

January 13, 1964

MEMORANDUM FOR THE PRESIDENT

1. Appointment of a Governor of the Federal Reserve Board will be due before January 31.

On that date, the present term expires for James L. Robertson, 56, career Government official, appointed from the Kansas City District.

The vacancy will be for a 14-year term, as one of seven Governors, at an annual salary of \$20,000. Appointments have customarily been non-partisan rather than bi-partisan. There are no specific Governorships identified with a particular party.

There cannot be more than one Governor from any one of the twelve Federal Reserve Districts. The open districts, in addition to Kansas City, will be Boston, Atlanta, Cleveland, St. Louis, and Minneapolis. A map showing the States in each District, and the identifying number of each District (e.g., Boston is also known as the First District; New York, as the Second District; and so on) is attached.

2. The need is for a comparatively young man of broad practical experience preferably with a knowledge of bank operations.

The statute directs the President to "have due regard to a fair representation of the financial, agricultural, industrial, and commercial interests, and geographical divisions of the country."

The six other present members include three who are 65 years of age or older; another about 60; one, 57; and the most recent appointee, 45. A list of the present Governors is attached, indicating the State from which each was appointed, the President by whom appointed and the year, the expiration date of the Governor's term, and his age.

Governor Robertson, as an attorney with long previous Government service in bank supervision, has met the practical need to have at least one Board member fully acquainted with banking operations, bank examination, and questions of mergers and competition. No other present Governor can fully provide the special competence that is desirable in these areas.

Comparable special areas of competence of the other Governors are:

Chairman Martin: securities markets, international finance
Vice Chairman Balderston: business and industry
Governor Shepardson: agricultural conditions
Governor Mills: commercial loans
Governor Mitchell: fiscal policy, research and analysis
Governor Deane: debt management; foreign exchange and gold.

3. The most promising possibility seems to be Frederick L. Deming, 51, President of the Federal Reserve Bank of Minneapolis (Minneapolis District) and formerly Vice President of the Federal Reserve Bank of St. Louis (St. Louis District). He is widely known and highly respected throughout business and financial circles in the United States. A good banker and a good Democrat.

Brief biographies are attached of Mr. Deming and of three other men from three other open Districts who deserve consideration:

George H. Ellis, 44, President of the Federal Reserve Bank of Boston (Boston District)

Rex J. Northland, ⁵¹~~41~~, President of the Bank of Selma, Selma, Alabama (Atlanta District)

