grateful.

C.S.H. said Wyatt would probably not decide the matter for several days. April 17, 1932. 132.

Hale, Rachel (Cont'd.)

C.S.H. called up Rachel, saying there was nothing new but that he was hopeful, and that she would understand that nothing was certain in a case where there were several competent men available.

She said she understood this perfectly.

C.S.H. said nothing about Wyatt.
April 20, 1932. 134.

C.S.H. asked Miller if any of Howland's relatives, - Mrs. Hale, whom he knew so well, had spoken to him about Howland. He said No, and C.S.H. said no one had spoken to him either.
April 21, 1932. 134, 135.

C.S.H. called up Rachel to tell her of Howland's appointment.

Mary said her Mother was away visiting Virginia gardens, but would return at the end of the week.

Mary was delighted and most grateful.

Later Howland came in and said he had wired Rachel.
April 26, 1932. 144, 145.

Rachel wrote C.S.H. a very grateful letter, dated April 29, 1932, thanking him for his interest in Howland.
April 29, 1932. 151.

C.S.H. called up Rachel who said she was to be out this and tomorrow p.m. but wanted very much to see him.

C.S.H. said he would call her up when he returned from N. Y., the last of the week.
April 29, 1932. 151.

Gertrude Myer called and said Rachel had telephoned her about Howland, and that she supposed C.S.H. had arranged it..C.S.H. said he was appointed strictly on his merits.
May 2, 1932. 151.

C.S.H. meets John Walter at dinner with Dr. Butler, an old friend of H.P.H. May 4, 1932. 154.

C.S.H. called on Rachel.

Had no chance to tell her particulars about Howland's appointment, as Howland and Mary were there.
May 7, 1932. 153.

Hale, Rachel (Cont'd.)

Gertrude Myer got in a fling at Rachel, saying she would consider Howland's appointment a favor to the Federal Reserve Board rather than to Howland to have him willing to act as Assistant Counsel, a rather queer statement to make of one of her closest friends and an executor under her will!
May 11, 1932. 159, 160.

C.S.H. calls up Rachel and tells her the Lindbergh baby has been found murdered. May 12, 1932. 160.

We called on Rachel and C.S.H. told her the whole story about Howland Chase. May 19, 1932. 164.

Mrs. Rodgers told H.P.H. that Rachel left yesterday for His Lordship's Kindness. May 28, 1932. 181.

C.S.H. sends Constance Williams (Lodge) two humorous letters from Sen. Lodge. May 31, 1932. 185.

C.S.H. sends Sen. Gillette a humorous letter from Sen. Hoar as to his lack of musical sense.
May 31, 1932. 185.

We meet, at dedication of a monument to Gen. Myer at Fort. Myer.
June 2, 1932.189.

Hamlin, Anna.
We meet George Gordon, Anna's old friend, at supper at Mrs. Harriman's.
Feb. 7, 1932. 55.

H.P.H. as God-mother to Marjorie Wright's (Key) child gives her the last of Anna's rattles.
Mar. 19, 19321 97.

We attend funeral services at St. Agnes Church - Father Anderson - in memory of Anna. April 26, 1932. 143.

Our wedding anniversary.
Such happiness and yet such suffering thinking of Anna's tragedy.
June 4, 1932. 192.

Hamlin, C.S. (See Cummings Bill, Subsidies, Joslin, Dr.
Sarah Carey said it was generally believed that if a Dem. President were elected, C.S.H. would be Sec. of the Treasury.
Dec. 23, 1931. 31.

Hamlin, C. S. (Cont'd.)

Sarah Carey gives C.S.H. her photograph marked "From his best girl."
Dec. 23, 1931. 31

At Board meeting C.S.H. was only member who was willing to go to White House reception · Dec. 29, 1931. 33.

C.S.H. added a clause in letter to Gov. Calkins asking him to mediate in Transamerica Corporation dispute that the Board took this action in the public interest without a request from any one. Jan. 8, 1932. 39.

Mrs. McClellan gives precedence to ~~Hamlein~~ Hamlin, Chief of Division of State Department over C.S.H.
Jan. 31, 1932. 52.

C.S.H. agrees to Miller's draft of Sec. 3 as revised, but reserves right to send Glass his own draft, - Feb. 10, 1932. 64

C.S.H. sends his draft of Sec. 3 to Glass.
Feb. 11, 1932. 66.

C.S.H. votes not to send Board's report on Glass emergency bill unless and until asked by Senate Committee.
Feb. 15, 1932. 76.

C.S.H. suggests Board reply to Glass that it will submit its report on Glass bill, but asks for a hearing after submission.

Agreed to. Mar. 18, 1932. 95.

C.S.H. gets Board in its report to Glsss Committee to recommend member bank collateral notes secured by eligible paper be extended to 90 days maturity.

C.S.H. tried to get recommendation for higher rate on member bank collateral notes secured by Government bonds but failed.
Mar. 27, 1932. 108.

C.S.H. and later Miller induced Board to change report of Goldenweiser Committee to it and to recommend divorce of security affiliates within 3 years. Mar. 27, 1932. 109.

C.S.H. believes the unanimous agreement of Board in its report on Glass banking bill is an unequivocal indorsement of its direct pressure policy of 1929 and is one of the most important actions ever taken by it. Mar. 30, 1932. 110.

Hamlin, C. S. (Cont'd.)

C.S.H. publishes letter in N. Y. Times on World Court.
April 2, 1932. 113.

C.S.H. prepares memorandum criticising Gov. Harrison's letter to Glass objecting to Sec. 3 of Glass banking bill, showing that Harrison in his testimony before Senate Committee and also Owen D. Young favored everything contained in Sec. 3.

C.S.H. sends this to Glass and gives each member a copy.
April 8, 1932. 119, 120, 121.

C.S.H. points out to Governors Conference that there is a practical embargo on credit in U.S.
April 22, 1932. 122.

C.S.H. tells Governors he favored giving Federal reserve banks power to buy commercial paper in open market; that this power was in an early draft of Federal Reserve Act but later was dropped; that he wants to compromise by giving power to Federal reserve banks to buy eligible paper in times of stress from member banks without their indorsement; that this was formally considered during the war, but no action taken. April 22, 1932. 122, 123.

C.S.H., James and Miller felt that all Federal reserve banks which could should participate in open market purchases, even if not up to full proportionate share and the latter to apply to Board for relief under Glass emergency bill.
This view prevailed. April 22, 1932. 124.

C.S.H. wires Dean Pound, of Harvard Law School as to Howland Chase, and gets a favorable reply.
April 25, 1932. 143.

C.S.H. objects to Gov. Harrison's cable to Gov. Norman, encouraging ear marking of gold and disclosing discount policy of F.R. System. April 19, 1932. 146, 147, 148, 149, 150.

Goes to N. Y. - Carnegie meeting.
May 4, 1932. 151.

C.S.H. tells Governors there is much construction work which could be and should be done, and that even if it did not produce eligible paper the F.R. banks could take care of much of it under Glass emergency bill.

Hamlin, C. S. (Cont'd.)

This was the first constructive idea placed before the Governors, or any one else, and later was taken up by the F.R. District Committees.
May 17, 1932. 162, 163.

C.S.H. sends a letter to Lichtenstein answering his intimation of political influence in Board and System in 1928.

Sends copy to each member of Federal Advisory Council and Board and to Lichtenstein. May 19, 192. 164, 165.

C.S.H. introduces resolution for a survey of credit conditions in each Federal Reserve District. Slightly changed this was adopted. May 23, 1932. 168.

C.S.H. brings up Lichtenstein charges before Board.
May 23, 1932. 170.

C.S.H. states Lichtenstein's defense.
May 23, 1932. 171, 172.

See - Lichtenstein.

C.S.H. suggestion of new construction work made before Governors was omitted in Burgess report of the minutes.

C.S.H. had this corrected. May 28, 1932. 180, 181.

C.S.H. sends amendment to Glass exempting Board and staff from salary cuts of Economy bill.

Glass later had this, or rather one covering this adopted by Senate. June 2, 1932. 187, 191.

See - Economy bill.

C.S.H. sends Glass another amendment exempting Board and staff from limitation of annual leave to 15 days, and limiting travelling expense to $5 per diem.
June 3, 1932. 191, 192.

C.S.H. amazed at Gov. Harrison for attending at White House a meeting of Republican Senators.
June 5, 1932. 195.

Hamlin, C. S. (Cont'd.)

See also: Atlantic National Bank
Baker, Newton D.
Burgess
Carnegie FOundation
Carey, Sarah
Chase, Howland
Connor Club
DeLong, Mrs.
Discount rates
Ernst, Helen
Federal Reserve Bank, Cleveland
Federal Reserve Bank, N. Y.
Federal reserve notes
Glass
Glass bill
Goldenweiser
Governors Conference
Grant, Catherine
Hale, Rachel
Hanley, Alice
Hardy, Chester
Harrison, Gov.
Hoar, Senator
Hoover
James
Magee
Meyer, Gov.
Miller
Mills, Ogden
Myer, Gertrude
Noell
Open market operations
Pennington, Mrs. Louis
Reconstruction Finance Corporation
Valentine & Co.
White House
Williams (Lodge) Constance
Wilson, Mrs. Woodrow
Wingo
World Court
etc. etc. etc.

Hamlin, George Jr.
Dropped, down 5 years on Somerset Club waiting list.
Did same for Edward, Jr. some time ago.
Mar. 28, 1932. 109.

Hamlin, Harriet
We take supper with. Feb. 28, 1932. 84.
We lunch with. Mar. 6, 1932. 87
Mar. 27, 1932. 108
Apr. 17. 1932. 132.

Hamlin, H. P.

Attends tea at Woman's National Democratic Club in honor of Mrs. Wilson. Dec. 4, 1931. 3.

Writes Mrs. DeLong we have decided to close the farm and sell the stock; that we would continue her as caretaker at $50 per month; that we would allow Chester Hardy while recuperating from his illness and pending his getting another job, $30 per month, provided he made a satisfactory arrangement with Mrs DeLong to pay board out of this and so such light work as she might call on him for; this not to be wages but a temporary aid to him while looking for new work.

See Vo. 220 Scrap book.
Dec. 11, 1931. 9, 10.

H.P.H. sends similar letter to Chester Hardy.
Dec. 11, 1931. 10, 17.

Dines with Grace Bigelow, N. Y.
Dec. 13,1931. 13.

Goes to Morgan Library with Grace Bigelow.

Took tea with Bessie Stevens.
Dined with Mr. & Mrs. Dean Sage.
Dec. 14, 1931. 17.

Gertrude Myer calls and gives, a box containing needles and threads for Christmas. Dec. 24, 1931. 31.

H.P.H. calls on Gertrude Myer to thank her for Christmas present.
Jan. 2, 1932. 35.

Mrs. McClellan at dinner gives precedence to Hornbeck, Chief of Division of State Dept. over C.S.H. and to Mr. Orme Wilson of N.Y. over H.P.H.
Jan. 31, 1932. 52.

Acts as Godmother at christening of Marjorie Wright(Key)s daughter and gives her the last of Anna's rattles.
Mar. 19, 1932. 97.

Birthday, 59 years old. April 8, 1932. 119.

Hamlin, H. P. (Cont'd.)

Replies to Cong. Howards attack on Federal Reserve Board at lunch of Woman's National Dem. Club. Demands proof and Howard sits down in confusion.

The Club members were all delighted.
April 11, 1932. 122.

Mrs. Emily Newall Blair told H.P.H. that Gov. Meyer threatened to resign when Dawes was appointed President of Reconstruction Finance Corporation, as also from F.R. Board.
March 1, 1932. 84.

Replies to Cong. Howard's attack on Federal Reserve Board at lunch of Woman's National Dem. Club. Demands proof and Howard sits down in confusion.
April 11, 1932. 122.

Lunches with Mrs. Meyer to meet Mrs. Ogden Mills andladies of Federal Reserve Board and Reconstruction Finance Corporation.
April 18, 1932. 133.

Goes to N.Y. with C.S.H.
Carnegie meeting. May 4, 1932. 151.

C.S.H. meets John Walter at dinner with Dr. Butler - an old English friend of H.P.H. May 4, 1932. 154.

C.S.H. and H.P.H. drive with Gertrude Myer in her machine. C.S.H. called her up saying we would call, and she suggested a drive.
May 11, 1932. 159.

Calls on families of F.R. Board with Mary Chase (Hale)
June 1, 1932. 187.

Our 34th wedding anniversary. June 4, 1932. 192.

See - Anderson, Larz
Bayard, Mrs.
Daniels, Josephus
Dinners
Hale, Rachel
Lunches
Rodgers, Mrs.
Suppers
Teas

Hanley, Alice
Agrees to work for us as cook for the summer at $48, later changed to $50 a month.
June 3, 1932. 192.

Harding, President
Dr.Butler said he wrote the part of, Iowa speech relating to an Association of Nations; that he begged him not to reject the League of Nations, or at least to favor an Association of Nations; that later Harding told him Hughes had advised just the opposite; that Harding deceived the signers of the "Appeal of the 31."
Dec. 14, 1931.16.

Presidents Harding and Coolidge always sent C.S.H. a ticket to diplomatic door at White House receptions but Hoover sent a ticket to the East or public door.
Jan. 21, 1932. 46.

Hardy, Chester
9, 10, 17.

See - Hamlin, H. P.

C.S.H. sends, a check for December bill and letter stating that the new arrangement - $30 per month - would begin on Jan. 1, 1932.
Jan. 26, 1932. 48, 49.

Harriman, Mrs. Borden
We took supper with.
We met there George Gordon, Anna's old friend.
Gov. Ritchie was also there.
Feb. 7, 1932. 55.

See - Hennen, Mrs. 86, 87.

Harrison, Floyd
Says State Dept. sends copies of all cables etc. relating to Federal Reserve System direct to Gov. Harrison of F.R. Bank of N. Y. instead of through the F.R. Board.
Dec. 7, 1931. 5.

Board decided to grant no salary increases for next year. There were several meritorious cases, especially one woman, but Gov. Meyer positively objected.

Yet Gov. Meyer, when Board appointed Floyd Harrison, who was then getting $10,000 on Farm Loan Board, insisted on making his compensation $15,000 per year, - an increase of 50%, and

Harrison, Floyd (Cont'd.)

insisted on giving Morrill as secretary $12,000 in place of $10,000 he was receiving as Counsel and Secretary of the Farm Loan Board, - an increase of 20%!

Gov. Meyer also had a stenographer appointed for Morrill, increasing her compensation from $2000, which she was receiving from the Farm Loan Board, to $2100.
Dec. 11, 1931. 12.

Goes with Gov. Meyer and Morrill to a Congressional Committee to urge passage of Reconstruction Finance bill providing for emergency legislation affecting FR. Act.

None of Board were told of this!

It seems almost grotesque to have 3 ex-members of Farm Loan Board speaking for the interests of the Federal Reserve System.
Dec. 18, 1931. 24.

Goes again to Congressional Committee to speak for Reconstruction Finance Corporation, with Gov. Meyer and Morrill.

No notice to Board. Dec. 19, 1931. 25.

Wyatt says no requests for legal opinions came from Gov. Meyer; that they all came from Morrill or from.

He said all letters and documents before going to Gov. Meyer had to be checked by Morrill or Harrison.
Dec. 22, 1931. 28.

Morrill and, prepared list of Board Committees for 1932.
Dec. 30, 1931. 34.

After White House Conference concerning Glass emergency bill there was a conference at Treasury at which Glass, Gov. Meyer, Floyd Harrison, et al, were present, also Sen. Walcott.

None of Board were invited!
Feb. 11, 1932. 65.

C.S.H. speaks to, about a position for Edward Bowditch under Reconstruction Finance Corporation.
Mar. 7, 1932. 88.

Wyatt said he introduced Howland Chase to Morrill and, they thought he lacked force, and could not get a clear statement from him as to the kind of legal work he had been doingfor his firm.
April 14, 1932. 126.

Harrison, Floyd (Cont'd.)

Wyatt said Morrill and, both agreed to appointment of Howland Chase.
April 20, 1932. 134.

C.S.H. told Miller that, and all agreed there must be created a new position in Counsel's office.
April 21, 1932. 135.

Harrison tried to get Gov. Meyer in N. Y. to authorize notifying Chase of his appointment.
April 21, 1932. 135.

Gov. Meyer asks that Chase's appointment be held up until he heard from Felix Frankfurter.

C.S.H. feels if Board had been as cautious about Harrison's appointment, as about Chase, it would still be pending.
April 22, 1932. 140.

Wyatt said Harrison, Morrill, and every Board member had checked Chase's appointment.

Later Harrison said not to notify Chase until he had seen Wyatt.
April 26, 1932. 143.

Harrison told Wyatt that Frankfurter had telephoned him, - after wiring Gov. Meyer- that Chase had not received a single mark in Harvard Law School, above mediocrity.
April 26, 1932. 144.

Wyatt gave Dean Pound's telegram to Harrison who took it to Gov. Meyer and the matter was settled.
April 26, 1932. 144.

We call on Mr. & Mrs. May 15, 1932. 161.

C.S.H. read to, his proposed amendment sent to Glass to exempt Federal Reserve System from salary cuts and he fully approved it.
June 7, 1932. 195.

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Harrison, Gov. Federal Reserve Bank, N. Y.

1. Says that if railroad rate and wage question is not speedily settled, the decline in bond values will continue and make many more banks insolvent; that December, January, and February were the months of greatest bank insolvencies; that an increase in bank failures might cause a renewal of foreign demand for our gold and bring about an increase of hoarding at home; that, however, if said Railroad problems were settled the banks were ready to organize a pool to buy 500 millions, which would turn the tide.
Dec. 2, 1931. 2.

2. He bitterly attacked Dr. Willis, saying that he was bitterly and unpatriotically attacking the Federal Reserve System in the Paris paper which he represented; that he was largely responsible for the decline in the American dollar in France; that Burgess in addressing the B.I.S. dispelled this fear but that Willis attacked him charging that his figures were 10 days old, implying that present figures would reveal a different picture.
Dec. 2, 1931. 1-A, 1-B.

3. He also charged that the N.Y. Journal of Commerce published the Reserve Committee report before any other paper and before it had been released; that he believed that Willis obtained a copy from Glass and betrayed his confidence.

Gov. Meyer pointed out, after joining in the criticism of Willis, - that the Wall Street Journal correspondent told him he had data in his possession revealing the Reserve Committee report, before, even, it had been printed.
Dec. 2, 1931. 1-B.

4. The despatch from the State Department stating that the assistant of Gov. Moreau of the Bank of France told a member of our Embassy staff that the Federal Reserve Bank of New York had asked the Bank of France not to withdraw its deposits without notice, was then referred to by C.S.H.

C.S.H. also referred to an article by Mark Sullivan in Washington Star of Oct. 27, 1931, stating that the Hoover-Laval understanding contained an agreement that the Bank of France would not withdraw its deposits from F.R. Bank of N.Y. without definite notice, thus practically turning demand deposits into time deposits.
Dec. 2, 1931. 1-B, 2.

Harrison, Gov. F.R. Bank of New York (Cont'd.)

5. Gov. Harrison said there was absolutely no truth in these statements; that, on the contrary, he had told the Bank of France that it could have its deposits back at any time and that, in the future it could not increase deposits in the F.R. bank through maturing bills, but must either earmark or export such proceeds.
Dec. 2, 1931. 2.

6. Later he came into C.S.H.'s office and repeated the above, adding that Mark Sullivan's statement was a very serious misstatement which he would take up with him.
Dec. 2, 1931. 2.

7. He agreed with all the other Governors against a uniform cut in wages as advocated by Coker of F.R. Bank of Richmond.
Dec. 2, 1931. 3.

8. N. Y. Times praised, for his splendid services in inducing the N. Y. banks to join the standstill agreement, - concerning which John Foster Dulles told the Board they were fooled by the British!
Dec. 11, 1931. 8.

9. Glass told C.S.H. that Gov. Harrison's charges against Willis were not true; that he had carefully investigated them.
Dec. 16, 1931. 20.

10. C.S.H. met Gov. Harrison in the corridor. He said he had just been before the Glass Committee and that Glass would fight the broadening of eligible as to Reconstruction Finance debentures. Gov. Harrison said he agreed with Glass and would prefer giving power in emergencies only to take its debentures. Dec. 19, 1931. 25, 26.

11. Governors Conference.

Gov. Harrison outlined the seriousness of the present situation.

He said that credit had been deflated 6 billions in two years; in addition, a deflation of 5 billions in loans "for others"; that prices were still falling; that banks feared to loan in order to remain liquid.

He said he had told Glass he favored an amendment permitting F.R. notes to be issued against any collateral F.R. banks have power to acquire, - specifically Govt. securities; that the free gold was now down to 4 or 500 millions, altho the excess reserves were over a billion; that the necessity

Harrison, Gov. F.R. Bank of New York (Cont'd.)

of using these excess reserves in lieu of commercial paper as collateral for F.R. notes was becoming a menace to the System. Jan. 11, 1932. 40 (1)

12. He said that quick passage of the Reconstruction Finance Act and of the above amendment as to collateral for F.R. notes would give a fair chance of turning the tide of depression. Jan. 11, 1932. 40 (1)

13. He said it might be necessary to buy a further large amount of Government securities, not, however, just at the present time, but possibly in the near future.

He said there was the alternative: -

1. A bold course. Purchase of Govt. securities to try to prevent deposit withdrawals, together with substitution of bonds for gold behind F.R. notes if this suggested amendment be passed

Or,

2. Keep Federal reserve banks liquid at any cost to meet withdrawals of deposits, assuming that such withdrawals will go on as at present at the rate of 25% per year.

Gov. Harrison said he preferred 1, - the bold course. Jan. 11, 1932. 41 (1)

14. He spoke of the N.Y. bond pool which bought enough in January to keep prices stable.

He said if above provisions were enacted into law, the Pool would undoubtedly buy enough bonds to put up prices, - perhaps to par. Jan. 11, 1932. 41 (1)

15. Gov. Harrison said he contemplated purchasing Govt. securities in large amount only in case this should be necessary following the correction of the R.R. wage siguation and passage of F.R. note amendment; that he was fearful an emergency might arise within 2 or 3 weeks, requiring such purchases. Jan. bb, 1932. 41 (1, 2).

16. Gov. Meyer read to Board copy of a cable from Governor Harrison to Governor Moret of Bank of France explaining the System's discount and acceptance policy and the Reconstruction Finance

Harrison, Gov' F.R. Bank of New York (Cont'd.)

Act, pointing out that it was not inflationary but merely an attempt to check credit deflation and bring about a return of normal conditions.
Jan. 19, 1932. 43.

17. Gov. Meyer said he had for a long time been considering with Gov. Harrison the advisability of asking the Bank of France to withdraw all its deposits, and that Ogden Mills thoroughly approved.

C.S.H. fears this is a political move of the administration, through Gov. Meyer, Mills and Gov. Harrison, to punish France for her attitude as to reparations, disarmament, Allied debts and tariff.
Jan. 19, 1932. 43, 44, 45, 46.

18. Sen. Glass called.

He was very bitter towards Gov. Harrison and F.R. Bank of New York.

He said that Gov. Harrison, by his foreign loan policy, had nearly bankrupted the F.R. Bank of N. Y.
Jan. 25, 1932. 49.

19. Glass said Gov. Harrison told him that the change from Government bonds to commercial paper as collateral for member bank collateral notes could be made within three months, as there was an ample supply of commercial paper, while Glass said his bill allowed 2 years within which to make this exchange.
Jan.28, 1932. 49.

20. Wyatt said Ogden Mills called up Gov. Harrison and asked him to send down Burgess to act with Goldenweiser in examining the Glass banking bill. 52.
Feb. 1, 1932.

21. C.S.H. found that Gov. Harrison in his testimony before the Glass Committee favored giving power to Federal reserve banks to penalize member banks for abuse of Federal reserve facilities; that he said the power to refuse discounts existed now and that he had so advised the Board when he was its Counsel; that the specific grant of such a power would strengthen the Board.
Feb. 9, 1932. 58, 59.

Harrison, Gov. Federal Reserve Bank, N. Y. (Cont'd.)

22. Magee said he believed that Gov. Harrison was the dominating influence in the F.R. System.

C.S.H. said a majority of the Governors were at heart opposed to Gov. Harrison's open market policy and were unwilling to give him the leeway he wanted, but that they compromised at the last moment, generally.

C.S.H. said, e.g. Gov. Harrison might want to buy 500 millions of Governments and the Governors, not wanting to bu y any more, compromised and agreed on 200 millions.

Magee said Gov. Harrison probably asked for more than he really wanted, for trading purposes.
Feb. 12, 1932. 67, 68.

23. Glass told C.S.H. that the Wall Street banks were fighting Sec. 3 of his banking bill, through Gov. Harrison.
Feb. 13, 1932. 72.

24. C.S.H. told Glass that the memorandum he sent him showed that Gov. Harrison favored in his testimony, about all covered by Sec. 3.

Glass said Yes, but Wall Street has forced him now to object to Sec. 3. Feb. 13, 1932. 72, 73.

25. Gov. Meyer told Board of a conference at Treasury to discuss Glass emergency bill conference report, at which Glass, Gov. Meyer and Gov. Harrison were present.

The Board knew nothing of this!
Feb. 24, 1932. 80.

26. Board discussed regulations for Glass emergency bill.

Gov. Harrison said two courses were open: -

1. Permit emergency loans up to say 100% of F.R. banks surplus

Or,

2. Pass on each particular case as it arose.

He favored 1.
Feb. 24, 1932. 80, 81.

Harrison, Gov. Federal Reserve Bank, N. Y. (Cont'd.)

27. Governors Conference.

Gov. Harrison asks authority to buy 250 millions of Governments, say 25 per week.

He said bank credit in relation to prices was never so low as now; that prices generally ran along with bank credit; that if bank credit were not increased, prices would surely drop to lower levels.
Feb. 24, 1932. 82.

28. Says he will ask his directors to lower discount rates tomorrow by ½ of 1%.
Feb. 24, 1932. 83.

29. Gov. Harrison said the B. Y. banks were not rediscounting.

Some asked him if he could not make them rediscount.

He said Yes, but that if he did, he would go abroad, and not for purpose of consulting the central banks, but because he would be out of a job!
Feb. 24, 1932. 85.

30. Gov. Meyer told Board that excepting Rounds, the Federal Reserve Bank of New York had not a single practical officer experienced in banking, and he specifically included Gov. Harrison in this statement.
Mar. 3, 1932. 85.

31. Gov. Meyer told Board that Gov. Harrison thought it not proper for the Board to send a letter to the F.R. banks asking them to send it to member banks on subject of Glass emergency bill.

Gov. Meyer said he would ask Gov. Harrison to write as to his objections.
Mar. 9, 1932. 90.

32. Glass wrote Gov. Meyer that Burgess and Goldenweiser in preparing their report on the Glass bill were in consultation with Gov. Harrison, Mills, and Gov. Meyer; that his Committee, through himself, offered to give the Board and Gov. Harrison a public hearing but that both declined.

Mar. 22, 1932. 100.

Harrison, Gov. Federal Reserve Bank, N. Y. (Cont'd.)

33. Suggests desirability of retaining Newton D. Baker to appear before the Glass Sub-committee on behalf of the Federal Reserve System.

C.S.H. feels this shows that Gov. Harrison is desperate with his back to the wall.

Mar. 23, 1932. 104, 105.

34. C.S.H. got from Gov. Meyer a copy of Gov. Harrison's letter and memorandum to Glass Committee protesting against Glass bill.

A most "Bourbonish" document!

While it approved generally 22 sections of the bill, it said 13 of these were not necessary now and should be postponed.

Among these latter were the Board's suggestion of divorce of security affiliates, open market operations, 90-day member bank collateral notes secured by eligible paper, supervision of holding companies, power of removal of officers and directors of member banks.

It opposed:

1. Power to close discount window and penalize member banks for abuse of F.R. facilities.

2. New reserve provisions of Reserve Committee.

3. Separation of bank and security affiliates.

etc. etc.

It favored immediate action only, -

(a) Federal Liquidating Corporation
(b) Branch bank

Gov. Harrison's letter said:

"There do not appear to be any parts of the bill for which there is imperative need for immediate legislation." Yet the memorandum did favor Federal Liquidating Corporation and branch banks.

