

W. O. DOUGLAS AND
JESSE H. JONES

1. Swaine (whose firm suffered severely from the testimony introduced in the St. Paul hearings before the Senate Subcommittee, Senator Truman presiding) endeavored to screen himself behind W. O. Douglas and Jesse H. Jones.

2. The Committee showed that Scandrett was chosen president of the St. Paul not by the real directors after reorganization but by a board made up of Swaine's law clerks in January 1928.

Swaine countered by dragging in Douglas' name as one of the initial directors.

Douglas had been out of Swaine's office and disconnected from the situation for over six months at the time of Scandrett's selection. Lowenthal jumped Swaine hard for dragging in Douglas' name so utterly unaccurately. Swaine countered that Douglas had worked on St. Paul matters. Lowenthal stated that thorough inquiries by the Committee had failed to show that Douglas or any other law clerks had at that time no connection with or had anything to do with ~~XXXXXXXX~~ questions of policy or with any matter brought up in the Senate Committees hearings.

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One of the S.E.C. juniors who had been sent to the hearing told Lowenthal immediately at its close that Swaine had been effectively shown up on this issue. So far as known Swaine's attempt did not result in any publicity whatsoever touching on Douglas.