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CHARLES SUMNER HAMLIN

DIARIES

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DIARIES.

VOL. 27.

October to July, 1936.

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Elected Adams of Salt Lake City 2nd Vice President, at meeting
at New Orleans;
Bennett, a friend of Governor Eccles, was reported by the
committee for the position, but Adams was nominated from
the floor and Bennett withdrew.
Adams, in his address, advised bankers to refuse to take any
more Government bonds.
Doubtless the Convention was in sympathy with Adams' views.
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Austin, Federal Reserve Agent
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114

[Faint, mirrored text from the reverse side of the page, including names like 'Austin, Federal Reserve Agent' and dates like 'Feb. 1, 1936']

-B-

Baker, Newton D.

Called on C.S.H.

Said he thought Ex-Senator Pepper's "prayer" when arguing in the Supreme Court against N.R.A. was not informal but affected him agreeably. He said he thought the Court would decide against the Government by a vote of 6 to 3.

He said the Supreme Court had never rested the Protective tax on the General Welfare Clause.

He asked about the new Board but C.S.H. could give him no information.

C.S.H. spoke of Governor Eccles and said he had worked with him most satisfactorily; he (C.S.H.) said that while he had strong opinions, he seemed ready to change them if convinced that they were wrong and was always ready to discuss objections. Baker said nothing and C.S.H. is satisfied he is not friendly toward Governor Eccles.

C.S.H. felt that Baker was impressed with the capitalistic view of public questions. He did not resemble the old time Baker, the former associate of Tom Johnson!

November 17, 1935 50, 51

Wyatt said Logan, Counsel of the Federal Reserve Bank of New York, wanted to retain Baker in a suit for recovery of certain gold bullion. Wyatt told him to consult the Treasury; that this was important as the Federal Reserve Bank, if defeated, would have to ask the Treasury to indemnify it. Wyatt said Oliphant told Logan that if Baker was retained the Treasury would have no interest in the case, nor would it ask Congress to indemnify the Bank if defeated. Oliphant suggested retaining Leylin, once a Treasury expert, now in Covington firm of which Ackers was a member! Logan asked authority of Board to retain Covington firm, which was granted.

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Called on C.S.H. with his assistant Mr. Nutter and had a long talk about the Federal Reserve Act.

Baker said he was at work on Volume 6 of his Life of Wilson which had to do largely with the Federal Reserve Act.

C.S.H. promised to send him the extracts from his diary sent to the Senate Committee inquiry as to munitions and other mimeographing.

C.S.H. sends Baker above extract also other mimeographing,— the Review of Warburg's chapter in the Redistricting Digest in the Federal Reserve Board and other mimeographs. April 21, 1936 153, 154

C.S.H. wrote Governor Eccles asking if he saw any objection to C.S.H. helping Baker, of course, unofficially, with his work on the Federal Reserve Act, to be sure that he gave proper attention to Open Market powers.

Governor Eccles replied that he strongly favored this. May 31, 1936 184

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C.S.H. called. He had not heard of C.S.H.'s operation. Talked much of evils of big business. Emphasized that bank reports should show real condition of the banks.

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C.S.H. and H.P.H. went to New York to attend meeting.

Meet at house of Mrs. Carnegie in honor of 100th birthday of Andrew Carnegie and of first meeting of the Endowment held 25 years ago in Carnegie library where we met.

Mr. Sforza former Prime Minister of Italy spoke as also a former Prime Minister of Hungary. Elihu Root also spoke.

Mrs. Carnegie gave us a lunch after the meeting.

Carnegie, Mrs.

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Class C Directors

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Class C Directors (Cont'd)

Board met to consider Class C directors whose terms expire December 31, 1935. C.S.H. moved to reappoint all present incumbents for three years but to designate them as Chairman and Federal Reserve Agent to hold at pleasure of Board.

C.S.H. said this would be just and would not interfere with final determination of the new Board.

C.S.H. added that as Board is considering a change in this law which might do away with the Chairman as a salaried officer, this would extend their salaries to March 1, 1936.

Miller wanted us to let all terms expire on December 31, 1936, but to reappoint Peyton of Federal Reserve Bank of Minneapolis.

C.S.H. said this would be a reflection on the other Chairmen, especially on Curtiss.

Miller attacked Curtiss and C.S.H. said that at the proper time he would reply to Miller's attack.

C.S.H.'s motion was then put and C.S.H. thought it was carried.

Miller denied this but finally said that if the extension was only until March 1, he would agree.

C.S.H. by unanimous consent then changed the motion, and limited his redesignation to March 1, 1936.

This was voted unanimously.

No action was taken as to termination of 3 years term after designation as Chairman erased.

James said they were all gentlemen and would resign as Class C directors.

It was voted not to reelect Simpson of Chicago and Owen D. Young of New York as both had served over 6 years, and the Board's policy was then adhered to.

The expiring Governors were also designated up to March 1st.

All Class C directors who had not served 6 years were reappointed.

Thus Curtiss, Case, Hoxton and Walsh were designated up to March 1, 1936.

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Lunches with C.S.H.

Said Szymczak told friends of his in Chicago that it was settled
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Gave Board a fine report on Bank of America. Said it was improving
splendidly and expressed an opinion that a general voting permit
should be given it on the sole condition that it should be revoked
if the suggestions and recommendations were not carried out.
The whole Board concurred. This is a great victory for C.S.H.
as the whole staff originally favored imposing conditions which
would entirely exclude the jurisdiction of the Comptroller, and
would have placed in Board responsibility for the whole banking
situation in California, and would engender a civil war between
the Comptroller and the Board.

October 25, 1935 9, 10

Wrote C.S.H. as follows: Jan. 31, 1936

My dear Governor:

Few men can look back upon a more glorious career of
service to our country than you can. Few men have been given
the opportunity to serve on any important Board in this country
for a period as long as you have been a member of the Federal
Reserve Board.

In your two years as Governor of the Board and your
twenty years as a member, you have influenced in no small measure
the financial policies of a great nation.

You have as nearly as any man I have ever known the
perfect qualities of a judicial mind, always anxious to listen
to the opposition, always firm in the determination to do justice.
I am richer because of my acquaintance with you and I just want
you to know that you will take with you into retirement my deepest
affection.

Sincerely yours,
J. F. T. O'Connor
Comptroller

Class C Directors (Cont'd)
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designation as Chairman elected.

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as Class C directors.

It was voted not to reelect Payson of Chicago and Sam B. Young
of New York as both had served over 8 years, and the Board's
policy was then adhered to.

The retiring Governors were also designated up to March 1st.

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Thus Curtis, Case, Hoxton and Walsh were designated up to March
1, 1936.

October 28, 1935

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Few men can look back upon a more glorious career of
service to our country than you can. Few men have been given
the opportunity to serve on my important Board in this country
for a period as long as you have been a member of the Federal
Reserve Board.
In your two years as Governor of the Board and your
twenty years as a member, you have influenced in no small measure
the financial policies of a great nation.
You have as nearly as any man I have ever known the
perfect qualities of a judicial mind, always anxious to listen
to the opposition, always firm in the determination to do justice.
I am richer because of my acquaintance with you and I just want
you to hope that you will take with you into retirement my deepest
affection.
Sincerely yours,
J. E. F. O'Connor
Comptroller

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that he would be reappointed in new Federal Reserve Board.

Comptroller of Currency
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Taber of the R.F.C. called on us and showed us an extraordinary letter from Smith, Attorney for Hodsden, to Postmaster General Farley asking him to push the matter on purely political grounds, saying that if Hodsden were given the money Massachusetts would surely go Democratic and adding that Roosevelt in writing had agreed to consider it in a friendly spirit because C.S.H. and H.P.H. were interested in it!

Farley's office forwarded this to the R.F.C.

Taber asked about Hodsden and C.S.H. referred him to Edward Hamlin. Taber said it was doubtful whether the R.F.C. could or would advance money direct to individuals for such a purpose, but if it decided it could, he would talk with me further about it.

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Letter, Mrs. Robert
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He said it had been decided to appoint Broderick to new board.
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Palano, Frederic A.
Dinner with us

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May 11, 1936

Democratic National Convention

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Putnam replied he would be most happy to store them in Library.

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Dimock, Mrs.

Two Ohio ladies called on Bertie to devise some plan for taking control of the proposed Memorial building from Mrs. Dimock. Bertie told them of her plan to induce Mrs. Dimock to give up her present site which her society controls and accept a new cite from Washington University. Bertie explained that the society had spent \$400,000 for foundation and \$175,000 for architect fees—a total of about \$600,000 and had left \$200,000. Bertie suggested calling up Dr. Marvin of Washington University and he came right over. As a result we all agreed to favor turning over the funds to the University, the necessary legal steps to be taken.

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At the meeting Mrs. Dimock yielded and it was voted unanimously to take over all funds to Washington University and further that Mrs. Dimock plans to be used if within a year she could raise additional money needed.

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June 28, 1936 199

Diaries of C.S.H. to ...
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whether he wished to take up scrap books and diaries to
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With Mr. and Mrs. Houston Thanksgiving noon dinner.

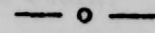
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March 12, 1935

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-E-

Eccles, Gov. (Also Banking Law of 1935)

In discussing Open Market Operations, Governor Eccles pointed out that the Treasury through its stabilization fund has much more control than the Federal Reserve Board.

He said we must always

C.S.H. thinks he meant that the Federal Reserve Board must always follow Treasury policies

Oct. 21, 1935 4, 5

Glass told C.S.H. that the appointment of Stern as Class C director of Federal Reserve Bank of Philadelphia was a political plot of Governor Eccles and asked if Governor Eccles had not suggested it.

C.S.H. told Governor Eccles who suggested sending Glass a copy of Thurston's report on Stern.

C.S.H. proposed draft of letter to Glass and showed it to Thurston, who, C.S.H. thinks, consulted with Governor Eccles, and Thurston said it was all right and C.S.H. sent it.

Oct. 28, 1935 17

Clayton told C.S.H. that Governor Eccles was not satisfied with C.S.H.'s recommendation as to Transamerica voting permit submitted to the Federal Reserve Board; that Governor Eccles wanted firm suggestions from C.S.H., which the Board could accept or reject; that Governor Eccles objected to the suggestion as to accurate reports, etc., to stockholders as this would place too heavy a burden on our Board and too great responsibility.

Nov. 1, 1935 20

Clayton said Governor Eccles would object to requirement that copies of reports to stockholders be sent to the Federal Reserve Agent.

Nov. 1, 1935 22

Thurston said Governor Eccles feared a change in voting permit regulations as to publishing statements which seemed to him good.

Nov. 7, 1935 27

Governor Eccles at first claimed the voting permit regulations went too far, especially as to charge offs. We had a long discussion, the Board adopted the Gianini letter with slight changes.

Nov. 8, 1935 27

Eccles, Gov. (Also Banking Law of 1935) - (Cont'd)
Governor Eccles said let us try them on the dog
Nov. 8, 1935 28

Governor Eccles was delighted with C.S.H.'s reference to
increase of reserve requirements — a ship made full sail
in a dead calm—a storm is brewing—shall we take in sails
now or wait till hurricane strikes us!
Nov. 9, 1935 29

Governor Eccles reports to Board that the Treasury, while
agreeing on principle with proposed increase in reserve re-
quirements, felt we should delay such action for two or
three months because the Budget was not ready; that a delicate
intimation was then out that by February 1 the Board would be
reorganized!
Nov. 9, 1935 30

C.S.H. talks with Governor Eccles.
Governor Eccles did not seem to appreciate how bitterly the
American Bankers' Association is towards Roosevelt. C.S.H.
advised Governor Eccles to explain this at once to Roosevelt.
Nov. 18, 1935 34

American Bankers' Association defeated Bennett of Salt Lake
City, an associate of Governor Eccles, for 2nd Vice President.
Nov. 18, 1935 34

C.S.H. feels Governor Eccles' address to American Bankers' As-
sociation was justified in view of the attacks on Roosevelt's
Administration.

Miller said Governor Eccles should have given his address at
the beginning and should then have at once withdrawn. C.S.H.
said this was beyond Governor Eccles' control.
Nov. 18, 1935 37

Glass told C.S.H. the rumor that he had written C.S.H. to protest
reappointment of Governor Eccles was not true; that he had re-
ference only to the appointment of Stern; that he had been
asked if he should affirm confirmation of Governor Eccles but
that he declined to discuss the matter.
(In this letter to C.S.H. Glass did attack Governor Eccles
bitterly.)

March 7
Dec. 7, 1935 45

C.S.H. told Glass Governor Eccles confirmation was not mentioned
in the letter.

C.S.H. told Newton Baker that the Board had worked satisfactorily
with Governor Eccles; that while Governor Eccles had stray

(Faint, mirrored text from the reverse side of the page, including dates like Nov. 1, 1935 and Nov. 7, 1935)

Eccles, Gov. (Also Banking Law of 1935) - (Cont'd)
opinions, he seemed ready to change them if convinced that they were wrong, and seemed always free to consider criticisms.

Baker listened in silence and C.S.H. is convinced he is opposed to Governor Eccles.

Dec. 17, 1935 51

C.S.H. congratulated Governor Eccles as result of Open Market Conference.

Dec. 20, 1935 53

C.S.H. heard Governor Eccles tell Thurston he had an engagement with Postmaster General Farley this noon!

Dec. 20, 1935 53

There was not any meeting today as Roosevelt sent for Governor Eccles.

Dec. 23, 1935 55

Governor Norris invited Governor Eccles and C.S.H. to stockholders meeting to be held two weeks from date.

Governor Eccles wrote he probably could not go and turned over Governor Norris' letter to C.S.H. without comment.

C.S.H. wrote Governor Norris, he saw no reason for not accepting
Jan. 8, 1936 71

Szymczak told C.S.H. that Governor Eccles told him that if C.S.H. were not reappointed he would be given a position as advisor of the Board.

C.S.H. at once said this would not be satisfactory to him; that if Roosevelt did not consider him fit for reappointment that would end the matter; that if he had to go on the dole, it would be for the people of Mattapoisett and not for the Federal Reserve Board!
Jan. 8, 1936 72, 73

Governor Eccles told Thurston that Roosevelt had not consulted him as to the new Board appointments since his trip to Hyde Park last summer.

Jan. 10, 1936 73

Thurston said even Governor Eccles did not know who would be appointed .

January 11, 1936 76

Szymczak says Governor Eccles saw Roosevelt at 11 A. M.
Jan. 16, 1936 81

Eccles, Gov. (Also Banking Law of 1935) - (Cont'd)
Governor Eccles said let us try them on the job
Nov. 5, 1935

Governor Eccles was delighted with C.S.H.'s reference to
increase of reserve requirements -- a bill made full call
in a hard case--stays in pending--shall we take in call
now or wait till hurricane strikes us
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three months because the Budget was not ready; that a delicate
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with Governor Eccles; that while Governor Eccles had every

Eccles, Gov. (Also Banking Law of 1935) - (Cont'd)

The Washington Post statement that Foster is to be on new Board disturbs C.S.H. for, if true, it would appear that Governor Eccles has deceived C.S.H. in spite of what Thurston said. C.S.H. scarcely believes this possible, however.
Jan. 19, 1936 85

If true, C.S.H. feels he ought to apologize to Glass for having said he would nominate Governor Eccles for Governor if the Board was made independent.
Jan. 19, 1936 85

C.S.H. feels that Governor Eccles hates Miller and Roosevelt hates Thomas and that the so-called age limit is a mere subterfuge to get them off the Board.
Jan. 23, 1936 95

Governor Eccles was nominated by Roosevelt for a four year term.
Jan. 21, 1936 105

Governor Eccles called on C.S.H. and said he would advise the new Board to give me a retainer of \$12,000 per year. He said something about \$1,000 per month but finally put it at \$12,000 per year.

He said also C.S.H. would have a stenographer attached to C.S.H.'s office, who, when not used by C.S.H. would do other Board work.

He said further that C.S.H. could take all the leave he wished, and that he should be called "Special Counsel", to be called on for all questions of general law or banking policy.

C.S.H. said he would consider it.

After a talk with Morrill, C.S.H. told Governor Eccles that if he accepted the offered appointment, he would move into the Shoreham building at once.

Governor Eccles said C.S.H. could move at once without waiting for approval by new Board.
January 27, 1936 105, 106, 107

Delano spoke approvingly of Governor Eccles to Thurston.
Jan. 28, 1936 109

C.S.H. writes Governor Eccles:
January 27, 1936

Eccles, Gov. (Also Banking Law of 1935) - (Cont'd)

Dear Mr. Chairman:

I have just heard that the names have been sent into the Senate and I want to be among the first to congratulate you.

In my opinion, you hold the foremost financial position in the world and I know that you will fill that important position with dignity, with firmness and power.

You may be sure that you can always command me for any help, for I shall be as devoted to the Board as if I were still on it.

With again my most sincere congratulations, believe me,

Sincerely yours,
C.S.H.

Governor Eccles replied to this:

January 29, 1936

My dear Governor Hamlin:

Permit me to thank you for your note of January 27th, with reference to my appointment to the Board of Governors of the Federal Reserve System.

I appreciate very much your expressions of confidence in me and the assurance of your continued help and loyalty. It is encouraging to know that my efforts are appreciated and that some one feels that they will be of assistance to others.

With kindest personal regards,
Sincerely yours,
M. S. ECCLES

111, 112, 113

C.S.H. believes the Banking bill of 1935 was drawn by the Treasury in the interest of Eccles as Governor.

Feb-1, 1936 119

Goldenweiser said that Governor Eccles was very fond of C.S.H. and would have been glad to have him reappointed, but that he hated Miller and distrusted Thomas; that if two of old Board were to be reappointed, Governor Eccles would have chosen C.S.H. and James; that Governor Eccles respected James although they differed radically in policy.

Feb. 17, 1936 131

Eccles, Gov. (Also Banking Law of 1935) - (Cont'd)

C.S.H. writes Governor Eccles as to his operation.

March 5, 1936 139

C.S.H. wrote Governor Eccles asking if there was any objection to his helping Ray Stannard Baker in giving history of Federal Reserve Act in Volume 6, Life of Wilson, to see that he gave proper stress to Open Market powers.

May 31, 1936 184

(Later Governor Eccles replied he strongly favored this.)

Governor Eccles writes a very fine letter to C.S.H. strongly favoring C.S.H. going away for the summer.

June 9, 1936 189

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Eccles, Gov. (Also Banking Law of 1935) - (Cont'd)

Dear Mr. Chairman:

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In my opinion, you hold the foremost financial position in the world and I know that you will fill that position with dignity, with firmness and power.

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Feb. 17, 1936

-F-

Fall River Trust Company
Board considered condition of admission imposed on,—that it should no longer permit another company doing only a mortgage business to have an office with the trust company.

Governor Young thought above condition wrong as the Massachusetts Superintendent of banking had ruled that the other company was not a bank.

Oct. 1, 1935

C.S.H. considers above at Federal Reserve Bank of Boston.
Oct. 7, 1935 3

Farley, Postmaster General
C.S.H. heard Governor Eccles say he had an appointment with.

C.S.H. fears this means political interference with Federal Reserve appointments!
Dec. 20, 1935 53, 54

Thomas said Farley told a friend of his that the whole Federal Reserve Board should be eliminated.
Jan. 10, 1936 73, 74

Federal Advisory Council
Strongly favored selling Government securities as a guard against inflation.

Goldenweiser favored increasing reserve requirements.

Council claimed it was dangerous for Federal Reserve System to hold 2½ billion Government bonds.

Goldenweiser said chief earning assets of Bank of England were Government bonds.
Dec. 18, 1935 52

Federal Reserve Bank of Boston
See Fall River Trust Company
1, 3

Federal Reserve Bank of Philadelphia
See Norris, Gov.
Stern

Federal Reserve Bank of Richmond
Board referred to approval Governor Seay as President of
Feb. 26, 1936 134

Federal Reserve Bank of San Francisco
Board refused to approve Calkins as President
C.S.H. feels pressure of Gianini is responsible for this.
Feb. 26, 1936 134, 135

Federal Reserve Board

Nothing new as to new Board. The suspense is intolerable. C.S.H. believes cannot be possible that changes are to be made without prior notification to Board. Gentlemanly conduct would seem to require this.

Jan. 2, 1936 64

New York Times publishes a rumored list of new members: Governor Eccles, Szymczak, Preston, Delano, Harr (State Supt. Phila.), Broderick, Talley, Oliphant.

Frederic Well in Star says rumor is that C.S.H., Miller and Szymczak will be reappointed.

Jan. 6, 1936 71

Miller said Roosevelt wants to reorganize the whole Board, but influential pressure is being brought against them.

Jan. 8, 1936 71

Thurston said Roosevelt had not consulted him as to the Board appointments. C.S.H. felt Thurston might be hedging against his July talk with C.S.H.

Jan. 9, 1936 72

Szymczak told C.S.H. that Governor Eccles told him that if C.S.H. were not reappointed he would be appointed an adviser to the new Board.

C.S.H. said this would not be satisfactory, for if not fit for the new Board, he would not be fit to advise it. He added that if he had to go on the dole it would be for the people of Mattapoisett and not for the Federal Reserve Board!

Jan. 9, 1936 73

Senator Norris told President that Thomas would resign at once if he was not to be reappointed, and Roosevelt said not to resign.

See Thomas Jan. 10, 1936 73

Kepplinger says the only ones sure of reappointment are Governor Eccles and Szymczak, and that Roosevelt was evidently treating the appointments as purely political.

Jan. 11, 1936 77

Thurston said he hoped Roosevelt would reappoint the whole Board; that this was the best course, practically and politically.

Jan. 11, 1936 78

Federal Reserve Board (Cont'd)

Thurston asked C.S.H. if he had seen Roosevelt and C.S.H. said No. C.S.H. thought Thurston seemed to think Roosevelt had summoned to tell him he would not reappoint him.
Jan. 15, 1935 79, 80

Thurston said he still believed C.S.H. was all right, but he thought it better to put the worst side to C.S.H. so that the result would be all the pleasanter.
Jan. 15, 1936 80

Thurston said Glass had seen Roosevelt this morning.
Jan. 15, 1936 80

Thurston thinks the appointments will be made next week.
Jan. 16, 1936 81

Thurston's manner makes C.S.H. believe he - C.S.H. - is slated for reappointment for if Thurston knew he was not to be appointed his manner would have been different.
Jan. 16, 1936 81, 82

The Associated Press announces a tentative selection,—Eccles, Szymczak, Broderick, Ransom, McKee, William N. Foster and one more a dirt farmer—not announced.

While the announcement was not official, Foster gave a long interview to show how fit he was for the job although he said he had not yet been officially.
Jan. 19, 1936 83, 84

Thurston told C.S.H. that Roosevelt wanted to drop several members and that the only way he could do it would be to fix an age limit, say 65 years, which necessarily excluded C.S.H.
See Thurston Jan. 21, 1936 85

Thurston said Foster was not on the slate and would not be appointed.
Jan. 22, 1936

Roosevelt tells C.S.H. and Miller he cannot reappoint them.
See Roosevelt Jan. 23, 1936 93

Roosevelt nominates new Board—

- Morrison, Texas 2 years
- Eccles, Utah 4 "
- Ransom, Georgia 6 "
- McKee, Pennsylvania 8 "
- Szymczak, Illinois 12 "
- Broderick, New York 14 "

Jan. 27, 1936 105

Federal Reserve Board (Cont'd)

Senate Sub-Committee reports favorably.
Jan. 27, 1936 106

Board opened bids for new building.
Jan. 30, 1936 110

Terms of old Board expire.
Jan. 31, 1936 113

Anson Phelps Stokes sends C.S.H. a delightful letter.
Feb. 1, 1936 114

Comptroller O'Connor writes splendid letter to C.S.H.
Jan. 31, 1936 114

- See Comptroller
- See also
 - Baker, Newton
 - Hale, Rachel
 - Gillett, Mrs.
 - Rodgers, Mrs.
 - Owen, Ex. Sen.
 - Peyton, F.R..A.
 - Young, Gov.