On the subject of Sec. 3 Gov. Harrison's letter said:

"The power to refuse discounts in Sec. 3 and to suspend F.R. privileges would be ineffective

Harrison, Gov. Federal Reserve Bank,New York (Cont'd.)

and would involve responsibilities for the management and operation of individual banks which it would be impossible for the Federal reserve banks or the Federal Reserve Board to fulfill, and the assumption of which would be harmful to the Reserve System as a whole, and to the individual member banks.

April 8, 1932. 119, 120.

35. Yet he and Owen D. Young testified to just the opposite before the Glass Committee.

(See analysis of letter and memorandum in scrap book, Vol. 226 or 227)

April 8, 1932. 121.

36. C.S.H. prepares memorandum in reply to Gov. Harrison's letter and Memo. (See scrap books)

April 11, 1932. 121.

37. Meeting with Governors.

Gov. Harrison wanted Board to issue a statement that Federal reserve banks could deposit their Governments and take down the gold behind Federal reserve notes.

April 12, 1932. 124.

38. Glass sends C.S.H. a copy of his reply to Gov. Harrison's letter and Memo. He said he should denounce the Federal reserve bank on the floor of the Senate. (See 227 scrap books)

April 17, 1932. 133.

39. Gov. Harrison answers Glass's letter.

He said, among other things, that all open market operations were approved by Federal Reserve Board. He forgets, however, the action of F.R. Bank of N. Y. in 1928 when under authority from Board merely to meet fall demands for credit, it purchased so many acceptances that the member banks not only met the credit demand but were able to take down 193 millions of discounts, the F.R. Bank of N.Y. actually holding for itself and foreign correspondents, 2/3 of all the acceptances outstanding, thus turning the Board's firming policy into an easing policy which increased the speculative fever.

(See C.S.H. article on direct pressure)

Harrison, Gov. Federal Reserve Bank, N. Y. (Cont'd.)

Gov. Harrison admitted that this was an error, in testifying before the Sub-committee.

Gov. Harrison's letter to Glass repeated the old cry that the only way to stop speculation was through discount rate and open market open market operations. This was very foolish of him. He seems to have lost his head!
April 18, 1932. 145, 146.

40. Gov. Meyer reads a copy of Gov. Norman's cable to Gov. Harrison and reply of latter, dated April 14 and April 16, 1932 respectively.

Gov. Harrison in letter to Gov. Meyer said he had already read to Gov. Meyer his reply cable.

Gov. Meyer had never mentioned this to the Board.

Gov. Norman's cable stated:

1. The necessary for increasing holdings of funds in N. Y.

2. Suggests earmarking and asks Gov. Harrison's opinion as to this, but assumes he will not favor it.

3. He epxects to maintain an easy credit situation and will probably further reduce the bank rate.

4. He is averse to any plan which might react disadvantageously on "you".

5. Asks for Gov. Harrison's frank comments on these ideas. Says he has not yet spoken to any one else. (See scrap book).
April 19, 1932. 146, 147.

41. Gov. Harrison in his reply cable dated April 18, 1932, said:

1. Our energetic open market operations will result in lower rates on Governments, bills and probably deposits.

2. This will cause you great difficulty in employing your funds.

Harrison, Gov. Federal Reserve Bank, N. Y. (Cont'd.)

41. (Cont'd.)

3. Earmarking of gold seems the logical course for you if you are forced to increase your holdings of dollars.

4. We have no objection to earmarking your gold and will gladly accommodate you.

5. Earmarking may be misinterpreted in this country and should be timed so as to have the least possible reaction against our programme.

6. Lowering your rate may affect the reaction and may imply your sympathy with our programme.

7. Asks Gov. Norman to define his open market policy.

8. In view of our past and prospective purchases of Governments, our discount rate is ineffective and would be so even though reduced to 2½ or even 2%.

9. Of some advantage to leave our discount rate where it is, as it may induce the member banks to use the funds we are giving them.

April 19, 1932. 147, 148.

42. C.S.H. feels that Gov. Harrison's cable should have been submitted to Board for approval as it is in effect an official statement of our prospective discount rate and open market policy, which should have been approved by the Board.

The cablegrams read as if they were interchanged between two sovereigns.

Gov. Harrison has prepared to take upon himself the declaration of future policies of the F.R. System, treating the F.R. Bank of N. Y. as if it were the central Bank of the U.S.

April 19, 1932. 148, 149.

43. Gov. Meyer, on April 22, 1932, acknowledged Gov. Harrison's letter and copies of the cablegrams, and thanked Gov. Harrison for his "courtesy" in sending the copies.

April 22, 1932. 149.

Harrison, Gov. F.R. Bank of New York (Cont'd.)

44. C.S.H. predicts that as the result of gold exports, Gov. Harrison will ultimately suggest higher discount rates to check such exports.

None of the Board agreed with him.
April 29, 1932. 151.

45. N. Y. Times says Gov. Harrison is trying to secure a promise from Bank of France not to withdraw deposits, so that our banks can safely expand on them.
May 7, 1932. 153.

46. The Wall Street Journal prints a cable to same effect.
May 7, 1932. 153.

(See scrap books)

47. C.S.H. brought up above at Board meeting.

Gov. Meyer said he knew it was not true.
May 9, 1932. 153.

48. Gov. Harrison, on April 13, 1932, told Senate Committee - stabilization hearings - that in 1928 and 1929, commodity prices were falling while security prices were rapidly rising; that under such circumstances, if he followed the principles of the proposed stabilization bill, he would have had to buy Governments and lower discount rates to keep the commodity price level stable; that this would have fed the speculative fire.

Yet Gov. Harrison in 1929 when commodity prices were falling, wanted radically to increase discount rates in order to break the stock market, regardless of the crushing effect of such a policy on business and agriculture!

He abandoned commerce and agriculture!

(See testimony, p. 485)

Clearly the direct action policy of the Board to give business and agriculture the rates they deserved, and to check speculation by cutting down speculative credit, - was the correct policy.

Gov. Harrison in 1929 had his eye fixed on the stock market and forgot commerce and industry.
May 10, 1932. 154, 155.

Harrison, Gov. F.R. Bank of New York (Cont'd,)

49. Meeting with Governors.

Gov. Harrison said the open market policy was, on the whole, working satisfactorily; that it had apparently checked deflation.
May 17, 1932. 162.

50. Gov. Harrison said cutting of wages at F.R. Bank of N.Y. was inevitable. May 17, 1932. 163.

51. Gov. Harrison said he had tried to bring about cooperation between borrowers and lenders in N.Y. but that he could not succeed because of uncertainty as to what Congress would do.

This was his principal excuse for not favoring formation of a District Committee.
May 17, 1932, Tuesday.
163, 164.

52. N. Y. Times announces that Gov. Harrison has appointed a N. Y. District Committee to cope with the credit situation, - headed by Owen D. Young.
May 20, 1932. Friday. 165.

53. At the Open Market Conference last Tuesday, May 17, 1932, Gov. Harrison gave reasons why C.S.H. and Miller's plan for a Washington Conference of bankers and business men, followed by formation of District Committees, was not advsiable, at least until after Congress adjourned. Some one has evidently spurred him to action!
May 20, 1932. 165.

Gov. Meyer told Board of a dinner last week, probably Thursday, at which Ogden Mills, Gov. Harrison, the N. Y. directors and he were present.

He said Ogden Mills made a very forceful address advocating the formation of a District Committee; that a Committee was at once formed; that all agreed there was much construction work which could and should be done, thus decreasing unemployment.

(C.S.H. at open market conference on May 17, first made this suggestion, as to construction work. See supra p.163)
May 23, 1932. 167, 168.

Harrison, Gov. F.R. Bank of New York (Cont'd.)

54. C.S.H. asked Gov. Meyer to explain Gov. Harrison's sudden conversion to the District Committee idea.

Gov. Meyer said he paid little attention to what Gov. Harrison said at the dinner

C.S.H. said Gov. Harrison's conversion was as startling as that of St. Paul!
May 23, 1932. 168.

55. Miller said there was a mystery about Gov. Harrison's conversion; that he, Miller, over a week ago told Hoover of his plan for a Washington Conference and District Committees; that he thinks Mills may have also told Hoover about the discussion at the Governors Conference, and that Hoover may have ordered Mills to go to New York and see that Gov. Harrison at once appointed a Committee.

C.S.H. feels this may explain the sudden conversion of Gov. Harrison and of Gov. Meyer as well.
May 23, 1932. 169, 170.

56. N. Y. Times speaks of a gathering of Republican Senators at White House with Hoover, and that Ogden Mills was present.

The Washington Post says Gov. Harrison also was present.
May 30, 1932. 182.

57. Later Ogden Mills said that Hoover heard that Gov. Harrison was spending the week-end with Admiral Grayson and asked Gov. Harrison to come over to White House to discuss "business conditions".

C.S.H. feels Gov. Harrison visits Hoover altogether too much.
May 30, 1932. 182.

58. N. Y. Times says Hoover has a conference with Ogden Mills and Democratic leaders, and that Gov. Harrison was there.
May 31, 1932. 182.

59. Miller told C.S.H. that he was at the Lamont dinner to Hoover last week; that Hoover told him he had kept in mind his - Miller's - suggestion of a Washington Conference followed by appointment of F.R. District Committees; that Hoover said he sent for Gov. Harrison and directed him at once to appoint a N. Y. Committee.

This explains Gov. Harrison's sudden conversion!

Harrison, Gov. F.R. Bank of New York (Cont'd.)

59. (Cont'd.)

C. S.H. believes that Gov. Harrison had this order when he was at the Governors Conference on May 19, 1932. but he said nothing about it and even deprecated the appointment of a N. Y. Committee.
May 31, 1932. 183.

60. To sum up:

Hoover secretly sent for Gov. Harrison and ordered him to form a N. Y. District Committee. (Supra p. 183)

Gov. Harrison concealed these instructions from the Board, and, presumably, from Gov. Meyer.

Gov. Harrison concealed them also from Board and Governors Conference. June 1, 1932. 186.

61. C.S.H. fears that presence of Gov. Harrison at Hoover's conference with Republican Senators (See supra p. 182) may give rise to political attacks against the F.R. System.
June 5, 1932. 193.

62. Gov. Meyer said Gov. Harrison was contemplating intimating to the Bank of France that it must earmark all its deposits in F.R. bank - now less than 100 millions.

C.S.H. pointed out that the Bank of France withdrawals was seriously hampering our open market policy.
June 9, 1932. 196, 197.

See - Bank of France.

Harvard Law School. 143, 144.

See - Chase
Frankfurter

Hay-Adams House
C.S.H. moves from Cosmos Club to.
Dec. 2, 1931. 1.

To close restaurant after Saturday of this week, except for breakfasts. May 31, 1932. 182.

Hearst
Woolley said he knew that Gov. Roosevelt arranged to have, call him on telephone; that he did so and that they conferred together. Feb. 9, 1932. 57.

See - Woolley

Heckersen, Baroness Van
Mr. Van Lennert and, of the Oxford Group, called on us. She and her sister, formerly Lady in Waiting to the Queen, and Count John Bentenek, whose father gave asylumto the German Emperor, all travelling with the Oxford Group.
May 18, 1932. 164.

We had a lunch at Woman's Democratic Club for Count John Bentenek and Baroness Van Heckersen.

Present: Mr. & Mrs. Delano, Mrs. Newlands, Mrs. Frazer, Gertrude Myer, and Miss Hegerman.
May 21, 1932. 167.

H.P.H. sends copy of Rector of Presbyterian Church to the Baroness.
May 23, 1932. 173.

Hegerman, Miss
We lunch with. Feb. 7, 1932. 53.
Apr. 24, 1932. 142.
May 22, 1932. 167.

We have, at lunch to meet Count John Bentenek and Baroness Van Heckersen. May 21, 1932. 167.

Helm, Edith
Calls on us.
Just returned from Europe.
Feb. 4, 1932. 54.

We dined with. April 2, 1932. 113.

Dines with us. May 12, 1932. 160.

Henning, Mrs. 86, 87, 88.
See - Hale, Rachel

Houston, Ex-Secretary
Ex-Attorney General Palmer told, he would send him a copy of Lehman's opinion against validity of security affiliates, if he wished for it.

C.S.H.'s diary. May 11, 1932. 157.

Hill, David Jayne
Death. Mar. 2, 1932. 86.

Hines, Gen.
We meet, at dinner at Robert Lincoln O'Brien's.
April 7, 1932. 118.

His Lordship's Kindness
See - Hale, Rachel

Hoar, Sen.
C.S.H. sends Gillett a humorous letter from, years ago, telling of his lack ofappreciation of music and saying the only music he could appreciate was the music of a jury giving a verdict for the Plaintiff when he was counsel for the Plaintiff.
May 31, 1932. 185.

See - Scrap books.

Hoarding
Gov. Meyer said, was gradually subsiding.

If hoarding ceases and banks resume loaning, all will be well.
Mar. 3, 1932. 85.

Goldenweiser says no danger from gold exports; only danger is from domestic hoarding.
June 9, 1932. 198.

Holding companies
Morrill said Glass asked him to draw a modified affiliat divorce bill excluding, and confining the divorce to sister and subsidiary affiliates.
April 5, 1932. 114.

"Honorable"
State Department no longer addresses Board members as.
See - Protocol
State Dept.
Title

Hoover, President
C.S.H. calls to Gov. Harrison's attention the article written by Mark Sullivan in Washington Star of Oct. 27, 1931, that the Hoover-Laval agreement provided that Bank of France should not withdraw its deposits in F.R. Bank of N.Y. without definite notice.

Gov. Harrison absolutely denied this, and said it was a serious misstatement. Dec. 2, 1931. 2.

See - Harrison, Gov.

Hoover, President (Cont'd.)

Hoover in message to Congress favors broadening of eligibility in times of stress. He said he had been informed that a majority of the Governors of the Federal reserve banks favored such a broadening.

He did not mention the Federal Reserve Board.

The Board had talked this over informally and all except Miller favored intermediate credit debentures as collateral for member bank collateral notes when the maturity did not exceed six months.

This was the principal question in Hoover's mind at that time.

The Governors, three dissenting, had favored Lombard loans in emergencies.

Hoover never asked opinion of Board, but preferred evidently to ignore it! Dec. 8, 1931. 5, 6.

Glass told C.S.H. he had talked with Hoover several times within the last 3 weeks; the last time being only two days ago; that he was densely ignorant of all banking questions, - pitifully ignorant. Dec. 16, 1931. 19.

None of the Board except C.S.H. wished to attend Hoover's New Year's reception.

Gov. Meyer treated the matter as a joke and asked C.S.H. to represent the whole Board, which C.S.H. said he would do. Dec. 29, 1931. 33.

Gov. Meyer interrupted James who was talking of automobile extravagance, and asked him what he thought of "two for each person" evidently referring to one of Hoover's campaign speeches in 1928.

C.S.H. feels that Gov. Meyer went out of his way to ridicule Hoover. Dec. 29, 1931. 33, 34.

Josephus Daniels told H.P.H. that Rowland Morris acted as Counsel for Col. Smedley Butler in the matter of his attack on Mussolini which was being investigated; that he informed Sec. Adams that if the matter was pressed, he should bring out the fact that during the Boxer uprising Hoover was found in a cellar disguised as a woman, and was dragged out by Army officers; that this threat paralyzed Hoover; that he, - Morris - wrote the letter of apology sent by Col. Butler and also the reply of Sec. Adams. Jan. 1, 1932. 35.

Hoover, President (Cont'd.)

Hoover invites us to Congressional reception but sends ticket for East door - the one for the general public.

President Hardingand Coolidge always sent us tickets to the South (Diplomatic) door. We did not attend.
Jan. 21, 1932. 46.

C.S.H. feels Hoover alone will be happy at Gov. Smith's announcement of his candidacy and his statement that he is the leader of the Democratic Party. Feb. 7, 1932. 55.

Miller says Hoover hates the N.Y. banks but fears them; that no one could predict what his attitude would be as to giving Board the power to penalize them for abusing F.R. facilities.
Feb. 9, 1932. 59.

Miller said that some years ago, when Hoover was drafting his annual message, he asked him to read it; that it contains extraordinary praise of the F.R. System; that he, - Miller - told him he was ashamed of the F.R. System; that by its open market operations it had encouraged a secondary speculative movement in 1931.

He said later Hoover told him the F.R. System was a failure.
Feb. 9, 1932. 59.

Miller said Glass called him up and said that Hoover wanted the Federal Reserve Board to lower member bank required reserves.

C.S.H. told Miller such action, even if legal, would be a red flag of danger at the present time and might bring about a general moratorium and throw us off the gold standard.
Miller agreed with C.S.H.
Feb. 10, 1932. 63.

Morrill tells C.S.H. that Hoover, at a White House Conference at White House had brought about an agreement to divide the Glass banking bill into two parts:

1. Emergency classes

2. Other legislation.

Morrill said it was agreed to press 1 and postpone 2 for the present.
Feb. 10, 1932. 61, 62.

The Board had never heard of above agreement.

How did Morrill know of it?

Hoover, President (Cont'd.)

It was arranged by Hoover behind the backs of the Board members!
Feb. 10, 1932. 64.

The N. Y. Times announces the above agreement, stating that the emergency provisions will be pushed by the Administration.
Feb. 11, 1932. 65.

N. Y. Times also speaks of another Conference following this agreement at which Glass, Gov. Meyer, Morrill, Burgess, et al were present.

No members of Board knew of this except Gov. Meyer!

Hoover is evidently working on his own initiative, utterly ignoring the Board!
Feb. 11, 1932. 65.

The above explains Morrill's knowledge of the agreement.
Feb. 11, 1932. 65.

Gov. Meyer told Board of Hoover's breakfast conference and above agreement at which Glass was present.
Feb. 11, 1932. 65.

Glass claims that the agreement above as to emergency powers was limited to 1 year, while Hoover and the others think it was agreed that the limit could be extended for cause.
Feb. 12, 1932. 66, 67.

Glass said Hoover told him at the White House breakfast conference that Burgess and Goldenweiser were appointed to represent the Federal Reserve Board; that he would stand behind any plan for amendments of F.R. Act agreed upon by him, - Glass, a Democrat, - and Sen. Walcott, Republican, and Burgess and Goldenweiser, representing the Federal Reserve Board.
Feb. 12, 1932. 73.

Miller said Hoover sent for him late yesterday p.m.; that he went there and met him and Mrs. Hoover; that before leaving, Hoover said he hoped he - Miller - would use his influence with Glass to straighten out the emergency legislation.

Miller said he had no doubt but that some had asked Hoover to say this to him. Feb. 15, 1932. 75.

Cong. Gifford succeeded in getting a ticket for H.P.H. to Congress to hear Hoover's address at the opening of the Washington bi-centennial. Feb. 20, 1932. 78.

Hoover, President (Cont'd.)

Hoover has asked authority from Congress to reorganize all Departments, and asking for 4 or 5 more assistant secretaries.

Under this C.S.H. believes Hoover could transfer the F.R. Board and put it under Sec. of Treasury or any other Cabinet officer.

The Democrats will opposed this and rightly.
Feb. 21, 1932. 79, 80.

Gov. Meyer told the Governors at the Governors Conference that he felt it his duty, as Governor of the F.R. Board, to tell Hoover and the Congressional Committee that the Reconstruction Finance Act was wise and necessary.

Gov. Meyer never consulted the Board as to any amendments or provisions in this Act, - especially the emergency provisions as to debentures, but contented himself, as above, by merely stating what he had done, without any authority from the Board.
Feb. 24, 1932. 80.

At the above Hoover breakfast conference it was agreed that if Glass would consent to the emergency clauses of his banking bill being pressed for immediate consideration, Hoover would support later the rest of his banking bill, in so far as Sen. Walcott and Glass could agree.

They did agree and Willis was directed to prepare a draft of the agreement for the Sub-committee; that when drawn, Walcott went over it with Burgess, Goldenweiser and Wyatt and were satisfied that it did not represent the agreement between Glass and Walcott.
Mar. 14, 1932. 91, 92.

See - Glass bill
Willis

Gov. Meyer read to Board a letter from Glass stating that Burgess and Goldenweiser were delegated by Hoover to represent the Treasury and the Federal Reserve Board.
Mar.22, 1932. 100.

Ogden Mills said Hoover could not have stated as above.
Mar. 22, 1932. 101.

Miller said Hoover had him at lunch today; that Hoover did not speak of the Glass bill but that he, - Miller- brought up the subject; that Hoover did not know of the latest draft and asked him to

Hoover, President (Cont'd.)

send him a copy with any suggestions he cared to make; that Hoover finally agreed with Miller that every effort should be made to secure some bill which Glass would accept. Mar. 22, 1932. 103.

C.S.H. believes Hoover has turned over the whole matter to Ogden Mills and Gov. Meyer. Mar. 22, 1932. 103.

C.S.H. and Miller feel that Mills and Gov. Meyer are more eager to have the Glass bill rejected rather than amended, but we also believe it would be suicidal for the Hoover administration to reject the bill, as this would make it a political issue, and Glass could fairly claim it was an alliance between Wall Street and Hoover. Mar. 22, 1932. 103.

Daiger told C.S.H. that Glass and the Sub-committee felt that Hoover, Mills, and the Comptroller had not played fair in having the Thompson-Beedy liquidating bill introduced, and that they forced Hoover to have it withdrawn. April 5, 1932. 115, 116.

Gertrude Myer tells H.P.H. she is to dine with President and Mrs. Hoover tomorrow to meet Miss Simms, - a friend of hers, who is staying there. April 6, 1932. 117.

Castle's new "Hoover doctrine" of non-recognition of territory seized by force was ridiculed at Carnegie meeting. It originated in Cleveland's Harvarian message, and in the Pan American conferences, beginning with the first, later in the Institute of International law, and finally in the Pan American Conference of 1926 which sent it to all South American Republics.

Andrew Carnegie worked for it in first Pan American Conference.

The trustees felt Castle was either densely ignorant or deliberately trying to put on Hoover's shoulders what did not belong there. May 5, 1932. 152.

Hoover gives out a statement that he was pleased at formation of F.R. District Committee in N.Y.; that the other F.R. districts should follow suit; that he would be glad to invite the Governors to confer with him in Washington.

The Associated Press worded the dispatch to read as if Hoover himself had started the Committees.

Hoover, President (Cont'd.)

Hoover again robs the F.R. Board of all credit and takes the leadership!

As a fact C.S.H. and Miller started these Committees.
May 21, 1932. 166.

Hoover has not yet filled the vacancy in the Board nor even appointed a Vice Governor!
May 21, 1932. 167.

Miller told C.S.H. that Hoover sent for him over a week ago, just after breakfast, May 14, 1932; that he was with him an hour; that he explained to him the necessity of appointing Federal reserve district Committees, preceded by a conference of bankers and business men in Washington; that he told Hoover that was a task for the F.R. Board; that Hoover quickly said he had no confidence in the F.R. Board!

C.S.H. asked Miller whether he was referring to Gov. Meyer or to the whole Board, but Miller said he did not know.

Miller is inclined to think that Mills told Hoover about the discussion in the Governors Conference as to F.R. District Committees, and that Hoover ordered Mills to go to New York and put through the appointment of such a Committee.
May 23, 1932. 169.

Miller said Hoover tried to run everything from the White House, and that while Speaker Garner was very undiplomatic in saying that if Hoover would only be quiet for 30 days, all our troubles would be settled, he was, in part, at least, justified.

Miller said that Hoover, - as Sec. Lane said in 1921, was one of the greatest advertisers this country had evern known.
May 23, 1932. 170.

Gov. Meyer asked the Board for suggestions as to present difficulties, but in such a quick casual way, that C.S.H. felt he did not want any suggestions but preferred to tell Hoover the Board was all at sea.
May 26, 1932. 177.

N. Y. Times speaks of a conference of Republican Senators with Hoover at the White House, at which Ogden Mills was present.

Hoover, President (Cont'd.)

The Washington Post said that Gov. Harrison was also present.

Ogden Mills explained in the Washington Post that Hoover heard that Gov. Harrison was spending the week-end with Admiral Grayson and asked him over to the White House to discuss "a business condition".
May 30, 1932. 182.

C.S.H. feels Gov. Harrison sees altogether too much of Hoover!
May 30, 1932. 182.

Hoover has White House Conference with Democratic Senators and Ogden Mills.

N. Y. Times said Gov. Harrison was present.
May 31, 1932. 182.

Miller told C.S.H. that he was at the dinner given by Sec. Lamont to Hoover last week; that Hoover told him he had kept in mind Miller's talk as to a Washington Conference and appointment of F.R. District Committees; that he had sent for Gov. Harrison and directed him at once to appoint a N. Y. Committee; that at the Open Market Conference on May 19 Gov. Harrison must have had these instructions but never mentioned them to the Board or Governors.
May 31, 1932. 183.

Miller said Hoover instructed Ogden Mills to attend the dinner in N.Y. and put throughthe appointment of the Committee; that he believed Gov. Meyer knew nothing about this until he was at the dinner; that Hoover had been very discourteous to Gov. Meyer in not taking him into his confidence.

Miller felt that probably Hoover must have previously talked it over with Gov. Meyer after his - Miller's - talk with Hoover and that probably Gov. Meyer threw cold water on it.
May 31, 1932. 183, 184.

Resume:

1. Hoover learned from Miller that Board intended to appoint F.R. District Committees and discussed it at Open Market Conference.

2. Hoover secretly sent for Gov. Harrison and directed him at once to appoint a N. Y. Committee.

3. Hoover concealed these instructions from Gov. Meyer.

Hoover, President (Cont'd.)

4. Gov. Harrison concealed them from Governors Conference and from Board.

5. The morning of announcement of appointment of N. Y. Committee, Hoover gave out a statement of pleasure at its appointment and expressed a willingness to call the Governors in Conference at Washington to help in formation of similar Committees in the other F.R. districts.

6. Hoover deliberately snatched this plan from the Board and appropriated it to himself.

7. Hoover is a glutton of the lime light!
June 1, 1932. 186, 187.

Hoover addresses Senate demanding a manufacturers excise sales tax. The Senate ignored Hoover and passed its own tax bill.

A decisive rebuff. June 1, 1932. 187.

We meet French Strother at dinner with Mr. & Mrs. Wyatt - the literary secretary of Hoover. June 1, 1932. 187.

C.S.H. fears that Gov. Harrison's presence at a Republican meeting at the White House last Sunday (see supra, p. 182) may be the base of political charges against the F.R. System.
June 5, 1932. 193.

Bishop Rhinelander told C.S.H. he was much disturbed at the veiled intimations of impending trouble in Hoover's address to Senate favoring the sales tax.
June 9, 1932. 198.

Hopkinson, Charles
Mrs. Samuel Eliot told us that her brother was painting a portrait of Ex-President Coolidge for the White House; that Coolidge wrote him giving dates for sittings and added in the letter that he hoped he would not scrimp either in paint or canvas as he wished the portrait to live forever!
April 10, 1932. 121.

Hornbeck. M.
At dinner with Mr. & Mrs. George McClellan, Hornbeck, Chief of a division in State Department, was given precedence over C.S.H.
Jan. 31, 1932. 52

Houghton, Amb.
Explains to Carnegie trustees the breaking up of the Paris Peace

Houghton, Ambassador (Cont'd.)

Peace Conference which he attended.
Dec. 14, 1932. 15.

House of Representatives
La Guardia of N. Y. moved to strike out clause in Reconstruction Finance Act making the Governor of Federal Reserve Board an Ex-officio member, accompanying them with a bitter attack on Gov. Meyer.

This failed by narrow margin. Vote was 131 to 123.
Jan. 15, 1932. 42.

The Democrats in H.R. and Senate, in caucus, voted to support the Glass banking bill. This was before the Board reported on it.
April 5, 1932. 114.

Howard, Cong. 122
See - Hamlin, H. P.

Hughes, C.E.
President Harding told Dr. Butler that, advised him against recognizing either the L. of N. or an Association of Nations in his Iowa speech. Dec. 14, 1932. 16.

C.S.H. calls on Chief Justice Hughes.
Jan. 1, 1932. 35.

Hull, Cordell
Calls on C.S.H. and goes over the Glass banking bill.
Feb.5, 1932. 55.

Hull, Mrs. Cordell
Attends lunch of Polish Ambassador to Mrs. Wilson.
Dec. 15, 1932. 17.