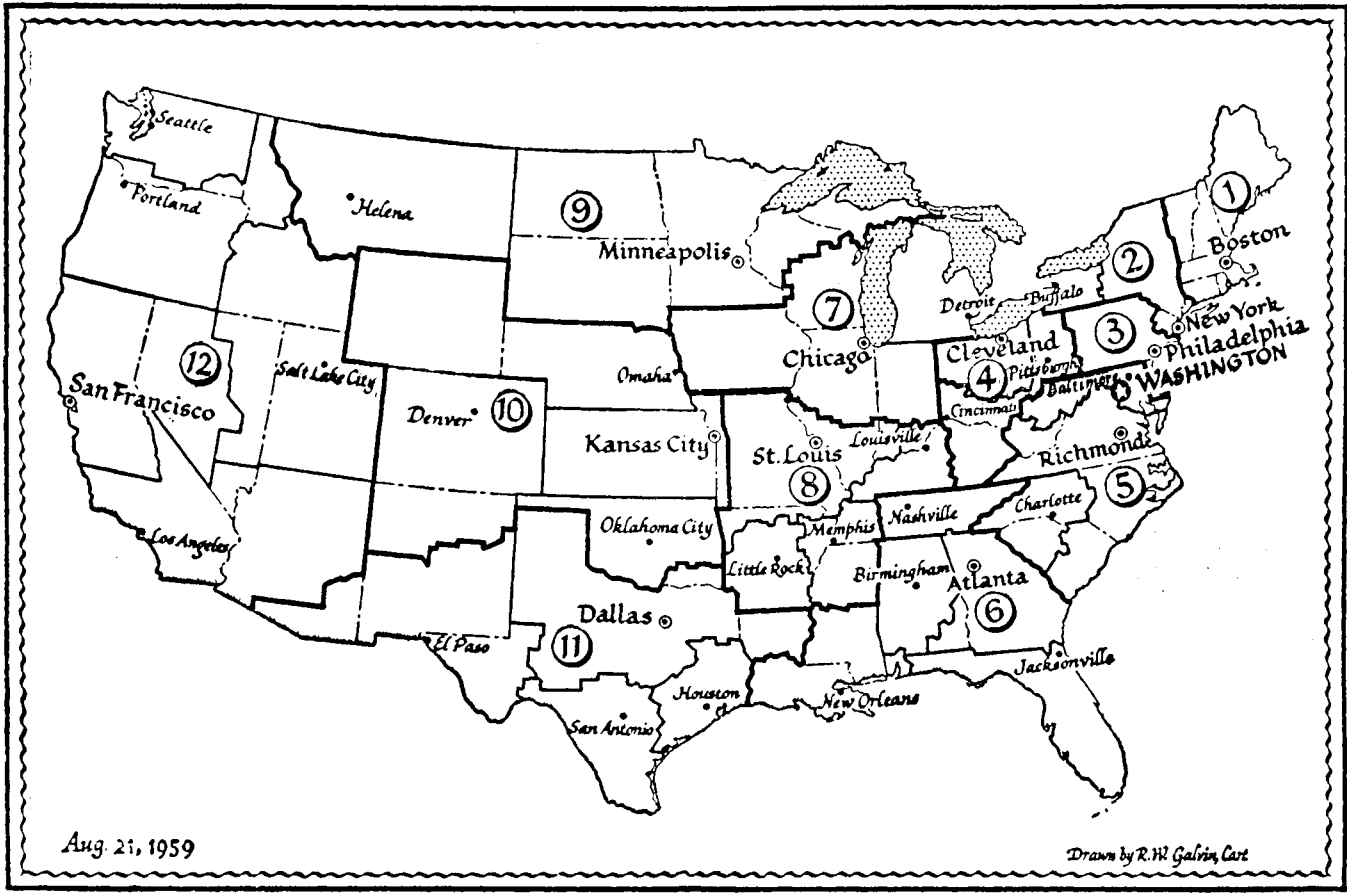
Walter Lingle, 56, Deputy Associate Administrator for Industry Affairs, NASA, now located in Washington, but actually from Cincinnati, Ohio (Cleveland District).

Governor Robertson would also be eligible for reappointment, since he was originally appointed in 1952 to complete an unexpired term. He would appear to be the best qualified candidate from the Tenth District. His biography is also attached.