New Board receives Commissions from Roosevelt
Feb. 3, 1936 121

Board unanimously appoints C.S.H. as Special Counsel at \$12,000 per year; stipulated that C.S.H. was to be absolutely independent of the regular legal staff, and to report on all matters submitted to him by the Board through Morrill, Secretary.
Feb. 3, 1936 122

Board announced that C.S.H. had consented to act as Special Counsel.
Feb. 8, 1936 127

McKee told C.S.H. the entire new Board were to call on C.S.H. to pay their respects, but he was ill at home.
Feb. 10, 1936 127, 128

- See -
 - Eccles, Gov.
 - Roosevelt
 - Special Counsel
 - Thurston
 - Broderick
 - Szymczak
 - Ransom
 - McKee
 - Miller
 - Thomas

Federal Reserve Building

Roosevelt said he had advised Governor Eccles to have Miller appointed as agent to care for construction of.

Jan. 23, 1936 94

Board opened the bids for,

Jan. 28, 1936 109

Board awarded contract for the new building to the Fuller Company. The cost was about 3 1/2 millions.

Jan. 30, 1936 110

Federal Reserve Bulletin

Gives name of C.S.H. as Special Counsel just after Board names and ahead of all others on staff.

April, 1936 157

Fifty-dollar dinner

See Roosevelt

Jan. 8, 1936 70

Fish, Janet

Lunches with C.S.H. at Cosmos Club

Oct. 13, 1935

Dines with C.S.H.

Nov. 2, 1935 24

Calls on us.

Dec. 29, 1935 60

We drive to dinner with Mr. and Mrs. McClellan.

Feb. 15, 1936 130

Dines with us and Langdon Marvin.

Feb. 22, 1936 133

Lunches with us to meet Dr. Rones.

April 26, 1936 156, 157

Calls on us. Much impressed with Dr. Rones who asked her to get a Nurse to act as office woman for him.

May 3, 1936 162

Calls on us.

May 18, 1936 170

Fletcher, Republican National Committeeman

H.P.H. Sends boy dressed up like a donkey to house of.

Feb. 29, 1936 136

Faded text on the left page, including names like 'Governor', 'Special Counsel', and dates like 'Jan. 27, 1936'.

Foster, C. J.

In interview modestly accepts rumor of his appointment on Federal Reserve Board, and at great length gives reasons why such appointment is well deserved.

Jan. 19, 1936 83

Washington Post said Foster is "a Harvard Professor who likes a conservative label because it separates him from the Huey Long, Upton Sinclair and Dr. Townsend".

Jan. 19, 1936 84

Thurston said Senator Walsh and Coolidge had endorsed Foster and that he had been seriously considered but that there was great opposition from North Carolina Senators and from Senators Shafford and Garry.

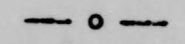
Thurston also said he would not be appointed; that he found an article in Atlantic Monthly written by Catchings and Foster attacking our Board for interfering in the stock gambles of 1929.

Jan. 28, 1936 108, 109

Fuller, Miss.

See Orcutt
Roosevelt

32



-G-

Giannini
See Transamerica Voting permits
27, 37, 38, 40, 62, 135, 161

Girardeau, Janet
Dines with C.S.H.
October 24, 1935 9

Mother of, writes C.S.H. thanking him for putting her up
at Cosmos Club.
Nov. 2, 1935 26

Gillett, Mrs.
Writes C.S.H. a charming letter on his retirement.
Feb. 4, 1936 122

Glass, Senator
Wall Street Journal quotes from Stern's testimony calling
Senator Glass a tool of Wall Street.
Oct. 22, 1935 6

C.S.H. fears Glass will be very angry but he, C.S.H., did
not know that Stern had attacked Glass. Thurston's abstract
did not mention this.
Oct. 22, 1935 9

Called up C.S.H. and asked for an explanation of Stern's ap-
pointment as Class C director, Philadelphia, saying he was a
scoundrel and a liar, and that his appointment was a dis-
grace to the Federal Reserve System.

C.S.H. told him briefly.

Glass said it was a political plot of Governor Eccles and
asked if Governor Eccles had not suggested it.

C.S.H. Said he would look over his records and explain the
matter fully to Glass. C.S.H. said, however, his investi-
gation had satisfied him that Stern was fit for the place,
in spite of Glass' opposition to his extremely radical views.
Oct. 28, 1935 17

C.S.H. spoke to Governor Eccles who suggested sending to
Glass, Thurston's report on Stern.

C.S.H. prepared a draft of a letter to Glass and showed it
to Thurston, who, C.S.H. believes consulted with Governor
Eccles, and later made some slight suggestions.

C.S.H. also showed it to Miller and Thomas who both approved it.
Oct. 28, 1935 17

C.S.H. sends letter to Glass with a copy of Thurston's report on Stern.
Oct. 30, 1935 19

Glass called up C.S.H. and said he had read in Washington Herald that C.S.H. told the correspondent that Glass had sent him a letter protesting against appointment of Governor Eccles.

Glass said his letter was confined to Stern, and that the same correspondent asked him if he intended to fight Governor Eccles' confirmation, but he told him he declined to discuss the matter.

C.S.H. told Glass that Governor Eccles' confirmation was not mentioned at the interview; that C.S.H. never even admitted that Glass had sent him a letter, but simply said that all correspondence regarding Board matters was filed and could be seen only on order of the Board.

C.S.H. told Glass the reporter had evidently read Glass's letter and C.S.H.'s reply.

Glass said the reporter claimed to have seen the letters in New York.

C.S.H. said this was palpably false and intimated that someone in Glass's office. Glass denied this, but C.S.H. asked him to look into this.

Glass' manner to C.S.H. was perfectly friendly, and he pressed C.S.H. to come up some night and have a good talk with him.

C.S.H. believes Glass is worried about this letter, and that his opposition to Governor Eccles may be weakening.
Dec. 7, 1935 46, 47

The morning papers said that Glass lunched with Roosevelt yesterday and came out in evident good humor. Perhaps he has agreed to drop his opposition to Governor Eccles!
Jan. 1, 1936 62

Miller told Board he was to see Glass that afternoon. He later told C.S.H. he had made an appointment with Glass and C.S.H. asked him to call him up after the interview, if anything of interest transpired and he said he would.

He did not call up C.S.H.
Jan. 4, 1936 67

C.S.H. at 5 P.M. called up Glass and congratulated him on his birthday. He was pleasant and affable and seemed in fine spirits. He said nothing about Board matters.

C.S.H. explained to him the maximum interest regulation, and said he agreed with Glass that the regulation did not carry out the intent of Congress, but that the Board was working to find what could be done to carry out that intent; that it seemed impossible to carry out that intent.

C.S.H. explained to Glass that the interest votes were not a subject of primary jurisdiction given to the Board, and that Wyatt advised us that the proposed regulation was the only one which would satisfy the intent of Congress; that he, therefore, accepted this but later asked Wyatt for a written opinion, which Wyatt gave him; that he and Thomas studied it and prepared a memorandum in opposition; that this was before Glass sent his letter to Morrill opposing the regulation.

Glass said members of the Board were giving out statements about them. C.S.H. said he could not believe this. Glass said Thurston might have given them out. C.S.H. said he was sure that Thurston had not done so.

Glass said he would be glad to take this up later with C.S.H. at the proper time.

C.S.H. also wrote Glass a note on his birthday, and H.P.H. put in a trick butterfly for his grandchildren.

C.S.H. is glad that he and Glass have apparently made up all differences. At the interview Glass sent his love to H.P.H.

C.S.H. believes from Glass' manner that Roosevelt did not tell Glass he intended to clean out the whole Board; he rather draws inference that Roosevelt will reappoint the whole Board.

C.S.H. cannot help feeling that Glass will not press his opposition to Governor Eccles.

January 4, 1936 67,68,69

Thurston said Glass had seen Roosevelt this A.M. at 9:30.

C.S.H. asked Thurston whether in case Glass and Roosevelt agreed, the appointments would not be made today. Thurston said, Not before next week.

January 15, 1936 81

Thurston said Glass had made several suggestions to Roosevelt based upon an age limit of 65 years.

This amazes C.S.H. for Glass is 78 years old and is seeking another term!

Jan. 21, 1936 86

Thurston said Glass would fight Thomas to the death!

Jan. 21, 1936 87

C.S.H. told Thurston that prior to any offer to him of position of Special Counsel, Glass should be consulted. Thurston said most certainly.

Jan. 22, 1936 91

C.S.H. asked Thurston why Glass did not fight for Miller, and Thurston said that from what he heard he would fight for C.S.H. rather than for Miller.

Jan. 22, 1936 91

Thurston said Governor Eccles was to see Glass and get his approval of appointment of C.S.H. as Special Counsel.

Jan. 28, 1936 108

Szymczak said Roosevelt agreed that Governor Eccles should see Glass as to Vice Governor and that Glass suggested to Governor Eccles that Broderick be named.

Jan. 28, 1936 110

Mrs. Keating told H.P.H. that Mrs. Bannister, sister of Glass, told her in confidence that Glass was much relieved at C.S.H.'s appointment as Special Counsel.

Feb. 7, 1936 124

Glasses, Eye See Operation

Gold

C.S.H. believes Roosevelt is angry with Board because it resented his efforts to seize Federal Reserve gold after devaluation and retained Newton D. Baker to advise Board.

Feb. 1, 1936 118

Gold tea set

Bertie sold the gold tea set given her by her Father, to Ayre and Taylor, 1207 Connecticut Ave., Washington, for \$800. The original cost was about \$1,400. This firm said she could sell it to the mint at 10% Commission to them, or they would buy it for \$800.

Nov. 25, 1935 39

Goldenweiser, Dr.

Spoke for 3/4 of a hour befor Open Market Committee.

He preferred credit control through Reserves rather than by sale of Government securities.

Dec. 17, 1935

Told Federal Advisory Counsel that the Federal Reserve System had over 7 billions of gold, equivalent to 100% in all Federal Reserve Notes and 60% against deposits, a highly liquid condition.

He also pointed out that the earning assets of the Bank of England consisted largely of Government bonds!

Dec. 18, 1935 52,53

Told C.S.H. that Governor Eccles was very fond of him and would have been glad to have had him reappointed, but that he hated Miller and distrusted Thomas; that of two of old Board were to be reappointed, Governor Eccles would have chosen C.S.H. and James; that he respected James although radically opposed to his views.

Feb. 20, 1936 131

Goldenweiser said he was sure that Roosevelt saw through Miller and was not eager to reappoint him.

Feb. 20, 1936 131

Goldenweiser thought this new Board was a very fair one although Morrison was a "dud".

Feb. 20, 1936 131

Gordon Cummings, Mrs.

Writes H.P.H. a very nice note on C.S.H.'s retirement from Board.

Jan. 27, 1936 107

Goshorn, Miss Marion

Paulger assigned, to act as Secretary and Stenographer to C.S.H. as Special Counsel with the understanding that she should devote her spare time, if any, to Paulger's Division.

Feb. 3, 1936 121

Government boycott

See American Bankers' Association 55,56

Governors' Conference

See Open Market Operations

Grant, Catherine

Wrote H.P.H. that on November 4, she lunched with Mrs. William Danes Arcott, wife of a Boston literary man, and that at the lunch Mrs. Arcott spoke of a trip to Canada of some American golfers, including Mr. Arcott, and of a dinner given by the Canadians. Mrs. Arcott said that at this dinner the toast to the King was given, all standing; that then this presiding officer, a Canadian, gave a toast to the Presidency of the U.S. (not the President); that later the presiding officer explained that the American guests had told him they would not drink to the health of Roosevelt! She said that among those present at the lunch were: Mrs. Fuller, wife of Ex-Governor Fuller and Mrs. Larz Anderson.

Nov. 9, 1935 31,32

Writes C.S.H.:

"I shall never love Franklin in the same way again, if he does not reappoint you."

Dec. 30, 1935 61,62

C.S.H. writes.

Jan. 2, 1936 64

Dined with Fred Delano to meet.

May 11, 1936 166

Ground hog

Sees his shadow

Feb. 2, 1936 120

Guffy, Senator

Szymczak says, is trying to have the Penna. Superintendent of banking put on new Federal Reserve Board.

Dec. 20, 1935 55

— o —

[Faint, mirrored text from the reverse side of the page, including phrases like "Goldman Sachs", "Federal Reserve Board", and "Governor's Conference".]

- H -

Hale, Rachel Cameron
Writes to C.S.H.:

Jan. 31, 1936

Dear Charley:

This is a letter of condolence really to the Federal Reserve Board, only I don't know them well enough to write to, so I have to address myself to you.

How can they get along without you? One who has been with them through early days and must know the ropes so thoroughly. I would have gone to see you both, but have been housed for a week.

With best wishes, whatever lies for your future,
I am

Yours always sincerely,
RACHEL CAMERON HALE

116

H.P.H. lunches with.

Feb. 11, 1936 128,130

Hamlin, Anna
Birthday

Oct. 26, 1935 10

Yesterday was the eleventh anniversary of Anna's death. We had a special service today at St. Agnes Church, Father Anderson.

April 27, Monday, 1936 158

See Helen Costin

Hamlin, C. S.

5, 29, 41, 42, 47, 58, 59, 65, 70, 71, 73, 101, 102, 104, 106, 109, 111, 112, 113, 117, 121, 122, 123, 124, 126, 127, 128, 130, 131, 134

Roosevelt's letter to C.S.H.
See Roosevelt - 96, 97

C.S.H.'s reply to Roosevelt
See Roosevelt 99

See also -

- Baker, Newton B.
- Comptroller of the Currency
- Federal Reserve Bank of Boston
- Federal Reserve Board
- Glass

Hamlin, C. S. (Cont'd)

- Hale, Rachel
- Hamlin, Edward
- Hamlin, George
- Senate Munitions Inquiry
- Special Counsel
- Miller
- Szymczak
- Tappan, Robert
- Thomas
- Thurston
- Voting permits

Cataract Operation

The hard work done by the Federal Reserve Board in clearing up all records prior to the coming in of the new Board affected C.S.H.'s eyes most seriously. During the week ended February 15, C.S.H. went to Dr. Morrison who found that his eyes had greatly fallen off. For many months I had not been able to read either books or Board letters except with a magnifying glass, and I had not been able to read at all for over a year with my right eye.

Dr. Morrison said the time had now come when I could have an operation. I asked him on which eye. He said it was about 50 - 50; that my right eye was still better than my left eye as to long distance and at first he was inclined to operate on my left eye, which, he said would help my right eye. I said my right eye I had always considered my worst eye, but apparently he did not agree with me. Finally he said the cataract was more pronounced in my right eye, but the sight in my left eye was more cloudy and obscure. He said also that there were scars on my cornea in my right eye, but he felt notwithstanding this an operation could be successfully be performed. He finally chose my right eye for an operation.

I then asked him if he would ask Dr. Wilmer to examine my eyes and give an advisory opinion, which he agreed to do.

Feb. 15, 1936 130

Calls up C.S.H. and asks him to call at 3 P.M. for a further check up before examination by Dr. Wilmer.

Made another examination and said he saw absolutely no reason why an operation in my right eye should not be successful, - that there was no indication to the contrary, and that he would make an appointment with Dr. Wilmer at once.

Feb. 21, 1936 132

Hamlin, C. S. (Cont'd)

Cataract Operation - (Cont'd)

Dr. Wilmer and Dr. Rones examined my eyes for nearly two hours. He finally said he saw no reason to doubt but that an operation on my right eye would be successful; that there were complications, such as scars on the cornea, but this did not disturb him as I could look over or under the scars after the operation.

He said the cataract was worse in my right eye than in my left and that the haziness was worse in my left eye, but that the operation should be in my right eye and that the chances of success were 97 out of 100.

March 3, 1936, Tuesday 137

C.S.H. asked Dr. Wilmer if he would not be willing to do the operation himself as C.S.H. was an old patient of 40 years' standing. Dr. Wilmer said he could not do this unless Dr. Morrison consented. C.S.H. asked if he would do it if Dr. Morrison consented. Dr. Wilmer said in such case he would be delighted to operate, not so much as a surgeon but as a very old friend.

C.S.H. expressed his gratitude and said he could not afford to pay him what his services were worth, as he considered him the foremost oculist in the world, and like most other people, his resources were greatly strained. Dr. Wilmer said,- "Don't think of this, it will be a pleasure and honor to serve one who is not only a very valued friend, but who has rendered distinguished service to his country."

March 1, 1936 138

Dr. Wilmer spoke at length about the marriage of his daughter to Russel Sard.

March 1, 1936 138

C.S.H. then wrote a letter to Dr. Morrison as follows:-

March 4, 1936

"My dear Dr. Morrison:

I was examined yesterday by Dr. Wilmer and his assistant, the examination lasting for over two hours. Dr. Wilmer said that he would at once report to you fully as to the result. I gather from what he said, or rather, as a layman, I thought I gathered, that there were some complications but that he felt reasonably confident that the operation would be completely successful.

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

"And now I am going to ask a great favor of you. Would you be willing to invite Dr. Wilmer to perform the operation in collaboration, of course, with you? I can scarcely tell you the confidence I have in your judgment and skill but I have perhaps told you I have known Dr. Wilmer intimately, both as a personal friend and professional advisor, for over forty years and I have a sentimental feeling that I should like to have this old friend, the most eminent surgeon in the world in diseases of the eye, take a prominent part in restoring me to health, which restoration is sadly needed.

"I can never forget the fact that his marvelous skill restored my nephew, who was nearly blind from gas poisoning, to perfect health some years ago. Perhaps he may show you a scientific article he wrote on this case which excited great professional interest all over the world. In view of my devoted friendship with him, I feel certain you will be willing to grant my request and ask him to perform the operation in collaboration with you.

"May I add that your compliance with this suggestion will simply confirm my high opinion of your professional skill and judgment. Believe me,

Sincerely yours,
C.S. HAMLIN "

Dr. Edward L. Morrison
1835 I Street, N.W.
Washington, D. C.

To this letter, Dr. Morrison at once replied that he would be glad to accede to C.S.H.'s request, and C.S.H. wrote Dr. Wilmer inclosing a copy of his letter to Dr. Morrison and his reply.

Dr. Wilmer replied:

March 5, 1936

"Dear Mr. Hamlin:

Many thanks for your very kind letter and the perfect one you sent to Dr. Morrison. I do not see how it could be better expressed.

With kindest regards, believe me,
Very sincerely yours,
W. H. WILMER"

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

C.S.H. had a decided impression that Dr. Wilmer treated him as an old friend rather than as a patient, and that any question of remuneration for his services was unimportant and irrelevant. C.S.H. went over with Dr. Wilmer his financial affairs in a most complete manner and feels satisfied that Dr. Wilmer's charges will be most reasonable.

Dr. Wilmer suggested next Tuesday for the preliminary operation.
138, 139

C.S.H. wrote to Governor Eccles, Szymczak, Ransom, Broderick, MCKee and Thurston about his operation.
March 5, 1936 139

C.S.H. had a nice talk with Thurston over the telephone as to his operation.
March 5, 1936 139

At 3 P.M. C.S.H. goes to Eye and Ear Hospital. He had dinner, then went to bed and his eyes were dressed, eyelashes cut, and all germs carefully washed out and eye banded.
March 9, 1936, Monday
140

March 10, Tuesday
At 5 P.M. C.S.H. was wheeled down to operation room. Putting in drops, etc. took 20 minutes, and then Dr. Wilmer performed immediately the operation, taking only 20 seconds. No pain but merely a slight stinging sensation. Both eyes were banded and a large mask put over my face.

I was put on a stretcher and taken back to my room, after which Dr. Ruffin called and gave me a pill. Towards evening I fell asleep but awoke about 10 P.M. with a fearful nightmare and could not remember where I was. Finally I recalled what had happened and where I was and rang for my night nurse, but she had gone down to her supper. After trying several times another nurse came in. My night nurse never should have left me alone.

In my nightmare, I thought I heard a voice saying—"Great God! You are blind!" To my mind, when a patient has been operated on, and has a night nurse, the patient should never be left alone on the first night after the operation. This was what happened to me at Carry Hill hospital in 1920!

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

March 11, Wednesday

Dr. Wilmer came in at 5 P.M. looked at my eye and said it was doing finely and that I had proved an ideal patient during the operation. I told him I could not stand having both eyes bandaged and he finally bandaged my right eye, put the mask on it, and then bandaged my left eye separately, leaving it so I could lift up the bandage in an emergency to see where I was.

This relieved me greatly and relieved the most disagreeable part of the convalescence.

Dr. Wilmer, before leaving, placed his hand on my head and said—"Old man, you are all right!" Then in a subdued tone he said, "Good Night" and walked out of the room.

March 12, Thursday

Dr. Wilmer, while dressing, suddenly dropped dead! The funeral was Saturday, March 14, but H.P.H. did not tell me of his death until Sunday after the funeral.

It was a terrible shock. I feel I have lost a most valued friend. 142

March 18

Received letter from Bishop Lawrence in answer to one from C.S.H. describing his operation.

COPY

Hay-Adams House
Washington, D. C.
March 17, 1936

"Dear Bishop Lawrence:

My first letter in my convalescence was to my sister Harriet and this letter to you is the second.

"I have gone through the preliminary operation for cataract, they say, with great success. In the first operation they do something, I do not know what it is, to cut off all nutrition from the lens and then the lens begin to wither and become ripe, as they

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

Bishop Lawrence letter continued -

say, so that it can be easily taken out.

"There was really a tragedy connected with all this for Dr. Wilmer, a very old friend of forty years, was appealed to by me to do this operation, and he said he would be most happy to do it as he looked on me rather as an old friend than a patient. He was so kind and sympathetic during the operation, which, you will be surprised to know, took him just twenty seconds to do. Of course, the anesthetizing took a considerably longer period. When my operation was over, I said to him, "Dr. Wilmer, I feel very disappointed", and he said, "Why is this?" I answered, "I thought you were going to do something to me and apparently you haven't touched me", and he laughed. This was on Tuesday. On Wednesday late in the afternoon, he came into the room again dressed in his white coat and dressed my wound and then he put his hand on my forehead, as if he were giving me a blessing, and said, 'Old man, you are all right. Goodnight", and then he left the room and early the next morning dropped dead. Bertie, however, did not tell me this until yesterday, Sunday, and on the whole, I am glad she did not. I wondered why he did not drop in on me but I supposed that his assistant could do all that was needed, so I was not suspicious at all.

"Tomorrow all my bandages are to be removed and I shall have simply colored glasses. I expect to leave the hospital Wednesday and then must wait two or three weeks for the final operation. I have decided to have Dr. Wilmer's assistant, Dr. Rones, perform this. He was with Dr. Wilmer for eleven years and everybody speaks of him as one of the most brilliant operators in this part of the country, so I have perfect confidence that he will carry me through all right.

"Bertie, with her usual sense of humor, has kept me feeling in fine shape. I have an appetite like an ox, which I suppose, is a good sign. If I am not allowed all the food I want, I bear it with ignominy.

"Bertie joins me in best love.

Affectionately yours,

C.S.H."

The Right-Rev. Wm. Lawrence
122 Commonwealth Ave.
Boston, Mass.

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

Bishop Lawrence's reply - COPY

122 Commonwealth Ave.
Boston

March 18, 1936

"My dear Charles-

Your letter hit me at three points. It was such a surprise. That you should in such a crisis write me after you had written your sister touched me deeply; it was a token of warm friendship and I thank you.