Hungary
Dr. Shotwell and Norman Davis tell Carnegie trustees that Austria and, were practically bankrupt; that the Hungarian Ministry in reporting to its Parliament had concealed its real deficit, and that the Bank of Hungary carried as assets gold pledged with the B.I.S. - which Davis said, the B.I.S. should not have taken.
Dec. 14, 1931. 13.

Shotwell and Davis said both Austria and Hungary had suffered great injury from the war treaties, but that economic agreements could be made which would probably satisfy them; that Hungary did not care much as to loss of territory if arrangements could be made under which she could trade freely with the part taken away.
Dec. 14, 1931. 14.

See - National Bank of Hungary

-I-

Imports
John Dulles Foster told Board the European nations were trying to cut down, to absolute necessities; that even if American credits were freely offered they would buy a pound of cotton beyond absolute necessities.
Dec. 11, 1931. 7, 8;

Gov. Meyer said we ought to have now an import balance.
Jan. 7, 1932. 38.

Income tax, Mass.
C.S.H. mails return of income to State House.
Feb. 28, 1932. 84.

Ineligible paper
C.S.H. said one of the objects of Glass amendments as to exchanging bonds for gold held as collateral for F.R. notes was to assist banks which had lost gold by investing in.
Feb. 24, 1932. 81.

Inflation
Dulles said European countries were trying to keep on the gold standard to avoid, from which they had suffered so much.
Dec. 11, 1931. 7.

Gov. Harrison cables Gov. Moret that Board's discount policy, acceptance policy, and Reconstruction Finance Corporation Act were not inflationary but merely an attempt to stop deflation.
Jan. 19, 1932. 43.

Insurance, Peale portrait
C.S.H. takes out insurance for $25,000 on our Rembrandt Peale Washington, paid for by the Washington Memorial Association. Policy covered period from taking down portrait from walls of Hay-Adams House until delivery back after Thanksgiving.
Feb. 12, 1932. 69.

Initiation of discount rates
Glass asked Gov. Meyer whether Board's draft of Sec. 14 of his banking bill took from F.R. banks their right to initiate discount rates, and asked for a memorandum as to this.

Glass feared that the words put into the Board draft, -"subject to limitations and restrictions" might have this result.

The Board wrote Glass that its draft did not intend to, nor did affect this power of F.R. banks in any way.
April 6, 1932. 116, 117.

Intermediate credit debentures
All of Board except Miller favored making, eligible as collateral for member bank collateral notes.
Dec. 8, 1931. 5, 6.

International Acceptance Bank
C.S.H. believes the 30 million frozen acceptances held by, were the cause of Warburg's serious financial condition.
Dec. 17, 1931. 21.

Interstate Commerce Commission
Gov. Meyer told Board of the objection of, to a loan to Missouri Pacific R.R. by the Reconstruction Finance Corporation. He said that as Governor of the F.R. Board he had taken the position that this loan was proper; that the Railroads notes were held by banks as well as by bankers; that these notes were much like business paper which must be paid at maturity, rather than like capital loans which ordinarily could be extended.

The Comptroller took the same view, saying that if a bank held such extended notes he might have to mark them as slow or perhaps as undesirable, - which would injure the holding bank.
April 2, 1932. 112, 113.

Italy
See - Austro-German tariff agreement.

-J-

James

Gives $300 to Community Chest because of his original suggestion that Board should make up any deficit for its staff.
Dec. 12, 1931. 11.

Noell said that James, since he has been on the Federal Reserve Board has regularly received $20,000 per year as Chairman of the Board of his business corporation, but that this had recently been reduced to $10,000. Dec. 12, 1931. 11.

We dine with Mr. & Mrs. James to meet Mr. & Mrs. Richard Sanger (Marion Child). Dec. 16, 1931. 20.

Confirmed by Senate for new term.
Dec. 18, 1931. 24.

Votes against sending Board's report on Glass banking bill to the Senate Committee uninvited.
Feb. 15, 1932. 76.

James said many interior banks have no bonds to sell and would not be helped by our open market purchases. All agreed, however, they would get an indirect benefit.
Feb. 24, 1932. 82.

Says the Glass banking bill should be postponed not for one year but at least for 5 years; that he was opposed to any banking legislation at this time. Mar. 22, 1932. 102.

Says that Ogden Mills told Board that Sen. Walcott said he and Glass wanted the help of Burgess and Goldenweiser.
Mar. 25, 1932. 107.

Feels that all banks which are able should participate in open market purchases and the other banks should take some part, and later ask Board to help them under Glass emergency bill.

This view prevailed.
April 22, 1932. 124.

Says Board should officially take up the charges of Lichtenstein with the Federal Advisory Council.
June 3, 1932. 190.

Fully approved C.S.H. course in taking up with Glass the proposed salary cut. June 7, 1932. 195.

Jay, Pierre

A man approached Gertrude Myer to induce her to put her property in charge of his company - something Pierre Jay's Trust Co.
April 21, 1932. 136.

"Joker"

Wyatt says there is a joker in Willis' draft of Glass banking bill, in the reserve section.
Mar. 14, 1932. 93.

Joslin, Dr. Elliot P.

C.S.H. wrote, last week asking his eye clinic if it felt that his eyes had been injured by excessive smoking, - apart from the slight thickening of the lens.

He replied they had not gone far enough in my examination to determine this cause of this "sclomaturia" (blurred vision) but that my Doctor should make every effort to find the cause.

C.S.H. sent this letter to Dr. Morrison.
Dec. 2, 1931. 3.

-K-

Kahn, Mrs. Congressman

We have, at dinner of Woman's Democratic Club.
Jan. 22, 1932. 47.

Key, Mrs. (Marjorie Wright)

Calls on us. Mar. 9, 1932. 90.

H.P.H. acts of Godmother at Christening of young daughter of, and gives baby one of Anna's rattles, - the last one.
Mar. 19, 1932. 97.

-L-

Lane, Ex-Secretary
Said in 1921 that Hoover was one of the greatest advertisers in the country.
May 23, 1932. 170.

Lansing, Robert, Mrs.
We lunch with. Dec. 20, 1931. 26.

Laval-Hoover agreement
See - Hoover

Law Committee, Federal Reserve Board. 134.
See - Chase, Howland

Lawrence, Bishop
Calls on us with Mrs. Slattery and Mrs. Fiero.

Invites us to dinner but we had another engagement.
May 6, 1932. 153.

League of Nations
Dr. Butler said he wrote President Harding's first speech on Foreign Affairs delivered in Iowa; that he begged him not to reject the League of Nations or at least to declare for an Association of Nations; that Harding said Charles E. Hughes gave him just the opposite advice; that Harding deceived the signers of the "Appeal of the 31".
Dec. 14, 1932. 16.

The best opinion in Washington is that Gov. Roosevelt has killed his chances for nomination by coming out against the League of Nations. Feb. 7, 1932. 55

C.S.H. asked Baruch why Gov. Roosevelt repudiated the League of Nations and Baruch said sarcastically, "in order to defeat himself for nomination for President."
Feb. 12, 1932. 71.

C.S.H. expressed regret to Mrs. Wilson that Newton D. Baker did not mention the League of Nations in his Washington Cathedral address.

She said she thought he did.

C.S.H. told her there never was a time when it was more important than now for us to be in the League of Nations, - to which she agreed. June 1, 1932. 188.

See - Association of Nations.

Lehman, Solicitor General 157
See - Glass

Leonard, Ellen (Warder)
C.S.H. meets, at Rachel Hale's.
June 5, 1932. 36.

We call on. Out. June 10, 1932. 40.

We meet, at Fort Myer. June 1, 1932.189.

Liberty Magazine. 189.
See - Wilson

Lichtenstein, Walter
Delivers address in Minneapolis in which he charges Federal Reserve System with not reversing its easy money policy soon enough because of the coming Presidential election of 1928.

C.S.H. finishes a letter in reply.
May 19 ,1932. 164, 165.

C.S.H. sends his reply to Lichtenstein, to each member of Federal Advisory Council (of which Lichtenstein was Secretary) and to each member of the Federal Reserve Board.
May 20, 1932. 165.

C.S.H. brings matters formally before the Federal Reserve Board.

Gov. Meyer said he had been sent a copy but had not had time to read it.

C.S.H. explained it.

Gov. Meyer treated the matter jocosely, seeming not to attach the slightest importance to it.
May 23, 1932. 170.

Later, in P.M., Lichtenstein called on C.S.H.

He said he had no intention of any imputation or attack upon the Board.

C.S.H. said he had attacked the Board and that certain members resented it as absolutely false.

C.S.H. asked him just what his authority was for the statement that possibly the Board had its eye on the Presidential election of 1928.

Lichtenstein gave the following:

Lichtenstein, Walter (Cont'd.)

1. A Chicago financial reporter told him that President Coolidge in the summer of 1928 had passed the word around that money must be made easier in order to carry the election of 1928.

2. Prof. Bullock, of Harvard University, told him that in 1928 the Federal Reserve Bank of New York bought a vast amount of acceptances, prior to the election.

C.S.H. said he had never heard of this alleged statement of President Coolidge, nor had the purchase of acceptances by F.R. Bank of N. Y. been associated in the mind of any member of the Board with the Presidential election of 1928.

C.S.H. asked him what he now proposed to do in the matter.

He said he should do nothing more as, earlier today, he had gone over the matter with Gov. Meyer at the Federal Advisory Council lunch, and that Gov. Meyer told him it was nothing and to "let it drop".

May 23, 1932. 170, 171, 172.

C.S.H. told this to Miller who said it was a very serious matter and would undoubtedly serve as a basis for future attacks on the Board. May 23, 1932. 172.

Later this P.M. C.S.H. received a copy of a letter sent by Lichtenstein to Gov. Meyer to the effect that he intended no attack upon the Board; that he could not see why the Board should <u>not</u> be influenced by the fact that a Presidential election was impending; that it might well have felt that it would be a poor time to tighten the money market just before a Presidential election, etc. etc.

May 23, 1932. 174. (See scrap book)

The Federal Advisory Council at its meeting with the Board made no mention of Lichtenstein's address, but Miller said that after the Board had left the President called Council together again on an "important matter" and Miller believes this meant Lichtenstein.

May 24, 1932. 175, 176.

Late in the afternoon a letter from Gov. Meyer to Lichtenstein in reply to his letter to Gov. Meyer, was circulated.

Gov. Meyer in his letter acknowledged Lichtenstein's letter, which he said he would take pleasure in showing to the Board, and condluded, "Sincerely yours"

Lichtenstein, Walter (Cont'd.)

From this reply one would draw the inference that Lichtenstein had been praising rather than attacking the Board.
May 24, 1932. 176.

C.S.H. yesterday sent Gov. Young a copy of his letter to Lichtenstein, as he was in 1928 the Governor of the Board.
May 28, 1932. 180.

C.S.H. has recommd of minutes of May 23 corrected to show that he called Board's attention to the letter he sent Lichtenstein.
May 28, 1932. 180.

C.S.H. has received answers from some of Federal Advisory Council to his letter on Lichtenstein.

Most of them said they would read it. Treman mildly deprecated Lichtenstein's remarks.

Smith, the President, condemned it.
May 28, 1932. 181.

Board accepted C.S.H.'s correction of minutes of meeting of May 23 as to Lichtenstein. June 3, 1932. 190.

Miller and James said the Board should take up the matter officially with the Council.

After discussion it was agreed that Gov. Meyer should do this and the matter went over temporarily.

C.S.H. told Board the authority Lichtenstein gave for his change. (See supra)

Gov. Meyer said Coolidge never made such a statement.

James said the Board should refuse hereafter to receive Lichtenstein at Council meetings.

Miller, apparently, agreed with James.

Gov. Meyer thought this too drastic and C.S.H. agreed with him.

The matter went over temporarily.
June 2, 1932. 190, 191.

Miller says Gov. Meyer is very much disturbed over the Lichtenstein charge, fearing that it will be claimed that if the Board was influenced by the approaching Presidential election in 19228 it would be influenced in its open marke policy by the coming

Lichtenstein, Walter (Cont'd.)

Presidential election of Nov. 1932.

C.S.H. is glad that Gov. Meyer is at last beginning to realize the possible seriousness of Lichtenstein charge.
June 4, 1932. 193.

C.S.H. feels Board should have taken up the Lichtenstein and other important matters at meeting today but nothing was done as Gov. Meyer said he could stay only a few minutes as he had an engagement with some Chicago people, - presumably a Reconstruction Finance Corporation matter.
June 9, 1932. 196.

Lindbergh
C.S.H. calls up Rachel Hale and tells her the Lindbergh baby has been found murdered. May 12, 1932. 160.

See - Rodgers, Mrs.

Lindsay, Sir Ronald. 151

See - British Ambassador

Liquidity
Gov. Harrison said F.R. System should boldly buy Government securities to offset withdrawal of deposits or should maintain liquidity.
He preferred the former.
Jan. 11, 1932. 41.

Lodge, Sen.
Mrs. Williams (Constance Lodge) writes thanking C.S.H. for two letters from Sen. Lodge to him, one relating to the music written by John Lodge for the Greek Play, which C.S.H. had praised in a letter to Lodge, and Lodge replied that he was glad that he and C.S.H. had found a platform on which they could stand, even if they had to go back 2500 years to the Greek tragedies to find it.

In the other letter Lodge wrote that an admirer of C.S.H. called him the Moses to lead the party out of the wilderness, but he wished to remind C.S.H. that Moses in fact never reached the promised land!
May 31, 1932. 185.

See - Williams, Constance

Lombard, loans
The Governors Conference, three dissenting, favored, in times of stress. Dec. 8, 1931. 6.

Lowering of reserve requirements
Glass told Miller that Hoover wanted the Board to lower required reserves of member banks.

Mills feared this would cause a withdrawal of foreign deposits.

C.S.H. felt it would be a red flag which might precipitate a general moratorium and practical suspension of gold payments. Feb. 9, 1932. 63.

Luce, Robert
Tells Platt that Glass would be given a week to straighten out his banking bill, and if not done by then, it would be taken out of his hands. Feb. 3, 1932. 54.

Lunches (See dinners, suppers, teas)
1931.
Dec. 6. With Mr. & Mrs. Delano. 4

Dec. 20. With Mrs. Lansing. 26.

Dec. 25. Christmas noon dinner with Lydia Biddle. 32.

1932.
Jan. 10. With Mrs. Frazer. 40.

Jan. 17. With Mrs. Delano. 42.

Jan. 24. With Mr. & Mrs. Charles McLane. 48.

Jan. 31. With Mr. & Mrs. Geo. B. McClellan. 52.

Feb. 7. With Miss Hegerman. 55.

Feb. 14. With Mr. & Mrs. Clarence Dodge. 73.

Mar. 6. With Harriet Hamlin. 87.

Mar. 27. With Harriet Hamlin. 108.

Apr. 17. With Harriet Hamlin. 132.

Apr. 18. H.P.H. lunches with Mrs. Meyer to meet Mrs. Ogden Mills and ladies of F.R. Board. 133.

Apr. 24. With Miss Hegerman. 142.

May 11. C.S.H. has Howland Chase at Cosmos Club. 159.

Lunches (See dinners, suppers, teas)

May 15. With Mr. & Mrs. Delano. 161.

May 21. We give lunch to Count John Bentenck and Baroness Van Heckersen at Woman's National Democratic Club. 167.

May 22. With Miss Hegerman. 167.

-M-

Macdonald, Godfrey
We meet, at dinner with Gen. and Mrs. Treat.
April 23, 1932. 142.

MacVeagh, Sec.
When, heard of Solicitor General Lehman's opinion that National security affiliates were illegal, he was much disturbed as his bank in Chicago had a similar affiliate, and he objected vigorously to Taft and it was never published.
May 11, 1932. 157, 158.

Magee, Wayland W.
Confirmed by Senate as a member of Federal Reserve Board.
Dec. 18, 1931. 24.

Told C.S.H. he knew nothing of what was going on and C.S.H. said he knew as little as Magee did.
Feb. 12, 1932. 67.

Says Gov. Harrison is the dominating influence in the FR. System.

Says Gov. Harrison asks more than he really wants and compromises.
Feb. 12, 1932. 67, 68.

Votes with Gov. Meyer to send Board's report on Glass banking bill to Senate Committee although it had not asked for it.

C.S.H., Miller, James voted No.
Feb. 15, 1932. 76.

We dine at Cosmos Club with Mr. & Mrs.Magee. Went to theatre to see "The Barretts of Wimpole Street"
Mar. 9, 1932. 89, 90.

C.S.H. goes to stockholders meeting F.R. Bank of Richmond with Magee. April 14, 1932. 127.

Congratulates C.S.H. on his suggestion at Governors Conference that there is a demand for construction work which could and should be met. Told C.S.H. this was thefirst constructive suggestion at the conference. May 17, 1932. 163.

Burgess in writing minutes of above meeting made no mention of C.S.H.'s suggestion.

C.S.H. asked McClelland to send record back to Burgess for correction, saying that Magee would bear him out.

C.S.H. had spoken to Magee who remembered perfectly that C.S.H. made this suggestion.
May 28, 1932. 180.

Magee, Wayland W. (Cont'd.)

McClelland sends records back to Burgess for correction, which Burgess finally made.
June 6, 1932. 194.

Told C.S.H. that he talked with Gov. Meyer while going with him to Richmond and that he fully approved C.S.H.'s efforts to prevent salary reduction in the economy bill.
June 9, 1932. 198.

Marshfield Hills. 37
See - Wright, Henry

Masque, Washington bi-centennial
We attend, at Constitution Hall.
Feb. 21, 1932. 79.

Mass, Income tax
C.S.H. sends statement to State House.
Feb. 28, 1932. 84.

Mattapoisett.
9, 10, 48, 49.

See - DeLong
Hamlin, H. P.
Hardy

Mattapoisett mortgage
C.S.H. pays interest due.
June 3, 1932. 186

McAdoo, W. G.
Glass said the statement of, in his book that he did not really believe in his central bank bill, and that when he spoke to Glass favoring it, there was a "merry little twinkle in his eye" - was a deliberate lie; that he knew that McAdoo pleaded with Noyes of the N. Y. Times to favor it.
Dec. 16, 1931. 19, 20.

McCagg, Mrs.
Died this morning. Feb. 3, 1932. 54.

Funeral. Feb. 4, 1932. 54.

McClellan, Mr. & Mrs. George B.
We have Christmas dinner with.
Dec. 25, 1931. 32.

McClellan, Mr. & Mrs. George B. (Cont'd.)

We lunch with. Jan. 31, 1932. 52.

We dine with. Feb. 14, 1932. 73.

McConnell, James E.
C.S.H. tries to help, secure position as Counsel of Receiver of Federal National Bank, Boston.
Speaks to Comptroller. Dec. 16, 1931. 78.

Called on C.S.H. Said he knew Gov. Smith did not expect or want to be nominated, but that he and Raskob wanted to defeat Gov. R.; that Gov. Smith hated the South because of its religious bigotry and hated Gov. R. because he was currying favor with the South. Feb. 13, 1932. 71.

He said there was no doubt that, Andrew Peters was guilty of the offences charged against him; that the Boston Post and Herald both had the entire story set up, but did not print it because of pressure brought to bear upon them. He said Gov. Ely was making a poor Government and making bad appointments, and he feared great scandal might result.

McDougal, Gov. F.R. Bank, Chicago.
Says we should sell all Government securities bought within the last two months; that we have bought already more than anyone dreamed of during last 2 years; that the F.R. banks should keep themselves liquid to meet the steady withdrawals of deposits from member banks. Jan. 11, 1932. 41 (2)
Approves policy of further purchase of Govt. securities. Feb. 24, 1932. 8

McFadden bill.
Glass says Cong. Wingo received a fee of $1000 for speaking against branch bank provisions of, at a time when he was in the Conference Committee of Congress in relation to it. May 13, 1932. 160,161.

McGarrah, Gates
C.S.H. told Glass that, when Chairman of Board, F.R. Bank of N.Y. denied the power of a F.R. bank even to examine into customers loans of a member bank or to refuse discounts because of undue increase of such loans. Mar. 21, 1932. 99.

McLane, Charles E.
We lunch with, near Baltimore. Jan. 24, 1932. 48.
We attend marriage of his daughter to Rev. Mr. Bracklebank. Mar. 29, 1932. 110.

McNamara, Captain and Mrs.
We call on. Dec. 19, 1931. 26.
We have, at dinner at Woman's Democratic Club. Feb. 12, 1932. 69
Mar. 18, 1932. 97.

Meigs, Dr. & Mrs.
Attend lunch of Polish Minister to Mrs. Wilson.
Dec. 16, 1931. 17.

Mellon, Sec.
Resignation of, as Secretary of Treasury announced.

C.S.H. fears Ogden Mills has forced him out.
Feb. 4, 1932. 54.

Takes oath as Ambassador in his office.
Feb. 12, 1932. 66.

C.S.H. is sorry to lose.
He has made a fine record and one secret of his success lays in his ability to choose able men to serve under him.
Feb. 12, 1932. 69.

Member bank 15-day collateral notes.
All of Board except Miller favored amendment permiting debentures of Federal Intermediate credit banks to serve as collateral for.
Dec. 7, 1931. 5, 6.

Glass said Gov. Meyer was urging him to agree to have debentures of proposed Reconstruction Finance Corporation made eligible as collateral for; that Gov. Meyer once told him he was absolutely opposed to this.
Dec. 16, 1931. 19.

Glass said that bond secured, were essentially greenback and that if we must have a bond secured currency, he would prefer to have it issued by national banks.

Glass said his bill prohibiting bond secured, gave 2 years in which to make the change, while Gov. Harrison said it could be made by substitution of eligible paper, of which the F.R. System had plenty, within 3 months.

C.S.H. told Gov. Meyer of this and he said Gov. Harrison was a damned fool to make such a statement.
Jan. 28, 1932. 49.

Glass said power to make advances on, was a war power given under an agreement to repeal it when the war was over.

C.S.H. said we are now in an economic war and the suffering, altho of a different kind, was nevertheless acute.
Jan. 28, 1932. 50.

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

Glass said that under his bill banks could discount paper to make good its reserves against speculative transactions, but that if it increased such loans while its collateral notes were outstanding it would lose the privilege of obtaining advances on.
Feb. 13, 1932. 72.

Willis' draft inserted a provision for a warning by the F.R. bank before the member bank lost privilege of obtaining advances on. Mar. 14, 1932. 93.

Glass asked C.S.H. if the F.R. bank had power to fix the rate on, without approval of F.R. Board. C.S.H. said No.
Mar. 21, 1932. 99 (1)

C.S.H. got Board to recommend an amendment that, secured by eligible paper could run for 90 days.
Mar. 27, 1932. 108.

C.S.H. failed in effort to secure approval of an amendment that, secured by Government bonds should take a higher rate after expiration of 3 years.
Mar. 27, 1932. 108.

Member bank reserves
See - Reserves

Metcalf, Sen.
Goldenweiser says he and Gov. Meyer and others spend evening with, who is preparing amendments to Glass banking bill.
May 14, 1932. 161.

GOV. MEYER

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Meyer, Gov.

1. Joins in criticism of Willis for publishing the Reserve Committee report but points out that Wall St. Journal did the same. Dec. 2, 1931. 1-B.

2. Suggests postponing of examination of Chase Bank in Paris, an Edge Corporation owned by Chase National Bank, N.Y. until our examiner now examining the Eastern branches of Chase Bank get to Paris.

   Reason given was the acute banking conditions in Paris and fear that examination now might cause trouble.
   Dec. 10, 1931. 6.

3. Noell said Gov. Meyer last year gave $10,000 to Community Chest without crediting any of it to F.R. Board's quota.

   He said he hoped Gov. Meyer would make good the deficit of $786 for this year. Dec. 12, 1931. 11.

4. Board had before it two very meritorious cases for slight advances in salaries, but Gov. Meyer objected.

   Yet he insisted on giving Floyd Harrison $15,000 per year, - an increase of $5000 over salary he got from Federal Farm Loan Board, and $12,000 to Morrill, - an increase of $2000 over his salary as General Counsel and Secretary of Farm Loan Board!
   Dec. 11, 1931. 12.

5. Glass said Gov. Meyer was urging him to agree that debentures of the proposed Reconstruction Finance Corporation be made eligible as collateral for member bank collateral notes; that he had previously told Glass he was absolutely opposed to this.
   Dec. 16, 1931. 19.

6. Spoke most contemptuously of Paul Warburg. He admitted he had a good practical knowledge of banking, but said he was so conceited and so projudiced by his own conceit, that his judgment was good for nothing.
   Dec. 17, 1931. 21.

7. Wyatt said Gov. Meyer directed Morrill to draw the Reconstruction Finance bill, under injunction of the strictest secrecy, and he, Wyatt, - who helped, was directed not even to let his law clerks know as to its author; that he heard Gov. Meyer refer to its authorship the other day so he assumed the ban had been removed.

   This secrecy is extraordinary considering that some of its provisions modified the F.R. Act!
   Dec. 17, 1931. 22.

Meyer, Gov. (Cont'd.)

8. Wyatt said Gov. Meyer, Floyd Harrison, and Morrill a few days ago spent an afternoon at the capitol, and he thinks it had to do with the Reconstruction Finance bill.
Dec. 17, 1931. 23.

9. Gov. Meyer, Harrison, and Morrill go before a Congressional Committee as to Reconstruction Finance Corporation bill.

Gov. Meyer never told Board of this.

It seems grotesque that 2 ex-members of Federal Farm Board should thus represent the F.R. System!
Dec. 18, 1931. 24.

10. Gov. Meyer, Harrison and Morrill went before Senate Committee - on Reconstruction Finance Act.

He never mentioned this to Board.

This is grotesque!
Dec. 19, 1931. 25.

11. We call on. Dec. 19, 1931. 26.

12. Wyatt says Gov. Meyer has ordered a new procedure in Board.

Under it, he has been directed to go over practically all letters, whether or not involving legal questions, and checking them, together with Harrison and Morrill, before they are presented to Gov. Meyer for his suggestions.
Dec. 22, 1931. 28.

13. Wyatt said Gov.Meyer never asked his opinion on legal matters; the requests all came from Harrison or Morrill.
Dec. 22, 1931. 28.

14. Wyatt said Gov. Meyer never asked him to go down with him to Committee of H.R. or Senate with regard to Reconstruction Finance bill. Dec. 22, 1931. 28.

15. Says he has reached an understanding with Owen D. Young under which the Board is to reappoint Case as Chairman, F.R. Bank of N. Y. and that he will resign on May 1, 1932, unless fully restored to health.
Dec. 23, 1931. 30.

Meyer, Gov. (Cont'd.)

16. Speaks contemptuously as to Gov. Fancher, saying, that when he called him up Saturday about the Standard Trust Co., he kept saying, - er, er, so that he almost had to be rude to him; that we must get another Governor in his place next year.

Gov. Meyer said this habit of saying - er, er - showed mental sluggishness, but Miller - to our amusement, said it showed mental degeneration.
Dec. 23, 1931. 30.

17. Asks Board what members care to attend New Year's reception at White House.

Only C.S.H. said he would go.

While Gov. Meyer did not specifically say he would not go, he treated the matter with great levity and asked C.S.H. if he would represent the whole Board.

C.S.H. said Yes.
Dec. 29, 1931. 33.

18. While James was discouring about the motor craze, Gov. Meyer said sarcastically, - "What do you think of two autos for each person", - referring to one of Hoover's speeches in the campaign of 1928.

C.S.H. feels Gov. Meyer was very discourteous to Hoover in saying this. Dec. 29, 1931. 33, 34.

19. Announces Board Committee for 1932.

Prepared by Morrill and Harrison without consultation with Board.
Dec. 30, 1931. 34.

20. Does not attend New Year's Reception.
Jan. 1, 1932. 35.

21. Gov. Meyer printed testimony as to Reconstruction Finance Act shows that he appeared as Governor of the FR. Board, thus giving the impression that he represented the views of the Board.
As a fact he never consulted the Board!
Jan. 4, 1932. 36.

Meyer, Gov. (Cont'd.)

22. Rachel Hale said she heard that society people - who had never called on Gov. or Mrs. Meyer, asked them to loan their house for some entertainment, but that Mrs. Meyer replied that, under the circumstances she could not do it.
Jan. 5, 1932. 36.

23. Tells Board he has picked out Leo. H. Paulger as F.R. Chief Examiner, saying he had made a wonderful record under War Finance Corporation.

He had previously told Board he had a first class man in mind, but never gave his name to C.S.H.
Jan. 7, 1932. 38.

