



Ferdinand Pecora

Nicosia, Sicily, on January 6, 1882, the son of Louis Pecora and Rosa Messina who emigrated to the United States and New York City with his parents. He earned a law degree from New York Law School and eventually worked as an assistant district attorney in New York City, during which time he helped shut down more than 100 bucket shops (seamy, fly-by-night brokerage houses).

Pecora was appointed Chief Counsel to the U.S. Senate's Committee on Banking and Currency in the last months of the Herbert Hoover presidency and then continued under the Roosevelt administration.

The Senate committee hearings that Pecora led probed the causes of the Wall Street Crash of 1929 that launched a major reform of the American financial system. Under Pecora's expert and often withering questioning, the Senate committee unearthed a secret financial history of the 1920s, demystifying the assorted frauds, scams and abuses that culminated in the 1929 crash. Because of Pecora's high-profile work, the hearings soon acquired the popular name the Pecora Commission, and Time magazine featured Pecora on the cover of its June 12, 1933 issue.

Pecora's investigation unearthed evidence of irregu-

Ferdinand J. Pecora was an American lawyer and judge who became famous in the 1930s as Chief Counsel to the United States Senate Committee on Banking and Currency during its investigation of Wall Street banking and stock brokerage practices.

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lar practices in the financial markets that benefited the rich at the expense of ordinary investors, including exposure of Morgan's "preferred list" by which the bank's influential friends, including Calvin Coolidge, the former president, and Owen J. Roberts, a justice of Supreme Court of the United States, participated in stock offerings at steeply discounted rates. The riveting confrontation between Pecora and the Wall Street grandees was so theatrically apt it might have been concocted by Hollywood. The combative Pecora was the perfect foil to the posh bankers who paraded before the microphones. Spurred by these revelations, the United States Congress enacted the Securities Act of 1933 and the Securities Exchange Act of 1934.

With the United States in the grips of the Great Depression, Pecora's investigations highlighted the contrast between the lives of millions of Americans in abject poverty and the high-rolling lives of such financiers as J.P. Morgan, Jr.; under Pecora's insistent questioning, Morgan and many of his partners admitted that they had paid no income tax in 1931 and 1932; they explained their failure to pay taxes by reference to their losses in the stock market's decline, but this explanation won them no sympathy.

Pecora was meticulous in preparation and legendary in stamina, mastering reams of material and staying up half the night before interrogations, aided by John T. Flynn, an Irish-American journalist, and Max Lowenthal, a Jewish lawyer. As Flynn wrote, "I looked with astonishment at this man who, through the intricate mazes of banking, syndicates, market deals, chicanery of all sorts, and in a field new to him, never forgot a name, never made an error in a figure, and never lost his temper."

After Pecora closed his investigations, on July 2, 1934, President Roosevelt appointed Ferdinand J. Pecora, the son of a Sicilian cobbler, a Commissioner of the newly formed U.S. Securities and Exchange Commission (SEC). He later became a judge of the New York State Supreme Court, a position he held until 1950, when he ran unsuccessfully against Vincent R. Impellitteri for Mayor of New York City.

Ferdinand J. Pecora passed away on December 7, 1971.