"Altho' I knew that your eyes were in poor condition I had no idea that you were so near an operation for the removal of cataract. Grateful am I that you have come through it so successfully.

"What a man you are and how happy in your surgery. Don't you recall that in your prostate operation when it was almost over you asked the surgeon when he was going to begin?

"What a wonderful change has come over the methods of the operation! "Only twenty seconds".

"I hope and am confident that all will go well to the finish. Write me or ask Bertie to do so.

"As to Dr. Wilmer: "A tragedy!" Yes, to those who are left and whom he would have helped. But what a life of beneficium was behind him!

"There are skilled Surgeons and there are surgeons who are friends of everyone who has heard of them. Dr. Wilmer was such an one. I knew him only slightly and yet I thought of him as a friendly friend and thousands felt the same. The news of his death came to me with a vividness and regret that I would feel for the death of a relative whom I have seen everyday.

"You are a fortunate man to have the memory that upon you he poured what was his best and last -

"I am going to pass your letter on to two of his patients to read. My Sister, Mrs. Heminway, and

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

Bishop Lawrence's reply (Cont'd)

my son-in-law, Harold Peabody. My best love to Bertie.
She must have had some anxious hours and some happy ones.

"With wishes and prayers that you may have years
of usefulness and of happy work.

Yours affectionately,

WILLIAM LAWRENCE"

Letter to Bishop Lawrence - COPY

Eye & Ear Hospital
Washington, D. C.
April 8, 1936

"My dear Bishop Lawrence:

Mrs. Hemenway came to see me ten days ago
just before my departure for the final operation.
We had a delightful call of nearly an hour and the only
criticism I could make was that she should have stayed
at least two or three hours. She said that she wrote Dr.
Wilmer for an appointment on the day of his death. I
strongly urged her to go to Dr. Rones who worked with
Dr. Wilmer in Baltimore for eleven years and has been
associated with him in Washington for the last two or
three years. I was strongly advised to have him con-
tinue the operation in Dr. Wilmer's place and friends
of mine, unknown to me, made careful inquiries about
him and the report was unanimous that he was a most
brilliant operator and thoroughly cognizant with Dr.
Wilmer's methods. I feel that Mrs. Hemenway could do
no better than to go to him as I firmly believe that
Dr. Wilmer's mantle has settled on his shoulders.

"I remember writing you about my first opera-
tion. There was then an intermission of ten days and I
was told to go back and do anything I pleased and enjoy
myself for at least ten days more before the final opera-
tion. This interval, however, to me was very gloomy as
I could not help thinking of what was coming. Well, to
make a long story short, a week ago last Monday, I re-
turned to the hospital and Monday evening they did various
things to me, the most disagreeable of which was that they
cut off my eyelashes. However, they assured me that they

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

Letter to Bishop Lawrence - (Cont'd)

would grow out again and that comforted me. The next day, Tuesday, I was operated on by Dr. Rones. The operation was somewhat longer than the first one but I think the actual operating time was not over five or six minutes and I suffered no pain. I had some trouble sleeping the first night but that soon passed away and now I am sleeping comfortably without any drugs and if all goes well, I expect to leave the hospital this week, Saturday.

"I am really more or less of a coward as regards pain and even as a child I dreaded the doctors. When the time came, however, to go down to the operating room, I quietly repeated to myself the Twenty-Third Psalm, - "Yea, though I go through the valley of death . . ." and the march to the operating room seemed more like a march of monks to a religious festival - all element of fear having vanished.

"A humorous incident occurred just before they began to operate - my nose itched violently and I told them the operation could not go on unless I could scratch my nose, and they said it was absolutely forbidden, but two doctors rubbed my nose and finally satisfied me, whereupon the operation went on. Dr. Rones said I went through it splendidly without even a whimper. As a matter of fact, towards the end of the operation, I asked him how things were going along and he said, "The operation is complete", and surprised me greatly. He then said, "You have gone through this ordeal in a magnificent way, but I don't mind telling you now that I thought you were going to be a very poor patient because you have asked me from time to time so many questions about the whole matter." I said, "Doctor, when you know me better, you will realize that I have a very inquisitive mind." He then said, "Good Lord! do you think we have only now discovered this!!" Then all the doctors laughed and I joined them. It seems strange to be sitting here now talking the thing over as if we were in a club smoking after a dinner. After a couple of days, I was comfortably convalescent and each day felt stronger, and if everything goes well, I hope to leave Saturday of this week and spend a quiet Easter at our apartment house.

"The operation was pronounced a complete success. Of course, I have not tried to use my eye up to the present time for it is filled with drops tending to dilate the pupil. I had a striking piece of evidence, however, as to the use of my eye. In the first operation an electric light was

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

Letter to Bishop Lawrence - (Cont'd)

held almost in my eye but I could not see it - I saw the glow, of course, but nothing more. In the second operation the same procedure was followed and I could see nothing but this glow. Suddenly, however, when the operation was nearly completed, it flashed over me that I was seeing for I could see the electric light and the fingers of the man holding it before my eyes. This was a message for I understood at once - the cataract had been removed and the light of heaven was coming through on to my retina and optic nerve. When I realized this, I felt as did Xenophon and his ten thousand followers in their weary march toward the sea. When at last they caught sight of it they cried in exultation - "Thalassa! Thalassa! The Sea! The Sea!" So I said to myself - "Thalassa! Thalassa! The Light! The Light!"

"Whenever I go back, however, I must have a dark lens on my eye for at least two weeks before they will attempt to adjust eye glasses to it for it is necessary to wait until it is absolutely solidly healed. However, I can wait that time patiently.

"Bertie's sense of humor has never, and I trust will never, leave her. I told her the other day that it was at least two years since I could see her face distinctly. She promptly told the doctor that she wished three days' notice before I was permitted to use my glasses for she wished to go to Emile, the hair dresser, and have her face lifted, eye-brows plucked, hair dyed, and everything else done in a vain attempt to make herself look as she did two years ago. However, I told her this was not necessary as I was sure that she looks younger than ever. In fact, to me she is a kind of Peter Pan - she will never grow old.

"I have dictated this letter hurriedly but will not be permitted to correct it, so you will understand its being marked "dictated, but not signed". Bertie joins in love to you.

Affectionately,
C. S. HAMLIN

The Right-Reverend Bishop Lawrence
122 Commonwealth Avenue
Boston, Mass.

Dictated, but not signed."

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

Bishop Lawrence's reply - Copy

122 COMMONWEALTH AVENUE
BOSTON

Easter Eve-

"My dear Charles -

Congratulations!
and again
Congratulations!
and
A Happy Easter
to your ever young
Bride!

"How grateful you must be that what you have so long dreaded is now happily behind you. Somehow the removal of a cataract seems to me the great miracle of surgery! And the methods of the last few years have transformed the process of it and 50 years ago when my father underwent the operation at the hands of Hasket Norby.

"And what a condrous exponent of surgery Dr. Wilmer was. His character as well as his hands seemed to have a healing power.

"I have forwarded your letter to Mrs. Heminway who will be much interested.

"Well, my dear Bertie, does it not seem good to have a husband who can now see your beauties as well as hear your voice?

"It is lovely to think of you both in quiet happiness.

"Best love and again a Happy Easter.

Your affectionate friend,

WILLIAM LAWRENCE

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

Letter to Bishop Lawrence - (Cont'd)

...I was almost in my eye but I could not see it - I was
the glow of course, but nothing was in the way
operation the next procedure was followed and I could
see nothing but the glow. Suddenly, however, when
the operation was nearly completed, it flashed over
me that I was seeing for I could see the electric light
and the fingers of the man holding it before my eyes.
This was a message for I understood at once - the cat-
aract had been removed and the light of heaven was com-
ing through on to my vision and eyes. When I
realized this, I felt as did Sampson and his men
followers in their very march toward the sea. When at
last they caught sight of it they cried in exultation -
"Hallelujah! Hallelujah! The Sea! The Sea! The Light!"
"Hallelujah! Hallelujah! The Light! The Light!"

"Whenever I go back, however, I must have a
dark lens on my eye for at least two weeks before they
will attempt to adjust my glasses so it for it is neces-
sary to wait until it is absolutely solidly healed. How-
ever, I can see that this is not a hardship.

"Bertie's sense of humor has never, and I trust
will never, leave her. I told her the other day that it
was at least two years since I could see her face distinctly.
She promptly told the doctor that she wished three days' notice
before I was permitted to use my glasses for she wished to
go to Berlin, the hair dresser, and have her hair lifted, her
brows plucked, hair dyed, and everything else done in a vain
attempt to make herself look as she did two years ago. How-
ever, I told her this was not necessary as I was sure that
she looks younger than ever. In fact, to me she is a kind
of Peter Pan - she will never grow old.

"I have dictated this letter hurriedly but will not
be permitted to correct it, so you will understand its being
marked 'dictated, but not signed'. Bertie joins in love to
you.

WILLIAM LAWRENCE

The Right-Reverend Bishop Lawrence
122 Commonwealth Avenue
Boston, Mass.

Dictated, but not signed.

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

The essential dates of the operation are:

- March 9, Monday - Went to hospital
- March 10, Tuesday - First operation by Dr. Wilmer
- March 12, Thursday - Dr. Wilmer died
- March 14, Saturday - Dr. Wilmer's funeral
- March 18, Wednesday- Left hospital
- March 30, Monday - Went back to hospital
- March 31, Tuesday - Second operation, Dr. Rones
- April 11, - Left hospital
- May 4, Monday - Entered hospital again
- May 5, - Needled by Dr. Rones
- May 8, - Left hospital

March 21, Saturday

C.S.H. called on Dr. Rones who agreed to perform the second operation. He said my eyes were in splendid condition and that if he had known this before the first operation, he could have done everything in one operation. 144

March 23

Went to Dr. Rones who said everything was fine. Fixed next Tuesday for final operation. He said he would bind up my two eyes separately after the operation.

March 30, Monday

Went to hospital.

March 31, Tuesday

Second operation.
Had no pain but cutting the eye ball was somewhat irritating.
Took only about five minutes.
At end of operation while on operating table, C.S.H. asked many questions and finally said—"You will think me of a

Hamlin, C. S. (Cont'd)

Cataract Operation (Cont'd)

very analytical nature when you know me better." Dr. Rones quickly replied, "My God! Do you think I have just found that out!"

Dr. Ruffin insisted on giving me Insulin before my second operation, as my blood pressure was over 200 and he feared the operation might increase my blood sugar.

I did not want this done, as Dr. Joslin some days before in answer to my letter asking if my blood sugar should not be burned out by Insulin before the operation, had replied to go ahead without Insulin.

My blood sugar before the operation was only a little over normal, - 13.5. So far as I could observe the Insulin had little effect as the blood sugar remained about 13.5.

146, 147

My second operation was March 31, Tuesday. Two days before this my blood sugar was 14.4, blood pressure 170, and blood count 75.

147

As to details of second operation, see my letter to Bishop Lawrence quoted on page 43.

Many beautiful flowers were sent me, including flowers from President and Mrs. Roosevelt.

April 11, Saturday

C.S.H. left the hospital

April 12

Dr. Rones called and said the capsule over my lens had not entirely absorbed, and if it did not finally absorb, it would be necessary to needle my eye. He said 60% of all successful operations require subsequent needling; that it was not serious, in fact hardly an operation at all; that only the right eye need be bandaged and that C.S.H. could leave the hospital in three or four days.

148, 149

April 15, Wednesday

Dr. Rones tested C.S.H.'s eye. C.S.H. could barely see the large letter A and nothing beneath. C.S.H. felt Dr. Rones was disappointed at this result.

Later C.S.H. got Bertie to call him up and put following questions:

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

1. Are you satisfied with what C.S.H. could see on the test?
2. Should not his vision been more distinct?

Dr. Roness answered that the vision was better than he expected.

In answer to a third question: "Do you still think his chances are good for restoration of normal sight?" Dr. Roness said that no Doctor can predict that recovery will be perfect, but that he had every reason to believe that everything was splendid and that he could not understand how C.S.H. got the idea that he was discouraged.

C.S.H. later telephoned and Dr. Roness said he could now sleep on his right side.

151

April 18

Wrote Sophie Boreel enclosing a copy of my letter to Bishop Lawrence describing my second operation.

152

My eyes were very sticky and Dr. Roness prescribed some fine drops. He said my eyes were in fine condition; that much of the capsule had been absorbed, but there remained a minute thread which probably would not be absorbed.

He asked me to come in on Wednesday. He said everything was fine and he had not the slightest possible doubt that I would recover normal sight.

152, 153

April 22

Dr. Roness examined my eye again and found I could now read three lines of the test table,—a great improvement over the last time when I could only read the letter A.

He said, however, that needling was necessary. He said I certainly would have good sight.

He said he could do the needling on Friday, but in his judgment, he ought to wait for at least a week longer as it would then be easier to operate and the delay would be to my advantage.

Hamlin, C. S. (Cont'd)

Cataract Operation (Cont'd)

very analytical nature when you know me better. Dr. Roness quickly replied, "My God! Do you think I have just found that out?"

Dr. Ruffin insisted on giving me insulin before my second operation, as my blood pressure was over 100 and he feared the operation might increase my blood sugar.

I did not want this done, as Dr. Joslin some days before in answer to my letter asking if my blood sugar should not be turned out by insulin before the operation, had replied to me ahead without insulin.

My blood sugar before the operation was only a little over normal,—15.5. So far as I could observe the insulin had little effect as the blood sugar remained about 13.5.

My second operation was March 31, Tuesday. The day before this my blood sugar was 14.4, blood pressure 140, and blood count 75.

As to details of second operation, see my letter to Bishop Lawrence quoted on page 45.

Many beautiful flowers were sent me, including flowers from President and Mrs. Roosevelt.

April 11, Saturday

C.S.H. left the hospital

April 18

Dr. Roness called and said the capsule over my lens had not entirely absorbed, and if it did not finally absorb, it would be necessary to needle my eye. He said that all successful operations require subsequent needling; that it was not serious, in fact hardly an operation at all; that only the right eye need be banded and that C.S.H. could leave the hospital in three or four days.

April 18, Wednesday

Dr. Roness tested C.S.H.'s eye. C.S.H. could barely see the large letter A and nothing beneath. C.S.H. left. Dr. Roness was disappointed at this result.

Later C.S.H. got better so call him up and put following questions:

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

He seemed to have no doubt as to the result and said I would have very good sight.

He said to cease putting in the drops he had given me after tonight but to keep up the hot compresses.

He also said I could cease wearing the dark glass after Friday and that I could use the strong glass for my right eye as it was, of course, out of focus.

155

April 23

Mrs. Newlands loaned me her machine for a drive.

Dr. Rones accepted my invitation to lunch Sunday to meet Janet Fish, saying he would put off another engagement.

156

April 26

Dr. Rones and Janet Fish lunched with us. C.S.H. told him of the celebration Mrs. Wooley and I had when she called with her new glasses and he quickly replied,— "You will be having a celebration soon!"

C.S.H. asked Dr. Rones why he could not have a new glass with limited power as to focussing so he could work with his eye, and he said this would be done after his needling. (Up until now C.S.H. had no glass for his right eye, but had to depend on his left eye.)

April 29

Dr. Rones tested my eye again and I had the same difficulty in seeing all but the largest letter.

He said the capsule was right in the line of my vision. He appointed next Wednesday for needling and asked me to tell Dr. Ruffin to make the necessary blood tests.

He said he was able to see behind the capsule and everything there seemed in good condition.

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

C.S.H. however, has a feeling that Dr. Rones is not as confident of success as he was the other day, but Bertie feels with him that there is no reason for discouragement. He again said he saw no reason why I should not regain my sight.

159, 160

April 30

Dr. Dunn

Sugar in urine 0
Blood sugar 13.0
Blood pressure 170
Blood count 78

161

May 1

Gianini called

We drove out in Mrs. Newland's auto.

161

May 3

Janet Fish called and said Dr. Rones asked her to get an office nurse for him.

162

May 4, Monday

Went to hospital for Needling

162

May 5, Tuesday

Dr. Rones needled my eye. It took about two minutes and there was no pain, but it was quite an operation.

162

May 8, Friday

Left the hospital.

After reaching home, I had to use the greatest care and could sleep only on my back and right side after the operation for several days. I was not allowed to sit up even to empty my bladder.

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

When I entered the hospital for needling I weighed 161 lbs.
163

May 9

Weighed 159 lbs. Dr. Ruffin had ordered a diet of no sugar, little starch and said no blood test was necessary. At each meal I had a slice of toast softened with milk. Dr. Rones said to keep the atropin until he saw me on Sunday, also to keep up the hot applications.
164

May 9.

Weight 159 lbs.
165

May 10

Weight 162 lbs.

Dr. Rones called and said he had no doubt but that I should get back normal sight and fixed next Tuesday for first test of glasses.

165

May 11

Weight 162.

May 12

Dr. Rones tested my eye for nearly an hour. It showed marked improvement in sight over the last test. He said his problem now was to find whether I could read easier over or under the scars on the cornea. He said to stop taking atropin but continue hot bandages. He said he was absolutely confident I would have a good working sight both for reading and long distance.

166 - 167

May 11

Dr. Rones said he would not prescribe glasses for the present, probably not for several weeks. He said, "All is going well; don't think for a moment I am discouraged." C.S.H. is discouraged but hopes for the best.

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

Dr. Rones said he suspected that C.S.H. feared blindness; which feeling, he said, was absolutely absurd. He said he would call again on Thursday.

167

May 14

Dr. Rones called and said he would give me glasses on Monday. He seemed sanguine and certain.

169

May 16

Weight 161

May 17

Weight 160

May 19

Weight 160. C.S.H. called up Dr. Rones who appointed for giving me glasses.

170

May 20

Dr. Rones after a long test, gave me a long distance glass. C.S.H. was bitterly disappointed as it did not give him as much sight as did his left eye without any glass.

Dr. Rones, however, seemed satisfied. He said to wear it three or four times a day in order to get used to it. We paid \$24 for a gold frame and \$7 for the glass.

C.S.H. found, however, he could see better with his left eye without any glass.

171

May 21

Called on Dr. Rones who said I could wear a green shade on my left eye when using the new glass on my right eye. The opticians, Franklin & Co., said that my eye would strengthen as to sight beyond any doubt, and I would have normal sight ultimately.

Weight 159½.

172

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

May 22

The new glass does not give me as good sight as my left eye without a glass.

173

May 23

Dr. Rones called.

C.S.H. asked when he could have a stronger glass. He said, "In a month or two!"

This depressed C.S.H. Dr. Rones said the present glass was the strongest C.S.H.'s eye could stand. He said he had not changed his opinion that C.S.H. would come through all right, but that, of course, it would take time.

He said to work the right eye all I could and to cover up the left eye as much as possible. C.S.H. feels he has had a nervous breakdown, but is now sleeping without drugs.

175

May 24

C.S.H. sees improvement in his right eye. He can see a little better.

Dr. Dunn called:

Sugar in urine	0
Blood sugar	13
Blood Pressure	172
Blood count	80

This is the best showing for many, many years!

Still sees a faint improvement in my eye.

176

May 25

C.S.H. called up and left a message for Dr. Rones saying he was so depressed at the last meeting, and would from now on brace up; that he was feeling much better and sleeping better.

176

May 25

Dr. Rones has not complied with my request for him to call me up. C.S.H. hopes he is not annoyed at his recent nervousness.

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

May 25

My right eye is certainly improving in sight, but very slowly.

1. The other evening I could read the electric light "Belasco" over the Belasco Theatre, which I could not read with my left eye.
2. Last evening could read a good part of a sign on an apothecary shop, which I could not read with my left eye.
3. Looking across our parlor, I can see with my right eye; I can see clearly the slate on the back of a chair, which I cannot see with my left eye.

177, 178

May 28

Made appointment with Dr. Rones to fit reading glasses tomorrow at 4 P.M.

178

May 29

Dr. Rones said he would change my distance glass and give me a reading glass next week.

He tried on a glass for reading and I could almost read with it. He said it needed, however, careful adjustment.

179, 180

May 29

Dr. Rones said, "No matter what happens to your left eye, you will never be disappointed by your right eye. You will have vision for practical work both for distance and reading."

180

June 9

Governor Eccles writes C.S.H. a fine letter strongly advising his going away for the summer.

189

June 9

The reading glasses given me by Dr. Rones a few days ago are working very, very well although very weak. I can read some advertisements in the papers and can almost read magazine articles.

190

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

June 10

Am able to pick up a good deal with my reading glass, although it is very weak. I never believed I could read with my right eye again! It seems almost a miracle! With a slightly stronger glass, I feel I could read anything. The scars on my cornea do not interfere at all.

191

June 12

Dr. Rones said my eye had improved wonderfully. I read cards to him and he said I was well within range of normal sight.

191

June 15

Dr. Ruffin called and gave me a tonic as I told him I was very nervous and did not sleep well. He agreed with Dr. Rones that the trouble I had with my retina was curable.

He said my blood pressure was well below 200. He said my arteries were soft and I had nothing to fear from high blood pressure. He said my heart was in fine condition and that I looked in fine shape.

192

June 18

Dr. Rones gave me a new distance glass.

194

June 19

Paid \$5 for new glass. Can see distinctly better. Said he would not change reading glass for the present.

194

June 22

Miss Kerr, former nurse and secretary of Dr. Wilmer, called by appointment. She asked C.S.H. to see if he could get a place for her not connected with the eye,—a general position. C.S.H. said if he heard of anything he would let her know. She said Mrs. Wilmer advised her to see C.S.H.

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

She praised Dr. Rones' skill. I gathered that she had now left Dr. Rones and was employed by Mrs. Wilmer. She said that at first Dr. Wilmer was greatly disturbed because Dr. Morrison had let my eye go on for such a long time without operation, and was somewhat worried as to the success of an operation now.

Just after the preliminary operation, however, he told her everything was all right and that C.S.H. would go through it successfully to the end.

She said Dr. Wilmer said the preliminary operation was the really critical one with C.S.H.

196

C.S.H. is grateful to Dr. Zynkin for his advice not to have Dr. Morrison perform the operation.

Miss Kerr said Dr. Morrison had gone all to pieces after leaving Dr. Wilmer, and did very little operating.

197

June 25

Dr. Rones said my eye had greatly improved both as to long distance and reading; that I could soon read newspaper print. He examined my eyes for glaucoma, but said he found no evidence of it.

He said there was a minute speck on my retina, which, however, had greatly improved, and he was certain would soon disappear; that the spot was in the line of my vision and somewhat impaired it; that if in any other part of the retina C.S.H. would never have noticed it.

197

June 25

Dr. Rones called. He said he first knew of the speck on my retina when he tested my eye just before needling; that I should have been able to see much better than I did, were it not for this speck. He expressed perfect confidence that the speck would soon disappear, and get good sight. He said he had written Dr. Gunderson fully.

198

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

June 27

We gave dinner at Democratic Club to Dr. Rones, Lynn Cooper et al.

199

June 30

Dr. Dunn called—	
Sugar in urine	0
Blood sugar	13.8
" pressure	170
" count	82
Weight	164½

200

(End of Hamlin, C. S., Operation)

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Special Counsel 157, 193

Hamlin, Edward, George, Harriet — See Special Counsel

C.S.H. receives letter from George P. Hamlin, Jr. claiming that the notes of his father to Harriet and Jane Hamlin have been paid.