24. Told Board it should cease worrying about Europe and should confine ourselves to home matters; that all the talk about export trade tired him; that maintenance of export trade was absolutely inconsistent with the maintenance of ourhome standard of living; that exports were being encouraged at expense of our domestic trade; that we ought now to be having an import balance. Jan. 7, 1932. 38, 39.

25. Introduces resolution calling on F.R. Bank, San Francisco, to use its best efforts to bring together the Gianini and Walker group, in the fight for proxies at coming meeting of Pan-American Corporation, which owns control of Bank of America, California.

He did not say who had suggested this, and C.S.H. feared it might be charged that the Board was interfering in order to help the Walker interests.

C.S.H. added a clause that this resolution was not initiated nor suggested by either Party to the dispute, and the Board added this. Jan. 8, 1932. 39.

26. While the H.R. was considering the Reconstruction Finance Act, La Guardia put in an amendment removing the Governor of the F.R. Board as an ex-officio member, and bitterly attacked Gov. Meyer personally.

The amendment was defeated but only by a vote of 131 to 123.

Jan. 15, 1932. 42.

27. Reads to Board copy of a cable from Gov. Harrison to Gov. Moret explaining Reconstruction Finance Act and our discount policy, claiming it was not inflation but merely an attempt to stop deflation.

Jan. 19, 1932. 43.

Meyer, Gov. (Cont'd.)

28. Gov. Meyer read to Board an article by Willis in a Paris paper, to effect that U.S. had entered upon a policy of deliberate inflation.

Gov. Meyer said this was untrue and really traitorous.
Jan. 19, 1932. 43.

29. Gov. Meyer told Board he had been considering for a long time the advisability of requesting the Bank of France to withdraw its deposits and to notify it that the Board had closed its account with it.

Gov. Meyer said we could get 50 banks to agree to discount to take care of the gold exports which would result.

He said he also favored telling the Bank of France that, as it would take a long time to ship this gold, we would arrange to ship part of it by vessels of U.S.

C.S.H. said we could not do this unless we secured an amendment permitting issue of F.R. notes vs. Government bonds.

Gov. Meyer denied this but said he would favor such an amendment.

C.S.H. said he had some sympathy with the idea that France had too much to do with our money market, but he felt we would have to give some economic or banking reason for such a drastic move, which would almost certainly be construed as a deliberate financial attack on France.

Gov. Meyer said he wanted our action to be so construed.

Gov. Meyer said he had consulted Ogden Mills who thoroughly approved such action.

C.S.H. believes this would be an act of stupid folly and that France would find some way of retaliation, which might embarrass our banks; that deliberately to send 600 millions of gold out of the country might, under present conditions, injure our banks and bankers.

Supposing the French banks and people unloaded their investments in this country, great trouble might arise.

This might enforce an embargo on our trade.

C.S.H. believes Gov. Meyer and the administration, through Ogden Mills, angry with France because of her attitude towards disarmament, reparations, Allied debts and tariffs, are willing to take political revenge.

Meyer, Gov. (Cont'd.)

C.S.H. believes the Federal Reserve System should not be embroiled in such a political dispute.

Gov. Meyer and Ogden Mills in effect want to punish France because it has been scared by Willis's muckraking propaganda.
Jan. 19,1932. 43, 44, 45, 46.

30. Gov. Meyer had a copy of Glass Sub-committee report on Board recommendations before the rest of the Board.
Jan. 22, 1932. 47.

31. Said that Gov. Harrison was a damned fool to tell Glassthat commercial paper could be substituted for Government bonds as collateral for member bank 15-day notes within 3 months.
Jan. 28, 1932. 49.

32. Gov. Meyer told Board, in a very casual way, that the Glass Sub-committee had asked Burgess and Goldenweiser to sit with it and go over the Glass banking bill.
Feb. 1, 1932. 52.

33. He did not speak about the conferences held at his house yesterday at which Goldenweiser, Burgess, Wyatt and himself were present. Feb. 1, 1932. 53.

34. Goldenweiser told C.S.H. his and Burgess' report was ready and that he had given one copy to the Sub-committee and to Gov. Meyer. He said he would send a copy to C.S.H. to read in the evening.

His hesitant manner convinced C.S.H. that Gov. Meyer had directed him not to show it to the Board members.

This, to C.S.H., is extraordinary!
Feb. 6, 1932. 56, 57.

35. C.S.H. writes Glass that Burgess and Goldenweiser did not represent the Board.

He would have shown this to Gov. Meyer but he was at the Reconstruction Finance Corporation.
Feb. 10, 1932. 61.

36. N. Y. Times says that after the White House agreement as to the Glass emergency bill, there was a conference between Glass, Gov. Meyer, Morrill, Burgess, etc.

No member was informed of this conference.
Feb. 11, 1932. 65.

Meyer, Gov. (Cont'd.)

37. Gov. Meyer tells Board of the Hoover conference and agreement as to Glass emergency bill and said Glass was present.
Feb. 11, 1932. 65.

38. Wyatt said that after said agreement there was a conference at which Sen. Walcott, and, I think, Gov. Meyer were present; also Goldenweiser, Harrison, and Morrill.

Not a member knew of this!
Feb. 11, 1932. 65.

39. The State Department addressed Gov. Meyer as "Esquire" in lieu of the practice of calling him "Honorable". Morrill took it up through McClelland with the Protocol which said that Heads and Deputy heads of Boards etc. are to be addressed as Honorable and all others as "Esquire".

This reduced Board members to level of chiefs of Divisions.
Feb. 11, 1932. 65, 66.

40. Goldenweiser told C.S.H. that Ogden Mills, Gov. Meyer and he went before the H.R. Committee to urge extension of the one year limit of Glass emergency bill.

Governor Meyer never told Board of this!
Feb. 12, 1932. 67.

41. Magee told C.S.H. he knew nothing of what was being done by the Board through Gov. Meyer.

C.S.H. said he knew even less.

Miller said Gov. Meyer had not consulted him about anything, but he preferred not to be, as those responsible would have to bear the responsibility.

Under Gov. Meyer the Board has practically ceased to exist!
Feb. 12, 1932. 67.

42. C.S.H. goes to supper at Gov. Meyer's house to meet Winston Churchill.

C.S.H. was early and Gov. Meyer, in his presence, telephoned Ogden Mills and discussed plans for having members of H.R. and of Senate amend emergency bill by extending the one year limitation.

This is being advocated by the administration without consultation with F.R. Board!
Feb. 12, 1932. 70.

Meyer, Gov. (Cont'd.)

43. The above explains Glass's hesitation. He looks upon the whole matter - as it largely is, - as Republican politics.
Feb. 12, 1932 . 70.

44. Asks Board if it will take up the Senate bill - emergency provisions.

C.S.H. asked if Committee had asked Board to report on it.

Gov. Meyer said No.

Decided to take it up and reserve for further consideration whether to send its conclusions to Senate Committee.
Feb. 15, 1932. 74.

45. Gov. Meyer and all the Board except Miller finally agreed that the 1 year limit in emergency bill should be extended at least for another year; that the $500,000 limitation should be stricken out.

C.S.H. at first favored making the limitation 1 million, but Gov. Meyer said this would exclude large banks which have to take care of non-member banks. C.S.H. accepted this.
Feb. 15, 1932. 74.

46. Tells Board he has been invited to lunch by the Federal Advisory Council.

No other Board member invited.

A rank discourtesy to the Board!
Feb. 15, 1932. 75.

47. The Federal Advisory Council requested Gov. Meyer to send its suggestions as to Glass emergency bill to Senate and H.R. Committee, which Gov. Meyer reported he had done.
Feb. 16, 1932. 77.

48. C.S.H. approves voucher for Gov. Meyer for Gov. transportation from Wash. to N. Y., on B. & O. R.R. Dec, 4, 1931.
Feb. 19, 1932. 77.

49. Tells Board of a conference yesterday at Treasury at which Ogden Mills, Gov. Meyer, Harrison and Glass were present.

Discussed conference report on Glass emergency bill.

No other member notified or present!
Feb. 24, 1932. 80.

Meyer, Gov. (Cont'd.)

50. Gov. Meyer told the Governors that he had felt it his duty as Governor of the Federal Reserve Board to tell the Congressional Committee and Hoover that the Reconstruction Finance Act was wise and necessary.

He never consulted the Board, however, as to this nor in any stage of the proceeding.
Feb. 24, 1932. 80.

51. Emily Newall Blair told Bertie that Gov. Meyer was very indignant when Dawes was made President of Reconstruction Finance Corporation and threatened to resign as also from F.R. Board.
Mar. 1, 1932. 84.

52. Gov. Meyer told Board that hoarding was subsiding; that bank failures has greatly diminished; that he was satisfied the tied of depression had turned; that if the damned hoarders would cease hoarding and the damned banks begin loaning, all would be well.
Mar. 3,1932. 85.

53. Gov. Meyer told Board that, excepting Rounds who was fairly efficient, and experienced in banking, there was not a practical bank officer in the F.R. Bank of N.Y., specifically mentioning Gov. Harrison, Case, and Burgess.

He spoke of Sailer with contempt.
Mar. 3, 1932. 85, 86.

54. Gov. Meyer objected to C.S.H.'s statement that Sections 10-A and 10-B of Glass emergency law were absolutely distinct, but Ogden Mills agreed with C.S.H.

Board struck out of proposed regulations the part requiring a bank first to try to join a group under Sec. 10-A before seeking relief under Sec. 10-B.
Mar. 9, 1932. 89.

55. Gov. Meyer said Gov. Harrison objected to Board sending a letter to all F.R. banks asking them to transmit it to all member banks.

Board would not accept this view.
Mar. 9, 1932. 96

Meyer, Gov. (Cont'd.)

56. Gov. Meyer suggested communicating above view of Board to Gov. Harrison.

C.S.H. feels he was afraid to incur Gov. Harrison's displeasure.
Mar. 9, 1932. 90.

57. Gov. Meyer reads letter from Glass that Sub-committee will be glad to have Board's comment on banking bill as just introduced by him, containing some of Board's suggestions.

Gov. Meyer read proposed draft of reply to Glass.

Gov. Meyer favored asking for a hearing to which all agreed except Miller.
Mar. 18, 1932. 95.

See - Glass bill.

58. McClelland says Glass asked Gov. Meyer at a personal conference for the views of the Board, on Jan. 26, 1932. and that the Board circularized all the F.R. banks and received replies from all except F.R. Bank, NY.; that the Board did not send them to Glass, because, at about this time the Glass banking bill was temporarily laid aside following the agreement as to the Glass emergency bill.

See supra, p. 48.
Mar. 18, 1932. 96, 97.

59. Wyatt said it would take a week before the Board's Committee could give to Board its report on Glass banking bill.

Gov. Meyer said he would not be dominated by Senate Committee and that Board should take all the time it needed.
Mar. 21, 1932. 97, 98.

60. C.S.H. accepted an amendment so that his resolution read that the Board's Committee should report to Board at least a preliminary report by Friday.

Gov. Meyer apparently did not want to have a vote on C.S.H.'s motion, until Ogden Mills reminded him that it was pending, and then put the motion which was passed unanimously.
Mar. 21, 1932. 98.

61. C.S.H. believes Gov. Meyer hopes the Glass banking bill will be defeated, and, later, Miller said his language clearly implied that.
Mar. 21, 1932. 98.

Meyer, Gov. (Cont'd.)

62. Gov. Meyer reads a letter from Glass, dated Mar. 21, 1932, denying that Burgess and Goldenweiser were called into consultation by the Sub-committee; that they were delegated by Hoover to represent the Treasury and F.R. Board; that during their work they were in frequent consultation with Ogden Mills, Gov. Meyer and Gov. Harrison.....; that he personally telephoned Gov. Meyer and offered to give the Board a public hearing, as also to Gov. Harrison but that both refused.

(See 225 scrap books)

See - Glass. Mar. 22, 1932. 100.

63. Gov. Meyer said he told Glass the Board would express no opinion as to "public hearings" but would like to be heard by the Sub-committee, on the bill; that he never saw the expert Committee's report before it was filed with the Sub-committee; that he wrote Glass on Feb. 7, 1932 that Burgess & Goldenweiser as they specifically stated in their report, did not represent the Board.

Mar. 22, 1932. 100.

64. When Gov. Meyer told the Board that the Sub-committee called for the experts it really, as shown by Ogden Mills, was Sen. Walcott who made the request.

Mar. 22, 1932. 101.

See - Mills, Ogden
Wolcott, Sen.

65. C.S.H. believes Hoover has turned over the Glass bill to Gov. Meyer and Ogden Mills.

Mar. 22, 1932. 103.

66. Miller said he believes that Gov. Meyer and Ogden Mills wanted to have the Glass bill rejected rather than amended, and C.S.H. feels the same.

Mar. 22, 1932. 103.

67. Gov. Meyer or Ogden Mills suggested the advisability of approving Gov. Harrison's suggestion that Newton D. Baker be retained on behalf of the F.R. System, on the Glass banking bill.

Not approved.

See - Baker
Glass.

Mar. 23, 1932. 104.

Meyer, Gov. (Cont'd.)

68. Wyatt said Gov. Meyer and Floyd Harrison sat last night with Board's Committee until after midnight; that Gov. Meyer finally said he was inclined to believe that it would be wise to grant the power to the Board and F.R. banks, to refuse rediscounts and to suspend a member bank for abuse of F.R. facilities for speculative purposes; that the Expert Committee so voted.
Mar.23, 1932. 105.

69. Gov. Meyer, long ago, told C.S.H. that increasing the discount rate was the only proper remedy for speculation.

This shows a great change in attitude of Gov. Meyer, following the positive statement of opinion by C.S.H. and Miller.
Mar. 23, 1932. 105.

70. Had any other Member of Board been sitting secretly with the Committee, Gov. Meyer would have raged.

He never told Board of this secret conference.
Mar. 23, 1932. 105.

71. Gov. Meyer read proposed draft of answer to Glass, stating that it was his understanding that Sen. Walcott said that both he and Glass wanted the services of B. & G.

C.S.H. asked on what this "understanding" was based.

Gov. Meyer said it was on what Ogden Mills told the Board the other day. Mar. 25, 1932.106, 107.

See - Glass
Mills
Walcott

72. Mills tells Board that Sen. Walcott said it would be agreeable to him and to Glass to have the help of B. & G.
Mar. 26, 1932. 107.

73. Gov. Meyer presented Board's draft of Glass bill to full Sub-committee, stating that it represented the unanimous approval of Board, including Comptroller and Secretary of Treasury. Mar. 29, 1932. 110.

74. Gov. Meyer told C.S.H. over a year ago that the Board should have approved the 6% rate asked for by F.R. bank, N. Y. in Feb. 1929; that such increase would have met the situation.

Gov. Meyer has evidently seen the light, and has changed his views accordingly.
Mar. 31, 1932. 111.

Meyer, Gov. (Cont'd.)

75. This conversion of Gov. Meyer will be appreciated when it is remembered that in the above Board report he voted to give drastic power to Board and F.R. banks to refuse rediscounts and suspend offending member banks from F.R. facilities.
Mar. 31, 1932. 111.

76. C.S.H. feels that Gov. Meyer felt first that it would hurt his prestige to present a divided Board report to the Senate Committee, and, second, he feared to cross swords with Miller and C.S.H. before the Senate Committee, and therefore decided to yield and thus get credit for Board unanimity.
Mar. 31, 1932. 111.

77. Gov. Meyer told Board of the opposition of Interstate Commerce Commission to loan to Missouri Pacific Railroad by Reconstruction Finance Corporation.

He said he had taken the position, as Governor of the F.R. Board, that this and similar loans were proper and necessary; that the overdue R.R. notes were held by banks as well as by bankers; that they were more like business paper which must be paid at maturity, than like capital loans, which ordinarily could be extended.
April 2, 1932. 112, 113.

Gov. Meyer never consulted the Board on this!
April 2, 1932. 112, 113.

78. Gov. Meyer said loans of this kind would greatly helpthe railroads get upon their feet; that considering lower wages and economics they were nearly on their feet now. He was very optimistic.
April 2, 1932. 113.

79. C.S.H. receives from Gov. Meyer a copy of Gov. Harrison's letter and memorandum to Glass criticising the Glass banking bill.
April 7, 1932. 119.

80. Gives the Governors a clear statement of economic and banking conditions.

His former optimism has entirely gone.
April 12, 1932. 122.

81. Favors a bold policy, - continued buying of Govt. securities.
April 12, 1932. 123.

82. Reads to Board a letter signed by some of the Governors as "Open Market Committee", protesting against Glass bill even with suggested changes of Board.
April 13, 1932. 124.

Meyer, Gov. (Cont'd.)

83. C.S.H. feels appointment of Howland Chase depends on whether Gov. Meyer is satisfied with him, but feels it would extraordinary for Gov. Meyer to object of C.S.H. and Wyatt are satisfied.
April 16, 1932. 129.

84. Shows ill temper at Board's delay in approving loan to Anglo-California Turst Co. of San Francisco, under Sec. 10-B of Glass Emergency Act.

He said his judgment favored it, implying that this should be sufficient for the Board.
April 16, 1932. 131, 132

85. Miller speaks to C.S.H. of Gov. Meyer's rough neck manners.
April 16, 1932. 132.

86. C.S.H. tells Miller that he, Gov. Meyer, Harrison and Morrill all agree that another Assistant Counsel for Board is absolutely necessary.
April 21, 1932. 135.

87. Wyatt says Gov. Meyer has not yet met Howland Chase; that he would ask Gov. Meyer if he wanted to see him, before he finally presented his name to Board.
April 21, 1932. 135.

88. Floyd Harrison tried unsuccessfully to reach Gov. Meyer in N. Y. to ask authority to appoint Howland Chase; he was in Directors meeting.
April 21, 1932. 135.

89. Asks Wyatt if all are agreed on Howland Chase. Wyatt said Yes. Gov. Meyer then said to go ahead with his appointment. April 22, 1932. 140.

90. Later, Gov. Meyer said that Felix Frankfurter of Harvard Law School, was to see him tomorrow, and he would like to ask him as to Chase's record in Harvard Law School.
April 22, 1932. 140.

91. C.S.H. feels if Board had been as cautious in looking up Floyd Harrison's and Morrill's qualifications, as Gov. Meyer has been as to Howland Chase, they would still be waiting in the cold.
April 22, 1932. 140.

Meyer, Gov. (Cont'd.)

92. Wyatt says Prof. Frankfurter wired Gov. Meyer that Chase's record in Harvard Law School was not above mediocrity.
April 25, 1932. 143.

93. C.S.H. wires Dean Pound, of Harvard Law School, who answered very favorably as to Chase.
April 26, 1932. 143.

94. Wyatt says he has O.K. of every member of Board except Ogden Mills and that Floyd Harrison presented it to Gov. Meyer who also checked it.
April 26, 1932. 143.

95. Wyatt said later that Harrison asked that no notice be sent to Chase until he saw him - Wyatt.

Harrison said Frankfurter had telephoned him that Chase had not received a single mark in Harvard Law School above mediocrity. April 26, 1932. 144.

96. Wyatt gave Dean Pound's telegram to Harrison who showed it to Gov. Meyer, and that Gov. Meyer said he could notify Chase. April 26, 1932. 144.

97. Reads Board copies of a cable from Gov. Norman to Gov. Harrison and his reply, saying in letter to Gov. Meyer he had already read it over telephone to him.

Gov. Meyer had never mentioned this to Board!
April 19, 1932. 146.

See - Harrison, Gov.

98. Gov. Meyer acknowledged Gov. Harrison's letter and thanked him for his "courtesy" in sending copies of the cables.
April 19 , 1932. 149.

99. C.S.H. predicted that before long Gov. Harrison would favor higher discount rates to protect gold outflow.

Gov. Meyer said higher rates would accomplish nothing as a 3% rate would ne begligible.
April 29, 1932. 150.

100. Says he knows that N. Y. Times statement that Gov. Harrison is trying to secure a promise from Bank of France not to withdraw its deposits without notice, so that our banks could expend on them, - is not true.
May 7, 1932. 153.

Meyer, Gov. (Cont'd.)

101. Told Board that last week that, at request of Glass he had sent a list of further amendments to Glass bill, adding that they were only amendments already approved by Board.

Gov. Meyer never consulted Board as to this letter!

C.S.H. did not check up whole letter but the principal suggestion was extending the time for divorce of affiliates from 3 to 5 years.
May 11, 1932. 156.

102. C.S.H. feels some times that Gov. Meyer has forgotten that there is a F.R. Board!
May 11, 1932. 156.

103. Disagrees with Miller's statement that purchase of Govt. securities has done no good.
May 12, 1932. 160.

104. Last night, Gov. Meyer, Morrill and Goldenweiser spent evening with Sen. Metcalf who is preparing amendments to Glass bill.

Gov. Meyer never told Board of this.
May 14, 1932. 161.

105. C.S.H. told Governors Conference that there is much construction work which could and should be done, and that, while it might not create "eligible" paper we might take care of it through emergency provisions of Glass bill.

Gov. Meyer said he knew there was a demand for $10,000 residences in Westchester County.

Gov. Meyer said we should cease concentrating solely on "Eligible" paper, in this crisis.
May 17, 1932. 163.

106. Gov. Meyer went to N. Y. Wednesday and was at directors meeting of F.R. Bank, N. Y. yesterday.

Will not return until Monday.
May 20, 1932. 165.

107. Gov. Meyer has always thrown cold water on Miller and C.S.H.'s suggestion of a conference at Washington with business men and bankers, followed by appointment of F.R. District Committees. Hoover adopts the latter part.
May 21, 1932. 166.

Meyer, Gov. (Cont'd.)

108. Gov. Meyer's time is so taken up with Reconstruction Finance Corporation that he has little or no time for pressing F.R. problems.

The Board is drifting without a rudder!
May 21, 1932. 167.

109. Gov. Meyer says he was at a dinner in N.Y. with Ogden Mills on Thursday, at which the directors of F.R. Bank of N.Y. and bankers were present; that Ogden Mills made a very able address; that a District Committee was at once formed; that it was agreed that there was much construction work which could and should be done.

C.S.H. asked as to Gov. Harrison's sudden conversion to plan of appointing a Committee, to which he had objected at Governors Conference.

Gov. Meyer said he paid little attention to Gov. Harrison at the meeting.

Gov. Meyer said that tomorrow he was going with Ogden Mills to Chicago to have a similar Committee appointed.
May 23, 1932. 167, 168.

110. Miller again urged a conference in Washington and later the appointment of Fed.R. District Committees with a programme agreed upon by the Washington Conference.

C.S.H. favored it strongly.

Gov. Meyer objected, saying that each F.R. bank could prepare its own programme.

Board took no action.
May 23, 1932. 168, 169.

111. Hoover tells Miller he has no confidence in F.R. Board.

Whether Hoover included Gov. Meyer, Miller did not know.
May 23, 1932. 169.

112. Miller thinks the sudden shift of Gov. Meyer and Gov. Harrison as to appointment of F.R. District Committees, was caused by Hoover's direction to Gov. Harrison.
May 23, 1932. 169,170.

Meyer, Gov. (Cont'd.)

113. C.S.H. told Board of his letter in reply to Lichtenstein's charges and previously had sent each Member of the Board a copy.

Gov. Meyer said he had not had time to read it, and treated the matter most jocosely, as if of no importance.
May 23, 1932. 170.

114. Miller and C.S.H. feel that Gov. Meyer is so tied up with his work on Reconstruction Finance Corporation and so likes its work, that he has little time to give to F.R. problems which are pressing.
May 23, 1932. 173.

115. Lichtenstein told C.S.H. he should do nothing more about explaining his charges against F.R. Board, as he had talked about it with Gov. Meyer earlier in the day at the Federal Advisory Council meeting, who said it was nothing and to "let it pass."
May 23, 1932. 172.

116. Lichtenstein writes Gov. Meyer that he did not intend to charge Board with politics, etc.
May 23, 1932. 174.

117. Opposes Traylor claim that we should buy more long term bonds in open market. May 24, 1932. 174.

118. Gov. Meyer sends a letter to Lichtenstein, acknowledging his letter and concluded it, "with kind regards, Sincerely yours"

One would suppose that L's letter was in praise of the Board, rather than an attack.
May 24, 1932. 176.

119. Reports as to Chicago meeting yesterday appointing a F.R. District Committee. May 24, 1932. 177.

120. Gov. Meyer seemed all at sea as to economic conditions.

He said he would be glad to give long term loans on cotton at 7 cents per lb. but felt it would look too much like the Federal Farm Board policy.
May 26, 1932. 177.

Meyer, Gov. (Cont'd.)

121. Gov. Meyer then asked if any member had any suggestions to make but he went around the table so quickly and casually that C.S.H. felt he did not want any suggestions but preferred to tell Hoover the Board was all at sea.
May 26, 1932. 177.

122. Gov. Meyer acted as if he had some plan up his sleeve which he was unwilling to tell to the Board.

C.S.H. suggested a loan like the 135 million cotton loan of 1914, but Gov. Meyer fairly snarled out that this would be of no use.

C.S.H. said it succeeded in 1914 when cotton was only 5¢ per pound.

Gov. Meyer said it succeeded only because of the war.

C.S.H. replied that cotton collapsed because of the war, but the fear of its being made contraband by Great Britain was the real trouble, and asked Gov. Meyer how, if the war caused the collapse, how could Gov. Meyer claim that the war was the cause of the success of the loan; that the cotton loan overcame the shock of the war.

Gov. Meyer was so pronounced and bitter at C.S.H.'s suggestion that C.S.H. feels he really has some similar plan in his mind, but hopes to keep it from the Board in order to claim the sole credit for it.

The Board should have spent the day discussing these pressing economic problems, but, as usual, Gov. Meyer rushed off to meet with the Reconstruction Finance Corporation where his heart really is.

He is playing, as usual, a lone hand and wants no help from the Board!
May 26, 1932. 178, 179.

123. Gov. Meyer goes to N. Y.
May 26, 1932. 179.

124. The omission from Board's minutes of C.S.H.'s resolution - May 23, 1932 - and his remarks about the Lichtenstein letter, makes C.S.H. feel that the records are drawn to feature everything Gov. Meyer says making everything else subordinate.

See supra, p. 169.
May 28, 1932. 180.

Meyer, Gov. (Cont'd.)

125. Gov. Meyer won't be back until next Friday. He goes to Cleveland and Phila. before his return.
May 31, 1932. 183,

126. Miller says Gov. Meyer knew nothing about Hoover's direction to Mills and Gov. Harrison to appoint a F.R. District Committee at N.Y., until he reached the dinner in N.Y.

Miller feels Hoover has been discourteous to Gov. Meyer in not telling him.

Miller thinks Hoover may have previously discussed it with Gov. Meyer and he had thrown cold water on it as he did at Board meetings.

Gov. Harrison concealed from Gov. Meyer his instructions from Hoover.
May 31, 1932. 183, 184, 186.

127. Miller and C.S.H. agree that Gov. Meyer has little or no initiative; that he loved money lending, as done by the Reconstruction Finance Corporation, but had no time and only a languid interest in F.R. Board matters.
May 31, 1932. 184.

128. C.S.H. feels it extraordinary that Gov. Meyer should have left Washington, without mentioning to the Board his visit to N. Y., Phila. & Cleveland, in all of which F.R. Banks C.S.H. is on the Board Committee.
May 31, 1932. 184.

129. Gov. Meyer has a total incapacity to work with any one else.

He really seems to believe that he <u>is</u> the F.R. Board.

He plays a lone hand!

Some day he will come a cropper!
May 31, 1932. 185.

130. Miller said Gov. Meyer was plainly chagrined and embarrassed when he told the Board about the N.Y. dinner at which the F.R. district Committee was appointed.

He tried, however, to give the Board the impression that he himself did it.
May 31, 1932.185.

Meyer, Gov. (Cont'd.)

131. Gov. Meyer stayed in N. Y. until Thursday evening, when he went to F.R. Bank of Cleveland and then to F.R. Bank of Philadelphia.

He explained these meetings to the Board and said they were very profitable, that much new work had been discussed which could be taken care of.

He said in Cleveland alone there were 175 applications for credit. June 2, 1932. 189, 190.

132. C.S.H. suggested that an abstract of these meetings be sent to each F.R. Bank, especially to Kansas City and Minneapolis where the F.R. District Committee had done almost nothing.

Gov. Meyer objected to this.
June 2, 1932. 190.

