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PRESIDENT, 1963-1969

LEGISLATION
(EX LE/FI 5-7 5/3/66)

BOX 51

OPEN

LE/FI 9

SECRETARY OF THE TREASURY

(6)

Mr. Valenti;

Jack;

The President
spoke to me on
the phone over the
week end about this
legislation, & I am
sure he will be
interested in this memo.

Call

Jan. 15, 1965

EXECUTIVE

LE/FI 9-1
AMERICAN Bankers Ass
PU 2-2/P*

January 16, 1965

ONAL

...ed that Congressman Patman's
Office called Mrs. Roberts about this one to
say that they were sending it, and that it be
gotten in ... hands by tonight.

Dear Congressman:

This will acknowledge your letter of
January 15 to the President attaching
articles from the New York Times and
the Wall Street Journal regarding
Federal Reserve legislation.

In accordance with your request, this
letter was forwarded immediately to
the President.

HANDLING IS ESSENTIAL.
DRAFT REPLY IS REQUESTED
SIC CORRESPONDENCE MUST
URNED. IF ANY DELAY IN
ION OF DRAFT REPLY IS
TERED, PLEASE TELEPHONE
OF THE SPECIAL ASSISTANT.

Date Jan. 15, 1965

Sincerely yours,

Rep. Patman

FROM THE SPECIAL ASSISTANT

ACTION:

Comment: As per attached note from Mr. Hopkins,

Lawrence F. O'Brien kept a copy & will send

Draft Special Assistant (Attachment from Mr. O'Brien)

to the President

For direct reply

For your information

Honorable Wright Patman
House of Representatives
Washington, D. C.

See below

11/31

JAN 19 1965

CENTRAL FILES

Remarks:

Wright Patman

Jan 19, 1965

RECEIVED

JAN 23 1965

CENTRAL FILES

By direction of the President:

Lawrence F. O'Brien
Special Assistant
to the President

~~Nothing else sent to~~
~~Central Files of 1/22/65~~

Jan. 15, 1965

Mr. O'Brien:

We understand that Congressman Patman's Office called Mrs. Roberts about this one to say that they were sending it, and that it be gotten into the President's hands by tonight.

William J. Hopkins

OFFICE

THE WHITE HOUSE OFFICE

ROUTE SLIP

(To Remain With Correspondence)

WASHINGTON, D. C.

TO Mrs. Juanita Roberts

PROMPT HANDLING IS ESSENTIAL. WHEN DRAFT REPLY IS REQUESTED THE BASIC CORRESPONDENCE MUST BE RETURNED. IF ANY DELAY IN SUBMISSION OF DRAFT REPLY IS ENCOUNTERED, PLEASE TELEPHONE OFFICE OF THE SPECIAL ASSISTANT.

January 15, 1965

Honorable Lyndon B. Johnson
The President
The White House
Washington, D. C.

Date Jan. 15, 1965

FROM THE SPECIAL ASSISTANT

Rep. Patman

ACTION: Comment As per attached note from Mr. Hopkins.

(Juanita - I have kept a copy & will send

Draft reply acknowledgment from Mr. O'Brien)

For direct reply _____

For your information _____

For necessary action _____

For appropriate handling _____

See below _____

Remarks:

... Actually, the gold cover legislation is needed in large part because the banks are lending large sums of dollars to foreigners and U. S. corporations are investing heavily abroad.

With kindest regards and best wishes, remain

Stephen Rodden

Jan 18, 1965

RECEIVED
JAN 23 1965
CENTRAL FILES

By direction of the President:

Lawrence F. O'Brien
Special Assistant
to the President

CARDED

12

JAN 15 1965

HOUSE OF REPRESENTATIVES
COMMITTEE ON BANKING AND CURRENCY

EIGHTY-EIGHTH CONGRESS

1301 LONGWORTH HOUSE OFFICE BUILDING

WASHINGTON, D.C.

January 15, 1965

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Honorable Lyndon B. Johnson
The President
The White House
Washington, D. C.

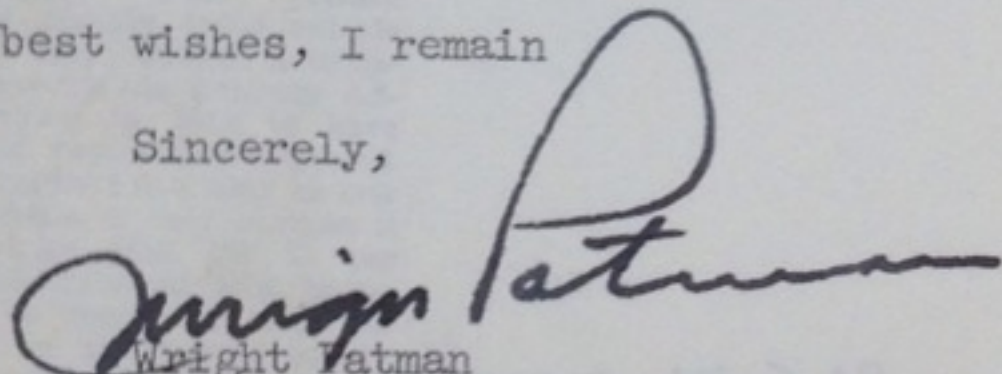
Dear Mr. President:

I call your attention to two recent articles which appeared in the New York Times of January 8 and the Wall Street Journal of January 15. These articles indicate that the banking industry is attempting to blackmail the President and the Congress so as to assure defeat of Federal Reserve reform legislation. As you know, this legislation would, for the first time, assure that monetary decision taken by the Federal Reserve be subject and responsive to the President's economic objectives.

The deal involves big banker support for your forthcoming "gold cover" legislation in return for assurances that the Federal Reserve legislation will not receive Administration approval. This brazen attempt to blackmail the President of the United States and the Congress is appalling. I am shocked at the colossal nerve of the American Bankers Association hierarchy. Actually, the "gold cover" legislation is needed in large part because the banks are lending large sums of dollars to foreigners and U. S. corporations are investing heavily abroad.

With kindest regards and best wishes, I remain

Sincerely,


Wright Patman
Chairman

Enclosures

This file contained a copyright-protected article that has been removed.

The citation for the original is:

Dale, Edwin L. "President May Try to Cut Gold Backing for Dollar: Administration Is Near Decision to Ask Repeal of All or Part of 25% Cover for Reserve Notes and Deposits." *New York Times*, January 8, 1965.