C.S.H. at once answered this in the negative.
October 4, 1935 1

George called C.S.H. on telephone and asked C.S.H. for an interview at Trust Co. office of Robert Tappan in Boston. C.S.H. said he was just leaving for Washington but would see him here in Mattapoisett when he returned. C.S.H. asked what he wanted to talk about, but he was very vague and mentioned only the cow pasture.
Oct. 4, 1935 2

C.S.H. prepared form of letter for Harriet to write to George asking him to send her the two notes given by him to Harriet and Jane, the preferred stock in Metropolitan Coal Co., the fire insurance policy, a life insurance policy in which his Father made them beneficiaries, and other papers.
Oct. 4, 1935 2

Hamlin, C. S. (Cont'd)
Cataract Operation (Cont'd)

The professor Dr. Rones' skill. I gathered that she had now left Dr. Rones and was employed by Mrs. Wilson. She said that at first Dr. Wilson was greatly disturbed because Dr. Morrison had let my eye go on for such a long time without operation, and was somewhat worried as to the success of an operation now.

Just after the preliminary operation, however, he told her everything was all right and that C.S.H. would go through it successfully to the end.

She said Dr. Wilson said the preliminary operation was the really critical one with C.S.H.

198

C.S.H. is grateful to Dr. Morrison for his advice not to have Dr. Morrison perform the operation.

Mrs. Kerr said Dr. Morrison had gone all to pieces after leaving Dr. Wilson, and did very little operating.

197

June 25

Dr. Rones said my eye had greatly improved both as to long distance and reading; that I could now read newspaper print. He examined my eyes for glaucoma, but said he found no evidence of it.

He said there was a minute speck on my retina, which, however, had greatly improved, and he was certain would soon disappear; that the spot was in the line of my vision and somewhat enlarged; that it in any other part of the retina C.S.H. would never have noticed it.

197

June 25

Dr. Rones called. He said he first knew of the speck on my retina when he tested my eye just before meeting; that I should have been able to see much better than I did, were it not for this speck. He expressed perfect confidence that the speck would soon disappear, and get good sight. He said he had written Dr. Gundersen fully.

198

Hamlin, Edward, George, Harriet (Cont'd)

Edward sends C.S.H. a mem. to effect that C.S.H. sold his interest in Harrison Ave. and Tyler Street, for \$5,000 paid by Edward and \$5,000 paid by George, in January 29, 1920.

Oct. 4, 1935 2

Edward also in mem. said that he and George each loaned \$1,500 to C.S.H. in January 5, 1921.

He said C.S.H. paid above loans with interest in 1928.

Oct. 4, 1935 2

George writes C.S.H. that it appears from his Father's accounts that C.S.H. and H.P.H. apparently owe his Father's estate \$15,932.72.

C.S.H. answered this in full, pointing out that all but about \$5,000 of this represented gifts of Edward and his Father to Harriet and Jane, with which we had nothing to do. See letter on file.

Oct. 28, 1935 22

Some time ago, George sent me what he called and "account" taken from his Father's books, purporting to show that we owed his estate over \$15,000.

C.S.H. at once wrote George stating as a fact he had not claimed that all items in this account, other than interest and taxes in Cow Pasture, were payments to Harriet and Jane in excess of principal and interest due them on the Notes of Edward and George Hamlin. See letter.

Nov. 13, 1935

C.S.H. sent Edward and analysis of George's so-called "account". C.S.H. pointed out that about \$10,000 of the total of over \$15,000 represented gifts to Harriet and Jane with which we had nothing to do.

Nov. 13, 1935 33

C.S.H. sends above analysis to George.

Nov. 14, 1935 33

Hamlin, Edward, George, Harriet (Cont'd)

In answer to C.S.H.'s request George sends C.S.H. an account covering 1917, but does not answer C.S.H.'s question whether he or Tappan did not claim that all gifts to Harriet and Jane were really over payments of principal on the notes for \$21,000 each given to Harriet and Jane.

Nov. 16, 1935 33

We dined with the Chinese Ambassador to meet Mayor Mansfield of Boston. H.P.H. talked with him about the Cow pasture and he was very sympathetic saying it was a shame that this land should be undeveloped.

C.S.H. talked with him about the Tenean property. He did not seem to know much about it, and said he thought it had been cleared up.

C.S.H. suggested that Ned call on him and explain it. He said he would be glad to see Ned at any time and called over his Secretary and said that whenever Ned asked for an interview, he should see to it that he be admitted at once.

Nov. 18, 1935 34

H.P.H. takes Mrs. Mansfield for a long drive over Washington.

Nov. 19, 1935 34

C.S.H. writes George as to a possible compromise of claim of Harriet and Jane on promissory notes of Edward and George. Ned approved this letter.

Nov. 28, 1935 43

George sends C.S.H. a really impudent letter criticizing him for having refused to give him an interview for six months and stating that there were many business matters between his Father, Ned and C.S.H. in which he desired information.

Nov. 27, 1935 43, 44

C.S.H. replied denying his statements in toto.

Nov. 29, 1935 44

Hamlin, Edward, George, Harriet (Cont'd)

Ned advises C.S.H. to accept position as Special Counsel to Federal Reserve Board. C.S.H. Called him up in Boston. Jan. 21, 1936 87

Hamlin, Huybertie Pruyn

Arrives in Washington from Albany. Nov. 7, 1935 27

Sold the gold tea set to Ayre and Taylor, Washington, for \$800. It originally cost for gold, manufacture, etc., \$1,400. The firm offered to sell it to Mint at 10% commission or to buy it outright for \$800. Nov. 25, 1935 39

Lunches at White House to meet wives of Supreme Court Justices. Dec. 12, 1935 47

Goes to symphony concert with Mrs. Morgenthau. Dec. 12, 1935 47

Goes with C.S.H. to New York to Carnegie Endowment meeting. Grace King dined with us at the Biltmore. Dec. 13, 1933 48

Attended class in public speaking at Democratic Club. The woman in charge told the class she heard that Bertie was called unexpectedly to speak at the dinner and that her address excelled all the prepared addresses. She made Bertie repeat some of her stories to the class. Dec. 17, 1935 51, 52

President and Mrs. Roosevelt sent Bertie for Christmas a beautiful Poinsetta plant. Dec. 24, 1935 56

Senator Glass sends his love to H.P.H. Jan. 4, 1936 69

Dines with Edith Helm. Present: Mrs. Roosevelt Mrs. Morgenthau Mrs. Wm. Phillips Mrs. Scheider and H.P.H. Jan. 4, 1936 69

Hamlin, Edward, George, Harriet (Cont'd)

In answer to C.S.H.'s request George sends C.S.H. an account covering 1934. Ned does not answer C.S.H.'s question whether he or James did not claim that all gifts to Harriet and Jane were really over payments of principal on the notes for \$21,000 each given to Harriet and Jane.

Nov. 16, 1935 33

We dined with the Chinese Ambassador to meet Mayor Mansfield of Boston. H.P.H. talked with him about the Gov papers and he was very sympathetic saying it was a shame that this land should be undeveloped.

C.S.H. talked with him about the James property. He did not seem to know much about it, and said he thought it had been cleared up.

C.S.H. suggested that Ned call on him and explain it. He said he would be glad to see Ned at any time and called over the Secretary and said that whenever Ned asked for an interview, he should see to it that he be admitted at once.

Nov. 18, 1935 34

H.P.H. talks Mrs. Mansfield for a long drive over Reading.

Nov. 19, 1935 34

C.S.H. writes George as to a possible compromise of claim of Harriet and Jane on promissory notes of Edward and George. Ned approved this letter.

Nov. 22, 1935 34

George sends C.S.H. a really lapidary letter criticizing him for having refused to give him an interview for six months and stating that there were many business matters between his father, Ned and C.S.H. in which he desired information.

Nov. 27, 1935 34

C.S.H. replied denying his statements in toto.

Nov. 29, 1935 34

Hamlin, Hybertie Pruyn (Cont'd)

Bertie lunches with Mrs. Morgenthau to meet Mrs. Roosevelt. After lunch she talked with Mrs. Roosevelt for 20 minutes and, of course, never mentioned our trouble.
Jan. 26, 1936 101

Harrison Avenue Property

C.S.H.'s share bought by his brothers for \$10,000.
Jan. 29, 1920 2

Harrison, Gov.

Thurston said, offered to bet \$5 that the whole Board and Broderick would be reappointed.

Considering Governor Harrison's close relations in the treasury, C.S.H. thinks this is significant.
Jan. 2, 1936 66

Hay-Adams House

C.S.H. wrote Sinrod for a rate of \$100 per month from June through November.
May 24, 1936 175

Calls on C.S.H. and agrees as above.
June 1, 1936 185

Helm, Edith

Leaves Mattapoisett
Oct. 8, 1935 3

C.S.H. goes to, for cocktail and later to dinner at Democratic Club.
Oct. 25, 1935 10

Bertie dines with— Present:
Mrs. Roosevelt
Mrs. Morgenthau
Mrs. Wm. Philipps,
Mrs. Schneider and H.P.H.
Jan. 4, 1936 69

Dines with us.
Jan. 25, 1936 101

Hemenway, Mrs.

Writes us that 900 attended the Winsor School dinner.
May 22, 1936 172

Hitchcock, Ex-Senator

Roosevelt offer of place in Federal Reserve Board to
aged and infirm, shows he does not understand much of
Federal Reserve System.
Dec. 28, 1935 118, 58

Hodsdon, Mr.

See Cow Pasture -- Edward Hamlin

Holding Companies

There are 50 large, of banks in U.S.
See Transamerica Voting Permit
25

Houghton, Alanson

We took Thanksgiving dinner with.
Nov. 28, 1935 41

Attended St. John's Men's Club at home of.
Dec. 16, 1935 49

House, Col.

See Munitions Committee

Howe, Louis

Mrs. Roosevelt told H.P.H. that Roosevelt's address to
Congress was shown to, in the hospital; that he thought
it not bold enough and made many suggestions, all of
which Roosevelt accepted.
Jan. 4, 1936 70

Death of
April 18, 1936 153

Hoxton, Mr., Chairman, F. R. Bank of Richmond.

Is ill in hospital.
C.S.H. wrote Mrs. Hoxton.
Dec. 2, 1935 45

Death of
Dec. 20, 1935 54

- I -

Income Tax, Mass.
Paid tax. C.S.H. - 0; H.P.H. \$21.11
Jan. 27, 1936 - 105

Income Tax, National
131, 135, 136 - See Reynolds

Industrial Trust Co.
See Fed. Reserve Bank of Boston
1, 3

Interior Department
See Old Swan Tavern

--- o ---

- J -

James, George R.
Thomas said the Tennessee Senators went to James and said they would bombard Roosevelt to make him reappoint him, but James told them not to do it.

Thomas said James did not care whether he was appointed or not.
Dec. 23, 1935 55

Jay, Pierre
Writes C.S.H. a very nice note on his retirement from the Board.
Jan. 27, 1937 107

Johnson, Senator Hiram
Senator McNary told C.S.H. that he and, were very indignant that he and Miller were dropped from the Board, but were relieved to know that C.S.H. was to continue as Special Counsel; that they felt that the experience which C.S.H. had had was the most vital asset of the Federal Reserve System.
Feb. 10, 1936 127

Joslin, Dr.
Writes C.S.H. that high blood sugar patients often have peculiarly brilliant qualities not shared by others. He said he remembered so well what I did for him with Sec. of State Kellogg as to Clemenceau.
Feb. 29, 1936 136
See Hamlin, C. S., Operation--145, 146

- K -

Keating, Mrs.

See Bannister
Glass

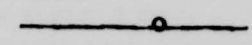
124

King, Grace

Dines with us in New York

Dec. 13, 1935

48



Income Tax, Mass.
Paid tax. C.S.R. - G; N.P.M. 221.11
Jan. 27, 1935 - 102

Income Tax, National
121, 122, 123 - See Reynolds

Industrial Trust Co.
See Fed. Reserve Bank of Boston

Interior Department
See Old Man Tavern

- J -

James, George B.
Thomas said the James Bannister was to James and said
they would handle Bannister in some way regarding his
but James said that not to do it.

Thomas said James did not care whether he was appointed
or not.
Dec. 22, 1935 22

Jay, Pierre
Written C.S.R. a very nice note on his retirement from
the board.
Jan. 27, 1937 107

Johnson, Senator Elmer
Senator Elmer Johnson told C.S.R. that he and some very high-
ranked men had been dropped from the board.
but were believed to know that C.S.R. was to continue
as Special Counsel; that they felt that the experience
which C.S.R. had had was the most vital asset of the
Federal Reserve System.
Jan. 10, 1936 137

Johns, Jr.
Written C.S.R. that high level sugar payments often have
particularly brilliant qualities not shared by others. He
said he considered so well that I did for the vice Soc.
of State College as to St. Lawrence.
Feb. 22, 1935 132
See Hamilton, C.S., Operation-121, 122

- L -

Lane, Franklin, Secretary

Miller said Lane visited Roosevelts at Hyde Park in 1916; that he, Miller, was also there; that Lane told him that Roosevelt said that if he could get \$250 he could carry the county; that Lane asked him--Miller--to give this, and Miller said he gave it.

Jan. 26, 1936 94

Lawrence, Bishop

COPY

"Hay-Adams House
Washington, D. C.
March 17, 1936

"Dear Bishop Lawrence:

"My first letter in my convalescence was to my sister Harriet and this letter to you is the second.

"I have gone through the preliminary operation for cataract, they say, with great success. In the first operation they do something, I do not know what it is, to cut off all nutrition from the lens and then the lens begin to wither and become ripe, as they say, so that it can be easily taken out.

"There was really a tragedy connected with all this for Dr. Wilmer, a very old friend of forty years, was appealed to by me to do this operation, and he said he would be most happy to do it as he looked on me rather as an old friend than a patient. He was so kind and sympathetic during the operation, which, you will be surprised to know, took him just twenty seconds to do. Of course, the anesthetizing took a considerably longer period. When my operation was over, I said to him, "Dr. Wilmer, I feel very disappointed", and he said, "Why is this?" I answered, "I thought you were going to do something to me and apparently you haven't touched me", and he laughed. This was on Tuesday. On Wednesday late in the afternoon, he came into the room again dressed in his white coat and dressed my wound and then he put his hand on my forehead, as if he were giving me a blessing, and said, "Old man, you are all right. Goodnight", and then he left the room and early the next morning dropped dead. Bertie, however, did not tell me this until yesterday, Sunday, and on the whole, I am glad she did not. I wondered why he did not drop in on me but I supposed that his assistant could do all that was needed, so I was not suspicious at all.

Lawrence, Bishop (Cont'd)

"Tomorrow all my bandages are to be removed and I shall have simply colored glasses. I expect to leave the hospital Wednesday and then must wait two or three weeks for the final operation. I have decided to have Dr. Wilmer's assistant, Dr. Rones, perform this. He was with Dr. Wilmer for eleven years and everybody speaks of him as one of the most brilliant operators in this part of the country, so I have perfect confidence that he will carry me through all right.

"Bertie, with her usual sense of humor, has kept me feeling in fine shape. I have an appetite like an ox, which I suppose, is a good sign. If I am not allowed all the food I want, I bear it with ignominy.

"Bertie joins me in best love.

Affectionately yours,

C.S.H.

The Right-Rev. Wm. Lawrence
122 Commonwealth Avenue
Boston, Mass."

The reply--

COPY

122 Commonwealth Ave.
Boston

March 18, 1936

My dear Charles--

Your letter hit me at three points. It was such a surprise. That you should in such a crisis write me after you had written your sister touched me deeply; it was a token of warm friendship and I thank you.

Altho' I knew that your eyes were in poor condition I had no idea that you were so near an operation for the removal of cataract. Grateful am I that you have come through it so successfully.

What a man you are and how happy in your surgery. Don't you recall that in your prostate operation when it was almost over you asked the surgeon when he was going to begin?

What a wonderful change has come over the methods of the operation! "Only twenty seconds".

Lawrence, Bishop (Cont'd)

I hope and am confident that all will go well to the finish. Write me or ask Bertie to do so.

As to Dr. Wilmer: "A tragedy!" Yes, to those who are left and whom he would have helped. But what a life of beneficium was behind him!

There are skilled Surgeons and there are surgeons who are friends of everyone who has heard of them. Dr. Wilmer was such an one. I knew him only slightly and yet I thought of him as a friendly friend and thousands felt the same. The news of his death came to me with a vividness and regret that I would feel for the death of a relative whom I have seen everyday.

You are a fortunate man to have the memory that upon you he poured what was his best and last-

I am going to pass your letter on to two of his patients to read. My Sister, Mrs. Heminway, and my son-in-law, Harold Peabody. My best love to Bertie. She must have had some anxious hours and some happy ones.

With wishes and prayers that you may have years of usefulness and of happy work.

Yours affectionately,
WILLIAM LAWRENCE"

Letter to Bishop Lawrence--

COPY

Eye & Ear Hospital
Washington, D. C.
April 8, 1936

My dear Bishop Lawrence:

Mrs. Hemenway came to see me ten days ago just before my departure for the final operation. We had a delightful call of nearly an hour and the only criticism I could make was that she should have stayed at least two or three hours. She said that she wrote Dr. Wilmer for an appointment on the day of his death. I strongly urged her to go to Dr. Rones who worked with Dr. Wilmer in Baltimore for eleven years and has been associated with him in Washington for the last two or three years.

Lawrence, Bishop (Cont'd)

I was strongly advised to have him continue the operation in Dr. Wilmer's place and friends of mine, unknown to me, make careful inquiries about him and the report was unanimous that he was a most brilliant operator and thoroughly cognizant with Dr. Wilmer's methods. I feel that Mrs. Hemenway could do no better than to go to him as I firmly believe that Dr. Wilmer's mantle has settled on his shoulders.

I remember writing you about my first operation. There was then an intermission of ten days and I was glad to go back and do anything I pleased and enjoy myself for at least ten days more before the final operation. This interval, however, to me was very gloomy as I could not help thinking of what was coming. Well, to make a long story short, a week ago last Monday, I returned to the hospital and Monday evening they did various things to me, the most disagreeable of which was that they cut off my eyelashes. However, they assured me that they would grow out again and that comforted me. The next day, Tuesday, I was operated on by Dr. Roncs. The operation was somewhat longer than the first one but I think the actual operating time was not over five or six minutes and I suffered no pain. I had some trouble sleeping the first night but that soon passed away and now I am sleeping comfortably without any drugs and if all goes well, I expect to leave the hospital this week, Saturday.

I am really more or less of a coward as regards pain and even as a child I dreaded the doctors. When the time came, however, to go down to the operating room, I quietly repeated to myself the Twenty-Third Psalm,—"Yea, though I go through the valley of death. . ." and the march to the operating room seemed more like a march of monks to a religious festival--all element of fear having vanished.

A humorous incident occurred just before they began to operate--my nose itched violently and I told them the operation could not go on unless I could scratch my nose, and they said it was absolutely forbidden, but two doctors rubbed my nose and finally satisfied me, whereupon the operation went on. Dr. Roncs said I went through it splendidly without even a whimper. As a matter of fact, towards the end of the operation, I asked him how things were going along and he said, "The operation is complete", and surprised me greatly. He then said, "You have gone

Lawrence, Bishop (Cont'd)

through this ordeal in a magnificent way, but I don't mind telling you now that I thought you were going to be a very poor patient because you have asked me from time to time so many questions about the whole matter." I said, "Doctor, when you know me better, you will realize that I have a very inquisitive mind." He then said, "Good Lord! Do you think we have only now discovered this!?" Then all the doctors laughed and I joined them. It seems strange to be sitting here now talking the thing over as if we were in a club smoking after a dinner. After a couple of days, I was comfortably convalescent and each day felt stronger, and if everything goes well, I hope to leave Saturday of this week and spend a quiet Easter at our apartment house.

The operation was pronounced a complete success. Of course, I have not tried to use my eye up to the present time for it is filled with drops tending to dilate the pupil. I had a striking piece of evidence, however, as to the use of my eye. In the first operation an electric light was held almost in my eye but I could not see it—I saw the glow, of course, but nothing more. In the second operation the same procedure was followed and I could see nothing but this glow. Suddenly, however, when the operation was nearly completed, it flashed over me that I was seeing for I could see the electric light and the fingers of the man holding it before my eyes. This was a message for I understood at once—the cataract had been removed and the light of heaven was coming through on to my retina and optic nerve. When I realized this, I felt as did Xenophon and his ten thousand followers in their weary march toward the sea. When at last they caught sight of it they cried in exultation—"Thalassa! Thalassa! The Sea! The Sea!" So I said to myself—"Thalassa! Thalassa! The Light! The Light!"

Whenever I go back, however, I must have a dark lens on my eye for at least two weeks before they will attempt to adjust eye glasses to it for it is necessary to wait until it is absolutely solidly healed. However, I can wait that time patiently.

Bertie's sense of humor has never, and I trust will never, leave her. I told her the other day that it was at least two years since I could see her face distinctly. She promptly told the doctor that she wished three days' notice before I was permitted to use my glasses for she wished to go to Emile, the hair dresser, and have her face lifted, eyebrows plucked, hair dyed, and everything else done in a vain attempt to make herself look as she did two years ago. However, I told her this was not necessary as I was sure that she looks younger than ever. In fact, to me she is a kind of Peter Pan—she will never grow old.

Lawrence, Bishop (Cont'd)

I have dictated this letter hurriedly but will not be permitted to correct it, so you will understand its being marked "dictated, but not signed". Bertie joins in love to you.

Affectionately,

C.S.H.

The Rt.-Rev. Wm. Lawrence
122 Commonwealth Ave.
Boston, Mass.

Dictated, but not signed.

Bishop Lawrence's reply--

COPY

122 COMMONWEALTH AVENUE
BOSTON

Easter Eve--

My dear Charles--

Congratulations!
and again
Congratulations!
and
A Happy Easter
to your ever young
Bride!

How grateful you must be that what you have so long dreaded is now happily behind you. Somehow the removal of a cataract seems to me the great miracle of surgery! And the methods of the last few years have transformed the process of it and 50 years ago when my father underwent the operation at the hands of Hasket Norby.

And what a wondrous exponent of surgery Dr. Wilmer was. His character as well as his hands seemed to have a healing power.

I have forwarded your letter to Mrs. Hemenway who will be much interested.

Well, my dear Bertie, does it not seem good to have a husband who can now see your beauties as well as hear your voice?

It is lovely to think of you both in quiet happiness.
Best love and again a Happy Easter.
Your affectionate friend,
WILLIAM LAWRENCE

"Leave" as Special Counsel

Governor Eccles told C.S.H. he could take all the leave he desired.

Jan. 27, 1936 106

Leutrum, Countess

Writes C.S.H.

Oct. 4, 1935 2

The Mark Twain letter of, was rejected by the Celebration and C.S.H. sent it Thurston's suggestion to the Editor of the Washington Post.

Oct. 28, 1935 18

Washington Post accepted her article but said they could not pay much for it. C.S.H. said he would leave this to them.

Nov. 1, 1935 26

Washington Post sends check for \$12 to C.S.H. for Countess Leutrum's article and C.S.H. wrote sending her his check.

December 6, '35 45

She writes C.S.H. A very grateful letter for the check.

Dec. 30, 1935 60

Liberty League

See Smith, Al

102

Lira Exchange

See F. R. Bank of Boston Industrial Trust Co.

1

Logan, Mr.

See Wyatt

Lodge, Constance

See Williams, Mrs.

Lunches

Bertie lunched at White House to meet wives of Justices of Supreme Court.

Dec. 12, 1935 47

Lunches (Cont'd)

Bertie lunches with Mrs. Morgenthau to meet Mrs. Roosevelt.
Jan. 25, 1936 101

Bertie lunched with Rachel Hale
Feb. 11, 1936 128, 130

C.S.H. lunches with Gov. Young
Feb. 26, 1936 134

We lunched with Mr. & Mrs. Charles Warren.
March 29, 1936 147

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... ..

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Jan. 27, 1936 132

... ..