133. C.S.H. told Board that a financial report, so Lichtenstein said, told him that President Coolidge in 1928 directed that money be made easy in order to carry the election.

Gov. Meyer said Coolidge never made such a statement.

James and Miller wanted Board to refuse to receive Lichtenstein at future meetings of Federal Advisory Council.

Gov. Meyer and C.S.H. thought this too drastic.
June 3, 1932. 191.

134. Miller said Gov. Meyer is at last very much disturbed over the Lichtenstein matter, and if Board considered the Presidential election in 1928, it may be claimed that it is doing the same now through its open market policy.

C.S.H. is glad Gov. Meyer at last sees the light.
June 4, 1932. 193.

135. A very eulogistic photograph of Gov. Meyer and his family appeared in a Sunday morning paper today.
June 5, 1932. 193.

136. Magee goes with Gov. Meyer to F.R. Bank, Richmond, to meet the F.R. District Committee.
June 7, 1932. 194.

137. There is a rumor that Dawes and Gov. Meyer had sharp differences in Reconstruction Finance Corporation.
June 7, 1932. 194.

Meyer, Gov. (Cont'd.)

138. C.S.H. did not have a chance to tell Gov. Meyer of his work with Glass to prevent a cutting down of F.R. salaries in economy bill, as he was away, and quick action had to be taken on June 2, 1932 and June 3, when he sent his letters to Glass.
June 7, 1932. 195.

139. Boston Transcript says resignation of Dawes from Reconstruction Finance Corporation grew out of differences with Gov. Meyer, who was more conservative than Dawes.
June 7, 1932. 196.

140. Board meeting called for 11 a.m.

Then postponed 1/2 hour to please Gov. Meyer.

Gov. Meyer said he could stay only a few minutes as he had an engagement with some Chicago people, - presumably Reconstruction Finance Corporation business.

Board should have taken up many important matters, e.g. Lichtenstein, F.R. District Committee, Chief F.R. examiner, etc.

The above often happens under Gov. Meyer.
June 9, 1932. 196.

141. Gov. Meyer says Gov. Harrison is contemplating asking the Bank of France to earmark or export all its deposits, - now about 100 million.

Gov. Meyer and the Board were inclined to approve this.
June 9, 1932. 197.

142. Magee said Gov. Meyer while en route to F.R. Bank of Richmond with him discussed andapproved C.S.H. efforts to prevent Board's salaries being cut under economy bill.
June 9, 1932. 198.

Meyer, Mrs. Eugene.
We called on. Dec. 19, 1931. 26.

Some society people of Westchester County, who had never called on, wrote and asked her to loan her house for some entertainment, and she politely refused. She is much praised for this. Jan. 5, 1932. 36.

Meyer, Mrs. Eugene (Cont'd.)

H.P.H. lunches with, to meet Mrs. Ogden Mills and ladies of F.R. Board and Reconstruction Finance Corporation. April 17, 1932. 133.

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Miller, Adolph

1. All of Board except Miller, after informal talks, favored Federal Intermediate credit debentures as collateral for member bank 15-day collateral notes.
Dec. 8, 1931. 5, 6.

2. Gives $100 to community chest.

Last year, Miller gave $5000 to Newbold Noyes and would not credit any of it to F.R. quota.
Dec. 12, 1931. 11.

3. Glass says he had adopted Miller's draft of Sec. 3 - power to refuse rediscounts. Dec. 16, 1931. 20.

4. Miller praised Jerry Warburg very highly - he said he predicted the crash of 1929 to his father, Paul Warburg, who said he did not know what he was talking about.
Dec. 17, 1931. 21.

5. Orders Gov. Fancher to revoke his refusal to discount further for the Standard Trust Co., a labor bank, after consulting with White House.

Did not consult C.S.H. who is on Cleveland Committee, and who was at hand.
Dec. 21, 1931. 27, 28.

6. Says that Gov. Fancher's habit of saying - er, er - is a sign of mental degeneration.

Miller himself is a conspicuous offender!
Dec. 23, 1931. 30.

7. John Perrin, formerly Chairman of the F.R. Bank, San Francisco, dined with Miller - Christmas dinner, on Dec. 25 and died suddenly Dec. 27, 1931.
Dec. 25, 1931.32.

8. C.S.H. objected to clause in Glass bill requiring F.R. Board to fix percentage of speculative loans.

Glass triumphantly said that Miller wrote this provision!

Miller had never told the Board of this!
Jan. 28, 1932. 50.

9. C.S.H. believes also that Miller wrote the open market provision.
Jan. 28, 1932. 50.

Miller, Adolph (Cont'd.)

10. Miller said he had never heard what Wyatt said - that Ogden Mills had directed Gov. Harrison to send Burgess down.
Feb. 1, 1932. 52.

11. Tells C.S.H. that Hoover hates the N.Y. banks but at the same time fears them; that no one could tellas to his attitude as to giving power to refuse discounting to member banks.
Feb. 9, 1932. 59.

12. Miller said that some years ago when Hoover was drafting his annual message, he asked him to look it over; that it contained extraordinary praise for the F.R. System; that he - Miller - told him he was ashamed of the F.R. System, that by its open market operations it encouraged a secondary inflation in 1931.

Later, he said, Hoover said the F.R. System was a failure.

C.S.H. feels Miller is not consistent.
Feb. 9, 1932. 59.

13. Miller said Glass asked him to call on him last night and that they talked for nearly two hours and went over Glass's bill.

Miller said Glass asked him as to C.S.H.'s views, especially as to Sec. 3 - the penalizing clause.

Miller said he told Glass to ask C.S.H. for his views in general, but that he could say that as to the penalizing clause C.S.H. was with Glass altho he had suggested some changes in the Section.

Glass told Miller he understood that the F.R. Board had authorized Burgess and Goldenweiser to present in their report to Glass Committee the views of the Board.
Feb. 10, 1932. 60.

14. Miller said Glass had asked him to submit his views in the bill and Miller said C.S.H. should do the same.

C.S.H. said he would if Glass asked for them.

Miller said C.S.H. could consider, from what Glass said, that he had asked his views.
Feb. 10, 1932. 60, 61.

15. Miller said that Glass telephoned that he had to go to the White House and could not meet him this morning as he had agreed to do. Feb. 10, 1932. 61.

Miller, Adolph (Cont'd.)

16. Miller said Glass called him up and said Hoover wanted the Board to reduce the required reserves for member banks; that he told Glass this might cause a withdrawal of deposits by European banks.

Miller agreed with C.S.H. that such a step should not be taken now; that it might prove a red flag and lead to a general moratorium, equivalent to a suspension of gold payments.
Feb. 10, 1932. 63.

17. Miller gave C.S.H. a draft of definition of "Federal reserve facilities" which he had drawn.

C.S.H. said it would bar any bank from discounting if it were carrying a single speculative loan.

Finally Miller agreed to put in the words "primary" and "undue", and C.S.H. said he would accept this.

As agreed on, it read: -

"The primary purpose of the F.R. Act is defined to be the accommodation of industry, trade, and agriculture, the protection of depositors of member banks and the maintenance of economic and financial stability in the U.S. The Federal Reserve Board and every F.R. bank shall therefore exercise care to protect the resources of the Federal Reserve System from undue diversion into security financing and speculative uses."

Miller later added a clause empowering the Board to lay down regulations as to the use of F.R. credit.

C.S.H. finally accepted the whole draft and authorized Miller to so inform Glass, but reserving the right to send Glass his own substitution from Sections 3 and 9.
Feb. 10, 1932. 64.

18. Miller said he had not been consulted with relation to the Glass emergency bill in any way, but he preferred not to be and to let those responsible fear the responsibility.

The Federal Reserve Board has practically ceased to exist!
Feb. 12, 1932. 67.

19. If Gov. Meyer had taken C.S.H. and Miller into his confidence, the path of the Glass emergency bill would have been easier.
Feb. 12, 1932. 70.

Miller, Adolph (Cont'd.)

20. Glass told C.S.H. that Miller's draft was to be gone over tomorrow with Miller.
Feb. 12, 1932. 72.

21. Miller objected to Board's considering the Senate emergency bill, as Senate had not asked for Board's opinion but Board, on C.S.H.'s suggestion, determined to take it up and later determine whether to send it to Senate Committee.
Feb. 15, 1932. 74.

22. Miller said Glass came to his house yesterday but was called away by Sen. Walcott; that Glass was in a fairly quiet mood; that he said he would go over C.S.H.'s and Miller's drafts of Section 3, carefully; that he feared they were not strong enough; that there was an overwhelming sentiment in Congress for power to discipline member banks.
Feb. 15, 1932. 75.

23. Miller said Hoover sent for him late yesterday p.m.; that he went there and found President and Mrs. Hoover; that Hoover said he hoped Miller would use his influence with Glass to straighten out the emergency legislation; that he had no doubt but that Hoover had been asked by some one to say this.
Feb. 15, 1932. 75.

24. Miller said he had always opposed the policy of buying Government securities but now he deemed it wise and would even vote for purchase of 500 millions.
Feb. 24, 1932. 82.

25. Willis, in preparing a new draft of Glass bill, as agreed upon by Glass and Sen. Walcott, struck out Miller's and C.S.H.'s suggestions as to Sec. 3.
Mar. 14, 1932. 92.

26. Miller rather opposed suggestion of a hearing before Senate Committee.

He said ordinarily he would agree as a matter of course, buthe feared Glass would think the Board was trying to delay action on the bill.
Mar. 18, 1932. 95, 96.

27. Agrees with C.S.H. that Gov. Meyer, from his general attitude, hopes the Glass banking bill will fail of passage.
Mar. 21, 1932. 98.

Miller, Adolph (Cont'd.)

28. Said that Gov. Harrison's suggestion that Newton D. Baker be retained to represent the F.R. System as to the Glass banking bill, shows that he is desperate with his back to the wall.
Mar. 23, 1932. 104, 105.

29. Miller favored Glass bill's provision that Sec. of Treasury be dropped from the F.R. Board, but finally said he was impressed with the suggestion of having him remain an ex-officio member without the right to vote, as suggested by Ogden Mills. Mar. 26, 1932. 108.

30. Board finally agreed to recommend to Senate Committee a draft of open market powers along lines suggested by Miller.
Mar. 28, 1932. 109.

31. Miller and C.S.H. feel that the unanimous vote of all members of the Board favoring its draft of Glass bill is necessarily an indorsement of Board's direct action policy of 1929, and that it is one of the most important decisions ever reached by the Board. Mar. 30, 1932. 110.

32. Miller said he talked with Glass when Board went before the Senate Committee yesterday; that Glass was pleased and impressed with the unanimity of the Board; that Glass said the Board's draft of Sec. 3 was better than his; that he was also pleased with the section divorcing security affiliates. Mar. 31, 1932. 111.

33. Miller and C.S.H. feel that if Glass has any political sagacity he will accept our bill and dare the Republicans to defeat it. Mar. 31, 1932. 111.

34. Miller and C.S.H. feel that Gov. Meyer believed it would hurt his prestige to go before the Committee with a divided Board, and accordingly made up his mind to yield to Miller and C.S.H., rather than to fight them before the Senate Committee. Mar. 31, 1932. 111, 112.

35. Rather objects to Board taking any position as to desirability of Reconstruction Finance Corporation loans to R.R.s as Board's opinion had not beenasked.

This was in answer to Gov. Meyer's statement that he as Gov. of F.R. Board had said he favored such loans.
April 2, 1932. 113.

Miller, Adolph (Cont'd.)

36. Favors a bald policy and favored buying 500 millions of Government securities in addition to the 100 millions already authorized.
April 12, 1932. 123.

37. Feels, with James and C.S.H., that all F.R. banks which can should participate in purchase of Government securities; that those which can not take full quota should take what they can and should later apply for relief under Glass emergency bill.

This view prevailed.
April 12, 1932. 124.

38. Thought at first that the Anglo-California Trust Co., an applicant for a loan under Sec. 10-B of Glass emergency act should apply to Reconstruction Finance Corporation, but it was felt that if it did this it would advertise its condition.

Miller said he spent 3 hours with Gov. Calkins yesterday, going into the whole matter and that he felt the application should be approved.
April 16, 1932. 130, 131.

39. Miller refers to Gov. Meyer's rough neck manners.
April 16, 1932. 132.

40. Wyatt said he would refer matter of appointment of Howland Chase to C.S.H. and Miller as members of the Law Committee.
April 20, 1932. 134.

41. C.S.H. told Miller about Howland Chase, and of recommendation of Judge Van Deventer.

Miller said the Judge's indorsement was of great value.

He asked if the appointment was to fill a vacancy and C.S.H. explained that it was a new office, which Morrill, Harrison C.S.H. and Governor Meyer felt was absolutely necessary.

He told C.S.H. that no member of Chase's family nor any one else had spoken to him about it,

C.S.H. told Miller he first heard of it only when Wyatt told him.

Miller favored the appointment.
April 21, 1932. 134, 135.

Miller, Adolph (Cont'd.)

42. Miller told Wyatt he approved Chase's appointment and would back up Wyatt's recommendation.
April 22, 1932. 140, 141.

43. Tells Board the purchase of Government securities had done no good and he should not favor buying another 100 million.

C.S.H. and Gov. Meyer took issue with this.
May 12, 1932. 160.

44. Decides to approve further purchases of 500 millions of Govt. securities.
May 17, 1932. 162.

45. Says this policy alone can not accomplish the desired result; that there must be cooperation with the member banks.

Suggests that Board arrange a conference at Washington between the Federal Reserve Board, Federal reserve banks, and leading industrialists and bankers to prepare a programme to be carried out by the Federal reserve banks and Committees appointed by them.

C.S.H. agrees with Miller as to necessity for this.

Neither Gov. Harrison nor Gov. Meyer favored this.
May 17, 1932. 162.

46. Gov. Harrison deprecated Miller's suggestion because of uncertainty and fear of Congress still in session.

Miller defended Congress saying it had done suprising well under existing conditions; that the principal reason for the many bills which we could not approve, was that Congress could see no clearly defined policy in the Federal Reserve System.
May 17, 1932. 163, 164, 165.

47. Miller again favors a conference at Washington. C.S.H. agreed with him.

Gov. Meyer objected and said each F.R. bank could prepare its own programme of cooperation with member banks.
May 23, 1932. 168, 169.

48. Miller said Hoover sent for him a week ago, just after the White House breakfast conference, Feb. 9, 1932, - ; that he was with him 2 hours; that he explained to Hoover the necessity for a Washington conference to prepare a programme for F.R. banks to work out through F.R. District Committees; that he told Hoover this was a job for the

Miller, Adolph (Cont'd.)

48. (Cont'd.)

Federal Reserve Board; that Hoover quickly said he had no confidence in the Federal Reserve Board, but whether Hoover meant Gov. Meyer or the Board in general Miller could not say.
May 23, 1932. 169.

49. Says there is something mysterious about the appointment of the N. Y. District Committee; that he thinks Ogden Mills may have told Hoover about the discussion in the Governors Conference, and that Hoover probably sent Mills to N.Y. with instructions to have a Committee formed.
May 23, 1932. 169, 170.

50. Speaks of Hoover's desire to run everything from the White House.
May 23, 1932. 170.

51. Says that while Garner's attack on Hoover was undiplomatic, - he said if Hoover would keep quiet 30 days all would be well, - that Garner was in part, at least, justified; that Hoover, as Sec. Lane said in 1925, was the greatest advertiser this country had ever had.
May 23, 1932. 170.

52. Says the Lichtenstein charge against F.R. Board is very serious and would undoubtedly serve as the basis of future charges against Board of a political nature.
May 23, 1932. 172.

53. Agrees with C.S.H. that Gov. Meyer is so tied up with Reconstruction Finance Corporation and likes such work so much that he has little time left for F.R. problems.
May 23, 1932. 173.

54. Opposes Traylor's suggestion that F.R. System should buy more long term bonds. May 24, 1932. 174.

55. Miller thinks the Federal Advisory Council considered the Lichtenstein charges after Board had left.
May 24, 1932. 175, 176.

56. Says Mrs. Warburg told Mrs. Miller that Paul Warburg's estate was in the "red" when he died; that she was trying to sell their city house, but hoped to keep up the White Plains house; that Mrs. Warburg could not keep up a 5 year charity she had pledged, with Mrs. Miller, to support.
May 25, 1932. 176.

Miller, Adolph (Cont'd.)

57. Told C.S.H. that he was at the dinner given by Sec. Lamont to Hoover last week; that Hoover told him he had kept in mind Miller's suggestion of a Washington Conference and appointment of District Committee; that he sent for Gov. Harrison and directed him to form a N. Y. Committee at once. May 31, 1932. 183.

58. Miller and C.S.H. believe that Gov. Harrison had received these instructions when he took part in the Open Market Conference, but concealed them from Gov. Meyer, the Board and the Governors. May 31, 1932. 183.

59. Miller said Hoover directed Ogden Mills to arrange for the formation of the N. Y. District Committee at the dinner in N. Y., which Gov. Meyer attended, but that Gov. Meyer knew nothing about it until he reached the dinner; that he thought Hoover had been discourteous to Gov. Meyer for not taking him into his confidence.
May 31, 1932. 183, 184.

60. Miller said he thought Hoover may have mentioned this to Gov. Meyer some time ago and that Gov. Meyer probably threw cold water on it as he did when Miller and C.S.H. advocated it in Governors Conference and before the Board.
May 31, 1932. 184.

61. Miller said Gov. Meyer seemed to have little or no initiative; that he loved money lending as done by Reconstruction Finance Corporation, but took only a lanquid interest in Federal Reserve Board problems. C.S.H. agreed to this.
May 31, 1932. 184.

62. Miller said Gov. Meyer was plainly chagrined when he told Board of N. Y. dinner and appointment of N. Y. Federal Reserve District Committee. He tried to have Board think he did it.
May 31, 1932. 185.

63. Says Board should officially take up Lichtenstein's charges with the Federal Advisory Council.
June 3, 1932. 190, 191.

64. Miller seemed to agree with James that Board should henceforth refuse to receive Lichtenstein at Federal Advisory Council meetings. June 3, 1932. 191.

65. Miller said he was preparing a direction to Federal reserve banks not to pay out gold, except as to foreign depositors. He did this in anticipation of emergencies.
June 4, 1932. 192.

Miller, Adolph (Cont'd.)

66. Miller says Gov. Meyer has become very much disturbed over Lichtenstein's charge, lest it be claimed that if Board was influenced by politics in 1928 it was again playing politics in its present open market policy.
June 4, 1932. 193.

67. C.S.H. told Miller of his efforts with Glass to save Federal Reserve System from cut in salaries under economy bill.

At first he was not interested but when C.S.H. told him of the limitation of annual leave to 15 days he became very much interested.

He said it would take 10 days to go to and come from California. He approved C.S.H.'s efforts.
June 7, 1932. 194, 195.

Mills, Ogden, Secretary of the Treasury

1. Explains Treasury policy to Governors conference.

He said that Hoover has informed Congress that about 2 billions of bonds or securities must be issued to meet the deficit in fiscal year 1932; that after that time no further issues will be made, and taxation must be employed to balance the Budget.

C.S.H. asked if this statement as to future policy was essential to the Treasury policy.

He said Yes.

He asked Board to establish a lower discount rate on paper secured by Government securities, in order to help place them, stating that the emergency was as great as during the war and that the F.R. System should cooperate.
Jan. 11, 1932. 41 (2)

2. Gov. Meyer said, thoroughly approved telling France to withdraw her deposits. Jan. 19, 1932. 45.

3. C.S.H. believes this is a purely political move of, and the administration because of anger at France for her attitude towards reparations, disarmament, allied debts, tariff, etc.

Mills, Ogden, Secretary of the Treasury (Cont'd.)

3. (Cont'd.)

They really want to punish France because she has become scared by Willis's false unpatriotic cables to French newspapers.

Jan. 19, 1932. 46.

4. Addresses American Acceptance Council, in N. Y., talking of F.R. System and urging banks to expand credit.

One would think he was the Federal Reserve Board!

Jan. 26, 1932. 48.

5. Wyatt heard, call up Gov. Harrison and direct him to send down Burgess to work with Goldenweiser on Glass bill.

Feb. 1, 1932. 52.

6. Papers announce appointment of, as Secretary of Treasury.

C.S.H. feels, has pushed out Mellon and manoevered himself into this position. Feb. 4, 1932. 54.

7. Takes oath of office, 4:30 p.m.

Feb. 12, 1932. 66.

8. Goes before H.R. Committee with Gov. Meyer and Goldenweiser to urge extension of 1 year limit in Glass emergency bill. Feb. 12, 1932. 67.

Board was not consulted as to this.

Feb. 12, 1932. 67.

9. C.S.H., at Gov. Meyer's home, heard him telephoning to, and discussing plans to induce members of H.R. and Senate to extend above 1 year limitation.

Board never consulted.

Feb. 12, 1932. 70.

10. Writes C.S.H. acknowledging his letter of congratulations. Addressed to C.S.H. esquire.

Feb. 17, 1932. 77.

11. Discusses conference report on Glass emergency bill with Gov. Meyer, Gov. Harrison and Glass.

Board not told of this conference.

Feb. 24, 1932. 80.

Mills, Ogden (Cont'd.)

12. Strongly favors buying more Government securities to help N. Y. banks which have to carry burden of future, Treasury security issues.

He said he should ask these banks to buy the new issues and hold them until the Treasury called for the money; that they could then rediscount using the securities as collateral.

He said this was the original intent, but that the banks had been dumping them on the market for profit, - which was bad.

He said they could make a reasonable profit by rediscounting the issues at a rate lower than the rate borne by the securities.

He said the Treasury would distribute the proceeds over the country which would help all the banks.
Feb. 24, 1932. 82, 83.

13. Agrees with C.S.H. that Sections 10-A and 10-B of Glass emergency bill are entirely distinct and that a proposed regulation that applicatns must try to join a group under 10-A before applying for relief under 10-B should be stricken out.
Mar. 9, 1932. 89.

14. Gov. Meyer would not put C.S.H.'s motion for an immediate preliminary report of Board's Committee on Glass bill until recommended by, that he had neglected to do so.
Mar. 21, 1932. 98.

15. Glass says B & G were constantly in consultation with Gov. Meyer, Gov. Harrison and.
Mar. 22, 1932. 100.

16. Tells Board that Sen. Walcott said he desired expert help and that he arranged to have Burgess come down and, with Goldenweiser, help him; that Hoover could not have said that he had designated B. & G. to act for the Board.
Mar. 22, 1932. 101.

17. Mills scored the Glass banking bill and said that there was not the faintest chance of its passage; that the Committee would never report it; that it should be postponed for at least a year.

Gov. Meyer agreed.
Mar. 22, 1932. 101, 102.

Mills, Ogden (Cont'd.)

18. C.S.H. said he differed with Mills and Gov. Meyer; that he believed some bills would surely pass; that the Board should help by suggesting helpful amendments; that if the Committee should refuse to report the bill, Glass would move to discharge the Committee and bring the bill before the Senate, and he believed the motion would prevail.
Mar. 22, 1932. 102 - 103.

19. Miller said he believed Mills and Gov. Meyer wanted more to have the bill rejected than amended. C.S.H. agrees.
Mar. 22, 1932. 103.

20. Speaks favorably of Gov. Harrison's suggestion that Newton D. Baker be retained to represent the Federal Reserve System on Glass bill, before the Senate.

C.S.H. and Miller opposed.
Mar. 23, 1932. 104.

21. Gov. Meyer repeats what Mills said to Board the other day as to employment of B. & G. to help Sub-committee - that Sen. Walcott said he and Glass desired expert help.

James said he remembered this.
Mar. 25, 1932. 107.

22. C.S.H. asks Mills just what Sen. Walcott said.

Mills said Walcott said it would be agreeable to Glass and himself to have the help of B. & G.
Mar. 26, 1932. 107.

23. Tells Board he personally does not care whether Secretary of Treasury be dropped from Board or not.

Said he would not object to keeping him as ex-officio, but without a vote.
Mar. 26, 1932. 108.

24. Gov. Meyer presents Glass bill as changed by Board. Says Board is unanimous, including Comptroller and Mills.
April 29, 1932. 110.

25. Wyatt heard Mills say that he joined with the other members although he could not quite understand the clause divorcing affiliates, but that he concurred, on principle, in the decision that affiliates should be divorced.
April 29, 1932. 110.

Mills, Ogden (Cont'd.)

25. Daiger said that Comptroller and, felt that a Liquidating Corporation was absolutely necessary; that the Glass bill, which contained such a provision could not possibly be passed for a long time; that Comptroller and Mills arranged for Thomas-Beedy bill; that Glass felt administration and, had not played fair and forced them to withdraw the Thomas-Beedy bill.
April 5, 1932. 114, 115, 116.

26. Wyatt obtained approval of all the Board except, to appointment of Howland Chase.
April 25, 1932. 143.

27. Gov. Meyer tells Board of dinner at N. Y. at which the F.R. District Committee was appointed; at which Mills made a very able address.
May 23, 1932. 167, 168.

28. Miller thinks Mills told Hoover of the discussion as to a Washington Conference and appointment of District Committees at Governors Conference, and that Hoover directed Mills to go to N. Y. at once and secure appointment of such a Committee. May 23, 1932. 169, 170.

29. N. Y. Times tells of Republican Conferences at White House.

Republican Senators, Mills, Gov. Harrison, et al, were present.
May 30, 1932. 182.

30. Mills later explained that Hoover heard that Gov. Harrison was spending the week-end with Admiral Grayson, and asked him to come to White House to discuss "business conditions"
May 30, 1932. 182.

31. Miller said Hoover had told him at Lamont dinner that he directed Ogden Mills to go to N. Y. and arrange for the appointment of a F.R. District Committee for N. Y.
May 31, 1932. 183.

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H.P.H. lunches with Mrs. Meyer to meet.
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Moore, Mrs. Ballard (Olyve Graef)
Calls on us.
Mar. 9, 1932. 90.

Said she called recently on Admiral Mark Bristol; that he hoped to be Ambassador to Turkey, but that a Senator who had been pushing him told him he had no chance unless he could pay over $250,000, which he said Charles Sherrill had or had agreed to pay as a gift to the National campaign.
Mar. 9, 1932. 91.

Moret, Gov. Bank of France. 43.
See - Bank of France
Harrison, Gov.

Morgan Library
H.P.H. goes over, with Miss Bigelow and meets Miss Thurston there.
Dec. 14, 1932. 17.

Morrill, Chester, Secretary F.R. Board.
Although Gov. Meyer objected to any increase in salaries for deserving members of the staff, he insisted on giving, $12,000 - an increase of $2000 over what he had been receiving as Secretary and General Counsel of Federal Farm Loan Board.
Dec. 11, 1932. 12.

Wyatt said Morrill drew the Reconstruction Finance Corporation bill under injunctions of strictest secrecy; that he, Wyatt was not allowed to let his law clerks know of the authorship; that he heard Gov. Meyer mention its authorship to some one the other day so he assumed the ban of secrecy had been removed.
Dec. 17, 1931. 22.

Spends an afternoon at Capital before a Committee in behalf of above bill, with Gov. Meyer and Floyd Harrison.
Dec. 17, 1931. 23.
Dec. 18, 1931. 24.
Dec. 19, 1931. 25.

Morrill, Chester (Cont'd.)

Wyatt says all requests for legal opinions now come from Harrison or. Dec. 22, 1931. 28.

Prepares, with Harrison, list of Board Committees for 1932.

C.S.H. not consulted. Dec. 30, 1931.34.

C.S.H. consults, before sending letter to Glass to effect that B. & G. did not represent the Board.

In this letter he said he strongly objected to B. & G. recommendation striking out Sec. 3.

Morrill suggested striking out all except reference to B. & G. as he said a White House agreement with Glass had been reached under which all but the emergency clauses of Glass bill had been temporarily set aside.
Feb. 10, 1932.61, 62.

How Morrill knew of above agreement is a mystery.

Some forces are evidently working behind the Board!
Feb. 10, 1932. 64.

N. Y. Times says that, after above agreement, there was a conference between Glass, Gov. Meyer, Morrill, B. & G.

This accounts for Morrill's knowledge of the agreement.
Feb. 11, 1932. 65.

Wyatt speaks of above conference.
Feb. 11, 1932. 65.

