

Houston Thompson

DIARY

MAR. 1933 - Nov. 1933

Private

Memo for Mr. Rayburn

May I suggest that you  
run over & talk with Sen.

Hatcher & try to reconcile  
the density Roll? I

have already talked with  
the Senator -

FWR



March 13, 1933.

I was called to Secretary Roper's office and asked to take charge and supervise the drafting of a federal securities act. He called in Mr. Walter Miller, Director of Interstate and Foreign Commerce, and Mr. O. M. Butler, one of the attorneys. They had a rough draft of a bill in preparation. I studied the bill for several days, then got in touch with Governor Hamlin of the Federal Reserve Board who introduced me to the Deputy Comptroller. I went over the sections that might be affected by the Federal Reserve Board with him, then I got in touch with Director Sweet of the Interstate Commerce Commission and took up the sections affecting that Commission. He subsequently wrote me a letter of kindly suggestion and then a favorable one. I also called upon Justice Brandeis and read the bill over to him and discussed it, though he did not express any opinion as to form but told me where to get information.

March 19, 1933.

In the morning I was requested by Mr. McIntyre, secretary to the President, to call upon Mr. Samuel Untermyer at the Shoreham Hotel at ten o'clock. I found Mr. Untermyer in bed. He was in an irritable mood and suggested that I would be hostile to his bill. I laughed and said I knew nothing about his bill and felt sure there was no conflict between our bills and soon demonstrated this fact, leaving a copy of my bill with him.

In the afternoon at four o'clock, at the request of the President, I met in a room on the second floor of the White House with the President and Messrs.

Houston Thompson

DIARY

MAR. 1933 - MAY. 1933



March 15, 1933

I was called to Secretary Roper's office and asked to take charge and supervise the drafting of a federal securities act. He called in Mr. Walter Miller, Director of Interstate and Foreign Commerce, and Mr. C. W. Butler, one of the attorneys. They had a rough draft of a bill in preparation. I studied the bill for several days, then got in touch with Governor Hamlin of the Federal Reserve Board who introduced me to the Deputy Comptroller. I went over the sections that might be affected by the Federal Reserve Board with him, then I got in touch with Director Sweet of the Interstate Commerce Commission and took up the sections affecting that Commission. He subsequently wrote me a letter of kindly suggestion and then a favorable one. I also called upon Justice Brandeis and read the bill over to him and discussed it, though he did not express any opinion as to form but told me where to get information.

March 18, 1933

In the morning I was requested by Mr. McIntyre, secretary to the President, to call upon Mr. Samuel Untermyer at the Shoreham Hotel at ten o'clock. I found Mr. Untermyer in bed. He was in an irritable mood and suggested that I would be hostile to his bill. I laughed and said I knew nothing about his bill and felt sure there was no conflict between our bills and soon demonstrated this fact, leaving a copy of my bill with him.

In the afternoon at four o'clock, at the request of the President, I met in a room on the second floor of the White House with the President and Messrs.

Moley, Untermyer, Cummings, Roper and Taussig, an economist, and several others.

At the opening of the meeting Mr. Roper asked that I discuss an interview I had had with Senator Hiram Johnson who had introduced several bills regarding sale of foreign securities and authorizing the Government to stop the sale of them. I told those assembled that after going over our bill he kindly agreed to withdraw his bill, provided we would put ours in the Committee on Judiciary. He suggested that Senator Ashhurst should take the lead.

The President directed most of his conversation to Mr. Untermyer and myself. He had a draft of the proposed bill before him and discussed it. He criticized its length and detail, suggesting that we cut down both. He suggested cutting out that part of the bill permitting the Commission to refuse directly the sale of foreign government securities and requested that we get around this feature. He distinguished clearly between our bill and Untermyer's and said there was no conflict, the latter covering sales on stock exchanges.

After an hour's discussion we retired to tea in an adjoining room where his daughter, her children and some British lords were present. I had a separate discussion with Messrs. Roper and Cummings and we all agreed to keep our bill entirely apart from Untermyer's bill. I had a talk on the side with the President and he also agreed to this.

The President asked me to make the changes in the bill and bring it back in two days. He seemed in very good mood and handled Mr. Untermyer cheerfully and successfully.

March 20, 1933.