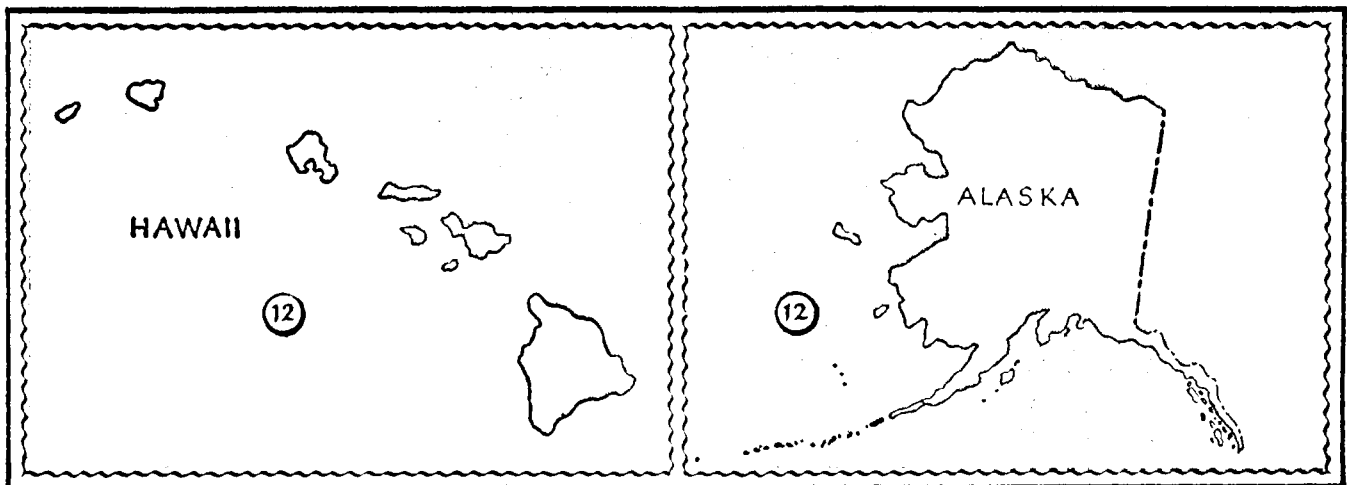
Douglas Dillon

Attachments

BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



★ **THE FEDERAL RESERVE SYSTEM** ★



Legend

- Boundaries of Federal Reserve Districts — Boundaries of Federal Reserve Branch Territories
- ⊕ Board of Governors of the Federal Reserve System
- ⊙ Federal Reserve Bank Cities • Federal Reserve Branch Cities

PRESENT MEMBERSHIP: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

<u>Governor</u>	<u>Age to Nearest Birthdsy</u>	<u>Appointed from:</u>		<u>Appointed by:</u>	<u>Term Expires January 31:</u>
		<u>State</u>	<u>District</u>	<u>President:</u>	
J. L. Robertson	56	Nebraska	Kansas City	Truman (1952)	1964
C. C. Balderston	67	Pennsylvania	Philadelphia	Eisenhower (1954)	1966
C. M. Shepardson	68	Texas	Dallas	Eisenhower (1955)	1968
Wm. McC. Martin	57	New York	New York	Truman (1951) Eisenhower (1956)	1970
A. L. Mills	65	Oregon	San Francisco	Truman (1952) Eisenhower (1958)	1972
J. D. Deane	46	Virginia	Richmond	Kennedy (1963)	1974
G. W. Mitchell	60	Illinois	Chicago	Kennedy (1961) Kennedy (1962)	1976

FREDERICK L. DEMING:

President of the Federal Reserve Bank of Minneapolis, is 51 years of age. He is an economist and banker.

He has had some teaching experience at Washington University and St. Louis University, mainly part-time, at intervals from 1935 to 1949. His college specialization was in history and economics; he received the degrees of A.B., A.M., and Ph.D. from Washington University in St. Louis over the years 1934-41. He also worked from 1936 to 1941 as a Special Agent, Insurance Underwriter, and Safety Engineer for the James R. Hill Insurance Company in St. Louis. His principal employment has been in the Federal Reserve System.

Beginning as Assistant Manager of the Research Department of the Federal Reserve Bank of St. Louis in 1941, he had advanced through various positions to that of Vice President by 1951 and Executive Vice President in 1953. He was appointed President of the Federal Reserve Bank of Minneapolis in 1957 and has been active in a wide range of activities in the central, north central, and northwestern regions of the United States.

During his Federal Reserve experience he has been active at one time or another in virtually every aspect of Federal Reserve activities and operations, serving on interbank and interdistrict committees, and also serving brief tours of temporary staff duty at the Federal Reserve Board prior to becoming President of the Federal Reserve Bank of Minneapolis.

In current regional activities, he is Vice President of the United Fund of Hennepin County; is Vice President as well as Chairman of the Research Committee for the Upper Midwest Council; is President of the Board of Trustees of Macalester College. He is a Democrat and a Presbyterian.

GEORGE HATHAWAY ELLIS:

President of the Federal Reserve Bank of Boston since 1961; now 44 years of age; has been associated with the Federal Reserve Bank of Boston since 1951. B.A. degree in economics; University of Maine, 1941; graduate study in economics at Harvard, M.A., 1948, and Ph.D., 1950. War service 1941-45 in the Army, 2nd Lieutenant to Major.