Morrill takes up with the Protocol Dept. of State Department, through McClelland, the reason for a letter dated Feb. 9 from State Dept, to Gov. Meyer in which Gov. Meyer was addressed as "Esquire".

Morrill said ruling is that Heads and Deputy heads of Boards and commissions are addressed as Honorable and other members as Esquire.

This pulls Board down to level of heads of Division but above letter does not even follow above stated rule.
Feb. 11, 1932. 65, 66.

Tells C.S.H. he is satisfied that the F.R. Act should grant specific power to close discount window to any bank abusing F.R. facilities and that this power should be given both to Board and to the F.R. banks.
Mar. 9, 1932. 89.

Morrill, Chester (Cont'd.)

Says Glass sent for him to help him draw a modified draft as to divorce of affiliates, exempting holding companies, and confining the divorce to sister affiliates and subsidiary affiliates. April 5, 1932. 114.

Glass told Morrill he would accept practically all of Board's recommendations. April 5, 1932. 114, 117.

Platt obtained a copy of Sub-committee changes in Glass bill before anyone else knew of them. C.S.H. told Glass and he said some one on Committee had been guilty of a breach of confidence.

Morrill told C.S.H. he had had a copy for several days.

He never told Board as to this.
April 7, 1932. 118.

Agrees that Howland Chase should be appointed.
April 20, 1932. 134.

Morrill and Harrison but not Gov. Meyer had seen Howland Chase.
April21, 1932. 135.

C.S.H. feels that if Board had been as careful in scrutinizing Morrill's original appointment as Gov. Meyer has been about Howland Chase, Morrill would still be waiting.
April 22, 1932. 140.

Tells C.S.H. that everyone considers the Glass banking bill dead.
May 14, 1932. 161.

Tells C.S.H. that last evening Gov. Meyer, Goldenweiser and he spent evening with Sen. Metcalf who is preparing amendments to Glass bill.

The Board was never notified of this!
May 14, 1932. 161.

Receives C.S.H.letter as to the Board minutes for May 17, 1932, with C.S.H.'s corrections.
May 28, 1932. 179.

Thoroughly approves C.S.H. efforts to keep F.R. System salaries from being reduced by economy bill.
June 8, 1932. 195

Tells C.S.H. question of bringing back chief examiner Paulger from Reconstruction Finance Corporation, was being considered.
June 9, 1932. 198.

Morris , Rowland
Tells C.S.H. there is a rift between Gov. Roosevelt and Al Smith and that Smith told a friend of his that Gov. R. had not consulted him in a single important question; that Smith also was angry because of Gov. R.'s apparent desire to placate Tammany.
Dec. 14, 1932. 15, 16.

Josephus Daniels tells C.S.H. that, acted as Counsel for Col. Smedley Butler; that he notified Sec. Adams that he should bring out the fact that, during the Boxer uprising, Hoover was found in a cellar disguised as a woman and dragged up by army officers; that this threat paralyzed Hoover; that he, Morris, wrote the letter of Col. Smedley Butler to Sec. Adams, and also the reply of Sec. Adams.
Jan. 1, 1932. 35.

Morrison, Dr.
C.S.H. sends Dr. Joslin's letter as to his eye examination to.
Dec. 2, 1931. 3.

See - Joslin, Dr.

Mortgage
See - Mattapoisett mortgage.

Mt. Kisco
36. See - Meyer, Mrs. Eugene

Myer, Gertrude
H.P.H. meets, at tea to Mrs. Wilson at Woman's Natl. Dem. Club.

She was very pleasant and said she had not seen "Charlie" for a long time and sent her kindest regards to him.

She brought H.P.H. back with her in her new auto and begged her to call soon.

Bertie told her she had better come to see her.
Dec. 4, 1931. 3, 4.

Calls on H.P.H.

Gave H.P.H. for Christmas a box of thread and needles.

She also sent us a Christmas card addressed to both of us.

C.S.H. was civil to her but nothing more.

She seemed nervous.

Myer, Gertrude (Cont'd.)

She said she was to take Christmas dinner with Rachel Hale tomorrow.
Dec. 24, 1931. 31.

H.P.H. calls on. Dec. 28 1931. 33
Jan. 2, 1932. 35

H.P.H. writes, thanking her for her Christmas present.
Jan. 2, 1931. 35.

Calls on us with Rachel Hale. Jan.2, 1932. 47.

We lunch with.

Present: Mr. & Mrs. Larz Anderson, Gen. Parker; Mrs. Grant; the Peruvian Ambassador and Rachel Hale.
Feb. 28, 1932. 84.

We call on, but she was out.
Mar. 3, 1932. 86.

C.S.H. called up Rachel Hale who said she would be delighted to see him but felt she ought to say that Gertrude Myer had just telephoned she was coming to call.

C.S.H. said he was jealous of Gertrude and would call some later day.
Mar. 23, 1932. 106.

Bertie called up Gertrude who said that Howland Chase had gone abroad with Mrs. Rodgers as Counsel in connection with the elopement in Italy of young Miss Rodgers.
April 6, 1932. 117.

Tells H.P.H. she is to dine with Hoover tomorrow to meet her friend Miss who is visiting the Hoovers.
April 6, 1932. 117.

Calls up C.S.H

Says she has decided to move her securities from Riggs National Bank to National Metropolitan Bank; that Clephane was to take them; that she wished to be present but that Clephane objected, saying it would be undignified; that she wanted an armed messenger to go with Clephane; that Clephane said this was not necessary, that if there were e.g. a "hold up" we would make good.

She said she did not know to whom Clephane referred as "We".

Myer, Gertrude (Cont'd.)

She asked C.S.H.'s advice and C.S.H. said he could not advise her as she had her own Counsel.

She asked C.S.H. what he would do if it were his own property.

C.S.H. said in such case he would prefer to be present at the transfer and have also an armed messenger.

C.S.H. said that if Clephane represented not her but merely the National Metropolitan Bank, it might be all right to let Clephane manage it as he saw fit, provided he gave a receipt to Riggs Bank in name of and as Attorney for the National Metropolitan Bank.

She said the National Metropolitan Bank did not want the Riggs Bank to know it was taking over her securities.

Finally, Gertrude said she would call up Clephane.

Later she called up again and said she had talked with Clephane, who, she said, seemed quite indignant at her desire to be present and to have an armed messenger.

She asked C.S.H. if it would be all right if Clephane gave a receipt to Riggs Bank, as agent of the National Met. Bank.

C.S.H. said he could not advise her, but finally added that he, personally, would be satisfied if Clephane really represented the National Met. Bank in giving the receipt.

She said she would call up the National Met. Bank in the morning and ask whether Clephane represented it, and that if it said Yes she would ask it to write her to that effect, and she would send over at once for the letter before the transfer was made.

C.S.H. did not advise her but believes above was her best course.

In reply to Gertrude, C.S.H. said if it were his property he would have it insured during the transit.

She said Clephane said this would take too long a time.

C.S.H. can not understand Clephane's attitude, and fears he does not know all the facts.

Myer, Gertrude (Cont'd.)

It seems to C.S.H. almost ridiculous to carry over these securities, many of them coupon bonds, along through the streets without a guard and without insurance.

If, however, he represented the National Met. Bank, Gertrude at least would not be responsible for any loss, but it would fall on the latter bank.

C.S.H. feels the U.S. Treasury would never send bonds across the street without an armed guard.

C.S.H. feels Gertrude has shown great shrewdness in the attitude she took in this matter.

Gertrude said that when Charles Norton turned over her Buffalo property, he insisted on her being present and also an armed guard.

C.S.H. feels that the only way Clephane could justify his statemants to Gertrude would be the fact that he was representing the National Met. Bank, - otherwise he was not protecting his client - Gertrude's - interests.

April 21, 1932. 136, 137, 138, 139, 140.

Gertrude called C.S.H. up at 1:30 in great distress.

She said she gave Clephane yesterday an order on the Riggs Bank to deliver to him all her securities; that she regretted this as she feared something might happen; that she had seen the trust officer of National Met. Bank who said Clephane represented her and <u>not</u> the latter Bank.

She told C.S.H. she wanted to be present at the transfer and wanted insurance; that Clephane said this would be too expensive, but if taken it must be in same company in which he was interested.

She said she seriously thought ofnotifying Clephane that she had revoked his authority, would insist on being present and having a representative of National Metropolitan Bank present, and having the transfer insured.

C.S.H. said she clearly had a legal right to do this.

She asked C.S.H. what he thought Charles Norton would have done under the circumstances.

C.S.H. said he thought Norton would have done just what Gertrude did.

Myer, Gertrude (Cont'd.)

Later she called up C.S.H. and said she had telephoned Clephane that she had revoked his authority; that he was furious and said he would mail her the order she had given him. April 22, 1932. 140, 141, 142.

Gertrude called up C.S.H. and said he was going to see the Trust officer of National Metropolitan Bank, and insist on his being present when the securities were transferred.
April 25, 1932. 142.

Called up C.S.H. and said the securities were transferred just as she wished, - that she met Clephane and a representative of the National Metropolitan Bank, - together with an armed messenger and the securities were duly turned over to the National Metropolitan Bank.
April 27, 1932. 170.

Calls on us.

Spoke about the transfer of her securities.

She said Rachel Hale had told her of Howland Chase's appointment.

She said she supposed C.S.H. arranged this.

C.S.H. said he was appointed on his merits.
May 2, 1932. 151.

C.S.H. called up Gertrude to see if she could see him and H.P.H

She asked us to drive with her.

We drive to Mt. Vernon.

She said she was going to keep Clephane as her lawyer and would ask him to get from the National Metropolitan Bank a statement as to the condition of her investments and what its judgment was as to changes.

C.S.H. felt this was right.
May 11, 1932. 159.

Gertrude got in a fling at Rachel Hale, saying she would feel that Howland Chase's appointment was a favor <u>to</u> the Federal Reserve Board rather than a favor from it, and an honor to the Board that Howland was willing to act as its Assistant Counsel.

Myer, Gertrude (Cont'd.)

An extraordinary statement to make as to one of her closest friends, and a future co-executor under her will!
May 11, 1932. 160.

Lunches with us to meet Count John Bentenck and Baroness Van Heckersen.
May 21, 1932. 167.

On C.S.H. complaint that Chief Examiner Paulger should be brought back to work of Federal Reserve Board, Morrill said he was considering it.
June 9, 1932. 198.

We attend unveiling of stone monument in memory of Gen. Myer, presented to Fort Myer by Gertrude.

Later, Gertrude said she told the officer in charge not to invite her nephew; that he demanded tickets altho the officer told him he was not expected; that he came but was given a back seat.

C.S.H. and H.P.H. sat between Mrs. Woodrow Wilson and Mrs. Williams (Constance Lodge).
June 2,1932. 187, 188.

See - Williams, Mrs.
Wilson, Mrs. Woodrow

-N-

National Bank of Austria
Board approves renewal of.
Jan. 8, 1932. 39.

See - Austria

National Bank of Hungary
Shotwell and Norman Davis told Carnegie trustees that, carried as assets gold pledged with B.I.S. which the B.I.S. should not have taken.
Dec. 14, 1931. 13.

Board approves extension of credit for.
Jan.8, 1932. 39.

See - Hungary

National City Bank, N. Y. 158.
See - Glass
Lehman, Solicitor General.

National Metropolitan Bank, Washington
137 to 142, 150, 159.

See - Myer, Gertrude

Nevins, Prof.
C.S.H. tells Mrs. Wilson that he gave, a copy of Henry White's letter to C.S.H. praising Mrs. Wilson; that Nevins said he was delighted as he wanted such an expression of opinion for his book; that he did not put it in his book; that he would ask him to explain.
June 2, 1932. 188.

(Later, Nevins wrote he had cut down his book and therefore could not use it.)

New Bedford Institution for Savings 186.
E.A. McGowan, Treasurer

New procedure, Federal Reserve Board.
Wyatt said Gov. Meyer has instituted a new procedure; that all requests for opinions now come from Floyd Harrison or Morrill; that he now goes over all letters, whether or not involving legal questions, and checks them, as also Harrison and Morrill, before they go to Gov. Meyer.
Dec. 22, 1931. 28.

New Year's reception, White House 1932.
None of Board, except C.S.H. wanted to go.
C.S.H. went.
Jan. 1, 1932. 33, 35.

New York
We go to N.Y. to attend Carnegie meeting.
May 4, 1932. 151.

New York District Committee
See - District Committees
Federal Reserve District Committees

New York Journal of Commerce
Gov. Harrison said the, published our Reserve Committee report before any other papers; that he believed Willis got it from Glass and betrayed his confidence.

Gov. Meyer said the Wall St. Journal did the same, and that its correspondent told him he had in his possession data concerning the report before it had been put in print.
Dec. 2, 1931. 1-B.

Publishes in its first edition the contents of Glass Sub-Committee report.

C.S.H. could not get a copy until late that afternoon.
Jan. 22, 1932. 47.

States that Federal Reserve Board report on Glass bill will be in hands of Sub-Committee this A.M.; that Glass will hold up action on it until the administration official presents its objections to the bill.
Feb. 8, 1932. 57.

New York Times
Eulogized Gov. Harrison for splendid work in inducing N.Y. bankers to accept the "stand still" agreement, as to which Dulles said, they were fooled by the British.
Dec. 11, 1931. 8.

Glass says McAdoo pleaded with Noyes, financial editor of, to favor his central bank bill.
Dec. 16, 1931. 20.

Gives account of White House agreement as to Glass emergency bill.
Feb. 11, 1932. 65.

Also states that after the White House conference there was one in the Treasury between Glass, Burgess et al.

Not a member was invited.
Feb. 11, 1932. 65.

New York Times (Cont'd.)

Publishes letter of C.S.H. on World Court, omitting certain parts, but nothing very material.
April 2, 1932. 113.

Says Gov. Harrison is trying to secure a promise from Bank of France to make no further withdrawal of its deposits so that our banks can expand on them.

Wall St. Journal makes same statement.

Gov. Harrison absolutely denies.
May 7, 1932.

See - Gov. Harrison.

Says Gov. Harrison has formed a banking and industrial Committee-Federal Reserve District Committee - under Owen D. Young.
May 20, 1932. 165.

See - Harrison, Gov.

Newlands, Mrs.
We dine with. Mar. 13, 1932. 91.

Attends our lunch to Count John Bentinek and Baroness Van Heckersen
May 21, 1932. 167.

Noell, Mr.
See - Community Chest.

Norman, Gov. Bank of England. 146,147, 150.

See - Harrison, Gov.

Norris, Gov. F.R. Bank, Phila.
Says only 5 of the F.R. banks can participate in open market purchases. Dec. 2, 1931. 1.

Says vote of open market Committee means that the Governors believe the N. Y. banks should increase rediscounts and that the Conference did not want to help them still further increase their great liquidity by the purchase of Government securities, and that their consent to buying 200 millions was in order to meet sudden emergencies.

Gov. Norris said only 8 of the F.R. banks could participate, and that the views expressed above, certainly represented the views at Philadelphia and Chicago.
Dec. 2, 1931. 1, 1-A.

-O-

O'Brien, Robert Lincoln
Dines with us at Woman's National Democratic Club.
Mar. 18, 1932. 97.

We dine with Mr. & Mrs. April 7, 1932. 118.

Open market
See - Earning policy
Governors Conference
Open market policy

Open market clause
Board agrees on change in Glass Sub-committee bill somewhat along lines of Miller's draft.
Mar. 27, 1932. 109

Open market Conference
See - Governors Conference

Open market operations, Policy
67, 68, 124, 125, 145, 146, 147, 148, 149, 150, 161, 162, 174, 175, 193, 1 96, 197.

Open market regulations
C.S.H. thinks Miller wrote draft of, for Glass bill.
Jan. 28, 1932. 50.

Oxford group
Baroness Van Heckeren and Mr. Van Lennert of the Oxford Group called.

In the evening we went out with Miss Hegerman to Shoreham Hotel to attend a meeting of.

C.S.H. was impressed with the fervor and apparent sincerity of the Group. May 18, 1932. 164.

We had at lunch Count Bentenck and Baroness Van Heckeren at Woman's National Democratic Club.

Present: Count Bentenck, Baroness Van Heckeren, Mr. & Mrs. Delano, Mrs. Newlands, Mrs. Fraxer, Gertrude Myer and Miss Hegerman.
May 21, 1932. 178.

C.S.H. tells Mrs. Alexander Rodgers the main thought of Oxford Group was breaking down "barriers"- a Democratic form of religion which in the main appealed to him.
May 23, 1932. 173.

Palmer, Attorney General
Glass said that, suppressed the memorandum of Solicitor General Lehman holding that national bank security affiliates were illegal.

C.S.H.'s diary, however, showed that Palmer told Houston he would send him this memorandum or give him an opinion if he asked for it.
May 11, 1932. 157.

Pan American Conference
Under Secretary Castle's claim for a new Hoover doctrine - non-recognition of territory seized by force, was ridiculed at Carnegie meeting.

This doctrine was first enunciated by Cleveland in his Harvarian message, and, later, by the first Pan American conference, at least as to South America, the American Institute of International Law. In 1926 at the Pan American meeting, at which Carnegie was a delegate, this doctrine was sent out to all American Republics. May 5, 1932. 152.

Paris Peace Conference
See - Houghton

Paris press
1-B, 43.

See - Willis, H. P.

Parker, Gen.
We meet, at luncheon with Gertrude Myer.
Feb. 28, 1932. 84.

Patten, Josephine
Dines with us at Woman's National Democratic Club.
Jan. 22, 1932. 47.

Paulger, Leo H.
Gov. Meyer announces selection of, as Chief Examiner of Federal Reserve Board.

He said he had a wonderful record in War Finance Corporation.

Gov. Meyer had told Board he was looking for a good man but never mentioned his name to C.S.H. until now.

He did not ask Board's consent; he merely announced his choice!
Jan. 7, 1932. 38.

Paulger after appointment gave all his time to Reconstruction Finance Corporation. C.S.H. has been greatly disturbed about this.

Paulger, Leo H. (COnt'd.)

Only the other day the Board added to the Federal Reserve examiners because of the heavy work of the Examination Division.

Some time ago Board gave Paulger a furlough to workfor Reconstruction Finance Corporation.

C.S.H. noted on the letter that Paulger should be brought back or should at least give 1/2 of his time to the Board.

Morrill said he had this under consideration.
June 9, 1932. 197, 198.

Peace Conference, Paris
See - Houghton

Pennington, Mrs. Louis
Sends C.S.H. as Trsutee of Woman's National Democratic Club a check for 18¢, being one-half of royalties on sale of the Wilson Chronology for 1931.

C.S.H. indorsed it and sent it to the Treasurer, Mrs. Burton Wheeler. June 3, 1932. 192

Perrin, John, Ex-Chairman F.R. Bank, San Francisco
Calls on us. Dec. 24, 1931. 31.

Has Christmas dinner with Miller.
Dec. 25, 1931. 32.

Dies suddenly at Hotel Washington.
Dec. 27, 1931. 32.

Peruvian Ambassador.
We meet, at luncheon with Gertrude Myer.
Feb. 28, 1932. 84.

Peters, Andrew
Calls on C.S.H. at Treasury but C.S.H. was at meeting.

C.S.H. calls him and asks him to call at Hay-Adams tomorrow.
Dec. 5, 1931. 4.

Calls on us at Hay-Adams House.

C.S.H. expressed sympathy with him. He said there was nothing in the scandalous statements about himself.

C.S.H. told him he would back him up as a friend.

He said he lunched yesterday with the Delanos.
Dec. 6, 1931. 4.

Peters, Andrew (Cont'd.)

James E. McConnell told C.S.H. there was no doubt that, was guilty of many of the charges against him; that the Boston Herald and Post had the entire story set up, but were persuaded not to do this, because of great pressure brought on them. Feb. 13, 1932. 71.

Platt, Edmund
Calls on C.S.H. Spoke very pleasantly about Donald Hale and said that Mrs. Platt was once in school with Rachel Hale.

Mrs. Platt was Miss Innes of Poughkeepsie, N.Y.
Dec. 8, 1931.5.

Speaks of rumor as to condition of Chase National Bank, N. Y.
Dec. 10, 1931. 6.

Says Cong. Robert Luce told him that Glass would be given a week to straighten out his banking bill, and if not done, the matter would be taken out of his hands.
Feb. 3, 1932. 54.

Tells C.S.H. he has seen a confidential abstract of new draft of Sub-committee banking bill, before the public or any of the Board has seen it. April 7, 1932. 118.

Poland
Shotwell said a compromise as to the Polish corridor was entirely possible - one satisfactory to both Germany and Poland.
Dec. 14, 1931. 14.

See - Dulles, John Foster

Policy
See - Open market policy, Operations

Policy, Treasury. 145.
See - Mills, Ogden

Polish Ambassador
Gives lunch to Mrs. Wilson
Decorates her.
Dec. 15, 1931 17.

See - Wilson, Mrs.

Polish corridor
See supra - Poland

Political credits
Dulles said British outwitted American banker in "Standstill Agreement" by getting a preference for certain seasonal credits, - called "political credits"
Dec. 11, 1931. 8.

Politics
C.S.H. believes the desire of Gov. Meyer and Ogden Mills to ask France to remove her deposits is a purely political move of the Administration, engendered by anger towards France because of her attitude towards reparations, Allied debts, tariff, etc.
Jan. 19, 1932. 45, 46.

C.S.H. believes Glass distrusts the administration as to the Glass emergency bill, because he believes it is playing Republican politics.
Feb. 12, 1932. 70.

Admiral Bristol who wanted to be Ambassador to Turkey was told he must oubid Sherrill whohad promised $250,000 to National Campaign Committee, to get this job.
Mar. 9, 1932. 91

Lightenstein gave C.S.H. as his authority for statement that Federal Reserve Board did not reverse its easy money policy of 1927 early enough because it had in mind the Presidential election of 1928:

1. A financial reporter in Chicago told him that President Coolidge in the summer of 1928 passed the word along that credit and money must be made easier in order to carry the Presidential election.

2. Prof. Bullock of Harvard, told him that the Federal Reserve Bank of New York had bought an unreasonably large amount of acceptances in Fall of 1928, prior to the elections.
May 21, 1932. 171.

See - Lichtenstein

Gov. Harrison attended a conference of Republican Senators at White House.
May 30, 1932. 182.

Ogden Mills explains that Hoover heard that Gov. Harrison was spending week-end with Admiral Grayson, and asked him tocome to the Qhite House to discuss "business conditions"!
May 30, 1932. 182.

Politics (Cont'd.)

Miller says Gov. Meyer is much disturbed over Lichtenstein's charges of politics, as he fears similar charge will be brought against Board for its easy money open market policy.
June 4, 1932. 193.

C.S.H. believes that Gov. Meyer is playing politics to be made Secretary of Treasury.

Apparently inspired articles are appearing in Press praising Gov.Meyer, e.g. Sunday papers, I think Times.
June 4, 1932. 193.

C.S.H. believes Ogden Mills is working for nomination as Vice President.
June 4, 1932. 193.

Pomerene, Mrs. Atlee
We lunch with, at Hay-Adams House.
Feb. 21, 1932. 79.

Pool, Bond
See - Bond pool

Pound, Roscoe, Harvard Law School
Indorses Howland Chase's record in Harvard Law School. Wires C.S.H.
April 26, 1932. 143.

Power to refuse rediscounts
See - Discounts, Refusal of
Glass
Glass banking bill
Refusal of rediscounts
Sec. 3, Glass bill.

Precedence
Mr. & Mrs. George B. McClellan gives precedence at dinner to Mr. Hornbeck, Chief of Division in State Department, over C.S.H.
Jan. 31, 1932. 52.

Prediction of C.S.H.
That Gov. Harrison will ask for higher discount rates to check outflow of gold. April 29, 1932. 150.

Preferential discount rate.
Mills suggests, for paper secured by Government securities to help banks absorb them. Jan. 11, 1932. 41 (2)

Presidential election,1928. 171, 174, 193.
See - Lichtenstein
Politics

Price stabilization
Gov. Harrison tells Committee that in 1928 and 1929 commodity prices were falling and security prices surging upward; that under the theory of the price stabilization bill, had it been in effect, it would have been his duty to make money easy for business altho so doing would pour fire on the speculative security craze.
May 10, 1932. 154, 155.

Prices
Gov. Harrison points out that, generally run along with bank credit; that if latter not increased prices would surely fall to lower levels. Feb. 24, 1932. 82.

See supra - Price stabilization

Primary
Miller in draft accepts C.S.H. addition that the "primary" purpose of Federal Reserve Act is to accommodate business, etc.
Feb. 10, 1932. 63.

Procedure, New.
Under Gov. Meyer's, all letters, whether involving legal matters or not, are checked by Wyatt.
Dec. 22, 1931. 28.

Protocol Division, State Dept.
Informs Morrill that Heads and Deputy Heads of Boards, commissions, etc. are addressed as Honorable, all others as Esquire.

This degrades Board to level of a Dept. of Treasury.
Feb. 2, 1932. 53, 65, 66.

Letters addressed to Board members as Esquire by State and other Depts. Feb. 17. To C.S.H. 77.

See also - Esquire
Title

Public hearings 95.
See - Glass bill.

-Q-

-R-

Raichle case - U.S. Circuit Court of Appeals
Dictum that Federal reserve banks in their discretion may refuse rediscounts.
Mar. 22, 1932. 104.

Railroad wages
Gov. Harrison says if rate and, question not speedily settled, the decline in bonds will continue and many more banks will become insolvent. Dec. 2, 1931. 1-A.

Gov. Harrison favored further large purchases of Govt. securities only if necessary following the correction of the, situation.
Jan. 11, 1932. 41 (2).

Raskob
James McConnell says, wants defeat of Gov. Roosevelt.
Feb. 13, 1932. 71.

Real estate loans
Willis's draft of agreement between Glass and Walcott retained the provision for revaluation by Comptroller of.
Mar. 14, 1932. 92.

Reception to Congress
Hoover invites us to, but sends tickets only to East door. Harding and Coolidge always sent us tickets to diplomatic door.

We did not attend. Jan. 21, 1932. 46.

Reconstruction Finance Act. Corporation.
Glass told C.S.H. that Gov. Meyer was urging him to agree that debentures of his proposed Reconstruction Finance Corporation should be eligible as collateral for member bank 15-day collateral notes; that Gov. Meyer some time ago told him he was absolutely opposed to this.
Dec. 16, 1931. 19.

Wyatt gave C.S.H. a copy of H.R. 5060 creating the Reconstruction Finance Corporation.

This bill provided that its debentures were eligible as collateral for member bank collateral notes and customers notes.

Wyatt said it gave the same privileges as were given to debentures under War Finance Corporation Act and even greater power,-

Reconstruction Finance Act. Corporation (Cont'd.)

the right of Federal Reserve banks to purchase its debentures which was not given to War Finance Corporation.

Wyatt said he saw no reason for objecting to this.
Dec. 17, 1931. 21, 22.

Drew, for Gov. Meyer, under injunction of strictest secrecy. Dec. 17,1931.2

Glass expressed deep disapproval of, saying it looked as if everything the administration wanted would be put through regardless of its effect on the Federal Reserve System.

C.S.H. said the bill might do some good in this crisis- a greater one than the war crisis, and that in any event it probably would do no harm, although on principle he did not want to see it engrafted permanently on the F.R. System, - i.e. the privileges given to its debentures.

Glass said it would inject a billion dollars of debentures into the F.R. System.

C.S.H. explained that discounts of advanes against such debentures would carry a higher rate and that, therefore, no bank would use their debentures as long as it could offer other paper at a lower rate.
Dec. 18, 1931. 24, 25.

Gov. Meyer, Morrill, and Floyd Harrison went before Senate Committee on this Act.

Gov. Meyer never mentioned this to Board.
Dec. 19, 1931. 25.

C.S.H. met Gov. Harrison who had, he said, just been testifying before the Senate Committee.

Gov. Harrison said Glass would fight the eligibility clause as to debentures, and that he agreed with Glass and would prefer merely giving the power to purchase these debentures in emergencies.

This will stagger Gov. Meyer!
Dec. 19, 1931. 25, 26.

Wyatt said Gov. Meyer had never asked him to go with him before either Committee of Congress with regard to this bill.
Dec. 22, 1931. 28.

Gov. Meyer's printed testimony before Committee on this Act shows that he approved it as Governor of the F.R. Board, giving distinctly the impression that he was presenting the views of the Board, which he had never even consulted!
Jan. 4, 1932. 36.

