G. W. McGarrah, N. Y. Banker, Dies: Was 77 Years Old
Former Executive of Mechanics Metals Chase and Reserve Bank
First Head of B. I. S. at Basle

Gates W. McGarrah, for many years one of the outstanding figures in the New York bank ing community and known throughout the world as one of the great financiers, died yesterday at the Doctor's Hospital after a brief illness. He was 77 years old, survived by his wife, the former Elizabeth Wal lace of Goschen, N. Y., and two daughters, Mrs. Margaret Watson of Southport, Maine, and Helen Watson of New York.

Mr. McGarrah 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 be needed to carve out a career which eventually placed him on the highest pinnacles of his chosen profession. Born in Pownal in 1863, he became a clerk in the Goschen National Bank in 1880 and was later president of the bank.

By the time he was 28 years old, he was presi dent of the Mechanics National Bank in the 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 from 1902 to 1921. Subsequently, the old Mechanics & Metals itself was absorbed in 1924 by the other major New York bank, Chase National Bank where he served as chairman of the executive committee.

Mr. McGarrah had long held the firm fixed his impression upon the financial community of New York and the world at large. In his capacity Mr. McGarrah was active in the New York Clearing House Association which played a prominent role in the restoration of the Banking System in 1933 and again in 1923 he was chairman of that association.

The World War brought another great change to Wall Street but none which he handled with celerity and splendid readiness. He became the uncrowned era of the market money, particularly in the call money market on the New York Stock Exchange. Heading the biggest money pool ever put at the disposal of one banker, he determined the amount necessary to finance the Exchange and allotted that amount, and nothing more. He refused to allow the high rates that he set but his firm control was later accepted as having prevented a world-wide and undesirable financial panic.

When the old Mechanics and Metals Building went down to make room for the great structure now housing the head office of the Chase National Bank there occurred an incident which those who knew the gentlemanly and considerable type of Mr. McGarrah. The building had burned right up to the roof and among the wreckage was the bank's strong room solidly housed in the basement that for many long days it resisted every effort at demolition.

Hents N. Y. Federal Reserve

By 1927, Mr. McGarrah had advanced to a position which he has since had in the broader than purely private institutions offered. Resigning his post at the Chase National Bank, he became 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 vexing problem of German reparation payments, the International Bank under Mr. McGarrah's guidance rapidly played an increasingly important part in international financial dealings. He resigned from this post in 1932 when he retired from active life.

Mr. McGarrah was a man of many interests. He was a director of the American Express Co., and Delaware & Hudson Railroad and a member of the New York Chamber of Commerce and New York Produce Exchange. Four years ago, when the United States joined the League of Nations for the first time, he headed the Union League Club, other clubs were Metropolitan, Brooklyn, Beevers, Con tinental, Minute House and the New York Yacht Club.

Legal services will be held 10 a.m. to mor row at Collegiate Church of St. Nicholas, Fifth Ave and Forty-eighth Street.