As an industrial economist, Ellis has specialized in development problems of the New England Region. In 1950-51, when President Truman's Council of Economic Advisers set up a special committee on the New England Economy, Mr. Ellis was one of the most active members. He also served as Director of the Research Committee on New England for the National Planning Association from 1953-55; from 1955-57 he was Economic Adviser to the Committee on Public Transportation of the New England Governors Conference; and since 1957 has been Chairman of the Research Committee of the Greater Boston Economic Study Committee. He is also a Director of the New England Council; a trustee of the New England Council for Economic Education; and is active in the Chamber of Commerce of Greater Boston as well as in various banking associations and associations of professional economists.

He was born in Maine; he is a Congregationalist; and has not been identified with either political party.

REX J. MORIELAND:

President of the Peoples Bank and Trust Company of Selma, Alabama, is an economist and banker. A native of Topeka, Kansas, now 51 years of age, he received an A.B. degree from U.C.L.A. in 1933; his M.A. from U.C.L.A. in 1934; and his Ph.D. from the University of Chicago in 1946. He was a Teaching Assistant at U.C.L.A. from 1934-35 and a Pre-Doctoral Fellow of the Social Science Research Council from 1935-38. He was a Research Assistant at the Illinois State Tax Commission, 1938-40, working under George Mitchell (whom President Kennedy appointed to the Federal Reserve Board from Illinois in 1961). While in Illinois he completed his preparatory work for a Doctor's degree in Government finance, preparing a dissertation on "Municipal Debt in Illinois." Before the degree was completed, he went to the University of Connecticut as an Assistant Professor, 1940-41, and was then called to service in the United States Army. He continued in the Army until 1946, rising to Major of Infantry.

After completing his Doctor's degree at Chicago, he became Vice President of the Peoples Bank and Trust Company, continuing until 1953, at which time he was promoted to the Presidency. He was an instructor at the Selma Extension Center of the University of Alabama 1950-52. Since 1961 he has served as section leader and lecturer at the School of Banking of the South at Louisiana State University. In the Alabama Bankers Association, he has been Chairman of the Committees on Banking Education, Executive Management, and Revision of the Banking Laws. He is a Methodist, was raised in Glendale, California, and went to high school there.

WALTER LEE LINGLE, JR.:

Deputy Associate Administrator for Industry Affairs, National Aeronautics and Space Administration, is now located in Washington although a resident of Cincinnati, Ohio. He is 56 years of age, was born in Atlanta, Georgia, and received his Bachelor of Science degree from Davidson College in 1928.

From 1931 until 1961 he was associated with the Proctor and Gamble Company in Cincinnati, becoming Vice President in Charge of Overseas Operations in 1948; a Director in 1950; and Executive Vice President in 1954. He is a member of the U. S. Chamber of Commerce and was Vice Chairman of the United States Council of the International Chamber of Commerce.

He is a versatile and able businessman with wide experience in the financial side of business operations.

JAMES LOUIS ROBERTSON:

James Louis Robertson was born and reared in Broken Bow, Nebraska. His birth date was October 31, 1907. After attending Grinnell College, he studied at George Washington University, from which he received both A.B. and LL.B. degrees. He then did graduate work at the Harvard Law School, from which he received his LL.M. in 1932. He entered the Government service in 1927 in the United States Senate Post Office. Later he was a Special Agent of the Federal Bureau of Investigation. In 1933 he joined the legal staff of the Office of the Comptroller of the Currency. He served in the United States Naval Reserve in 1943-1944. Thereafter, he served as Deputy Comptroller of the Currency until he took office as a Member of the Board of Governors of the Federal Reserve System on February 18, 1952. He was admitted to the Bar of the Court of Appeals for the District of Columbia in 1931, and to the Supreme Court of the United States in 1935. Mr. Robertson is married and has three sons.