Reconstruction Finance Act. Corporation (Cont'd)

Wyatt said Gov. Meyer was asked by some of the Committee whether his support of the bill represented the views of the Board, and that he replied that he was Governor of the Board, and appeared in favor of the bill!

The Board has never passed upon it!
Jan. 9, 1932. 40.

Gov. Harrison told Governor's Conference that if this Act and an amendment as to substituting bonds for gold behind F.R. notes were passed quickly there was a very fair chance that the tide of industrial depression would be turned.
Jan. 11, 1932. 41.

The Governors passed a resolution unanimously that in order to expedite the formation and operation of the Corporation, the assistance of the operating facilities and services of the F.R. banks should be given to the Corporation on the understanding that the Corporation should reimburse the F.R. banks for their services in such manner as may be agreed upon.
Jan. 11, 1932. 41 (2)

While the H.R. was considering the Act, LaGuardia, Republican, N.Y. moved to strike out the clause making the Governor of the F.R. Board an ex-officio member. This was accompanied by a violent attack on Gov. Meyer. It was defeated only by a vote of 131 to 133!
Jan. 15, 1932. 42.

Gov. Meyer read a cable from Gov. Harrison to Gov. Moret, pointing out that the Board's discount and acceptance policy and the Reconstruction Finance Act were not inflationary but merely an attempt to stop radical deflation and restore normal conditions.
Jan. 19, 1932. 43.

Gov. Meyer told the Governors Conference that he had felt it his duty as Governor of the F.R. Board to tell President Hoover and the Congressional Committees that the Reconstruction Finance Act was wise and necessary.

Gov. Meyer never told the Board of this until long after it had occurred. Feb. 24, 1932. 80.

Emily Newell Blair told H.P.H. that Gov. Meyer was very angry when Dawes was made President of the Corporation and threatened to resign both from the Corporation and from the F.R. Board.
Mar. 1, 1932. 84.

Reconstruction Finance Act. Corporation (Cont'd.)

Gov. Meyer told Board of the opposition of the Int. Commerce Commission to a loan by the corporation to the Missouri Pacific R.R. April 2, 1932. 112.

See - Meyer, Gov.

Gov. Meyer is so preoccupied with affairs of, that he can give little or no time to F.R. problems.
May 21, 1932. 167.
May 23, 1932. 173.

The Board had many problems to consider, but Gov. Meyer rushed off to the Reconstruction Finance Corporation where his heart really is. May 26, 1932. 179.

Miller said Gov. Meyer loved money lending as done by the Corporation, but had no time and only a languid interest in F.R. matters.
May 31, 1932. 184.

Dawes has resigned as President of the Corporation, because, rumor says, of differences with Gov. Meyer.
June 7, 1932. 194.

Rediscount, Refusal to
3, 11, 13, 17, 22, 56, 58, 59, 68, 72, 73. 75, 76, 89.

See - Discounts
Glass
Sec. 3.

Reduction of salaries. 163
See - Economy bill
Salaries

Regulations
Gov. Harrison favored a, that F.R. banks could grant emergency loans up to a certain percentage, say 100% of F.R. banks surplus
Board did not favor this.
Feb. 24, 1932. 80.

Board decided to send a letter to F.R. banks to be sent to member banks in lieu of a regulation as to emergency loans.
Mar. 9, 1932. 90.

Reorganization of Departments.
Hoover has asked authority for, - his plan called for 4 or 5 more assistant secretaries, and under it, C.S.H. believes he could transfer the F.R. Board functions to Sec. of Treasury.

The Democrats will fight this.
Feb. 22, 1932. 79, 80.

Reparations
C.S.H. believes Mills and Meyer want to force France to withdraw its deposits and put an end to its correspondent relations, because of anger growing out of France's Attitude towards reparations, etc.
Jan. 19, 1932. 45, 46.

Republicans
If Glass has any political sagacity he will dare the, to defeat his banking bill. Mar. 31, 1932. 111.

See - Politics

Required reserves
Glass told Miller that Hoover wanted Board to lower, C.S.H. and Miller agree that this might cause a run by foreign depositors and might force suspension of gold payments.
Feb. 10, 1932. 63.

Reserve Committee report.
The Reserve Committee asked from Governors Conference further time for competing its report.
Dec. 1, 1931. 1.

Gov. Harrison complained that N. Y. Journal of Commerce published the, before any other paper and before the report was released by the Senate Committee; he said he believed Willis got it from Glass and gave it out in violation of good faith.

Gov. Meyer said the Wall St. Journal also published it, and that its correspondent told him he had in his possession data revealing the contents of the report before even it had been put into print. Dec. 2, 1931. 1-B.

Board agreed that Riefler should continue to be paid $7000 salary given him for work done for Reserve Committee.
Dec. 11, 1931. 12.

Glass intimated to Morrill that he should drop from his bill the reserve provisions framed by Reserve Committee.
April 6, 1932. 117.

Reserve requirements, Lowering of. 63
See supra - Required reserves.

Reserves
Wyatt says Willis' draft on, contained a "joker"
Mar. 14, 1932. 93.

Resignation
Papers announce, of Sec. Mellon.
Feb. 3, 1932. 54.

Dawes resigns as President of Reconstruction Finance Corporation.
June 7, 1932. 194

Boston Transcript says, of Dawes came about by friction with Gov. Meyer who was more conservative than Dawes wished to be.
June 7, 1932. 196.

Resolution
C.S.H. introduces a, calling for a credit survey by each F.R. bank.

Gov. Meyer objected to word "survey"

Finally a compromise was adopted asking each F.R. bank to form a F.R. District Committee.
May 23, 1932. 168.

Reynolds, James
We meet, at dinner with Robert Lincoln O'Brien.
April 7, 1932. 118.

Rhinelander, Bishop
Told C.S.H. he was much disturbed at the veiled references to impending disaster in Hoover's address to Senate advocating the sales tax.
June 9, 1932. 198.

Richmond, Dr. & Mrs. C. A.
We dined with, to meet Mrs.Byrd (Mysie Bowditch) and daughter.
Mar. 5, 1932. 87.

Riefler. 12
See - Reserve Committee.

Riggs National Bank.
136, 138, 141, 142, 150.

See - Myer, Gertrude.

Ritchie, Gov.
Rowland Morris thinks Gov. Smith prefers, to Gov.Roosevelt.
Dec. 14, 1931. 16.

We meet, at supper at Mrs. Borden Harriman's.
Feb.7, 1932. 55.

Rodgers, Col. Alexander
C.S.H. meets, while calling on Rachel Hale.
Jan. 5, 1932. 36.

Rodgers, Mrs. Alexander
We call on.

She said Rachel Hale went to N. Y. to spend Christmas with Mary, but she had at once to go to bed.

She said she was worried about Rachel; that the experts in Baltimore could find nothing wrong about her but ordered her to bed for a rest. Dec. 29, 1932. 32.

Gertrude Myer told H.P.H. that Howland Chase had gone abroad with, in connection with the elopement in Rome of her grand-daughter, Miss Rodgers. April 6, 1932. 117.

Calls on us.
We talk over the Oxford movement.
May 22, 1932. 173.

C.S.H. writes, as to the sermon preached by her rector on the Lindbergh baby murder, which, he said, H.P.H. had given to Baroness Van Heckeren, and tells her that the removal of "barriers" was the main thought of the Oxford group, and asks for more copies.
May 23, 1932. 173.

H.P.H. meets, and she says Rachel Hale moved yesterday to His Lordship's Kindness. May 28, 1932. 181.

Rogers, Mrs. Congressman
Dines with us at Woman's National Dem. Club.
Mar. 18, 1932. 97.

Roosevelt, Gov.
Rowland Morris told C.S.H. that Gov. Smith told a friend of his that, had not consulted him on a single important matter, and that Gov. Smith, who had been betrayed by Tammany, was very angry with Gov. R. because of his apparent desire to please Tammany. Dec. 14, 1931. 16.

Morris said there was undoubtedly a split between Gov. Smith and; that Gov.Smith preferred Baker or Ritchie to Gov. R.
Dec. 14, 1931. 16.

Roosevelt, Gov. (Cont'd.)

The best opinion is that Gov. R. killed his chances by coming out against the League of Nations. C.S.H. is disgusted with him.
Feb. 7, 1932. 55.

Bob Woolley called on C.S.H.

He said he knew that Gov. R. arranged to have Hearst call him on long distance telephone and that they had a conference together, and that out of this came Gov. R's repudiation of the L. of N.

Woolley said he felt that Gov. R. had demonstrated that he was not the man he thought he was.
Feb. 8, 1932. 57.

Woolley read to C.S.H. a terrific letter he had sent Gov. R. on his attack on L. of N.
Feb. 8, 1932. 57.

James E. McConnell said he knew Gov. Smith did not expect or want to be nominated, but that he and Raskob wanted to defeat Gov. R.; that Gov. Smith hated the South because of its religious bigotry and hated Gov. R. because he was currying favor with the South.
Feb. 13, 1932. 71

Roosevelt, Mrs. Theodore
Bertie meets, at tea at the Roosevelt home in N.Y. where she went with Bessie Stevens.
Dec. 14, 1931. 17.

Rounds, F.R. Bank, N. Y.
Gov. Meyer says, is only officer in F.R. Bank of N.Y. with any practical banking experience.
Mar. 3, 1932. 85.

Royalties, Wilson Chronology
Mrs. Pennington sends C.S.H. a check for 18 cents, being 1/2 of royalties received for sale of Wilson chronology during 1931.

C.S.H. indorsed it to Mrs. Burton Wheeler, the Treasurer of the Woman's National Dem. Club.
Jan. 3, 1932. 192.

Ruffin, Dr. Sterling
C.S.H. calls on, at Garfield hospital.
Mar. 12, 1932. 91.

-S-

Sage, Dean
We dine with Mr. & Mrs., in N. Y.
Dec. 14, 1931. 17.

Sailer, Dept. Gov. F.R. Bank, N. Y.
Gov. Meyer speaks contemptuously of.
Mar. 3, 1932. 86.

Salary increases.
Board decides to approve no, in its staff for next year.

There were one or two very meritorious cases, but Gov. Meyer objected, although he had insisted on higher salaries for Floyd Harrison and Morrill.

Board agreed that Riefler should continue to receive extra compensation for work on Reserve Committee.
Dec. 11, 1931. 12.

See - Harrison, Floyd
Morrill
Meyer, Gov.

Salary reductions
The Governors unanimously opposed suggestion of Mr. Coker, of Federal Reserve Bank of Richmond for.
Dec. 2, 1931. 3.

At Governors Conference a discussion was had as to, Boston, N.Y. San Francisco said their directors would in all probability reduce salaries.

All the Governors, however, felt that this should be postponed until the end of the year.
May 17, 1932. 163.

C.S.H. writes Glass as to reduction of Board's salary in economy bill, which, as passed by H.R. reduced salaries permanently to $10,000 and then applied a cut of 8-1/3%.

Glass said he would attend to this.
June 2, 1932. 187.

Glass puts in an amendment to economy bill removing from salary cuts, all officials and staff not paid by Government.
June 3, 1932. 191.

Salary reductions (Cont'd.)

Above amendment adopted by Senate.
June 4, 1932. 192.

Senate passes economy bill striking out all salary cuts and substituting an enforced furlough.
June 8, 1932. 197.

Wyatt believes the Glass amendment which remained in Senate bill will release Board and staff from salary cut.
June 9, 1932. 197.

Magee said Gov. Meyer approved of C.S.H.'s efforts to prevent salary cuts. June 9, 1932. 198.

See - Economy bill
Glass
Hamlin, C.S.

Sales tax.
Bishop Rhinelander was very much disturbed at Hoover's veiled intimations of trouble in his address to Senate advocating the. June 9, 1932. 198.

Sanger, Mr. & Mrs. (Marion Child)
We dine with Mr. & Mrs. James to meet.
Dec. 16, 1931. 20.

We have,as guests at dinner at Woman's Natl. Democratic Club.
Feb. 12, 1932. 69, 70.

Scandals. 91.
See - Bristol, Admiral
Graef, Olyve
Moore, Mrs. Ballard
Sherrill, Charles

Seay, Gov. F.R. Bank, Richmond.
Agrees with Gov. McDougal that system should gradually dispose of Govt. securities bought under open market policy.
Jan. 11, 1932. 41 (2)

Asks C.S.H. if his suggestion that F.R. banks should be given power to buy commercial paper in open market only from banks or from the public generally.

C.S.H. said the latter, which was originally in the F.R. Act; that he would also favor giving power to F.R. banks, in emergencies, to buy paper from member banks without their indorsement. April 12, 1932. 123.

Secrecy
Morrill drew Reconstruction Finance Corporation bill in absolute.
Dec. 17, 1931. 22.

Secretary of Treasury
Sara Carey told C.S.H. she had heard that if the Democrats won the Presidential election, C.S.H. would be. Probably she got this from her father, - Sen. Carey of Wyoming.
Dec. 23, 1931. 31.

Sec. Mellon resigns. Feb. 4, 1932. 54.

Board discussed question whether the Secretary of the Treasury should be dropped from the F.R. Board as per Glass banking bill.

Ogden Mills said, personally he did not care, but he thought it advisable to retain him on Board.

C.S.H. said he s o testified before H.R. Committee on stabilization bill two years ago, while Miller favored his removal.

Mills said he would not object to retaining him on Board, but without a vote.

This seemed to impress Miller.
Mar. 26, 1932. 107, 108.

See - Mills, Ogden. 66, 193, etc.

Section 3, Glass bill.
68, 75, 105, 111, 120, 121, 132.

See - Glass bill

Section 10-A and 10-B, Glass emergency bill. 54, 84.
See - Glass emergency bill.

Section 14, F.R. Act.
Board writes Glass that Board's draft of Sec. 14, F.R. Act, did not interfere with power of F.R. banks to initiate discount rates. April 6, 1932. 116.

Security affiliates
C.S.H. at Board meeting favored the provision of Glass bill providing for divorce of <u>all</u> affiliates within 3 years.

The Board's Committee had opposed this.

Later Miller agreed with C.S.H.

Finally, the Board instructed its Committee to prepare a draft providing for divorce of <u>certain</u> affiliates named.
Mar. 27, 1932. 109.

Security affiliates (Cont'd.)

Morrill said Glass sent for him to help him draw a draft of divorce of affiliates, but exempting holding companies, and confining the divorce to sister and subsidiary affiliates.
April 5, 1932. 114.

Security Storage Co., Washington.
Took portrait of Rembrandt Peale to the Museum, in connection with the Washington bicentennial, insured for $2,500.
Feb. 11, 1932. 69.

Senate, U.S. 114.
See - U.S. Senate.

Servants wages, Mattapoisett.
Alice Hanley agreed to cook for us this summer at $48 per month. Last year we gave her $90.
June 3, 1932. 192.

Sheridan, Mrs.
We call on. Dec. 27, 1931. 32.

Sherrill, Charles, Amb.
Mrs. Ballard Moore (Olive Graef) said she recently called on the wife of Admiral Bristol who said the Admiral wanted to be Ambassador to Turkey, - he had already been Commissioner, - but that a Senator who had been pushing him finally said he had no chance unless he could go higher than $250,000, which, he said, was the sum paid by Charles Sherrill to the national campaign.

Nancy Warren told Bertie above payment was generally known and that Sherrill had been in Washington all winter to secure the job. Mar. 9, 1932. 91.

Shotwell, J. T. 13, 14.
See - Carnegie Endowment
Davis, Norman.

Sideboard, Mattapoisett
C.S.H. sent picture of, to H. C. Valentine & Co. Richmond, and the firm replied:

"The photograph shows the picture of a very fine Sheraton side board, and, under normal conditions, it is quite expensive, but, as antiques are worth now, the price has greatly shrunk, - as you no doubt know."
Dec. 23, 1931. 29.

Sideboard, Mattapoisett (Cont'd.)
C.S.H. had told Valentine & Co. that Koopman of Boston years ago had valued the sideboard at $2500, but that he might be willing to sell it for $2000.

Valentine & Co. under date of Dec. 29, 1931. replied that no doubt it was worth $2500 years ago, but, under present conditions it would almost be impossible to obtain a reasonable price, and that today ir probably would not sell for $2000. Dec. 29, 1931. 34.

Simms, Miss
Gertrude Myer dines tomorrow at White House to meet.
April 6, 1932. 117.

Slattery, Mrs.
Bishop Lawrence called on us with his daughter, Mrs. Slattery and Mrs. Fiero. May 6, 1932. 153.

Smith, Gov. "Al"
Dr. Butler, Norman Davis, and Rowland Morris all said that, preferred Baker or Ritchie to Gov. Roosevelt for President.
Dec. 14, 1931. 16.

Rowland Morris told C.S.H. that Gov. Smith told a friend of his that Gov. Roosevelt had not consulted him on a single important question, and that Gov. Smith who felt he had been betrayed by Tammany, was very angry with Gov. Roosevelt for his apparent desire to placate Tammany.
Dec. 14, 1931. 16.

Announces that he is willing to accept the nomination but will not work to secure delegates.
Feb. 7, 1932. 55.

James E. McConnell told C.S.H. told C.S.H. that he knew that Gov. Smith did not expect nor want to be nominated, but that he and Raskob wanted to defeat Gov. Roosevelt; that Gov. Smith hated the South because of its religious bigotry, and hated Gov. R. because he was currying favor with the South. Feb. 13, 1932.71.

Smoking
Dr. Joslin told C.S.H. that his eye clinic had not gone far enough in its examination to determine whether his blurred vision was caused by excessive smoking, but that my occulist should make every effort to find what the cause was.

C.S.H. gave Dr. Joslin's letter to Dr. Morrison.
Dec. 4, 1931. 3.

Somerset Club
C.S.H. some time ago wrote, asking that names of George and Edward Hamlin Jr. be dropped on list for 5 years.
Mar. 29, 1932. 109.

Speculation
In memorandum to Glass, Gov. Harrison again expresses opinion that the only way to ease speculation was through increase of discount rates.
April 18, 1932. 146.

In 1929 Gov. Harrison wanted to stop speculation by drastic increases in discount rates which would have dislocated business. May 10, 1932. 154, 155.

See also: 60, 68, 72, 75,76.

See also: Glass
Harrison, Gov.

St. Agnes Church, Washington
We attend services at, in memory of Anna. Father Anderson presided.
April 26, 1932. 143.

St. Mary's Mineral Land Co.
H.P.H. exchanges 150 shares of, for 150 shares of Copper Range Company. Dec. 17, 1931. 23.

"Standstill" agreement
John Foster Dulles said our American bankers were badly fooled by British bankers who secured a provision for payment of 250 millions so called political credits; that our bankers were induced to sign something they did not understand, but which they should have understood.
Dec. 11, 1931. 8.

Standard of living.
Gov. Meyer said that maintenance of our export trade was absolutely inconsistent with keeping up our standard of living; that exports were being encouraged at expense of our domestic trade. Jan. 5, 1932. 38.

Standard Trust Co., Cleveland
Cleveland reported on Saturday that the, a labor non-member bank, was in trouble.

The Federal Reserve Bank gave notice it would no longer clear its checks as its clearing balance had sunk from the required $500,000 to $16,000.

Miller telephoned White House and directed Gov. Fancher to revoke his refusal.

Standard Trust Co., Cleveland (Cont'd.)

The State Superintendent closed the bank today.

C.S.H. is on Cleveland Committee and was present Saturday but Miller never consulted him.
Dec. 22, 1931. 27, 28.

Gov. Meyer said that when he called up Gov. Fancher Saturday about the, he was so hesitant that he almost had to be rude to him. Dec. 23, 1931. 30.

See - Fancher, Gov.

Stabilization of prices. 154, 155. May 10, 1932.
See - Harrison, Gov.
Prices.

State Department
Floyd Harrison said the, sends direct to F.R. Bank, N. Y. dispatches and communications without reference to Federal Reserve Board.
Dec. 7,1931. 5.

Protocol division has ruled that only heads of Boards and Commissions shall be addressed as "Honorable"
Feb. 2, 1932. 53.

Above came from inquiry by Morrill at C.S.H.'s request who noticed that letters kept coming from, to Gov. Meyer addressed "Esquire".
Feb. 2, 1932. 53.

By letter of Feb. 9, 1932, State Dept. wrote Gov. Meyer - addressed as "Honorable"
Feb. 11, 1932.65.

Morrill told C.S.H. he took it up with protocol division which stated that all except heads and deputy heads of Boards, Commissions, etc. must be addressed as "Esquire"
Feb. 11, 1932. 65, 66.

Ogden Mills acknowledges C.S.H.'s letter of congratulation by letter addressed to C.S.H. esquire.
Feb. 17, 1932. 77.

See - Harrison, Gov. 1-B.

Stenographer. 12.
See - Meyer, Gov.

Stevens, Bessie

Bertie goes to reception at Roosevelt House in N.Y. with.
Dec. 14, 1931. 17.

C.S.H. told Rachel Hale of the proposed visit to Washington of, and she said she would invite her to stay with her with her daughter.

Bertie gave Rachel N.Y. address of.
Jan. 29, 1932. 51.

Arrives in Washington with her daughter, at Rachel Hale's.
Bertie talked with her over telephone.
Feb. 19, 1932. 77, 78.

Bertie calls on, at Rachel Hale's.

Bertie said Rachel said she was so sorry she had not thought of inviting the Hamlins to dinner.

She herself dined out. Feb. 20, 1932. 77, 78.

Sends C.S.H. a sketch of Edward Bowditch for whom she is seeking appointment on the Reconstruction Finance Corporation.

C.S.H. wrote, that he had spoken to Floyd Harrison about it.
Mar. 7, 1932. 88.

Stock prices

Gov. Harrison told H.R. Committee that in 1928 to 1929, while, were steadily increasing, commodity prices were slowly falling.

From October, 1928, to June, 1929, commodity prices were falling.

From Oct. 1928 to Feb. 1929, stock prices rose enormously.

From Feb. 1929 to June 1929 stock prices fluctuated up and down, but by June 1, 1929, they were lower than on Feb. 1, 1929.

(Direct pressure lasted from Feb. 7 to about June 1, 1929)

Stock prices, after June 1, 1929 (when direct pressure relaxed) started up increasing again.

On June 1, 1929, stock prices were far below the level of Oct. 1928. May 10, 1932. 155, 156.

Stockholders meeting
F.R. Bank, Richmond.
C.S.H. address.
April 15, 1932. 127.

Stony Brook R.R.
Petitions to discontinue R.R. service - except freight, over the R.R. to Westford and other stations.
Jan. 6, 1932. 37.

Stratton, Charles E.
Death. Jan. 13, 1932. 42.

Strother, French
We dined with Mr. & Mrs. Wyatt to meet Mr. and Mrs., the literary secretary of Hoover.
June 1, 1932. 187.

Sullivan, Mark
Gov. Harrison said the article of, saying that the F.R. Bank of New York was trying to secure a promise from Bank of France not to withdraw its deposits without definite notice was absolutely erroneous and that he would take it up with.
Dec. 2, 1931. 2.

Suppers (See also Dinners, Lunches, Teas)
With Mr. & Mrs. Charles Warren
Jan. 17, 1932. 42.

With Mrs. Borden Harriman.
Feb. 7, 1932. 55.

With Gov. Meyer, to meet Winston Churchill.
Feb. 12, 1932. 70.

With Harriet Hamlin.
Feb. 28, 1932. 84.

With Mr. & Mrs. Charles Warren.
Mar. 27, 1932. 109

Survey
Governors Conference.

C.S.H. advised a survey of credit conditions in each F.R. District, especially as to possibility of construction work.

Gov. Meyer said good demand for reasonably checp houses in Westchester County.

Survey (Cont'd.)

C.S.H. said construction work might not create much eligible paper but that it could be taken care of under Glass emergency bill.

Gov. Meyer said we should not limit ourselves to considering creation of eligible paper.
May 17, 1932. 162, 163.

Gov. Harrison said nothing could be done until Congress adjourned.
May 20, 1932. 165, 166.

C.S.H. puts in resolution calling for a credit survey in each F.R. district.

Gov. Meyer objected to word "survey".

Finally Board wired each bank to form a District Committee.

Miller and C.S.H. wanted first a conference at Washington between industrialists and bankers.

Gov. Meyer objected saying each F.R. bank could prepare its own programme. May 23, 1932. 168.

See - Conference
Miller
Washington Conference

Suspension of gold payments
Miller and C.S.H. agreed that lowering required reserves as desired by Hoover might cause trouble and tend to.
Feb. 10, 1932. 63.

See - Miller
Wyatt

Suspension from F.R. facilities
See - Glass bill, Sec. 3.

-T-

Taft, President
Secretary of Treasury MacVaigh protested to, as to opinion of Solicitor General Lehman that national bank affiliates were illegal and induced him to suppress it.
May 11, 1932. 158.

Tammany
Rowland Morris said that Gov. Smith felt he had been betrayed by Tammany and was angry with Gov. Roosevelt for trying, seemingly, to placate Tammany.
Dec. 14, 1931. 16.

Tariff
C.S.H. believes wish of Gov. Meyer and Ogden Mills to pay off all French deposits grows out of anger because of French position as to debts, reparations, tariff etc.
Jan. 19, 1932. 46.

Thomas-Beedy bill.
Daiger said that the Comptroller and Miller wanted a liquidating corporation similar to that in Glass bill but felt the Glass bill could not become law for a long time, if ever, and that therefore they prepared the, and tried to get precedence over Glass bill; that Glass delayed hearings on this bill and finally got his Committee to report his banking bill much sooner than originally intended in order to get it ahead of the Thomas-Beedy bill; that Glass felt that Hoover, Mills, and Comptroller had not played fair and finally forced the administration to withdraw the Glass-Beedy bill.
April 5, 1932. 115.

Thurston, Miss
Bertie goes to Morgan library in N.Y. and meets.
Dec. 14, 1931. 17.

Title of Federal Reserve Board members, "Esquire"
See - State Department.

Tolling of Westford bells.
Henry Wright said that after 1 bell for each year of a person deceased, the bells of the church tolled 4 times for a male and 6 times for a female, but that this practice had long since been given up.
Jan. 6, 1932. 37.

Townsend, Sen.
Voted to report Glass banking bill but says there are features in it he can not support.
March 18, 1932. 94.

Trade acceptances
N. Y. Times says F.R. District Committee of N.Y. is trying to develop. May 26, 1932. 177.

Traitorous. 28
See - Willis, H. P.

Transamerica Corporation.
Gov. Meyer introduced a resolution calling on the F.R. Bank of San Francisco to offer its services in bringing together Gianini and the Walker crowd who are fighting for proxy control of, which owns the stock of the Bank of America, California.

Gov. Meyer said that Gov. Calkins favored such a resolution, but he did not say who had originally suggested this.

Some doubt was expressed in Board as to advisability of interfering in this fight as it would be construed as an effort to block Gianini.

Gov. Meyer strongly favored the resolution, his general manner being almost offensive in its implication that because he approved it the Board should accept it without question.

C.S.H. could not resist the feeling that the Walker interests were behind Gov. Meyer sltho he denied this.

C.S.H. moved to add a paragraph to effect that the Board took this action solely in the public interest, and that neither of the Parties to the controversy for control had initiated or suggested it.

The Board accepted this although C.S.H. fancied that Gov. Meyer did not like it.

C.S.H. believes that Gov. Meyer was acting in the interest of the Walker group, but can not prove this.

In any event he believes his resolution will protect the Board.
Jan. 8, 1932. 39.

Board voted to telegraph Gov. Calkins to suggest that each side appoint one person and the two a third, and if they can not agree, that the F.R. Board or the Reconstruction Finance Corporation appoint the third. Gov. Calkins suggested this.
Feb. 1, 1932. 52.

(This was refused by Gianini who was completely in the contest for proxies)

Treat, Mrs.
We dine with Gen. and Mrs. Treat to meet Godfrey Macdonald.
April 23, 1932. 142.

Treaties
See - Versailles treaty

Treman, Federal Advisory Council
In answer to letter of C.S.H. sending Lichtenstein's letter, replied it would be better if such criticism were avoided in the future by any official.
May 28, 1932. 181.

Travel expense
See - Economy bill
Salaries

Traylor, M. A.
See - Federal Advisory Council.

Tyler, Charles.
Death. Dec. 6, 1931. 4.