Oct. 4, 1935 2

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Jan. 28, 1936 13

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Nov. 1, 1935 25

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December 8, 1935 25

... ..

Dec. 20, 1935 30

... ..

102

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Dec. 12, 1935 27

- M -

Mansfield, Mayor

We dined with Chinese Ambassador to meet.
Nov. 18, 1935 34, 37

See Hamlin, Edward — Cow Pasture

Marine Midland Corporation

See Voting permits 18, 63, 64

Marshall, Mr. Thomas

We took breakfast with Justice McReynolds to meet, and
Mrs. Dougherty.
June 21, 1936 194

Marvin, Dr.

See Dimock, Mrs. 132

Marvin, Langdon

Called on us with his daughter. They had just been
at the White House. He said he wrote Roosevelt asking
if C.S.H. was not to be reappointed; that Roosevelt
replied that he wanted to reappoint C.S.H. but did not
feel that he could in view of the age limit he had
fixed.

He said Roosevelt spoke frequently of C.S.H. and ex-
pressed deepest regret that he could not reappoint
him and added that he had been appointed adviser
of the new Board, and that this was a higher and
more dignified position than that of an active member.
Feb. 21, 1936 133

Mass. Income Tax

Paid today.
C.S.H. 0
H.P.H. 21.11
Jan. 21, 1936 105

McADoo, Senator

See Munitions Committee

Morrison, Dr.

See Hamlin, C. S. - Operation

McClellan, Mr. & Mrs. George

We dined with

Dec. 25, '35 57
Feb. 15, '36 130

McKee, Mr.

Reported to be on slate for Federal Reserve Board appointment.

Jan. 19, 1936 83

Appointed for 8 year term

Jan. 25, 1936 105

C.S.H. called up, and he was very kind and courteous. He said the whole Board arranged to call on C.S.H. an pay their respects but he was ill at home.

Feb. 10, 1936 127, 128

Sent C.S.H. flowers to hospital.

See Hamlin, C. S., - Operation

McNary, Senator and Mrs.

We dined with, at Mayflower hotel. Sen. McNary told C.S.H. that he and Sen. Hiram Johnson were very indignant at the dropping of C.S.H. and Miller from the Federal Reserve Board, but that now they were much relieved to learn that C.S.H. was to act as Special Counsel.

He said C.S.H.'s experience was a vital asset of the Federal Reserve System.

127

Feb. 8, 1936

McReynolds, Justice

We took breakfast with, to meet Mrs. Thomas Marshall and Mrs. Dougherty.

June 21, 1936 194

Mercantile Bank and Trust Co.

Reference to Wyatt's early opinion

16

Metropolitan Coal Co.

See Hamlin, Harriet

2

Michelm, Charles

Miller told C.S.H. that Roosevelt's radio address as to closing the banks, was written for him by, who read it to him before showing it to the President, who somewhat abbreviated it.

Dec. 24, 1935 56

Miller, Adolph

When C.S.H. reported Stern's name for Class C director, Philadelphia, he explained his whole record. Miller cut him off and said—"Do you still report him?"

C.S.H. said yes and Miller called for a vote and the vote was unanimous.

Oct. 22, 1935 8

Said Governor Eccles should have delivered his address before American Bankers' Association at the beginning and then should have quietly left.

Nov. 18, 1935 37

Miller opposed C.S.H.'s motion to approve all Class C directors who were also Chairmen, whose terms expired in Dec. 31, 1936, for three years but to designate them as Chairmen only at the pleasure of the Board. Miller wanted us to let all the terms expire in Dec. 31, 1935 without any reappointments except Peyton of F. R. Bank of Minneapolis.

Nov. 29, 1935 42

Miller attacked Chairman Curtiss of Boston.

C.S.H. said that the the proper time he would reply to Miller's attack.

Nov. 29, 1935 42

Miller fiercely said he would agree to C.S.H.'s motion if the new designation were made to expire in March 1. C.S.H. agreed. Carried unanimously.

Nov. 29, 1935 42

Told C.S.H. that at lunch the other day at the French Embassy, someone from New York said that Roosevelt intended to make a clean sweep of the entire Board!

Dec. 24, 1935 56

Miller, Adolph (Cont'd)

Told C.S.H. that Charles Michelm wrote Roosevelt's radio address as to closing the banks; that Michelm read it to him—Miller—before giving it to Roosevelt; that Roosevelt abbreviated it considerably.
Dec. 24, 1935 56

Said Berle wrote the Railroad speech Roosevelt gave during the campaign of 1932.
Dec. 24, 1935 56

Said Wm. Phillips told him that Roosevelt told him that from now on, every appointment must be made with a view to politics.
Dec. 25, 1935 57

Miller told C.S.H. he would not be at all surprised should Roosevelt, with his love of politics, clean out the whole Board, but that he could not believe he would drop him or C.S.H. without first informing us of his intention.

He also said his effects were ready to be packed at short notice!
Jan. 3, 1936 66

Said in Board meeting he was to see Glass in afternoon. C.S.H. asked him to let him how if anything of importance transpired and he said he would but he did not call up C.S.H.
Jan. 4, 1936 67

Said he was satisfied Roosevelt desired to clean out the whole Board, but that he was being advised by very influential persons not to do it.
Jan. 4, 1936 71

Said he had talked with several Justices of the Supreme Court who expressed great fear lest Roosevelt should clean out the whole Board.
Jan. 4, 1936 71, 72

Miller talked as if he had been tipped off by Roosevelt, but did not say so.
Jan. 4, 1936 72

Miller, Adolph (Cont'd)

Thurston told C.S.H. that the new age limit would apply to Miller, Thomas, James and C.S.H.
Jan. 22, 1936 90

Roosevelt sends for C.S.H. and Miller and says he cannot reappoint them.
Jan. 23, 1936 93
See Roosevelt

Miller told Roosevelt that his view just expressed in favor of a 10 year term for Justices of the Supreme Court, would remove Cardozo, Stone and Brandeis!
Jan. 23, 1936 95

Roosevelt told us he did not make up his mind to drop C.S.H. and Miller until about three weeks ago.
Jan. 23, 1936 101, 102

C.S.H. fears the age limit was devised in order to get Thomas, protege' of Arthur Mullen, off the Board and that C.S.H. and Miller have been sacrificed to this end.
Jan. 25, 1936 104

New York Times of Yesterday prints a letter taken from Munitions testimony, from Ex-Secretary McAdoo to Wilson bitterly attacking Miller and Warburg as Pro Germans in 1915, and added that, if possible, Miller was a more bitter Pro German even than Warburg!

Morrill said this letter was in the files given by the Treasury to the Senate Committee.
Jan. 10, 1936 75

Senator McNary told C.S.H. that he and Sen. Hiram Johnson were very indignant at the dropping of Miller and C.S.H. from the new Board.
Feb. 10, 1936 127

New York Times put names of C.S.H. and Miller prominently forward as among the guests at the President's dinner. This was evidently arranged by the White House!
Feb. 12, 1936 129
See Roosevelt

Miller, Mrs. Adolph

Mrs. Miller, on March 25, 1928, came out in Washington Post as a signer of an appeal of women for the nomination and election of Hoover.

61, 123

See 178 Scrap Book - Page 92

Birnie West told Thurston at dinner with Mrs. Burling that Mrs. Miller said she would never speak to Roosevelt or Mrs. Roosevelt again,—she was so indignant because her husband was not reappointed.

Jan. 28, 1936 109

Moore, Ass't Sec. of State

Tells C.S.H. that the Senate Committee has sent C.S.H.'s extracts from his Diaries which he gave the Senate Committee, to the State Department. He said he had looked over the extracts and found nothing objectionable in them.

C.S.H. advised him to have one of his men go over them carefully and he said he would.

Nov. 25, 1935 39

Morgen, J. P.

See Shouse 21

Morgenthau, Secretary and Mrs.

Vetoes desire of Board to increase reserve requirements

Nov. 9, 1935 30

H.P.H. goes to symphony concert with.

Dec. 12, 1935 47

Thurston said Sec. Morgenthau would not allow Olyphant to leave Treasury to go on Federal Reserve Board.

Jan. 3, 1936 65

H.P.H. lunches with; to meet Mrs. Roosevelt.

Jan. 25, 1936 101

C.S.H. believes Sec. Morgenthau hated the Federal Reserve Board because it objected to paying over its gold to the Treasury and retained Newton D. Baker to advise it.

Feb. 1, 1936 119

C.S.H. is greatly surprised that Sec. Morgenthau never wrote him as to his failure to be reappointed.

Morgenthau, Secretary and Mrs. (Cont'd)

C.S.H. in many instances helped Secretary Morgenthau in Board matters, and our relations were very friendly e.g. C.S.H. proposed him for Metropolitan Club, and put by many things altho' there was some protest.
Feb. 2, 1936 120, 121

Bertie saw and spoke to Secretary Morgenthau at Senator McNary's dinner, but he never referred to C.S.H.'s failure to be reappointed!
Feb. 10, 1936 128

Morrill, Chester

C.S.H. told, that if not reappointed he and H.P.H. would leave Washington at once and that under no circumstances would he accept any retainer as adviser, as Morrill suggested.
Jan. 11, 1936 78

Morrison, Dr.

130, 131, 132, 138, 173, 192, 196, 198
See Hamlin, C. S.—Operation

Mullen, Arthur

Roosevelt appointed Thomas on Board to please, who was Roosevelt's floor manager at the Convention.
58

C.S.H. begins to realize that he and Miller are dropped by an age limit really designed to hit Thomas, the protege' of.
Jan. 25, 1936 104

Munitions Committee, Senate

See Miller 75
Moore, Ass't Secretary 39

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National Income Tax
See Income tax

National Shawmut Bank of Boston
See Special Counsel
Voting permits 123

Needling
See Hamlin, C.S. - Operation 112, 148

Newlands, Mrs.
Sends her auto and gives C.S.H. a drive
April 23, 1936 156
May 1, 1936 161

Newton, Gov. Federal Reserve Bank of Atlanta
Told C.S.H. Ransom was not definitely slated for the new Board; that a man named Cock was being vigorously pushed by both Georgia Senators,—a pure politician.
January 22, 1936 92

New York Herald Tribune
See Federal Reserve Bank of Philadelphia
Stern 6

Norris, Gov. - Federal Reserve Bank of Philadelphia
Speaking of Stern's appointment as Class C director at Philadelphia, Governor Norris said his directors were all conservative old line Republicans and that, perhaps it was not a bad idea to put in some fresh blood representing divergent ideas into the Directorate.
He said, however, it was ill timed in view of the Municipal election, and gave the Republicans the chance to claim it was a purely political appointment engineered by Senator Guffy and Governor Earle to influence the Municipal election.
He said the Democratic Municipal ticket which Stern was supporting was a good one, and that the Republican candidate was a crook.
C.S.H. said he knew nothing about Philadelphia politics and that neither directly or indirectly had politics entered into the matter; that he had looked into many

Norris, Gov. - Federal Reserve Bank of Phila. (Cont'd)

names, most of which were not available or satisfactory; that Stern's name had been suggested and a thorough analysis of his record was given to C.S.H. and carefully studied by him, and approved by him.

October 22, 1935 7, 8
See Glass
See Stern 16

Invites C.S.H. and Eccles to speak at meeting of stockholders of Federal Reserve Bank of Philadelphia. Governor Eccles wrote regretting and turned letter over to C.S.H. without comment.

C.S.H. wrote he saw no reason why he could not attend. He felt that if not reappointed he could then withdraw.

Later, consulting with Governor Eccles, it was evident that he did not want him to go and he withdrew his acceptance because of a Board engagement.

Jan. 8, 1936 70, 71

Governor Young told C.S.H. the new Board had refused to approve Governor Norris as President of Federal Reserve Bank.

Feb. 26, 1936 134

C.S.H. believes Governor Eccles opposed approval of Governor Norris because of the attack he made upon the Board in criticizing the Banking Act of 1935. His attack was certainly unfair and most injudicious.

135

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Oath of Office

C.S.H. took, as Special Counsel before Mr. Foulke.
Feb. 1, 1936 122

O'Connor

See Comptroller

Old Swan Tavern

The Interior Department last week formally accepted our gift of an old sideboard, once in the old Swan Tavern at Yorktown, bought by C.S.H. in Norfolk, Va. in 1890.

Oct. 13, 1935 3

Oliphant, General Counsel, Treasury

The name of, is slated for the new Federal Reserve Board.
Nov. 25, 1935 40
Jan. 3, 1936 65

Told Logan, Counsel of Federal Reserve Bank of New York that if he retained Newton D. Baker, the Treasury would have nothing to do with the case involved, nor would it ask Congress to appropriate if judgment finally went against the Bank.

Oliphant suggested that Logan retain Leylin, a former Treasury expert, who now is connected with Judge Covington's firm, of which Acheson is a partner.

Logan followed this suggestion.
Jan. 10, 1936 74, 75

Open Market Operations.

Governor Eccles pointed out that the Treasury through the Stabilization Fund, had much more control over Open Market Operations than did the Federal Reserve Board.

He said cooperation with the Treasury was absolutely necessary, and C.S.H. hopes this does not mean that our Board must always follow Treasury policies.

Oct. 21, 1935 4, 5

Open Market Operations (Cont'd)

At meeting of the Open Market Committee, Dr. Goldenweiser spoke for three-fourth of an hour. He preferred to control credit by increasing reserve requirements rather than by sale of Government securities. Williams, Economist of Federal Reserve Bank of New York, seemed to favor an immediate increase in reserve requirements. The Board then left the room.

Dec. 17, 1935 50

Board and Committee finally agreed in a joint statement to effect that they were carefully watching the situation; that there was no reason at present time for increasing reserve requirements.

See Scrap Book

The joint statement took issue with the Federal Advisory Council, which latter body strongly advised selling Government securities, stating that it was very bad policy for Federal Reserve Banks to own 2 1/2 billions of Government securities.

Goldenweiser said the Federal Reserve System had over 7 billions of gold,--equivalent to 100% on all outstanding Federal Reserve Notes, with 60% reserve against deposits.

He also pointed out that the earning assets of the Bank of England largely consisted of Government bonds!

At the meeting, five of the twelve Governors favored sale of Government securities.

At first the Committee voted 3 to 4 against sale of Government securities and in favor of increase in reserve requirements at an early date.

Finally the Board and Committee agreed in a joint statement to the Press as above. The Federal Advisory Council members clearly want the banks to buy Government Securities from the Federal Reserve banks to increase their earning power. They seem to feel that for Federal Reserve banks to hold Government bonds was sin, but for Member banks it was righteousness!

Dec. 18, 1935 52, 53

Open Market Operations (Cont'd)

C.S.H. congratulated Governor Eccles over the result of the Open Market meeting.

Dec. 18, 1935
53

One old line conservative such as Broderick could join with the five Governors on new Open Market Committee and stall the Board.

Jan. 30, 1936 110, 111

C.S.H. gave opinion to Morrill as Special Counsel that Federal Reserve banks have no right to instruct their officers who are on the Open Market Committee, as to how they should vote.

Feb. 26, 1936 134

Operation

See Hamlin, C. S., Operation

Orcott, Mr.

See Grant, Catharine

Owen, Ex-Senator

Calls on C.S.H. and warmly congratulates him on his appointment as Special Counsel

Feb. 9, 1936 126

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C.S.H. hopes however all will be done in the new appointments; it might be dangerous if not all the members and officers had been put on the Board, Dec. 30, 1935

The politicians are getting a drive on Roosevelt for places on the Board, Jan. 30, 1936

Palmer, Mitchell
Death of

May 11, 1936 168

Pan American Institute

Appointed by Carnegie Foundation as a delegate to
convention of Pan American Institute of Georgraphy
and History.

Oct. 14, 1935 3

Pennsylvania State Banking Superintendent Harr
See Guffy 55

Perry, Dr.

Gave H.P.H. a thorough examination. Found her in
very fine condition but a little too stout.
June 16, 1936 193

Peyton, Federal Reserve Agent - Minneapolis

Wrote C.S.H. a very appreciative letter on his retire-
ment from Board.
Feb. 9, 1936 126

Philadelphia

Republicans elect a Mayor
Nov. 5, 1935 26

Phillips, William

Told Miller that Roosevelt told him from now to make
all appointments solely from political point of view!
Dec. 27, 1935 - 57

Policy

See Wyatt 13

Politics

C.S.H. hopes Roosevelt will be above politics in the
new appointments; it might be dangerous if men like
Frankfurter and extreme New Dealers got on the Board.
Dec. 20, 1935 54

The politicians are making a drive on Roosevelt for
places on the Board.
Dec. 20, 1935 55

Politics (Cont'd)

Miller said Wm. Phillipps told him that Roosevelt directed him from now on to make no appointments except for political reasons.

Dec. 27, 1935 57

Roosevelt has been influenced by politics in Federal Reserve appointments, e.g. asking Board to appoint Justus Warder as Federal Reserve Agent at San Francisco; the offer to an old decrepit man, Ex. Senator Hitchcock, the appointment of Thomas to please the convention floor manager, Arthur Mullen, etc.

Dec. 28, 1935 58

Keplinger says Roosevelt will be guided solely by politics in appointing the new Board.

Jan. 11, 1936 77

Portland National Bank - Oregon

Minority stockholders oppose granting of a voting permit to.

Nov. 29, 1935 43

Putman, Herbert

See Diaries 98

— o —

- R -

Ransom, Mr.

Mentioned for Board.

Jan. 19, 1936 83

Nominated

Jan. 26, 1936 105

Dines with C.S.H.

Seems quite conservative

Spoke with almost contempt of "100% Reserve"

He married the daughter of Hope Smith, one of C.S.H.'s
oldest friends.

Feb. 8, 1936 125

C.S.H. writes, as to his operation.

March 5, 1936 139

Reappointment

See Eccles, Gov.

Federal Reserve Board

Hamlin, C. S.

Thurston

Roosevelt

Miller

R.F.C.

See Stabilization Fund

30, 31

Removal for Cause

See Cause

70

Reserve Requirements, Increase of

Board considered this today at a long session.

Governor Eccles and all of Board favored it. C.S.H. favored it saying it was like a ship in dead calm with all sails set and the passengers dancing on the deck. In the distance ominous clouds are seen indicating a hurricane. Shall we furl sail now although with some inconvenience to the passengers, or shall we wait until the hurricane strikes us!

Governor Eccles seemed delighted with C.S.H.'s metaphor above.

As Secretary Morgenthau was still a member of the Board, we all agreed we should consult him.

Reserve Requirements, Increase of (Cont'd)

Governor Eccles reported next day that Secretary Morgenthau and the Treasury, while agreeing in principle, thought we should postpone any action for two or three months, for the reason that the Budget was not yet ready. The further delicate reminder was also given that the Board would be, or might be reorganized on Feb. 1!

Under the circumstances, the Board decided that it would be better to take no action now.

The Treasury has become in effect the Central Bank of the U. S.!

If Board were to increase reserve requirements against will of Treasury, the Treasury could offset the effect by selling Government bonds.

Nov. 9, 1935 30

See Open Market Operations 52, 53
Federal Advisory Council

Reserves

See Trust funds

Resignations

Coolidge, Under Sec'y of Treasury
Jan. 17, 1936 82

Roberts, Ass't Sec. of Treasury
Jan. 17, 1936 - 82

Reynolds, Thomas H.

Retained, as attorney to make out our Income Tax, as I could not use my eyes. The Nat. Met. bank gave us his name.

He made and I filed return of tax,--\$589.01 and I paid one-fourth due March 15, \$147.25.

Reynold's address is 613 15th St., Telephone, Na. 1308
Feb. 20, 1936 132

Fletcher, tax examiner notified C.S.H. he would like to examine my files in connection with his 1934 Income Tax. return.

As I was just recovering from my cataract operation and could not use my eyes, I asked Reynolds to meet Fletcher at my office which he did today. They went

Reynolds, Thomas H. (Cont'd)

over my accounts as shown by H.P.H.'s ledger, as to sales of stock and prices.

The only error found was too great a deduction for earned income. They both agreed the statements of sale, purchases, etc. of Anaconda and Calumet and Heda were correct. The increased tax will be only about \$15.

Reynolds said he thought I had paid too much in 1923, and that he might recover some of it,—possibly \$75. C.S.H. said to go ahead.

He looked over my returns for 1932, 1933 and 1934. He also examined Bertie's ledger taking it with him, to be returned in a few days.

June 2, 1936 185, 186

Fletcher wrote he would accept a sum—about \$17, in full for excess income tax. Bertie and I signed a paper accepting this and sent it to Reynolds to send to Fletcher.

June 3, 1936 187

C.S.H. sent all his D.C. tax papers to Reynolds and asked him to prepare a return for 1927, of which first half will be due in September of this year.

June 3, 1936 188

Reynolds returned all of C.S.H.'s income tax papers and H.P.H.'s ledger. He will make a return for me for D.C. taxes. He said the said of the gold tea set for \$800 need not be included.

June 9, 1936 189

C.S.H. asked him what value should be set down for the Rembrandt Peale picture of Washington, which was originally bought by H.P.H.'s Father for \$400. He said it would be proper to put it down of value of \$100.

June 9, 1936 189

Roberts, A. L.
Resigns as Asst. Secy. of Treasury.
Jan. 17, 1936 82

Rodgers, Mrs.
Sends charming letter to C.S.H. on his retirement from Federal Reserve Board.
Feb. 4, 1936 122

Rones, Dr. Benjamin

92, 150, 159, 157, 182, 195, 198, 199

See Hamlin, C. S. -- Operation

Roosevelt, Franklin D., President

Thomas said Szymczak saw, before he went West, and he believes R. told him he would be reappointed and made Vice Chairman.

Oct. 26, 1935 16

Certain American golfers at a dinner in Canada refused to drink to health of R., but insisted on the toast being to the Presidency and not to the President.

Nov. 9, 1935 31, 32

See Grant, Catharine Orcutt, Mrs.

C.S.H. advises Governor Eccles to explain to Roosevelt the feeling of hatred shown by the bankers.

Nov. 18, 1935 34

The slate of the American Bankers Association contains Geo. E. Szymczak, Oliphant et als and not C.S.H.

C.S.H. feels this won't influence Roosevelt in view of the bitter opposition of this body to him.

Nov. 22, 1935 40

C.S.H. fears that if R. yields to politics in the new Board appointments he will appoint New Dealers or Frankfurter Democrats.

Dec. 20, 1935 54

No meeting today as R. sent for Governor Eccles.

Dec. 21, 1935 55

The politicians, led by Senator Guffy, are making a drive against R. for the Board appointments.

Dec. 23, 1935 55

Said R. is going down hill and White House is Senate. Said would not bet \$10 on R.

Dec. 20, 1935 54

Roosevelt, Franklin D., President (Cont'd)

Thomas said the Tennessee senators went to James and said they would bombard Roosevelt to have him reappoint James, but that James said not to do it, as he did not care whether or not he is reappointed.
Dec. 23, 1935 55

Sends H.P.H. Christmas flowers.
Dec. 24, 1935 56

Miller said some one at lunch at French Embassy said the rumor in New York was that Roosevelt was to clean out the whole Board!
Dec. 22, 1935 56

Miller said Roosevelt's radio address as to closing the banks was written by Charles Michelm who read it to Miller before giving it to R.; that R. somewhat abbreviated it.
Dec. 22, 1935 56

Miller said Berle wrote R.'s Railroad address delivered in the campaign of 1932.
Dec. 22, 1935 56

Miller said Wm. Philipps told him that R. said to him from now on to appoint no one except for political reasons.
Dec. 27, 1935 57

No word from R. as to Board appointments. C.S.H. begins to feel that, in spite of Thurston's assurance given last July, R. may after all not reappoint him. C.S.H. feels R. does not realize the importance of the Federal Reserve System. In fact he has treated appointments as mere pawns in the political game. For example,—his refusal to reappoint Magee, his request to Board to appoint Justus Wardell as Federal Reserve Agent, San Francisco, his offer of a Board position to aged and infirm Ex-Senator Hitchcock, his appointment of Thomas, Chairman of Democratic State Committee of Nebraska, to please Arthur Mullen, the floor manager at the 1932 Convention; his appointment of Szymczak, to please the Poles.