Mr. McIntyre phoned and said the President wished to see me at nine-thirty. I went to the

Houston Thompson

DIARY

MAR. 1933 - May. 1933



Houston Thompson

DIARY

MAR. 1933 - Nov. 1933

White House Executive Offices and was taken over to the President's bedroom and found him sitting up in bed reading the Washington "Herald" with the other papers on the bed. We were alone for about twenty minutes. I went over the bill showing him how we had cut it down and had eliminated the part requiring, if necessary, the refusal to foreign governments of the sale of their securities. He agreed with all of the changes. I suggested that we start the bill in both Houses of Congress simultaneously and he approved and told me to take a copy to Senator Robinson and have him see that it went to the Judiciary Committee, and a copy to Rainey in the House and have him take charge. I delivered the copy and message to Robinson. At first he demurred on the ground that he thought it was the wrong committee but after I explained the bill he approved and said he would carry out the orders.

I did likewise with Rainey who decided to give the bill to the Interstate Commerce Committee and sent it to Sam Rayburn, Chairman.

March 21, 1933.

The President in his interview with the press informed them that I had taken the bill to the Hill, and so the story was out.

March 22, 1933.

I was called on by Rayburn, went to his office, went over the bill with him and he set down Friday, March 24th, to begin the hearings. In the Senate on the same day Carter Glass had the Bank and Currency Committee move to get the bill transferred to it and they were successful.

At the opening of the meeting Mr. Roper asked that I discuss an interview I had had with Senator Ewing Johnson who had introduced several bills regarding sale of foreign securities and authorizing the Government to stop the sale of them. I told those assembled that after going over our bill he kindly agreed to withdraw his bill, provided we would put ours in the Committee on Judiciary. He suggested that Senator Ashurst should take the lead.

The President directed most of his conversation to Mr. Undermyer and myself. He had a draft of the proposed bill before him and discussed it. He criticized its length and detail, suggesting that we cut down both. He suggested cutting out that part of the bill permitting the Commission to refuse directly the sale of foreign government securities and requested that we get around this feature. He distinguished clearly between our bill and Undermyer's and said there was no conflict, the latter covering sales on stock exchanges.

After an hour's discussion we retired to tea in an adjoining room where his daughter, her children and some British lords were present. I had a separate discussion with Messrs. Roper and Cummings and we all agreed to keep our bill entirely apart from Undermyer's bill. I had a talk on the side with the President and he also agreed to this.

The President asked me to make the changes in the bill and bring it back in two days. He seemed in very good mood and handled Mr. Undermyer cheerfully and successfully.

March 20, 1933.

Mr. Undermyer phoned and said the President wanted to see me at nine-thirty. I went to the



Houston Thompson

DIARY

MAR. 1933 - NOV. 1933

March 24, 1933.

Hearings started in both Houses. I attended the hearing in the House and was called upon by Chairman Rayburn to explain the bill and took three hours in doing so being interrogated a great deal by the Committee.

March 25, 1933.

I was before the Committee in the morning.

April 7, 1933.

I was called to the White House and met the President in his room on the second floor, back, and there was a Mr. Post present. The three of us chatted for an hour and a half. The door looking toward the Potomac was open and it was a balmy spring day with a nice breeze blowing through the room. The President was in high feather, because as he said, he had just had a rough-house argument with a lot of the farmer organization men and it made him feel good because he had talked back to them and challenged a lot of their statements.

The President greeted me with the statement that he had another job for me. He said that there was a very bad condition, apparently, down at Muscle Shoals where the power companies had been getting power free or stealing it from the Shoals plant with the apparent approval of the Army Engineers. He wanted me to take the case. I told him I doubted if I could because I had other cases against the Government. He asked me to see Homer Cummings

White House Executive Offices and was taken over to the President's bedroom and found him sitting up in bed reading the Washington Herald with the other papers on the bed. We were alone for about twenty minutes. I went over the bill showing him how we had cut it down and had eliminated the part relating to the removal of foreign government securities. He agreed with all of the changes. I suggested that we start the bill in both Houses of Congress simultaneously and he approved and told me to take a copy to Senator Robinson and have him see that it went to the Judiciary Committee, and a copy to Rainey in the House and have him take charge. I delivered the copy and message to Robinson. At first he demurred on the ground that he thought it was the wrong committee but after I explained the bill he approved and said he would carry out the orders.

I did likewise with Rainey who decided to give the bill to the Interstate Commerce Committee and sent it to Sam Rayburn, Chairman.

March 21, 1933.

The President in his interview with the press informed them that I had taken the bill to the Hill, and so the story was out.

March 22, 1933.

I was called on by Rayburn, went to his office, went over the bill with him and he set down for day, March 24th, to begin the hearings. In the Senate on the same day Carter Glass had the Banking and Currency Committee vote to get the bill through. It and they were successful.