

WINTHROP W. ALDRICH

I. IDENTITY IN FINANCIAL COMMUNITY

Early Financial Associations

Equitable Trust Company (A Rockefeller bank) - 1922-1930

Management Positions with Financial Institutions

Chase National Bank of New York - Chairman of Board and Director  
Chase Safe Deposit Company - President and Director  
Discount Corporation of New York - Director  
Metropolitan Life Insurance Company - Director

Affiliations with Banking and Commercial Associations

American Bankers Association - Member of Advisory Committee on  
Special Activities  
American Institute of Banking - Member of Advisory Committee  
International Chamber of Commerce, American Section - Vice  
President  
Chamber of Commerce of New York State - Member of Executive  
Committee  
Committee on International Economic Policy, established 1944 -  
Chairman

II. IDENTITY IN INDUSTRIAL COMMUNITY

American Telephone and Telegraph Company - Director  
Westinghouse Electric & Manufacturing Co. - Director  
Westinghouse Electric International Company - Director  
International Paper Company - Director

III. SUPPORTS STRENGTHENING NAZI ECONOMICS AND FINANCES (1938-1939)

Advocates Economic Appeasement with Germany Consistent with Political  
Appeasement (1938)

From Berlin, in October 1938, Aldrich addressed the National Foreign Trade Council by telephone and urged that "the efforts of diplomats and governmental heads to insure continuance of international peace should be speedily reinforced by measures of economic appeasement." (Financial Chronicle, November 5, 1938)

Urges Democracies to Increase Trade with Axis to Strengthen Axis at Home  
(1939)

In 1939, in a public statement he urged trade with totalitarian states, indicating that totalitarian nations cannot exist without trading with the democratic countries. He further stressed that both Germany and Italy must increase their trade with democratic countries "and this means that their Governments must so conduct themselves as to gain the confidence

of the individual business men in the democracies. The only alternative would appear to be to attempt to increase their supplies of needed food and raw materials by military conquest." (Financial Chronicle, May 20, 1939)

Assisted Nazi Government in Procuring Foreign Exchange to Develop German War Machine (1939)

"Testimony before a Senate Military Affairs Subcommittee on September 12, 1944 disclosed that the Chase National Bank, headed by Mr. Aldrich, cooperated with the Nazi Government as late as 1939 to assist Germany in getting foreign exchange for her war machine." (FM, November 27, 1944)

IV. CONSISTENT DISSENTER TO GOVERNMENT ACTIVITY IN FINANCE

Criticizes the Social Security Act as Favoring the Worker (1936)

Aldrich says the Federal Social Security Act of 1935 endangers collective security in seeking to assure individual security. Contends that worker should pay major share. Holds act in its present form is unsound. (Financial Chronicle, July 18, 1936)

Criticizes S.E.C. Which Saved Chase From Major Financial Losses (1937)

Mr. Flynn, in an article "Other People's Money", contended that it was "disillusioning" to have Aldrich oppose investigation by the S.E.C. when, in his opinion, no institution in America had been a more direct beneficiary of the "anti-Wiggin" section of the S.E.C. Act than Chase.

Previous investigation by the Senate Banking and Currency Committee had revealed the illegal operations of Wiggin, Aldrich's predecessor as chairman of Chase, which had caused tremendous losses. Wiggin used funds borrowed from the bank through a series of personal holding companies to trade in the bank's stock and made the bank suffer losses amounting to several million dollars. As a result of this investigation, the bank was enabled to cancel an arrangement by which it was to pay Wiggin \$100,000 a year for life. In addition, the stockholders of the bank instituted a suit against Wiggin for several million dollars losses arising out of his acts, with settlement believed to be reached at one million dollars. "Without the supervisory and investigative machinery of the Government, the bank would never have known of these things. Mr. Aldrich confessed as much."

Urges Public to Ignore Developments in Europe and Concentrate on Attacking New Deal Program

He warned that continued spending and unbalanced budgets threaten financial chaos. The New Deal policy of continued spending and unbalanced Federal budgets threaten, unless they are checked, such financial chaos "that complete internal regimentation will be necessary." He indicated that it was far more important to worry about domestic problems than about what is taking place in Europe. (Financial Chronicle, May 27, 1939)

Criticized Government Program to Balance Budget (1939)

"The whole budgetary position of the Government is a source of grave disquiet to men who would like to make long run plans. There is more vital issue before the country than the assuring of the solvency of our national Government and the balancing of the budget, which ought not to be on such a high level of expenditure that the taxes with which the budget is balanced weigh too heavily on industrial activities."  
(Speech before Bond Club of New York, May 1939)

Urged Businessmen to Cease Satisfying Public Needs by Requesting Federal Assistance

"One of the things which the businessmen of every locality should remember in this connection was referred to by the President in a recent speech and that is that there is constant pressure put upon Congress from localities for additional Federal spending.

"I can't think of any more useful thing which could be done by a group of businessmen in any given locality than to discourage their representatives, locally and in Congress, from asking for and urging upon the Federal Government further expenditures of Federal money in that locality."  
(Speech before Bond Club of New York, May 1939)

Government Regulation Threat to Democracy (1939)

In an article he criticized "planned economy" very sharply -- commenting that it is incompatible with a democratic state, and if utilized can destroy democracy. Urged free enterprise system, and the mainspring of the private enterprise, i.e., a free price mechanism. (Financial Chronicle, June 10, 1939)