Owen D. Young advised him that even from the purely political point of view the whole Board should be reappointed, but C.S.H. fears Farley may persuade R. otherwise.

Roosevelt, Franklin D., President (Cont'd)

C.S.H. fears the old friendship he has with R. would not have any weight against the recommendations of Sec. Morgenthau or Governor Eccles. C.S.H. fears R. will look upon these new appointments as purely political.

R. will consider, C.S.H. fears, which will be best politically,—to drop or reappoint C.S.H.

C.S.H. believes if R. thinks it out he will realize that to drop C.S.H. would anger the old supporters of Cleveland and Wilson and might injure him—R.—seriously, especially in the most unlikely event of C.S.H. taking the stump against R. showing that while condemning the principle of a Central bank, yet by the Stabilization Fund under the Thomas amendment, by stripping the Board of all independence by reviving this power,—stricken out in 1933 but revived in 1935, or removal for "cause" by the President, has made the Treasury the most powerful Central bank in the world.
Dec. 28, 1935 59, 60

C.S.H. is inclined to feeling that he will be agreeably surprised if R. reappoints him.
Dec. 28, 1935 60

C.S.H. feels that Governor Eccles must know what Roosevelt intends to do.

Thurston came in but said nothing as to Roosevelt's intention. If he—Thurston—knows C.S.H. is not to be reappointed, after his statement to C.S.H. last July, he should tell C.S.H. so frankly or at least to qualify that statement, but he has said nothing.
Dec. 30, 1935 61

Catharine Grant writes C.S.H. that she will never gain love-Franklin Roosevelt in the same way if he does not reappoint C.S.H.
Dec. 30, 1935 62

The papers said Glass lunched with Roosevelt yesterday and came away smiling and happy. Can he have agreed to drop his opposition to Governor Eccles?
Jan. 1, 1936 62

Nothing from Roosevelt.
Suspense is almost intolerable. C.S.H. does not believe

Roosevelt, Franklin D., President (Cont'd)

that at this late day, R. will drop him, without having given him ample notice beforehand. No gentleman could do otherwise.

Jan. 2, 1936 64

New York Times publishes an alleged list,--Governor Eccles, Szymczak, Preston, Delano, Harr, Oliphant, Broderick and Talley.

Thurston told Thomas there was nothing to this.

Thurston came into Szymczak's room when C.S.H. was there and said the same.

Jan. 3, 1936 65
See Thurston

Miller told C.S.H. he would not be entirely surprised if R. living politics as he did, might be persuaded to clean the whole Board out, but did not believe he would do this without telling us well ahead of his intention. The suspense is intolerable.

Jan. 3, 1936 66

Mrs. Roosevelt told H.P.H. that R.'s address to Congress was shown to Louis Howe who made many suggestions all of which R. adopted.

Jan. 4, 1936 70

Wile, in Washington Star, said the rumor was that R. would reappoint C.S.H., Miller, and Szymczak.

Jan. 9, 1936 71

Miller said he was satisfied that R. wants to reorganize the whole Board, but that strong influences were urging him not to do it.

Jan. 9, 1936 71

Miller said he had talked with several Judges of the Supreme Court who all expressed grave fear lest R. should clean out the whole Board.

Miller talked as if he had been tipped off by R. but did not say so.

Jan. 9, 1936 72

Thurston tells C.S.H. that R. has not yet committed himself as to the Board appointments.

Roosevelt, Franklin D., President (Cont'd)

C.S.H. felt he might be hedging from his talk with C.S.H. of last July, but Thurston said nothing inconsistent with that talk.

He said R. must determine whether or not to reappoint the whole Board, and, if not, what members to drop. C.S.H. was much puzzled at this conversation.

Jan. 6, 1936 72

Szymczak today told C.S.H. not to worry; that Governor Eccles had told him that if R. did not reappoint C.S.H., he—C.S.H.— would be given some position such as Adviser to the Board.

C.S.H. at once said this would not be satisfactory, that if R. felt he was not fit for reappointment, that will settle the question,—that if he had to go on the Dole it would be at the hands of the people of Mattapoissett and for the Federal Reserve Board!

Jan. 9, 1936 72, 73

Thomas told C.S.H. that one of his senators some time ago went to Roosevelt and said Thomas desired to know whether he was to be reappointed, for if not, he should resign at once; that R. said Thomas should not resign.

Jan. 10, 1936 73

Thomas also talked to Governor Eccles who said R. had not consulted him as to the Board since his visit to Hyde Park last summer.

Jan. 10, 1936 73

Thomas said Farley told a friend of his that Roosevelt should clean out the whole Board.

Jan. 10, 1936 73

C.S.H. is told that Steagall wants to be appointed but cannot under the constitution—that as the composition of Board members was increased while he was a member of Congress.

C.S.H. feels, however, that Roosevelt could get around this by leaving one appointment vacant until Steagall's term expires on Dec. 31, 1936, and then filling the vacancy by appointing Steagall.

Jan. 11, 1936 76, 77

Keplinger says Roosevelt will surely reappoint Governor Eccles and Szymczak, and that Roosevelt will make the appointments purely on political grounds.

C.S.H. does not believe Roosevelt has fallen as low as that.

Jan. 11, 1936 77

Roosevelt, Franklin D., President (Cont'd)

C.S.H. feels Roosevelt must realize the danger to the Federal Reserve System from political appointments.
Jan. 11, 1936 78

C.S.H. told Morrill that if Roosevelt did not reappoint him, he and Mrs. Hamlin would leave Washington at once; that he would not accept an advisory position, even if offered, as Morrill thought it would be.
Jan. 11, 1936 78

C.S.H. said he would not accept a retainer of \$100,000 from the new Board to be appointed by Roosevelt.
Jan. 11, 1936 78

Thurston again told C.S.H. he hoped Roosevelt would reappoint the whole Board; that this would be the best course even from the point of view of practical politics.
Jan. 11, 1936 78

Miller said there was one person of very great influence with Roosevelt who advised him to clean out the whole Board. He would not say who it was,—whether man or woman.

If it is a man, C.S.H. thinks of Frankfurter or Justice Brandeis. Miller said it was not Col. House.
Jan. 15, 1936 79

Thurston asked C.S.H. if he had seen Roosevelt lately and C.S.H. said No. This made C.S.H. suspect that Thurston knew that Roosevelt was going to tell C.S.H. he could not reappoint him.
Jan. 15, 1936 80

C.S.H. asked Thurston if he had knowledge of any Board members going to see Roosevelt.

He said No, except that Thomas told him his Senator (Burke) had seen Roosevelt who was cold and irresponsible and alluded to the question of age.

C.S.H. suspects that Thurston knows that Roosevelt has this feeling. Thurston said age would not be decisive but merely one element.

Thurston said he thought C.S.H. was all right but thought it better to put before him the worst possibility so that the ultimate result would be all the more agreeable.
Jan. 15, 1936 80

Roosevelt, Franklin D., President (Cont'd)

Thurston said Glass had seen Roosevelt that morning at 9:30. Jan. 15, 1936 80

Szymczak told C.S.H. that Governor Eccles had seen Roosevelt at 11 A.M., but Thurston did not mention this. When Thurston left he said again that he was confident it will come out all right. Jan. 15, 1936 81

C.S.H. fears that Roosevelt will use the age limit to clean out the whole Board and Miller feels the same.

Miller said it was unthinkable that Roosevelt would drop us without ample prior notice. Jan. 15, 1936 81

C.S.H. said to Thurston that if Glass and Governor Eccles had both seen Roosevelt, would the appointments come out today and Thurston said not before next week. Jan. 15, 1936 81

Roosevelt leaves Washington for New York tonight to return Sunday. Jan. 16, 1936 81

The suspense is almost unbearable. C.S.H. fears that Roosevelt hates our Board because it retained Newton Baker to protect our rights when Roosevelt ordered us to turn over all of the Federal Reserve Gold to the Treasury for devaluation. Should Roosevelt put in some hand picked pliable men it would amount to scandal. Jan. 16, 1936 82

Nothing new as to appointments. Thurston said he did not know why Under Secretary Coolidge resigned, but added humorously, "Perhaps Roosevelt thought it better to have him resign before appointing him in your place!" Jan. 17, 1936 82

Thurston's humor makes C.S.H. think he may be slated for reappointment by Roosevelt. He certainly would not have talked this way had he known definitely that C.S.H. was not to be reappointed. Jan. 17, 1936 82

The Associated Press announced that from authoritative sources that Roosevelt has made tentative selection for new Board as follows: Eccles, Szymczak, Broderick, Ransom, McKee, W.J. Foster Jan. 19, 1936 83

Roosevelt, Franklin D., President (Cont'd)

Foster gives out a long interview in the papers, stating he has not yet heard officially, but giving many reasons to show how fitting it is that Roosevelt should appoint him.

Jan. 19, 1936 83, 84
See Foster
Washington Post

Miller said yesterday before knowing of above announcement that it was the most sordid experience he ever went through and C.S.H. agrees with him.

Jan. 19, 1936 84

At first blush it would seem that Roosevelt is devoid of a sense of decency and of honorable conduct. That Roosevelt should thus drop two friends of a generation without a single word of explanation is unthinkable! There must be some explanation, but what is it?

C.S.H. considers Thurston's statement of last July equivalent among gentlemen to an official statement that he would be reappointed.

To put an end to a service of 21 years, on only a few days notice is simply unbelievable and unbearable.

Jan. 19, 1936 85

On the surface it would seem as if Governor Eccles has all along been deceiving C.S.H. and that C.S.H. should apologize to Glass for having said he would nominate Governor Eccles for Governor of an independent Board!

Jan. 19, 1936 85

The proposed Board, while generally good men, have evidently been hand picked and Roosevelt will be able to put through any policy he desires as each member is removable for "cause".

Jan. 19, 1936 85

Thurston came in at 4:30. He said he had a suggestion to make.

He said Roosevelt wanted to drop some members of the present Board, and that his only course was to fix an age limit of say, 65 years; that this would necessarily exclude C.S.H. He intimated there was also other reasons which prompted Roosevelt, but that the age limit was the only practicable method of accomplishing what he wanted.

Jan. 21, 1936 86

Roosevelt, Franklin D., President (Cont'd)

Thurston said Glass had made several suggestions to Roosevelt based on a 65 year limit!

This amazes C.S.H. for Glass is 78 and a candidate for reelection to the Senate.

Jan. 21, 1936 86

Thurston said Roosevelt had the highest opinion of C.S.H. and said it had been reported to him that C.S.H. was the ablest man on the Board and that it was absolutely essential that C.S.H. should remain with the Board.

He finally said the Board would be glad to make C.S.H. Special Counsel.

Jan. 21, 1936 86

Thurston said Wyatt was able but very narrow and that C.S.H.'s judgment as to legal and policy matters would be of inestimable value to the new Board.

Then C.S.H. opened on him and said he had never gone through such circumlocution; that it filled him with anger; that, of course, Roosevelt had the right not to reappoint him, but that he would not take this lying down; that if not reappointed, he would be an absolutely free man; that he had just put the last entry in his Diary and was prepared to go at once!

Jan. 21, 1936 87

C.S.H. told Thurston that what stirred him up most of all was reading Foster's interview which showed that Roosevelt was considering him all the time when C.S.H. was led to believe all was well with him.

Thurston finally told C.S.H. that Foster was not to be appointed.

(Much later, Thurston said the Article in Atlantic Monthly by Catchings and Foster, attacking the Board for interfering with the stock speculations in 1928 and 1929, settled Foster's fate.)

Jan. 21, 1936 87

Thurston then begged C.S.H. to help Roosevelt who was in a hard position. He begged C.S.H. to think it over at night and he finally said he would, of course, consider it but gave Thurston no encouragement.

Jan 21, 1936 87

Roosevelt, Franklin D., President (Cont'd)

C.S.H. called up Ned in Boston who advised him to accept if the salary was \$15,000 and for a fixed term for at least one year.

Bertie was also inclined to have C.S.H. accept it.
Jan. 21, 1936 88

Thurston came in.

C.S.H. said he perhaps was too excited yesterday, but he is sure Thurston can understand how a man feels who has served satisfactorily for 21 years, who has several times been told his reappointment was assured, and who, accordingly, has made no plans for future work,--suddenly to note in the papers an interview accepting the office he had held for 21 years.

Thurston said it would make any man with red blood cold. C.S.H. then asked him to state just what he had in mind when he spoke to him as to acting as Special Counsel.

Thurston said his idea was that C.S.H. should have an annual retainer to act as Counsel and Advisor on matters of law and banking policy referred to him; that he would be independent of the legal staff, and need not even live in Washington but could live in Mattapoisett if he preferred; that this could easily be arranged.

C.S.H. asked what retainer he had in mind and Thurston said \$10,000 or \$12,000.

C.S.H. said he would not even consider such a suggestion. Thurston asked what sum C.S.H. would consider. C.S.H. said an offer of \$20,000 would receive consideration, but he would consider an offer of \$15,000.

Thurston said he feared a retainer over ten or twelve thousand dollars might subject the Board to criticism.

C.S.H. asked Thurston to remember that he was not asking for any retainer at any salary, but in frankness must say he could not consider Thurston's suggestion. Thurston said he would think the matter over and come back soon.

C.S.H. asked if Roosevelt would assign the age limit as the sole cause for failure to reappoint him. Thurston said "Yes, absolutely."

Jan. 22, 1936 89, 90

Roosevelt, Franklin D., President (Cont'd)

Thurston said that Roosevelt was not specially interested in Miller, altho' Mrs. Roosevelt was in Mrs. Miller,-- which surprised C.S.H. very much.

Jan. 22, 1936 90

Thurston said Governor Eccles had told Roosevelt what splendid service C.S.H. had rendered and how finely he had backed him--Governor Eccles--up, and that it was vital for him to remain connected with the Board.

Thurston said Roosevelt spoke of his affection for C.S.H. and how deeply he regretted the thought of dropping him.

Thurston said Roosevelt would write C.S.H. and beg him to remain with the Board as Special Counsel.

C.S.H. asked if he were to consider this, Thurston would consult Glass, and Thurston said he certainly would.

Thurston said he would see C.S.H. again tomorrow. C.S.H. asked why Glass did not fight for Miller and Thurston said that "from what I know, Glass would rather fight for you than for Miller."

C.S.H. said he ought to seem Thomas and Miller as to this offer. Thurston said to say nothing for 24 hours to which C.S.H. agreed.

Jan. 22, 1936 92

Thurston told C.S.H. that Foster was off the slate,--that he would not be appointed.

Jan. 22, 1936 92

C.S.H. said he hoped nothing would be done until after the Liberty League meeting on Saturday.

Jan. 22, 1936 92

At about 3 P.M. the White House called me up and said Roosevelt wished to see Miller and C.S.H. at his office at 5:05 P.M. today. We were there at the appointed time. Roosevelt said he felt terribly at having to send for us-- among his oldest friends--and tell us that he cannot re-appoint us on the new Federal Reserve Board; that we had both done fine work, but that the Banking Bill of 1935 required him to appoint a new Board; that many Senators had so told him that he should appoint a Board of young men, preferably under 60 years. Miller said he had wanted an independent Board, and Roosevelt smilingly said, "Well you regulated yourself out of office!" Roosevelt then said he could not drop James and Thomas because of age and then

Roosevelt, Franklin D. (Cont'd)

reappoint C.S.H. and Miller. Roosevelt said James was a good man but that Thomas was wholly unfit,--that he never should have been appointed originally,--that he paid little attention to his duties, etc. He then said he believed it to be absolutely imperative that C.S.H. should remain with the Board as an expert advisor and that he had so told Governor Eccles and he hoped C.S.H. would consent to accept such a position. C.S.H. said he would consider any suggestion Roosevelt or the Board might make to him. Roosevelt said he had advised Governor Eccles to appoint Miller as Agent of the Board to manage the construction of the new Board building. C.S.H. asked if the new appointments would soon be made and he said they would before many days, that he was looking for a middle west dirt farmer. Miller told him frankly there would be bitter opposition to some of his appointees,--referring presumably to Governor Eccles. C.S.H. told Roosevelt frankly that it had been his prayer for years that he might die a member of the Board, and that his decision was a bitter disappointment. We did not stay long. C.S.H. simply shook hands with Roosevelt and bade him Goodbye.

Jan. 23, 1936 93, 94

Miller and C.S.H. both feel that "Age" was a pure subterfuge. C.S.H. feels that Governor Eccles hates Miller and Roosevelt hates Thomas, the protegee of Arthur Mullen, and that Roosevelt in order to have a plausible reason for removing them both, has been persuaded to sacrifice two of his oldest friends. Thus endeth the lesson!

Jan. 23, 1936 95

During the interview Roosevelt spoke of the Supreme Court and to C.S.H.'s amazement, said that he believed there should be a constitutional amendment limiting their terms of Justices of the Supreme Court to ten years!

Miller said this would shut out Justices Stone, Cardoza, and Brandeis--the most liberal Judges on the Bench.

Roosevelt did not reply to this.

Jan. 23, 1936 95

Roosevelt sends C.S.H. a letter dated Jan 22, but not received until the evening of Jan. 23, after our interview.

Roosevelt, Franklin D. (Cont'd)

THE WHITE HOUSE
WASHINGTON

January 22, 1936

Dear Charlie:-

I have been much torn over the problem of the new Federal Reserve Board, especially because you and Bertie and the Millers are such very, very old and personal friends of ours. I have wanted to reappoint you but I must frankly follow the general rule which applies to Commissions and especially to quasi-judicial bodies and, therefore, I have with much regret come to the conclusion that in appointing the new Board I cannot put anybody on over sixty years old.

This is especially hard for me because of our old friendship and also because of the splendid service that you have given these many years.

I hope much that you will be able to remain in an advisory capacity to the new Board, and also that you and Bertie will come to see us some day very soon. I feel sure that you will understand my problem and my wish that my decision could have been otherwise.

As ever yours,

FRANKLIN D. ROOSEVELT

Honorable Charles S. Hamlin,
The Hay-Adams House,
Washington, D. C.

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Thurston came in. C.S.H. said he was gathering up his papers prior to leaving the Board. He said--"Stop all this!" C.S.H. showed him Roosevelt's letter and he said he was absolutely confident the matter will be settled,--perhaps within 24 hours,--to your perfect satisfaction.

C.S.H. explained to him why he had fixed \$15,000 as the limit of compensation in case he should accept Roosevelt's suggestion as to Special Counsel. Thurston said he had no doubt it could be arranged.

Jan. 24, 1936 97

Roosevelt, Franklin D. (Cont'd)

Should Roosevelt appoint the Board as rumored, Szymczak, with only two years experience, will be the oldest member of the Board!

Jan. 24, 1936 98

Miller said we both conducted ourselves admirably at our interview with Roosevelt; that we quietly accepted the verdict, but made it plain to him how bitterly we felt about it.

Jan. 24, 1936 98

C.S.H. wrote Roosevelt in reply to his letter of January 22, as follows:--

January 24, 1936

Dear Mr. President:

I beg to acknowledge your kind letter sent me after our interview on January 22nd. I can only say that I shall be the last person to expect or ask that your conception of public duty should be moulded in any way by our old-time friendship.

As to your expressed hope that I may remain in an advisory capacity on the new Board, I can say that I shall give most careful consideration to any suggestion you may make along these lines.

Believe me,

Very sincerely yours,

C.S. HAMLIN

The President,
The White House.

----- o -----

Miller said yesterday that in 1916 he visited Roosevelt in Hyde Park; that Secretary Lane was also there; that Lane told him--Miller--that Roosevelt said that if he could raise \$250 he could carry the county; that Lane asked him to give this amount to Roosevelt,--which Miller did!

Jan. 26, 1936 100

Roosevelt, Franklin D. (Cont'd)

Szymczak told C.S.H. that it was absolutely settled that he--C.S.H.--was to keep his present room and secretary; that he could have any title he might choose, and that he would be asked to attend all meetings of the new Board. He said nothing as to salary.

January 26, 1936 100

At the interview with Roosevelt he said he made up his mind to drop C.S.H. and Miller about three weeks ago.
Jan. 26, 1936 101, 102

This coincides as to time of Father Coughlin's interview with Roosevelt, when Father Coughlin said he should raise the question of the constitutionality of the Federal Reserve Act!

C.S.H. believes Roosevelt was influenced by Father Coughlin to remove the whole Board, but, of course, cannot prove this.

Jan. 26, 1936 102

Governor Al Smith attacks Roosevelt's policies at the Liberty League dinner in Washington.
Jan. 24, 1936 102

C.S.H. is carefully considering as to whether he should comply with Roosevelt's request and remain as Special Counsel and advisor of the new Board. His first impulse was to refuse even to consider the suggestion, on the ground that if too old to remain on the Board, his advice to it as counsel would be of little value. On the other hand, Roosevelt has made it so clear that he wants C.S.H.'s service and that this age limit was purely a device to put off Miller, Thomas, and perhaps James, and C.S.H. feels that it may be his duty to remain and render all help he can.

Another frankly selfish element also exists:--if C.S.H. had known last July that he was not to be reappointed, he could doubtless have made arrangements for resuming law practice in Boston. He was told then by Thurston that it was settled he was to be reappointed and accordingly made no new arrangements. As a result, the sudden dropping from the Board in a few days' notice would have seriously injured him from a pecuniary point of view.

Roosevelt, Franklin D. (Cont'd)

C.S.H., therefore, gave careful consideration to the suggestion of Roosevelt.
Jan. 24, 1936 103,104

C.S.H. is satisfied that Roosevelt wanted to drop Thomas because of his feeling towards Arthur Mullen, and that Governor Eccles wants Miller dropped and that both wanted C.S.H. retained but because of the age limit excuse, had to drop him also.
Jan. 24, 1936 104

C.S.H. feels Roosevelt was in error when he said Thomas was unfit to remain. The original appointment was unfit but C.S.H. believes Thomas had made good.
Jan. 24, 1936 104

C.S.H. feels that the New Deal as applied to the Federal Reserve System means—Experience overthrown, and Experiment crowned in its place!
Jan. 24, 1936 104

C.S.H. is slowly coming to the conclusion that it may be his duty, wholly apart from his pecuniary consideration, to remain and render what assistance he can.

He feels certain that Roosevelt has destroyed the Board by being given the power to remove its members "for cause".
Jan. 24, 1936 104

Roosevelt's statement in his letter to C.S.H. that in limiting appointments to 60 years of age, he was following a general rule applicable to commissions and quasi-judicial bodies.

If there were any such rule, and C.S.H. believes there is none, Roosevelt certainly did not follow it when he appointed Thomas at 65 to a 10 year term, Miller at 69 to a 12 year term, and offered a 12 year term to Ex-Senator Hitchcock, nearly 80 years of age!
Jan. 24, 1936 105

Roosevelt appoints new Board—

- Morrison - Two years
- Eccles - Four years
- Ransom - Six years
- Mc Kee - Eight years
- Szymczak - Twelve years
- Broderick - Fourteen years

Jan. 26, 1936 105

Roosevelt, Franklin D. (Cont'd)

Thurston told C.S.H. he was absolutely sure this matter would be settled satisfactorily to him.

Jan. 26, 1936 105, 106

Governor Eccles came in in P.M. and said he would advise the new Board to appoint C.S.H. Special Counsel and advisor at \$12,000 per year. He said also that C.S.H. could have a stenographer assigned to his office, who, when not used by C.S.H. could do other work in the examination division.