Tytus, Miss.
We attend wedding of, to Dr. Coolidge at Bethlehem Chapel. Bertie remained outside of Church. Later we attended reception given by Mr. & Mrs. Bliss at their house in Georgetown.
Jan. 16, 1932. 42.

-U-

Under Secretary of Treasury
Ballantine appointed.
Feb. 4, 1932. 54.

United States Bonds
See - Govt. securities
Governors Conference

United States Revised Statutes, Sec. 5200.
Glass told Goldenweiser that Willis had slipped into the Glass bill a clause repealing all of the exceptions in.
April 17, 1932. 133.

United States Senate
Gov. Meyer and James confirmed by.
Dec. 18, 1931. 24.

The Democrats of, in caucus voted to sustain the Glass banking bill.
April5, 1932. 114.

Hoover addresses, in behalf of sales tax.
June 1, 1932. 187

See - Glass
Walcott

United States Treasury
Sarah Carey daughter of Sen. Carey of Wyoming, told C.S.H. that it was generally understood that if a Democrat were elected President, C.S.H. would be Secretary of the Treasury.
Dec. 23, 1931. 31.

Sec. Mellon resigns as Secretary.
Feb. 4, 1932. 54.

Ogden Mills appointed as Secretary.
Feb.4, 1932. 54.

Ogden Mills would like preferential rates on paper secured by Government securities to help, in this emergency.
Jan. 11, 1932. 41 (2)

Sec. Mellon and Ogden Mills take oaths of office.
Feb. 12, 1932. 66.

All of Board felt it might be desirable to lower discount rates at New York to help.
Feb. 24, 1932. 83.

United States Treasury (Cont'd.)

C.S.H., seeing the various articles in the papers, believes Gov. Meyer is trying to be nominated for Vice President or for Secretary of the Treasury.
June 4, 1932. 193.

Vacation leave
See - Economy bill
Salaries

Valentine & Co.
C.S.H. saw advertised by H.C. Valentine & Co., Richmond, a picture of a sideboard exactly like C.S.H.'s old Swan Tavern sideboard. He wrote for particulars and on Dec. 12, 1931, the firm replied that the price was $2250, but in view of the existing depression they would sell it for cash for $1100.

C.S.H. then sent them a picture of the Mattapoisett sideboard and on Dec, 21, 1931, the firm replied:

"The photograph shows the picture of a very fine Sheraton sideboard, and under normal conditions, it is quite expensive, but as antiques are worth now, the price has greatly shrunk, as you no doubt know.

If this sideboard is original throughout and is an antique, the retail price would be about $1500."
Dec. 23, 1931. 29.

C.S.H. wrote, that Koopman once valued it at $2500, and added he might be willing to sell it for $200, and put in its place the Swan Tavern sideboard.

Valentine & Co. replied that no doubt it was worth $2500 years ago, but under present conditions it would be almost impossible to secure a reasonable price and they did not believe it would bring today $2000.

See - Letter.
Dec. 29, 1931. 34.

Van deVanter, Justice 133, 134.
See - Chase, Howland,

Van Lennert, Mr.
Calls with Baroness Van Heckeren on us. Oxford group.
May 18, 1932. 164.

Van Heckeren, Baroness
Calls on us. Oxford group.
May 18, 1932. 164.
Lunches with us at Woman's Democratic Club.
May 21, 1932. 167.

Van Rensselaer, Mrs. Bayard
Dines with us at Hay-Adams House.
Feb. 21, 1932. 79

Versailles Treaty. 13.
See - Carnegie Foundation
Davis, Norman
Shotwell, J. T.

Vice Governor, Federal Reserve Board.
C.S.H. criticises Hoover for not having appointed a.
May 21, 1932. 167.

Vice President.
C.S.H. believes Ogden Mills and Gov. Meyer are using propaganda to secure their nomination as.
June 5, 1932. 193.

Virreck
Mrs. Wilson told C.S.H. she had worried about the article in Liberty Magazine by, claiming that she was in fact President during Wilson's illness.

She said she did not mind attacks on herself, but could not endure those on Mr. Wilson.
June 2, 1932. 189.

Votes, Federal Reserve Board.
Miller objected to considering Glass emergency bill until and unless Senate Committee asked for our opinion.

All of Board except Miller voted to consider it without deciding as to sending its conclusions to Senate Sub-Committee.
Feb. 14, 1932. 74.

Extension of one year limitation in Glass emergency bill.

Favored on unanimous vote of Board.

Miller alone voted No.
Feb. 14, 1932. 74.

On motion to send opinion of Board on Glass emergency bill to Sub-Committee, which had not asked for Board's criticism.

Aye: Gov. Meyer, Magee
No: C.S.H., Miller, James
Motion failed.
Feb. 15, 1932.76

Votes, Federal Reserve Board (Cont'd.)

Unanimous vote to make member bank collateral 15-day notes run for 90 days when secured by eligible paper.
Mar. 27, 1932. 108.

Board instructs its Committee to draw clause divorcing security affiliates after 3 years.
Mar. 27, 1932. 109.

Board unanimously agreed on draft divorcing security affiliates, also upon an open market clause similar to Miller's.
Mar. 27, 1932. 109.

Board by unanimous vote, - Mills not present, - approved its draft of Glass banking bill, including Sec. 3 - penalizing of member banks for abuse of F.R' facilities.
Mar 28, 1932. 109

Governors voted to approve further purchases of Government securities, 11 to 1. Gov. Young alone voted No.

Board unanimously approved.
April 12, 1932. 123.

See - Governors Conference
Open market policy
Resolution, C.S.H.
Survey, C.S.H.
Washington Conference.

Wages, Mattapoisett
Alice Hanley agrees to cook for us for $48 per month. Last year we paid $90 to her.
June 3, 1932. 192.

Wages, R.R.
Gov. Harrison said that if the rate and wage question was not speedily settled the decline in bonds would make many more banks insolvent. Dec. 2, 1931. 1-A.

Gov. Harrison said he favored purchase of Govt. securities in large amounts only if necessary following the correction of the wage situation, etc.
Jan. 11, 1932. 41 (2)

See - R.R. wages
Standard of living.

Walcott, Senator
We meet, at dinner with Sen. and Mrs. Carey of Wyoming.
Dec. 17, 1931.

Dines with us at Woman's National Democratic Club.
Jan.22, 1932. 47.

Takes part in conference with Goldenweiser, Floyd Harrison, and Morrill, just after White House agreement as to Glass emergency bill.
Feb. 11, 1932. 65.

Glass said Hoover told him the administration would back up any bill agreed upon by, himself, Burgess and Goldenweiser.
Feb. 13, 1932. 73.

Glass goes to Miller's house but is called away by.
Feb. 15, 1932. 75.

At Hoover Conference (Feb. 1932) it was agreed that if Glass would consent to emergency bill, the administration would support the rest of the Glass banking bill in so far as Sen. Walcott and Glass could agree.
Mar. 14, 1932. 91.

Glass and, reached an agreement and Willis was directed to draft it.
Willis drafted it.
Sen. Walcott went over the draft with Burgess, Goldenweiser and Wyatt.
Sen. Walcott became satisfied the draft did not represent his agreement with Glass.
Mar. 14, 1932. 92.

Walcott, Senator (Cont'd.)

Wyatt said the rumor was that Glass and Sen. Walcott had agreed on the Glass bill; that later, he heard they could not agree.
Mar. 16, 1932. 93.

Although Sen. Walcott agreed to report the new form of bill to the full Committee, he said there were certain features in it he could not support.

Glass said in interview the Sub-committee voted unanimously to report the bill.

An unfortunate issue of veracity between Glass and Walcott.
Mar. 17, 1932. 94.

Goldenweiser said Sen. Walcott asked him to say to Board that he hoped the Board would ask for a hearing.
Mar. 18, 1932. 95.

Ogden Mills told Board that Sen. Walcott told him he wanted expert help and that he, - Mills - arranged to have Burgess come down and Goldenweiser help him, and that the President could not have said that he had designated B. & G. to act for the F.R. Board.
Mar. 22, 1932. 101.

Evidently when Gov. Meyer told the Board that the Sub-Committee desired expert assistance, it was really Sen. Walcott who made the request. Mar. 22, 1932. 101.

James said Ogden Mills told Board that Walcott and Glass said they wanted expert help.
Mar. 25, 1932. 107.

C.S.H. asked Mills just what Sen. Walcott said to him and Mills said Walcott said it would be agreeable both to Glass and himself to have the help of B. and G.
Mar. 26, 1932. 107

Miller said Sen. Walcott told him yesterday that the Sub-committee unanimously agreed yesterday to report the F.R. Board bill, with slight changes, in lieu of the Glass bill.
April 4, 1932. 114.

Walker.
See - Transamerica Corporation

Wall Street
Glass said, - in response to C.S.H. statement that Gov. Harrison and Owen D. Young favored, - before the Senate Sub-Committee - the right and power being specifically granted to F.R. banks to close the discount window to banks abusing F.R. facilities - that Wall Street had forced them now to object to such a specific grant of power.
Feb. 13, 1932. 72, 73.

See - N. Y. Banks.

Wall Street Journal.
Gov. Meyer said the correspondent of, told him he had in his possession data revealing the Reserve Committee report before it had even been printed.
Dec. 2, 1931. 1-B

Prints a cable stating that the F.R. Bank of New York is trying to secure a promise from Bank of France that it will make no further withdrawal of deposits, so our banks can expand on them.
May 7, 1932. 153.

See - Harrison, Gov.

Walter, John
C.S.H. met, managing Editor of the London Times, at dinner at Dr. Butler's. He remembered H.P.H. perfectly and was delighted to hear from her again.
May 4, 1932. 154.

War Finance Corporation
Gov. Meyer said Paulger whom he wanted as Chief Examiner, made a fine record under. Jan. 7, 1932. 38.

Warburg, Jerry
Miller said, was very able; that he predicted the crash of 1929 to his Father, Paul Warburg, who told him he did not know what he was talking about!
Dec. 17, 1931. 21.

Warburg, Paul
Told his son Jerry, who predicted the crash of 1929 that he did not know what he was talking about.
Dec. 17, 1931. 21.

Miller said, was ill at his house just out of New York, and could see no one.

C.S.H. believes the large holding of German acceptances by Warburg's bank, - the International Acceptance Company, - about 30 millions - may be the cause of his illness.
Dec. 17, 1931. 21.

Warburg, Paul (Cont'd.)

Gov' Meyer spoke contemptuously about Warburg. He admitted that he had a good theoretical knowledge of banking, but said he was so opinionated and conceited, and so prejudiced by his own conceit, that his judgment was good for nothing.
Dec. 17, 1931. 21.

Chief Examiner Drinnen said, had had a slight stroke but was not paralyzed. Dec. 22, 1931. 28.

Death of Paul Warburg. Jan. 24, 1932. 48.

Miller says Mrs. Warburg told Mrs. Miller that Paul Warburg's estate was in the "red" when he died; that she was trying to sell their city house, but hoped to be able to keep their White Plains house; that Mrs.Warburg could not keep up a five year charity pledge she had entered into with Mrs. Miller.
May 25, 1932. 176.

Warehouse receipts.
Willis' draft of Glass bill retained the original restrictions on loans on collateral, thus hitting a blow against cooperative marketing associations and warehouse receipts.
Mar. 14, 1932. 92.

Warning by Federal Reserve Board.
Glass puts in his bill as to 15-day member bank collateral.

Notes the clause "after warning by Federal Reserve Board."
Mar. 14, 1932. 93.

Warren, Mr. & Mrs. Charles
Lunch with Polish Ambassador in honor of Mrs. Wilson.
Dec. 15, 1931 17.

C.S.H. meets Nancy Warren at Mrs. Chandler Hale's.
Jan. 5, 1932. 36.

We took supper with. Jan. 17, 1932. 42.

Nancy Warren said it was generally known that Charles Sherrill gave a large contribution to Rep. National Committee to secure the Ambassadorship to Turkey.
Mar. 9, 1932. 91.

We took supper with.
Had sudden attack of nausea.
Mar. 27, 1932. 109

We lunched with. May 30, 1932. 182.

Washington Bi-centennial.
We loaned Rembrandt Peale's Washington to, insuring it for $2500.
Feb. 12, 1932. 69.

Congressman Gifford secures a seat for H.P.H. to hear Hoover's address to Congress at opening of.
Feb. 22, 1932. 78.

We attend the Mosque at Constitution Hall.
Feb. 21, 1932. 79.

Washington Cathedral
See - Freeman, Bishop

Washington Conference
Business and Industrial F.R. District Committees.

See - F.R. District Committees
Washington Conference. Next volume of diary.

Washington portrait - Rembrandt Peale. 69.
See - Washington Bi-centennial.

Washington Post.
Says Gov. Harrison was presentat concerence of Republican Senators at White House.

Ogden Mills explains that Hoover heard that Gov. Harrison was spending week-end with Admiral Grayson and invited Gov. Harrison to White House to discuss "business conditions"
May 30, 1932. 182.

Washington Star. 2
See - Sullivan, Mark.

Wedding
Miss Tytus to Lawrence Coolidge.
Jan. 16, 1932. 42.

Anniversary C.S.H.and H.P.H.
June 4, 1932. 192.

Charles McLane's daughter to Rev. Mr. Braiklebank, at Baltimore.
Mar. 29, 1932. 110.

Westford reminiscenses. 27.
See - Wright, Henry.

Wheeler, Mrs. Burton. 192.
See - Pennington, Mrs.
Wilson chronology.

White, Henry. 188.
See - Wilson, Mrs.

White House
C.S.H. attends New Year's reception at.
Jan. 1, 1932. 35.

See - Glass
Glass bill
Hoover

White, National Metropolitan Bank. 136, 137
See - Myer, Gertrude

Wile, Frederic
We meet, at dinner with Robert Lincoln O'Brien.
April 7, 1932. 118.

Williams, Mrs. Constance (Lodge)
Thanks C.S.H. for two letters of Sen. Lodge, - one praising his son for the music of the Greek play and the other as to C.S.H. being "The Moses to lead the Democratic Party out of the Wilderness."
May 31, 1932. 185.

At the dedication of the monument at Fort Myer given by Gertrude Myer in memory of her Father, C.S.H. was given a seat between Mrs. Wilson and Constance Williams, much to his embarrassment. June 2, 1932. 188.

Williams, John Skelton
Tried to induce Sec. Houston to ask Attorney General to send a copy of Solicitor General Lehman's opinion that national bank security affiliates were illegal, but Sec. Houston refused.
May 11, 1932. 157.

Willis, H.P.
Gov. Harrison bitterly attacked, for his false and unpatriotic attacks on F.R. System in certain Paris papers which he represented.

He said he was largely responsible for the distrust of the America dollar in France; that Burgess before the B.I.S. dispelled this fear; but that Willis replied that his figures were ten days old, implying that present figures would tell a different story, which was not true.

Willis, H. P. (Cnt'd.)

Gov. Harrison also charged that Willis gave N. Y. Journal of Commerce a scoop on the Reserve Committee report and that he could only have obtained this by violating confidence with Glass.
Dec. 2, 1931. 1-A, 1-B.

Glass said he had investigated the above charges and that they were not true. Dec. 16, 1931. 20.

Gov. Meyer reads to Board an article by, in a paris paper, stating that the U.S. had entered upon a policy of unlimited inflation, - which, Gov. Meyer said, was untrue and even traitorous.
Jan. 19, 1932. 43.

C.S.H. feels the desire of Gov. Meyer and Ogden Mills to force France to remove its deposits, is form of hatred towards France because scared by Willis's propaganda.
Jan. 19, 1932. 46.

The reported bill by the Senate Sub-committee shows that Wills had "put it over" the Committee.
Feb. 5, 1932. 55.

Glass and Sen. Walcott asked Willis to prepare a draft of their agreement as to Glass banking bill.

Sen. Walcott studied it with Burgess, Goldenweiser and Wyatt, and became satisfied it did not represent his agreement with Glass. Mar. 14, 1932. 92.

Willis's report made a few, but not many changes, recommended by Burgess and Goldenweiser; it retained Sec. 3 exactly as in the original bill, disregarding both C.S.H. and Miller's suggestions; it retained the limitations on collateral loans thus hitting a blow at cooperative marketing associations, and warehouse receipts; it threw out domestic acceptances as collateral for F.R. notes; it retained the provision as to compulsory revaluation of real estate loans, etc.

It modified the provisions as to member bank 15-day collateral notes by adding a provision for a warning by the F.R. bank, etc.

Wyatt said it contained a "joker" in the reserve position.
Mar. 14, 1932. 92, 93.

Glass told Goldenweiser that Willis had slipped into the Glass bill a clause repealing all of the exceptions in U.S.R.S. Sec. 5200.
April 18, 1932. 133.

Wilson chronology.

Mrs. Pennington sends C.S.H. a check for 18¢ - 1/2 of royalties on sale of, during past year.

C.S.H. acknowledged, indorsed it, and sent it to Mrs. Burton Wheeler, Treasurer of Woman's National Democratic Club.
June 3, 1932. 192.

Wilson Foundation

Dr. Butler said a man who owned land in Washington had come to him and wished to give the land to Columbia University and on it to be erected a memorial building in memory of Wilson, and as a storage place for all his papers.

Dr. Butler said he advised him to give it to the Wilson Foundation, and that Norman Davis is trying to bring this about. Dec. 14, 1931. 15.

Wilson, Mrs. Orme.

At dinner, Mr. & Mrs. George McClellan gave precedence to, over H.P.H. Jan. 31, 1932. 52.

Wilson, Mrs. Woodrow

H.P.H. attends tea at Woman's National Democratic Club in honor of.
Dec. 4, 1931. 3.

The Polish Ambassador decorates and gives a luncheon to, to which we were not invited.
Dec. 15, 1931. 17.

At dedication of monument to Gen. Myer at Fort Myer, C.S.H. was given a seat between, and Constance Williams (Lodge) much to his embarrassment!

C.S.H. told, how Prof. Nevins failed to print in his life of Henry White a letter of his to C.S.H. praising Mrs. Wilson, and that he intended to write and ask the reason.

She was very much interested and asked C.S.H. to let her know Prof. Nevin's reason.

C.S.H. also discussed political matters.

She evidently favored Baker but did not say so directly.

C.SH. expressed regret that Baker did not mention the League of Nations in his address at the Washington Cathedral. She said she thought he had.

Wilson, Mrs. Woodrow (Cont'd.)

C.S.H. said there never was a time when it was more necessary for the U.S. to join the League of Nations, - to which she unhesitatingly agreed.

She said she had had many worries lately, and mentioned especially Vierick's articles in Liberty Magazine, claiming that she was practically President while Wilson was ill.

She said she did not mind personal attacks but could not stand attacks on her husband.

C.S.H. said his character stood out more conspicuously under attack.

One would have thought from our earnest conversation that we were most devoted friends!
June 2, 1932. 188, 189.

Wilson, Woodrow
See - Wilson Foundation
Wilson, Mrs. Woodrow

Wimpole Street, The Barretts of
We attend play entitled, as guests of Mr. & Mrs. Magee.
Mar. 9, 1932. 89, 90.

Wingo, Cong.
Glass said, received in 1927 from American Bankers Association, $2000 including $1000 for expenses, for attendance at Convention, as a fee for attacking the branch bank provisions of the McFadden bill, although he was a member of the Conference Committee which had the bill in hand.
May 13, 1932. 160.

(See earlier diaries for further particulars: -Vol. 13, p.118
" 14, p.128,129.)

Winslow, Sam
We meet, at supper with Charles Warren.
Jan. 17, 1932. 42.

We meet, at dinner with Robert Lincoln O'Brien.
April 7, 1932. 118.

Woman's National Democratic Club
H.P.H. attends tea at, in honor of Mrs. Wilson.
Dec. 4, 1931. 3.

We give dinner at.
Guests: Sen. Walcott, Sen. & Mrs. Carey,
Mrs. Cong. Kahn, Josephine Patten.
Jan. 22, 1932. 47.

We give a dinner at.
Guests:
Captain & Mrs. McNamara, Mr. &Mrs. Richard Sanger.
Feb. 12, 1932. 69, 70.

We give dinner at.
Guests:
Mrs. Cong. Rogers, Robert Lincoln O'Brien,
Captain & Mrs. McNamara.

H.P.H. at lunch of, answered Cong. Howard's (Nebr.) attacks on
Federal Reserve Board and completely floored him.
April 11, 1932. 121, 122.

C.S.H. sends Mrs. Burton Wheeler, Treasurer of, a check for 18¢
being one-half of royalties on sale of Wilson chronology
for 1931. Received it from Mrs. Pennington.
June 3, 1932. 192.

Woolley, Robert
Told C.S.H. he knew that Gov. Roosevelt arranged to have Hearst
call him on long distance telephone, and that they had
a conference together. This was before Gov. Roosevelt
came our against League of Nations.

Woolley said Gov. R. had demonstrated he was not the man he
thought he was.
Feb. 8, 1932. 57.

World Court
C.S.H. told John W. Davis he believed the World Court advisory
opinion on the Austro-German tariff agreement was a
political opinion, - 8 to 7.

Davis said he had written an article for coming Atlanta
Monthly to demonstrate the contrary.

C.S.H. later read this and wrote Davis his article had convinced him.
Dec. 14, 1931. 14, 15.

N. Y. Times publishes C.S.H. letter on the reservations of Senate
as to World Court, somewhat abbreviating it. See Vol. 226,
scrap books. April 2, 1932. 113.

Wright, Henry M. Westford.
Calls on C.S.H. in Washington.

Spoke to C.S.H. at Cosmos Club.

He was a teacher in Boston Public Schools for years, and has now retired on a pension.

He has a summer house at Marshfield Hills, but his permanent home is in Westford.

He said Westford had changed but little, but that Brookside, Forge Village and Grantsville had greatly developed; that the B. & M. Railroad had petitioned to discontinue passenger service over the Stony Brook Railroad; that John Abbott was living in the Abbott house; that Julian Cameron who married Lucy Abbott was living on the Grantsville road; that Abul and Mrs. Abbott were dead and their son had made over their house; that John Fletcher, the former Democratic postmaster, was dead.

C.S.H. asked him if the church bills still tolled when anyone died. He said this had long ceased, but was revived when Abiel Abbott died and the old bell toller was brought down from New Hampshire for this occasion; that at the end the bells tolled 4 times for a male and 6 times for a female.

He said his son Livingstone Wright was an engineer, temporarily employed in the Dept. of Commerce and he was visiting him.

He said that Mrs. John Abbott was still living, - over 90 years of age, and that Kate Kebler took care of her.
Jan. 6, 1932. 37,38.

Livingstone Wright, Henry Wright's son, wants a permanent position in Washington and C.S.H. gave him a letter to Mr. Elliott, Chief Statistician of Reconstruction Finance Corporation, who said there was nothing there for him, but that something might turn up in future.

C.S.H. also spoke to Floyd Harrison in his behalf.
Mar. 5, 1932. 88.

See - Wright, Henry.

Wright, Marjorie
See - Key, Mrs.

Wyatt, Walter, General Counsel. (See also Chase, Howland)
Gives C.S.H. a copy of H.R. 5060 creating a Reconstruction Finance Corporation. Dec. 17, 1931. 21.

Wyatt, Walter (Cont'd.)

C.S.H. asked who drew this bill, and Wyatt said Morrill drew it under injunction of absolute secrecy; that he, Wyatt, was forbidden even to allow his own clerks to know as to its authorship, but that later he heard Gov. Meyer speak of its authorship and so he assumed the bank of secrecy had been -removed. Dec. 17, 1931. 21, 22.

Said that a few days ago, Gov. Meyer, Floyd Harrison and Morrill spent a whole afternoon at the Capitol, presumably in connection with this bill.
Dec. 17, 1931. 23.

Says Gov. Meyer no longer asks him for legal opinions; that all such requests come from Floyd Harrison or Morrill.
Dec. 22, 1931. 28.

He said Gov. Meyer had put in force a new procedure under which he went over all proposed letters whether or not involving legal questions, and that they were checked up by Morrill and Floyd Harrison before being shown to Gov. Meyer.
Dec. 22, 1931. 28.

He said Gov. Meyer never asked him to go with him to any Committee of H.R. or Senate with relation to the Reconstruction Finance Act. Dec. 22, 1931. 28.

Said Gov. Meyer was asked by a Congressional Committee whether his support of proposed Reconstruction Finance Act represented the views of the Federal Reserve Board, and replied that he was Governor of the Board and appeared in favor of the bill.

As a fact, the Board had never been consulted about it!
Jan. 9, 1932. 40.

Said that while in Ogden Mills office he heard Mills call up Gov. Harrison and direct him to send Burgess down to help Sen. Walcott. Feb. 1, 1932. 53.

C.S.H. wanted to send Glass a copy of Wyatt's criticism of the Glass banking bill, but all members objected and C.S.H. did not send it. Feb. 2, 1932.53.

Told C.S.H. that Burgess and Goldenweiser had stricken out, in their report, Secs. 3 and 9, - power to close discount window.
Feb. 8, 1932. 56.

Wyatt, Walter (Cont'd.)

Says that after White House agreement as to Glass emergency bill, there was a conference at which Sen. Walcott, Floyd Harrison, Morrill, Goldenweiser and he were present.
Feb. 11, 1932. 65.

Says the reserve section in Willis's draft contains a "joker".
Mar. 14, 1932. 93.

Said he had heard a rumor that Glass and Sen. Walcott had agreed on Glass banking bill, but that, later, he heard they could not agree. Mar. 16, 1932. 93.

Said he heard that Willis had resigned but that Glass persuaded him to reconsider as he could not continue without him.
Mar. 16, 1932. 93.

Says the Board's committee on the Glass bill sat from 8 p.m. last night until after midnight; that Gov. Meyer and Floyd Harrison sat with them; that they finally agreed to report a clause as to closing the discount window - Sec. 3 - substantially like Miller's and C.S.H.'s; that Gov. Meyer finally said he was inclined to think that this power should be given to the F.R. banks and FR. Board.
Mar. 23, 1932. 105.

Told C.S.H. that Ogden Mills said he would join in the Board's unanimous report on the Glass banking bill, but that he could not quite understand the clause divorcing security affiliates, but that, on principle, he believed they, or many of them, should be divorced. Mar. 29, 1932. 110.

Said the rumor was that when Sec. MacVeagh learned of Solicitor General Lehman's opinion that national bank affiliates were illegal, knowing that it would affect the Continental of Chicago, in which he was interested, he vigorously protested to Taft who suppressed it.
May 11, 1932. 157, 158.

Agrees with C.S.H. that Sec. 8 of Clayton Act exempting from its provisions cases as between banks and trust companies where all of the stock of one is owned by stockholders of the other, is an implied recognition that banks may have trust company affiliates, or a distinct recognition and approval of the fact that they often have them; that while security companies are not necessarily trust companies, the principle remains the same. May 11, 1932. 158, 159.

Wyatt, Walter (Cont'd.)

We dine with Mr. & Mrs. Wyatt to meet French Strother, the literary secretary of Hoover.
June 1, 1932.187.

Tells C.S.H. that the provisions of the economy bill, cutting down travel expense to $5 per diem and limiting leave of absence to 15 days, applies to Federal Reserve Board and staff.
June 3, 1932. 191.

Tells C.S.H. he thinks the Senate amendment to economy bill will relieve the Board and staff from salary reduction.
June 9, 1932. 197.

See - Chase, Howland.

-Y-

Young, Gov. Federal Reserve Bank, Boston.
Opposes further buying of Government securities. Governors Conference.
April 12, 1932. 123.

Cast the only negative vote on motion to approve purchases of 500 millions.
April 12, 1932. 123, 124.

C.S.H. sends, a copy of his letter to Lichtenstein in reply to his intimation of Board political activity in 1928.
May 27, 1932. 180.

Young, Owen D.
Promises Gov. Meyer that Chairman Case will resign on May 1 next unless fully restored to health, if Board will reappoint him. Dec. 23, 1931. 30.

Told Senate Committee that F.R. banks and Board should have power to close the discount window of offending banks, yet now signs a memorandum to Glass bitterly objecting to Sec. 3 of Glass bill, which gives this power.

(See analysis of memorandum Scrap books, 226 or 227)
April 8, 1932. 121.

Gov. Harrison appoints a F.R. District Committee headed by.
May 20, 1932. 165.

(The end.)

F. A. Council
Gov. Bill
Gov's Conference

Gov's Conference.

F. A. Council
re Bill
Gov's Conference

Gov's Conference.