

# G. W. McGarragh, N. Y. Banker, Dies; Was 77 Years Old

## Former Executive of Mechanics & Metals, Chase and N. Y. Reserve Bank

### First Head of B. I. S. at Basle

Gates W. McGarragh, for many years one of the outstanding figures in the New York banking community and known throughout the world as one of the great authorities on money, died yesterday at the Doctor's Hospital after a brief illness. He was 77 years old and is survived by his wife, the former Elizabeth Wallace of Goshen, N. Y., and two daughters, Mrs. Marion Helms of South Orange, N. J. and Mrs. Helen Watson of New York.

Mr. McGarragh had retired from active participation in banking in 1933 but had maintained offices in the financial district up to the time of his death.

His career was the perfect story of the boy coming from the small town to the big city to carve out a career which eventually placed him on the highest pinnacles of his chosen profession. Born in Monroe, N. Y., in 1863, he became a clerk in the Goshen National Bank in 1881. Two years later found him in New York. By the time he was 28 years old, he was president of the Mechanics National Bank in this city, the youngest bank president in the country.

#### Absorbed by Chase National

His bank went through a series of mergers until it took its final form as the Mechanics and Metals National Bank where he served as president and chairman of the board. Eventually, the old Mechanics & Metals itself was absorbed in 1926 by the rapidly expanding Chase National Bank where he served as chairman of the executive committee.

Mr. McGarragh had already fixed his impression upon the financial community of New York. During the wild days of the 1907 money panic Mr. McGarragh was active in the New York Clearing House Association which played a large part in restoring order. In 1914, 1917 and again in 1923 he was chairman of that association.

The World War brought another great crisis to Wall Street but one which he handled with characteristic steadiness. He became the uncrowned czar of the money market, particularly of the call money market on the New York Stock Exchange. Heading the biggest money pool ever put at the disposal of one banker, he decided the amount needed daily on the Stock Exchange and allotted that amount out, and not a penny more. Brokers grumbled because of the high rates that he set but his firm control was later accepted as having prevented a wild and undesirable boom on the Exchange.

When the old Mechanics and Metals Building was torn down to make room for the great structure now housing the head office of the Chase National Bank there occurred an incident which, to those who knew him best, seemed typical of Mr. McGarragh. The building had been razed to the ground but standing firm among the wreckage was the bank's old strong room. So solidly had it been built that for many long days it resisted every effort at demolition.

#### Heads N. Y. Federal Reserve

By 1927, Mr. McGarragh had advanced to a point where his services were needed in fields broader than purely private institutions offered. Resigning his post at the Chase National Bank, he headed the Federal Reserve Bank of New York as chairman of the board. Three years later he became the first president of the Bank for International Settlements in Basle Switzerland. Designed originally as merely a financial instrument to handle the vexatious problem of German reparation payments, the "International Bank" under Mr. McGarragh's guidance rapidly played an increasingly important part in international financial dealings. He resigned from this post in 1933 when he retired from active life.

Mr. McGarragh was a man of many interests. He was a director of the American Express Co. and Delaware & Hudson Railroad and a member of New York Chamber of Commerce and New York Produce Exchange. Four years ago, he headed the United Hospital Fund. At one time, he headed the Union League Club. Other clubs were Metropolitan, Brook, Bankers, Century Tuxedo Recess, Orange County Golf, and the New York Yacht Club.

Funeral services will be held 10 a. m. tomorrow at Collegiate Church of St. Nicholas, Fifth Ave. and Forty-eighth Street.