He also said the requirements as to leave would not be applicable to C.S.H.; that he could take all the leave he wished at any time.

He suggested the title, Special Counsel, and said my duties would be to advise the Board when called upon, on questions of law and matters of banking policy. He said I should be absolutely independent of the legal staff; that my relation would be wholly with the Board through Morrill, its Secretary. C.S.H. said he would consider this offer.

Jan. 26, 1936 106

C.S.H. told Morrill that if he accepted this offer he would be willing to move to the Shoreham Building. C.S.H. also said this to Governor Eccles.

Jan. 26, 1936 107

C.S.H. made appointment with Charles Warren to ask his advice as to accepting the offer. Warren came over at night and strongly advised C.S.H. to accept.

Jan. 27, 1936 108

Thurston came in.

C.S.H. said he had carefully gone over the matter and did not see how he could take \$12,000, but would accept it if it was made \$15,000.

Thurston said he thought this could be arranged. He said Governor Eccles was to see Glass and get his approval of the appointment.

C.S.H. finally said he would agree to accept either \$12,000 or \$15,000 as agreed upon by Governor Eccles and Glass.

Jan. 28, 1936 108

Thurston said that Roosevelt had seriously considered Foster; that Senator Walsh and Senator Coolidge had indorsed Foster, but that there was much opposition from N. C. Senators and from others, including Sen. Carry.

Jan. 28, 1936 108

Roosevelt, Franklin D. (Cont'd)

Birney West told Thurston that at a dinner at Mrs. Burlings, Mrs. Miller said she would never again speak to Roosevelt or to Mrs. Roosevelt!
Jan. 28, 1936 109

Thurston said C.S.H.'s appointment would be made on Monday by acclamation.
Jan. 31, 1936 113

C.S.H. at midnight ceased to be a member of the Board of Governors. He holds over, however, until his successor qualifies.
Jan. 31, 1936 113

Looking back over the last seven months, C.S.H. feels that the treatment by Roosevelt of the Board, Miller and C.S.H. is the most disgusting episode in his life. To be told in July he was to be reappointed, and then told he was not to be reappointed, **only a few days prior to the announcement** would seem to justify bitterness toward Roosevelt.
Feb. 1, 1936 117, 118

C.S.H. feels Roosevelt will be charged with treating the Federal Reserve System as a happy hunting ground for spoilsmen. His refusal to reappoint Magee, his tender to Ex-Senator Hitchcock, his appointment of Thomas, Chairman of the Democratic State Committee of Nebraska, his direction to the Board to appoint Justus Wardell as Chairman at San Francisco, and other cases will all be brought against him.

C.S.H. also feels that Roosevelt dislikes the Board because it refused to turn over the Federal Reserve gold after devaluation, and resented the matter being settled by Congress, retaining Newton Baker as Advisor,—to which Roosevelt finally yielded.
Feb. 1, 1936 118, 119

The Act of 1935 giving Roosevelt the right to remove for "cause" will make the new Board absolutely pliant under pain of dismissal.
Feb 1, 1936 119

The age requirement laid down by Roosevelt was merely a pretext to enable Roosevelt to get rid of Thomas and Governor Eccles to get rid of Miller. To carry out the pretext, C.S.H. had to be dropped.
Feb. 1, 1936 119

Roosevelt, Franklin D. (Cont'd)

C.S.H. is puzzled at the declaration of Thurston and Roosevelt that it was vital for C.S.H. to remain with the Board in some capacity. C.S.H. is inclined to believe that they meant this, although a critic might say it was for the purpose of prevent C.S.H. from attacking the Administration, by e.g. publishing his Diary!

February 1, 1936 120.

Thurston said the Board, at its first meeting tomorrow will surely follow the suggestion of Roosevelt and Governor Eccles and appoint C.S.H. a Special Counsel. Feb. 1, 1936 120

Board followed Roosevelt's suggestion and unanimously appointed C.S.H. Special Counsel at \$12,000 per year. Morrill told this to C.S.H. and said C.S.H. was to be absolutely independent of the legal staff, and was to consider are matters referred by the Board through Morrill, its Secretary. Morrill said the whole Board was delighted to make this appointment. Feb. 4, 1936 122

At 12:25 Mr. Foulke administered the oath of office to C.S.H. Feb. 5, 1936 123

The Board officially announced that C.S.H. had consented to act as special counsel and that the Federal Reserve System would have the benefit of his experience as Governor and a Member for 22 years. See Scrap Book Feb. 9, 1936 127

We dined at White House—a State dinner to Speaker of the House of Representatives. Feb. 11, 1936 128

Langdon Marvin and daughter called. Said he had just left Roosevelt at the White House. He said he wrote Roosevelt some days ago and asked if C.S.H. was not to be reappointed; that Roosevelt wrote him that he wanted to reappoint C.S.H. but did not see how he could in view of the age limit he had fixed.

Marvin said that Roosevelt spoke of C.S.H. frequently and expressed the deepest regret that he could not reappoint him, but added that he had been appointed Advisor of the Board, which office was higher and more dignified than active membership. Feb. 21, 1936 133

Roosevelt, Franklin D. (Cont'd)

C.S.H. feared the Philadelphia Board of Directors would all resign when the Board refused to approve Governor Norris as the First-President of the Federal Reserve Bank of Philadelphia, which might seriously embarrass Roosevelt, but this did not happen.

February 26, 1936 134-135

During my illness, President and Mrs. Roosevelt sent beautiful flowers twice.

See Hamlin, C. S. - Operation

(End of Roosevelt)

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Roosevelt, Mrs. Franklin D.

Bertie lunches with, to meet Justices of Supreme Court wives.

Dec. 12, 1935 47

Bertie dines with Edith Helm to meet.

Jan. 4, 1936 69

Told Bertie that Roosevelt showed his address to Congress to Louis Howe in the hospital who suggested many changes which Roosevelt adopted.

Jan. 4, 1936 70

Bertie lunches with Mrs. Morgenthau to meet.

Jan. 25, 1936 101

We dine with President and Mrs. Roosevelt. Dinner was to Speaker of House of Representatives.

Feb. 10, 1936 128

Sent C.S.H. flowers to hospital

Mar. 31, 1936 148

Root, Elihu

Attends Carnegie Endowment meeting at the home of Mrs. Carnegie in honor of 100th Anniversary of the birthday of Andrew Carnegie.

Dec. 14, 1935 48

Ruffin, Dr. Sterling

Sugar in urine 0
Blood sugar 18
Blood pressure 190
Blood count 78

Feb. 9, 1936 126

Ruffin, Dr. Sterling (Cont'd)

Said C.S.H. was in splendid condition. Heart in specially fine condition.
 Blood count 78 - Normal
 Blood pressure 180
 Said my blood pressure was not bad; that in 1929 it was 220
 Blood sugar high—18—but said Dr. Joslin did not worry when it was 25.
 Favored reducing my weight to 160 lbs. stripped.
 Feb. 11, 1936 129

Considered giving C.S.H. insulin before his 2nd operation as he feared the operation might unduly increase the blood sugar.

C.S.H. did not like it as Dr. Joslin had written him to pay no attention to the blood sugar before operation.
 Mar. 23, 1936 145 - 146

Before this operation the blood sugar was 13.5 —practically normal. Insulin was given everyday for a week and the blood sugar remained constant at about 13.

Dr. Ruffin said my blood pressure was all right—well below 190.
 Mar. 28, 1936 147

Sugar in urine 0
 Blood sugar 14.4
 Blood pressure 170
 Blood count 75
 Mar. 29, 1936 147

Sugar in urine 0
 Blood sugar 13.8
 Blood pressure 170
 Blood count 78
 Apr. 30, 1936 161

Instructed the hospital to give me no sugar and only a moderate amount of starch. Said that no blood test was necessary.

They gave C.S.H. at each meal a slice of toast softened with milk.
 May 9, 1936 164

Ruffin, Dr. Sterling (Cont'd)

Weight
 May 16, 1936 161 lbs
 " 17, " 160 lbs P. 169
 " 19, " 160 lbs P. 170
 " 22, " 159½ " P. 172

Sugar in urine 0
 Blood sugar 13
 Blood pressure 172
 Blood count 80

May 24, 1936 176

Called at C.S.H.'s request.

Gave me a tonic for nervousness. Said my arteries were soft and pliable and that I had nothing to fear from blood pressure. Said my heart was in fine condition.

June 15, 1936 192

Sugar in urine 0
 Blood sugar 13.8
 Blood pressure 170
 Blood count 82

Weight 164½ stripped
 June 30, 1936 200

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- Saint Agnes Church
See Anna Hamlin 158
- Saint John's Church
Attended Men's Club meeting at home of Mr. Houghton.
Dec. 16, 1935 49
- Attended vestry meeting.
Mr. Finley walked home with me.
Apr. 24, 1936 156
- Savings Banks, California
See California Savings Banks 47
- Scandal
The rumor is that Morrison got his appointment not only because of the demand of Vice President Garner but also because he gave \$50,000 to the Democratic National Committee.
May, 18, 1936 173, 174
- Seay, Governor Richard
Writes fine letter to C.S.H. on his retirement.
Feb. 1, 1936 114
- Board refused to approve, as President, Federal Reserve Bank of Richmond.
Feb. 26, 1936 134
- Section 16, Federal Reserve Act
See Special Counsel 99
- Senate Munitions Inquiry
C.S.H. gave Sproul of Federal Reserve Bank of New York a copy of memoranda sent by him to Senate Munitions Committee in response to request of the Committee.
- He said the bank made a condition in turning over letters, etc. to Senate Committee that they should be used only if State Department said it was not against the Public interest.
- He said the Federal Reserve Bank had turned all letters, records, etc. to State Department which could decide whether or not to give them to the Senate Committee.
He said his Bank apologized to the Bank of England

Senate "unitions Inquiry (Cont'd)

because our Board announced the approval of the agency. He said that among the papers turned over was a copy of a cable to J. P. Morgan asking him to apologize to Bank of England for this Federal Reserve System. See Asst. Secretary Moore

Nov. 1, 1935 21

Swan Tavern, Old

See Old Swan Tavern

Simpson, Director - Federal Reserve Bank of Chicago

Board voted not to reelect.

Nov. 28, 1935 43

Simpson, Dr. C. Augustus

Gave C.S.H. X-ray treatment for rash on body.

June 15, 1936 193

June 17, 1936 194

Gave C.S.H. X-rays and cut out a cyst from his back

June 21, 1936 195

Gave X-rays

June 25, 1936 198

June 29, 1936 199

Sinrod, Mr.

See Hay-Adams House

Smith, Governor Al

Bitterly attacked Roosevelt at Liberty League dinner, Washington.

Jan. 24, 1936 102

Smith, Mr.

See Cow Pasture

Special Counsel, C.S.H.

Board unanimously appointed D.S.H. as its special counsel, at \$12,000 per year.

Morrill said C.S.H. was to be absolutely independent of Legal Staff and was to report directly to Board on all matters of law and policy referred to him through Morrill as Secretary.

He said it was understood that I could take all the leave I wished, at any time.

Special Counsel, C.S.H. (Cont'd)

He said the Board members were delighted to make this appointment.

Feb. 4, 1936 122

Mrs. Keating told Bertie that Mrs. Bannister told her that Glass was greatly relieved to hear of C.S.H.'s appointment.

Feb. 7, 1936 124

C.S.H. gave opinion to Board that the National Shawmut bank and Shawmut Association were in fact engaged in the business of controlling and managing five small banks and, therefore, were not entitled to have the benefit of the exception in the Banking Act of 1935 and their petition for exemption should be denied.

Feb. 8, 1936 124

(Made Counsel write opinion along lines of C.S.H.)

C.S.H. gave opinion to Morrill concurring in opinion of our Legal Staff, that Federal Reserve banks which happen to have representatives in Open Market Committee cannot lawfully instruct their members how to vote as members of said Committee.

Feb. 26, 1936 134

Gave opinion that hereafter, letters as to Gold Settlement fund could be signed by the Chief of the Operating Division as one of the "Other Officers" referred to in Section 16 of F.R. Act. One of the legal staff said "No" in an opinion while Vest said "Yes".

Mar. 5, 1936 139

The Board in the April Bulletin puts down C.S.H.'s name as Special Counsel ahead of and apart from the legal staff.

Apr. 24, 1936 157

Sproul, Mr. - Federal Reserve Bank of New York

See Senate Munitions Inquiry

Stabilization Fund

Governor Eccles pointed out that the Treasury by using this, could exercise more control over credit than could the Federal Reserve Board, and that the Board must cooperate with the Treasury. C.S.H. feels that the Thomas amendment giving right to devalue, issue greenbacks, and the stabilization fund has made the

Stabilization Fund (Cont'd)

Treasury the Central bank of the U.S., and by the right of removal for "Cause" given to the President by the Banking Act of 1935, the Federal Reserve Board has become merely an adjunct, and not a very important adjunct of the Treasury!

Oct. 21, 1935 4

Standard Conditions

See Voting permits

Stern, G.

The appointment of Stern as Class C director of Federal Reserve Bank of Philadelphia was severely criticised by Wall Street Journal and New York Herald Tribune. They quoted Stern as favoring a central bank; they also quoted a bitter attack on Senator Glass as being a representative of Wall Street.

See Glass
Norris, Gov.

Oct. 22, 1935 4

Stokes, Anson Phelps, Rev.

Wrote C.S.H. a fine letter on his retirement from Federal Reserve Board.

Feb. 1, 1936 114

Stone, Justice

When Roosevelt said he favored reducing the terms of Justices of the Supreme Court, Miller pointed out that such a law would throw out Justices Stone, Brandeis and Cardozo.

Jan. 23, 1936 95

Suppers (See Dinners, Lunches, Breakfasts)

C.S.H. at Men's Club, St. John's Church

Dec. 13, 1935 49

Szymczak, - Federal Reserve Board.

Told a friend of the Comptroller that it was settled that he was to be reappointed.

Oct. 18, 1935 4

Thomas said he knew Szymczak had seen Roosevelt before he went West, and he believes Roosevelt told him he would be reappointed and would make him Vice Chairman.

Oct. 26, 1935 16

Szymczak, - Federal Reserve Board.

Is on slate of U. S. Chamber of Commerce.
Nov. 25, 1935 40

Said Senator Guffy is pushing Harr, State Superintendent
of Banking of Pennsylvania, for a place on the Federal
Reserve Board.
Dec. 23, 1935 55

Chicago Poles used their political influence for.
Dec. 27, 1935 58

New York Journal of Commerce has, on its slate.
Jan. 3, 1936 65

Will predicts appoint of.
Jan. 6, 1936 71

Tells C.S.H. not to worry; that Governor Eccles told
him that if not reappointed C.S.H. would be given a place as
advisor to the Board.

C.S.H. said this would not be satisfactory; that if not
fit to be on the Board, he would not be fit to act as
an advisor; that if he had to go on the Dole, it would
be in Mattapoisett and not for the Federal Reserve Board.

Jan. 9, 1936 72, 73

Keplinger says, will surely be reappointed.

Jan. 11, 1936 77

Expressed his deep regret at C.S.H.'s failure to be
reappointed. He said it frightened him to realize that
if reappointed, he would be the oldest man on the
Board from point of service.

Jan. 23, 1936 98

Told C.S.H. it was absolutely settled that C.S.H. was
to keep his room and his secretary, and that he could
choose any title he wished and that he would be expected
to attend all meetings of the new Board.

Jan. 26, 1936 100

Roosevelt reappoints, for twelve-year term.

Jan. 26, 1936 105

Told C.S.H. that Broderick was to be made Vice Chairman.
He said Roosevelt said he did not care who was to be made
Vice Chairman; that Governor Eccles suggested to Roosevelt
that he consult Glass, to which Roosevelt agreed; that Glass
said Broderick should be made Vice Chairman.

Jan. 30, 1936 110

Szymczak, - Federal Reserve Board

is on staff of U. S. Chamber of Commerce.

Nov. 25, 1935

Said Senator Gifford is pending bill, which authorization of banking of Pennsylvania, for a place on the Federal Reserve Board.

Dec. 25, 1935

Chicago Police used their political influence for.

Dec. 27, 1935

New York Journal of Commerce had on its staff.

Jan. 5, 1936

Will purchase apartment at.

Jan. 5, 1936

Tells Gifford not to worry; that Governor Jones told him that if not reappointed C.S.H. will be given a place as advisor to the board.

C.S.H. said this would not be satisfactory; that if not fit to be on the board, he would not be fit to act as an advisor; that if he had to go on the date, it would be in Philadelphia and not for the Federal Reserve Board.

Jan. 9, 1936

Replinger says will surely be reappointed.

Jan. 11, 1936

Expressed his deep regret at C.S.H.'s failure to be reappointed. He said it frustrated him to realize that if reappointed, he would be the chief man on the Board from point of view.

Jan. 23, 1936

Told C.S.H. it was especially gratified that C.S.H. was to keep his room and his secretary, and that he would choose any date he wished and that he would be expected to attend all meetings of the new board.

Jan. 25, 1936

Roosevelt's response, for twelve-year term.

Jan. 26, 1936

Told C.S.H. that Roosevelt was to be made Vice Chairman. He said Roosevelt said he did not care who was to be made Vice Chairman; that Governor Jones suggested to Roosevelt that he should choose, so when Roosevelt agreed, that Glass said Roosevelt should be made Vice Chairman.

Jan. 30, 1936

Szymczak, - Federal Reserve Board (Cont'd)

C.S.H. wrote, as to his operation.

March 5, 1936 139

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Taber, F.

Last night Taber called and showed C.S.H. two letters received by the R.F.C., one from Hodsden and one from his attorney, Smith. Hodsden's letter was to Merriam of the R.F.C. and Smith's letter was to Farley and forwarded by him to the R.F.C. Both letters pleaded for a loan to Hodsden's corporation.

Hodsden's letter was purely statistical and in proper form. Smith's letter was a purely political appeal to Farley, saying that if that loan was granted, Roosevelt would surely carry Massachusetts. He said that Roosevelt in writing had said he would consider the matter in a friendly spirit for the reason that C.S.H. and H.P.H. were interested in it! C.S.H. expressed his indignation that Roosevelt's letter to Bertie should have been referred to.

Taber asked about the cow pasture and C.S.H. gave a full explanation. He asked about Hodsden and C.S.H. said he would have Edward Hamlin to write him fully. He said not to do this until he found out whether the R.F.C. could or would make such a loan.

See Cow Pasture May 29, 1936 181, 182

Tallry, Mr.

Mentioned for Federal Reserve Board.

Jan. 3, 1936 65

Tappan, Robert

See Hamlin, G. P.

Teas

(See Dinners, Lunches, Breakfasts and Suppers)

We had egg nog with Mr. Wilson of State Dept. at his home in Georgetown.

Dec. 28, 1935 57

Thomas, Federal Reserve Board

Thurston said Glass will fight Thomas to the death.

Jan. 19, 1936 87

Says he believes Roosevelt will reappoint Szymczak and make him vice chairman.

Oct. 20, 1935 16

Left today for Nebraska. C.S.H. suspects he is going

Thomas, Federal Reserve Board (Cont'd)

to Democratic State Convention next week.
Nov. 1, 1935 20

Said that Senator Burke went to Roosevelt some time ago and said that Thomas wished to know whether or not he is to be reappointed, for, if not, he will resign at once; that Roosevelt said not to resign.

Jan. 10, 1936 73

Said that Mrs. Thomas' heart collapse was caused by worry over Thomas.

Jan. 26, 1936 100

Roosevelt said Thomas' appointment was a bad one and should never have been made; that he neglected his work, etc.

Jan. 23, 1936

See Roosevelt

Roosevelt devised the age limit to get rid of Thomas.
Jan. 25, 1936 103, 119

Governor Eccles distrusted Thomas.
Feb. 20, 1936 131

Thomas, Mrs.

See, Thomas, Mr.

Thurston, Elliott (See also Roosevelt)

Told C.S.H. that Roosevelt was going down the hill rapidly and that the White House was badly scared. He said if he were a betting man, he would not risk \$10 on Roosevelt.

Dec. 20, 1935 54

Listened sympathetically when C.S.H. said that if not reappointed, he should leave Washington at once.

C.S.H. wonders whether he knows anything or not.
Jan. 11, 1936 76

Said he dined at Mrs. Burlings last night; that Delano was there and spoke very highly of C.S.H., and even approvingly of Governor Eccles; that Birnie West, who was there, said Mrs. Miller told her she would never speak to President or Mrs. Roosevelt again.

Jan. 28, 1936 108, 109

Thurston, Elliott (See Also Roosevelt) (Cont'd)

Told Mrs. Harriman that the whole Board and staff loved C.S.H. and were much pleased at his appointment, but that they all detested Miller.

Feb. 7, 1936 124

Transamerica Corporation
See Voting permit

Treasury devaluation 30, 31, 60
See Central bank

Trust fund 114
See Reserves

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Uninvested Trust funds 114
 See Reserves

U. S. Chamber of Commerce 40
 See Governor Eccles

U. S. Supreme Court
 Declares A.A.A. and processing tax unconstitutional
 by a vote of 6 to 3. Jan. 6, 1933 70

Certain Justices expressed grave fears to Miller
 that Roosevelt clean out the whole Federal Reserve
 Board. Jan. 9, 1936 72

Roosevelt favors limiting terms to 10 years.
 Jan. 23, 1936 95

U. S. Treasury
 See Central bank
 Reserve requirements

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Votes

A savings bank department of a California bank is not a savings bank under Banking Act of 1935. C.S.H. dissented.

Dec. 12, 1935 47

Open Market Committee voted against increasing reserve requirements.

Dec. 18, 1935 52

See reserve requirements.

Uninvested Trust funds not deposited in commercial side of bank need carry no reserves. Wyatt contra. Board accepted C.S.H.'s views.

Feb. 1, 1936 114

See Voting permits
Special Counsel

Voting Permits

Board took up a letter to Comptroller on Transamerica voting permit. The Comptroller claimed Board had already voted on this. C.S.H. denied this. Went over.

Oct. 18, 1935 4

Comptroller gave complete account of Bank of America, showing that it had improved wonderfully and expressed opinion that a general voting permit should be given to it, on the condition that it would be revoked if the suggestions and recommendations of the Comptroller were at any time not complied with.

The whole Board approved and it was so voted.
A great victory for C.S.H!

The staff originally recommended conditions which would have taken from the Comptroller all his power and given the Board exclusive jurisdiction. This would have put upon the Board's shoulders the whole banking situation in California and would have brought about civil war between the Board and the Comptroller.

Oct. 25, 1935 9, 10

C.S.H. conferred with Morrill, Wyatt and Paulger. Decided to prepare voting permit for Transamerica Company. In addition to conditions as to the National bank, we agreed to add a condition that the Holding company must

Voting Permits

keep its subordinates in good financial condition and maintain a reasonable quota of capital to deposits. C.S.H. believes the Comptroller should enforce the National bank conditions. We agreed to segregate all other petitions covering National banks and approve them on condition of their obeying the suggestions and the recommendations of the Comptroller, and if any trouble arose, we should ask the comptroller to take jurisdiction as in the Transamerica petition.

As to the holding companies of State banks, we agreed that we need not get a formal expression of opinion from the State authorities, but to leave it to the Federal Reserve Agent, whose duty it is to know whether the member banks are disregarding the State Superintendent's orders and whether they have any objection to the granting of the permit.

We found that there was a State nonmember bank, called Bank of America, held by Transamerica Company. Paulger had said only National banks were involved. We felt, however, that the condition as to keeping all subordinate banks in sound condition would cover this case.

