

Bankers

March 13, 1945

Mr. White

Mr. Lufford

(1) The Secretary is anxious that either D. W. Fall or the Comptroller of the Currency prepare an analysis of the bank profits for the country. In this connection, he wanted us to consider Patman's bill on bank profits. He has in mind specifically that in the course of Burgess' testimony, we may be able to embarrass him vis-a-vis his Board of Directors by beginning to query whether or not the banks are paying enough taxes on the tremendous profits they are making. Underlying this suggestion on his part is the fact that Burgess, Hensinger, Prater, et al., spoke for very conservative institutions, and it may be possible to turn the heat on them by getting their institutions apprehensive that their action on Bretton Woods may hurt the financial position of the institutions, e. g. by getting into a discussion in the hearings on whether they should be taxed more.

(2) He would like someone to check into the National City Security Bank and their transactions in Cuban securities. He thinks that we may be able to embarrass Burgess by having questions raised on this point.

(3) It is his recollection that National City had a lot of stock which went down badly in market value and the National City Bank compelled its employees to buy the stock at face value. He said Eddie Greenham was familiar with the picture and that we should investigate it. He thinks that we should check on the Bowery Savings Bank suit against Charlie Mitchell which involved some of these transactions. He said that we should see Peters and Don Cohen personally on this whole field of financial smuggling by the bankers since he thinks they might have some first-hand information which we could use discreetly.

He also called our attention to the fact that Giannini is one of the directors of National City Bank.

(Initialed) A.P.B.

cc: Mr. O'Connell
 Mr. Bernstein
 Mr. Feltus
 Mr. Prater ✓