We also agreed to put in a condition that holding companies should agree to keep a reasonable ratio of capital to surplus. Whether this applies to all banks, we felt that as to National banks, we would merely give to the Comptroller power which he does not now have, to force a National bank to increase its capital.

C.S.H. was asked to show this condition to the Comptroller and get his consent, if possible.

C.S.H. agreed to take up the Marine Midland bank, involving State banks on Tuesday. C.S.H. pressed the necessity for speedy action and laid down December 1 as the final date for Comptroller. They doubted whether they could do this but C.S.H. said it must be done.

Morrill said it was absolutely necessary for the banks to have our decision well before January next, the date of election of directors.

Wyatt said he wished it understood that he was not in accord with this policy of the Board. C.S.H. asked him squarely what he thought the policy should be.

Voting Permits

Wyatt said he thought the Board should impose every condition it desired notwithstanding the judgment of the Comptroller. Wyatt said he was not wholly satisfied with the Comptroller's report to the Board in answer to the Board's letter.

C.S.H. feels Wyatt is hypercritical and that if the Board should follow his advice, it would have to take over the direction and management of every National bank controlled by a holding company. That would place upon the Board complete responsibility for the whole California banking situation and lead to civil war with the Comptroller.

C.S.H. believes that every condition imposed by our Board on a National bank must be enforced by the Comptroller.

The Board can grant or refuse a voting permit and can decide as to the present condition of a member bank, and it can refuse a permit, but in practice should ask the opinion of the Comptroller as a strong kind of evidence.

Wyatt said the Board would be delegating its power to the Comptroller which would be dereliction of our duty.

C.S.H. pointed out that Congress has given exclusive jurisdiction to the Comptroller over National banks, and if faithful to this trust, he can be removed by the President or by Congress.

C.S.H. said we have delegated nothing to the Comptroller as to the original question of granting or refusing a permit. We have simply taken evidence and decided the original question,—shall or shall not a permit be granted?

The Board cannot enforce future conditions except when the Comptroller applies to us.

When the Board grants a permit it can enforce conditions subsequent only through the Comptroller. It was certainly not the intention of Congress to deprive the Comptroller of his exclusive jurisdiction over National banks.

Voting Permits

The Board can refuse a permit of its own volition, but when it has granted a permit, conditions subsequent must be enforced by the Comptroller. However, the Board at the request of Comptroller can revoke a permit granted on conditions subsequent.

If the Board had followed this policy favored by Wyatt of going ahead without regard to the jurisdiction of the Comptroller, and had the Board undertaken to act in spite of the Comptroller, C.S.H. believes it would have had to back down, as it did in the case of Mercantile Trust Company of St. Louis, after at first following Wyatt's opinion.

October 26, 1935
9, 10, 11, 12, 13, 14, 15, 16

Conference over Transamerica Voting permit.
Present: Morrill, Wyatt, Clayton, Paulger, Cagle and C.S.H.

We finally agreed on a form to be submitted to the Board and to show it to Giannini at a subsequent hearing. The only new matter was a clause providing that all dividends for the Bank of America in excess of 6% should be applied to taking down the 32 million note.

C.S.H. was asked to show this to the Comptroller. In the afternoon representatives from the Marine Midland appeared. After long discussion, we agreed to issue a voting permit under the general standard conditions, and it was agreed that as to National banks involved, we would put in the general condition as to carrying out the recommendations and suggestions of the Comptroller. We did not think it necessary to get a special report from the Comptroller.

Wyatt sent C.S.H. a memorandum to effect that there were still 5 or 6 general questions of policy remaining to be settled. We agreed to settle them tomorrow.

Wyatt, in his memorandum, said his staff would not initial the letter to Transamerica Corporation, as they did not agree with this policy and said he wanted to prepare a memorandum giving his views as to policy, which memorandum would necessarily be very long.

October 26, 1935 18, 19

Board took up Regulation P,—Holding Companies.
C.S.H. made several suggestions which were accepted. Clayton told C.S.H. that Governor Eccles was not satisfied with the recommendations as to Transamerica voting permit; that he wanted a firm recommendation to be sub-

Voting Permits (Cont'd)

mitted by C.S.H. which the Board could accept or reject; that Governor Eccles objected to the condition requiring accurate reports to stockholders, as it would place too heavy a burden on our Board and too great responsibility.

C.S.H. called another meeting for tomorrow at 10 A.M.
Nov. 1, 1935 20

C.S.H. met with Wyatt, Clayton, Cagle, Paulger, Wingfield and the Comptroller. We finally reached a unanimous agreement on Transamerica conditions. We advanced to two years the time in which to charge off depreciation, etc. The real discussion was over the question as to making accurate statements to stockholders in other than official reports, or statements to the public, two copies of which were to be forwarded to the Federal Reserve Agent.

Clayton said Governor Eccles would object to this.

C.S.H. said he felt this particular form placed responsibility on the Board to O.K. all statements and in the future we might be criticized for not having originally objected to them.

C.S.H. believes Congress never intended to give us or put upon us such power,—really police powers. All agreed that, however, desirable, the question was not vital.

C.S.H. decided to report this separately to the Board, omitting it from the main report.

The Comptroller agreed to the condition as to excess over 6% of Bank of America dividends.

Some objection was at first made to giving two years in which to charge off depreciation, on the ground that in the Old Colony Trust Co. this was made a condition precedent.* Morrill said that changing the condition to one subsequent rather than an precedent, violated no principle. C.S.H. feels we can take care of the false report amendment by putting into the condition against changing the scope of the business, a further statement,— "and shall maintain the character of its management."

Voting Permits (Cont'd)

This would give the Board the right to threaten to revoke the permit for any false or intentionally misleading statement.

Nov. 1, 1935
22, 23, 24

Conference over Transamerica permit:
Present: Wyatt, Paulger, Cagle, Morrill and Baumann.

We all agreed that sound policy demanded a prohibition against false statements. Wyatt changed his mind and said he feared it might cause litigation.

Wyatt sent C.S.H. a memorandum suggesting various ways of meeting the situation without committing the Board to a policy which must apply to all the 50 holding companies. C.S.H. thought one of his suggestions could be used if revised to read:

"That the management of the corporation and its subsidiaries shall be conducted under sound policies governing their financial and other operations, including public statements relating thereto."

Nov. 2, 1935 24, 25

The conference accepted the above except that "public" was stricken out and changed to "statements issued". All voted for this altho' Clayton did so reluctantly. The condition as to 6% dividends of Bank of America was dropped out as Clayton positively declined to accept it. Finally we substituted a clause that the Transamerica Co. could not increase its present dividend rate until the note in question had been paid to Bank of America. All finally agreed to this.

Nov. 5, 1935 26

C.S.H. signed a formal recommendation to the Board as to Transamerica permit.

Nov. 7, 1935 27

Thruston told C.S.H. that Governor Eccles favored a change in the condition as to prohibiting false statements, which he thought very good.

C.S.H. feels that his statement was clear and explicit, and hopes Governor Eccles will not try to emasculate it.

Nov. 7, 1935 27

Voting Permits (Cont'd)

This would give the Board the right to threaten to
revoke the permit for any false or intentionally misleading
statement.

Nov. 1, 1935
12, 25, 24

Conference over Transamerica permit:
Present: Wyatt, Paulsen, Goffe, Merrill and Hansen.

We all agreed that sound policy demanded a prohibition
against false statements. Wyatt changed his mind and
said he feared it might cause litigation.

Wyatt sent C.S.H. a memorandum suggesting various ways
of meeting the situation without committing the Board
to a policy which would apply to all the 30 holding com-
panies. C.S.H. thought one of his suggestions could be
used if revised to read:

"That the management of the corporation and its
subsidiaries shall be conducted under sound poli-
cies governing their financial and other operations,
including public statements relating thereto."

Nov. 2, 1935 24, 25

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was struck out and changed to "statements issued".
All voted for this. Wyatt did so reluctantly.
The condition as to 22 dividends of Bank of America
was dropped out as Wyatt positively declined to ac-
cept it. Finally we substituted a clause that the
Transamerica Co. could not increase its present divi-
dend rate until the note in question had been paid to
Bank of America. All finally agreed to this.

Nov. 3, 1935 28

C.S.H. signed a formal recommendation to the Board as to
Transamerica permit.

Nov. 4, 1935 27

Wyatt told C.S.H. that Governor Eccles favored a
change in the condition as to prohibiting false statements,
which he thought very good.

C.S.H. feels that his statement was clear and explicit, and
hopes Governor Eccles will not try to emasculate it.

Nov. 7, 1935 27

Voting Permits (Cont'd)

C.S.H. explains his recommendation as to Transamerica
voting permit. At first, Governor Eccles said we
were going too far and were giving Board too
great authority as to charge offs. After long dis-
cussions the Board approved the proposed letter to
Giannini, with slight immaterial changes.

There was much discussion as to the clause relating to
false statements. C.S.H. said by false statements was
intended a deliberately false statement which deceived
the public and gave rise to a demand on us to revoke
the voting permit.

C.S.H. asked if we would like to be compelled to say
we cannot now revoke it, as we did not originally
reserve the right? Governor Eccles then said, "Let
us try it on the dog", and it was approved. Board
agreed to send the standard conditions to all holding
companies to which a hearing will be given at same
time when Giannini is heard on his special conditions.

C.S.H. said he would probably finish all applications
by December 1, which was the last day on which the
Board had said it would issue temporary permits.
The Board sat until 7:45 P.M.

Nov. 7, 1935 28

Wyatt congratulated C.S.H. on the manner in which he con-
ducted the above hearing before the Board. He said it
was the clearest, ablest presentation he had ever heard.
Nov. 9, 1935 29

Hearing before Committee on petition of Transamerica
Corporation for voting permit.

Giannini appeared with his Counsel, Collins. Giannini
objected to the condition that he could not increase his
Transamerica dividends until he had paid off the 22
million dollar obligation held by Bank of America. He
finally said he would agree to pay it off within five
years, one-fifth every year and said that if the Board
insisted he would do it within three years.

The latter offer seemed about right to C.S.H., but he
simply said he would report it to the full Board. Later
the Board met and voted to make it three years.

Voting Permits (Cont'd)

Later, the Board met and voted to make it three years.

Giannini also asked the right to appeal from decisions of the Federal Reserve Agent as to charge offs, etc.— which the Board thought reasonable. C.S.H. is most pleased at the results of over a year's study.

Nov. 22, 1935 38

Paulger told C.S.H. the capital of the Transamerica was not impaired nor was that of the Bank of America.

Nov. 25, 1935 39, 40

Giannini wired C.S.H. complaining that the New York papers said his petition had been pending for over a year and said Morrill, Governor Meyer's friend, was responsible for it.

C.S.H. in his letter praised Morrill's loyalty and ability.

See Scrap Book Nov. 25, 1935 40

Minority interests in Portland National Bank ask hearing to protest against permit to Transamerica Company.

Nov. 28, 1935 43

Spent whole day with staff discussing standard conditions in voting permits.

Dec. 2, 1935 44

Conferred with staff two hours. Finally agreed on standard conditions, form of agreement, instructions to Federal Reserve agents, etc. C.S.H. sent letter to Board approving this.

By 4 P.M. all members had O.K.'d this letter, including Governor Eccles and it will probably be adopted without a formal meeting of the Board.

Dec. 3, 1935 44

Giannini wired C.S.H. on Tuesday, Dec. 31, 1935, that he would pay off 5 millions of the 22 millions of the note this week and would not reduce his collateral. A great victory for our Board!

Jan. 1, 1936 62

Last Monday the Marine Midland wrote asking for a temporary voting permit, as they were unwilling to abide by the standard conditions. They said their counsel was working on a draft of conditions they would be willing to agree on. Every point raised by them has been raised

Voting Permits (Cont'd)

C.S.H. explains his recommendation as to Transamerica voting permit. At first, Governor Eccles said we were going too far and were giving Board too great authority as to charge offs. After long discussion the Board approved the proposed letter to Giannini, with slight immaterial changes.

There was much discussion as to the clause relating to future statements. C.S.H. said by future statements intended a deliberately false statement which deceived the public and gave rise to a demand on us to revoke the voting permit.

C.S.H. asked if we would like to be compelled to say we cannot now revoke it, as we did not originally reserve the right? Governor Eccles then said, "Let us try it on the 60%", and it was approved. Board agreed to send the standard conditions to all holding companies to which a hearing will be given at some time when Giannini is heard on his special conditions.

C.S.H. said he would probably finish all applications by December 1, which was the last day on which the Board had said it would issue temporary permits. The Board met until 7:45 P.M.

Nov. 7, 1935 38

Great congratulations C.S.H. on the manner in which he conducted the above hearing before the Board. He said it was the clearest, simplest presentation he had ever heard.

Nov. 9, 1935 39

Hearing before Committee on petition of Transamerica Corporation for voting permit.

Giannini appeared with his counsel, Collins. Giannini objected to the condition that he could not increase his Transamerica dividends until he had paid off the \$5 million dollar obligation held by Bank of America. He finally said he would agree to pay it off within five years, one-fifth every year and said that if the Board insisted he would do it within three years.

The latter offer seemed about right to C.S.H., but he simply said he would report it to the full Board. Later the Board met and voted to make it three years.

Voting Permits (Cont'd)

before, and they have had since November 9th to study these conditions. They question the legality of practically all of our conditions, and they pointed out that if they signed they would be liable to pay \$350,000 in taxes on ground that they were doing business in New York. This was no new point, and if allowed, our Board could never get an agreement to do anything in the State of incorporation,—in this case, Delaware.

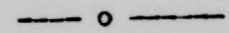
C.S.H. wired refusal which every member checked. C.S.H. today brought it before Board meeting which unanimously approved it.

C.S.H. believes the Marine Midland is trying to stall matters in the belief that the new Board will be more amenable to pressure.

Jan. 2, 1936 63, 64

C.S.H. at office for the first time. Studies petition of National Shawmut Bank. See Special Counsel

Feb. 6, 1936 123, 124



Voting Permits (Cont'd)

Later, the Board met and voted to make it three years. Chairman also asked the right to appeal from decisions of the Federal Reserve Agent as to change etc., etc. which the Board thought reasonable. C.S.H. is most pleased at the results of over a year's study.

Nov. 22, 1935 38

Faulstich told C.S.H. the capital of the Transamerica was not impaired nor was that of the Bank of America.

Nov. 22, 1935 39, 40

Chairman wired C.S.H. complaining that the New York papers said his petition had been pending for over a year and said Merrill, Governor Meyer's friend, was responsible for it.

C.S.H. in his letter praised Merrill's loyalty and ability.

Nov. 23, 1935 40

Minority interests in Portland National Bank ask hearing to protest against permit to Transamerica Company.

Nov. 28, 1935 43

Spent whole day with staff discussing standard conditions in voting permits.

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Conferred with staff two hours. Finally agreed on standard conditions, form of agreement, instructions to Federal Reserve agents, etc. C.S.H. sent letter to Board approving this.

By 4 P.M. all members had OK'd the letter, including Governor Ladd and it will probably be adopted without a formal meeting of the Board.

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Chairman wired C.S.H. on Tuesday, Dec. 31, 1935, that he would pay off 5 millions of the 22 millions of the note this week and would not reduce his collateral. A great victory for our Board!

Jan. 1, 1936 52

Last Monday the Marine Midland wrote asking for a temporary voting permit, as they were unwilling to abide by the standard conditions. They said their counsel was working on a draft of conditions they would be willing to agree on. Every point raised by them has been raised

- W -

Wall Street Journal
See Federal Reserve Bank of Philadelphia 6

Walsh, Senator
Indorsed Foster for Board.
Jan. 28, 1936 108

Warburg, Paul
See Willis, H.P. 180

Warren, Charles
C.S.H. asked advice of, as to accepting position of
Special Counsel. He strongly advised me to accept it.
Jan. 27, 1936 107

We lunched with.
March 29, 1936 147

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Washington portrait, Rembrandt Peale
Reynolds advised C.S.H. that if Mr. Pruyn originally
paid \$400 for it, he could return its value to the
D. C. Tax assessors as \$100.
June 9, 1936 189

Washington Post
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Will, Frederic
Says rumor is that C.S.H., Miller and Szymczak will
be reappointed.
Jan. 9, 1936 71

(Cont'd) Voting Records

before, and they have had since November 25 to
study these conditions. They question the legality
of practically all of our conditions, and they
pointed out that if they signed they would be liable
to pay \$250,000 in taxes on ground that they were
doing business in New York. This was no new point,
and if allowed, our Board could never get an agreement
to do anything in the State of incorporation.--in this
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C.S.H. wired refusal which every member checked. C.S.H.
today brought it before Board meeting which unanimously
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C.S.H. believes the Marine Board is trying to stall
matters in the belief that the new Board will be more
amenable to pressure.

Jan. 2, 1936

C.S.H. at office for the first time. Studies position
of National Payment Bank.
See Special Counsel

Feb. 6, 1936

Williams, Constance (Lodge)

Sends some beautiful flowers to us, at first I thought they were sent to me in my illness and I wrote and found she did not know of it. She replied in a very sweet letter.

April 11, 1936 148

Willis, H. P.

C.S.H. met, at Hay-Adams House. He called later and asked C.S.H. to give him a copy of his review of that part of Warburg's book relating to the attempt to cut down the Federal Reserve banks.

C.S.H. told him that the article in question was in the Board's files and that he could not give him a copy without consent of the Board. C.S.H., however, is now inclined to feel that it would not be improper to give a copy to Willis, as this article was checked up by Willis when it was written, and during the period of this controversy, Willis was secretary of the Board. Willis said C.S.H. originally gave him a copy which he has mislaid.

He also told C.S.H. that the New York Herald Tribune had recently severely criticised the Board and that Leffingwell had written the editor to effect that it was the best Board since the System was founded.

May 30, 1936 180, 181

Wilmer, Dr.

See Hamlin, C. S.: Operation

Wilson, Mr.

We took egg nog at house of, of State Department, in Georgetown.

Dec. 28, 1935 57

Wilson, Woodrow

Bertie lays a wreath on tomb of, and delivers a charming address.

Feb. 26, 1936 135

Women's National Democratic Club

H.P.H. takes part in a dialogue at dinner of.

Feb. 29, 1936 136

See Dinners.

Wyatt, Walter

Told C.S.H. that Logan, Counsel of Federal Reserve Bank of New York, asked him about retaining Newton D. Baker in a suit versus the Board involving the legality of its turning over to the Treasury certain gold bullion; that he told Logan to consult the Treasury—as in case of a decision against the Bank, the Treasury would have to ask Congress for an appropriation to indemnify the Bank; that Logan consulted Olyphant, General Counsel of the Treasury, who said that if Baker were retained, the Treasury would take no interest in the litigation nor would it ask Congress for an indemnity, if the decision was against the Bank.

He said Olyphant suggested retaining Leylin, a former Treasury expert, now in the firm of Covington and Atcheson. Logan accordingly retained Leylin and Board approved.

Jan. 10, 1936 73, 74

Advises Board it should take control over all National banks controlled by holding companies, in spite of the jurisdiction over National banks given to the Comptroller by statute.

C.S.H. believes that if Board had followed such advice and have tried to enforce it, Wyatt would have backed down as he did in the Mercantile Trust Co. of St. Louis.

Oct. 26, 1935 9 to 16

Congratulates C.S.H. on the wonderful manner in which he handled the voting permits, saying the staff were unanimous the Transamerica case could not be worked out unanimously, but that C.S.H. succeeded in getting an unanimous agreement.

Oct. 26, 1935 9 to 16

Writes a memorandum protesting against the Board's policy in giving voting permits and saying neither he nor his staff would check letters carrying out such policy. C.S.H. writes him a very kind letter to effect that the check of the staff had nothing to do with policy; that it merely certified to the correctness in form of the policy fixed by the Board.

Oct. 26, 1935 9 to 16

Williams, Constance (Lodge)

Sends some beautiful flowers to me, at first I thought they were sent to me in my illness and I wrote and found she did not know of it. She replied in a very sweet letter.

April 11, 1936

Williams, R. P.

C.S.H. met at Ray-Adams House. He called later and asked C.S.H. to give him a copy of his review of that part of Williams' book relating to the attempt to cut down the Federal Reserve Board.

C.S.H. told him that the article in question was in the Board's files and that he could not give him a copy without consent of the Board. C.S.H., however, is now inclined to feel that it would not be improper to give a copy to Williams, as this article was checked up by Williams when it was written, and during the period of this controversy, Williams was secretary of the Board. Williams said C.S.H. originally gave him a copy which he has retained.

He also told C.S.H. that the New York Herald Tribune had recently severely criticized the Board and that Lottinville had written the editor to effect that it was the best board since the system was founded.

May 30, 1936 180, 181

Wright, Dr.

See Hamilton, C. S. : Operation

Wright, Dr.

We took long nap at house of State Department, in Georgetown.

Dec. 28, 1935

Wilson, Woodrow

Wright's wife a wreath on top of, and delivers a message.

Feb. 23, 1936

Women's National Democratic Club

H.P.H. takes part in a dinner at dinner of.

Feb. 28, 1936

See Dinner.

Wyatt, Walter (Cont'd)

Mr. and Mrs. Wyatt lunched with us. He said he directed one of the assistant counsel to rewrite his opinion in the National Shawmut Bank petition, so as to incorporate certain points made by C.S.H. in his opinion as Special Counsel.

Mar. 1, 1936 137

See Voting permits

Thurston said Wyatt was able but not very broad and that the Board needed C.S.H. as special advisor in law and policy matters.

See Special Counsel
Thurston

(End of Volume)

John C.S.H. that Logan, Counsel of Federal Reserve Bank of New York, asked his about retaining Newton B. Baker in a suit versus the Board involving the legality of its turning over to the Treasury certain gold bullion; that he told Logan to consult the Treasury—as in case of a decision against the Board, the Treasury would have to ask Congress for an appropriation to indemnify the Bank; that Logan consulted Olyphant, General Counsel of the Treasury, who said that if Baker were retained, the Treasury would take no interest in the litigation nor would it ask Congress for an indemnity, if the decision was against the Bank.

He said Olyphant suggested retaining Lylin, a former Treasury expert, now in the line of Conington and Jackson. Logan accordingly retained Lylin and word approval. Jan. 10, 1936 75 74

Advises Board it should take control over all National banks controlled by holding companies, in spite of the jurisdiction over National banks given to the Comptroller by statute.

C.S.H. believes that if Board had followed such advice and have tried to enforce it, that would have packed down as he did in the Mercantile Trust Co. of St. Louis. Oct. 22, 1935 9 to 12

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Writes a memorandum protesting against the Board's policy in giving voting permits and saying neither he nor his staff would check letters carrying out such policy. C.S.H. writes him a very kind letter to effect that the check of the staff had nothing to do with policy; that it merely certified to the correctness in form of the policy stated by the Board. Oct. 22, 1935 9 to 12

(b'noo) (Cont'd)

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one of the assistant counsel to review his opinion in
the National Shawmut Bank petition. as to incorporate
certain points made by C.S.H. in his opinion as Special
Counsel.

Mar. 1, 1935 135

See Voting permits

Thurston said Wyatt was also not very pleased and that
the Board needed C.S.H. as special advisor in law and
policy matters.
See Special Counsel
Thurston

- Y -

Young, Governor

See Federal Reserve Bank, Boston
126, 134

Young, Owen D.

Thurston asked if, would not make a good chairman
for Federal Reserve Bank of New York. C.S.H. said
"Yes", an ideal man, but he feared he would not accept
it, even if Case were out of it.

Oct. 22, 1935 5, 6

Board voted not to reappoint, as Class C director, he
having served over six years.

Nov. 28, 1935 43

Advised Roosevelt to retain the present Board both from
consideration of good of System and even from view of
good politics.

Dec. 28, 1935 59

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