

10/27/48

FEDERAL RESERVE BANK OF KANSAS CITY

KANSAS CITY 18, MISSOURI

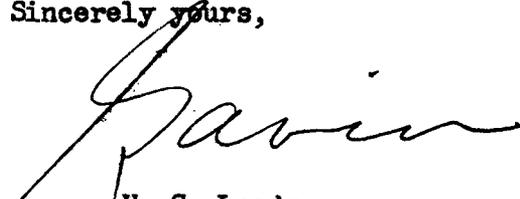
November 6, 1948

Mr. Marriner S. Eccles, Governor  
Board of Governors of the  
Federal Reserve System  
Washington, D. C.

Dear Marriner:

I have read with the greatest interest your address before the Iowa Bankers Association convention at Des Moines on October 27. It hits the nail squarely on the head, and is exactly the kind of preaching which I think is needed.

Sincerely yours,



H. G. Leedy  
President

November 18, 1948.

Dear Gavin:

Your letter of November 6 arrived at my office while I was in the West, and I did not have an opportunity to read it until today.

I greatly appreciate your favorable comments on my speech before the Iowa Bankers Association at Des Moines on October 27. I felt it was a little long and perhaps too technical, but, as you know, it is impossible to cover such a complex subject in a short and simple statement.

I was glad to see you when you were here on Monday, but am sorry we did not have an opportunity for a longer visit. I doubt if I will be able to get away from here in time to visit your bank on December 16. I am planning to go West for Christmas and New Year's, but I am afraid the sixteenth will be a little early for me to leave Washington. However, I hope to visit your bank sometime early next year.

With kindest regards.

Sincerely yours,

Mr. H. G. Leedy, President,  
Federal Reserve Bank of Kansas City,  
Kansas City 18, Missouri.

VLE:ra

THE PLAZA BANK OF ST. LOUIS  
TWELVE THIRTY OLIVE STREET  
SAINT LOUIS

F. R. VON WINDEGGER  
PRESIDENT

November 23, 1948

Dear Mr. Eccles:

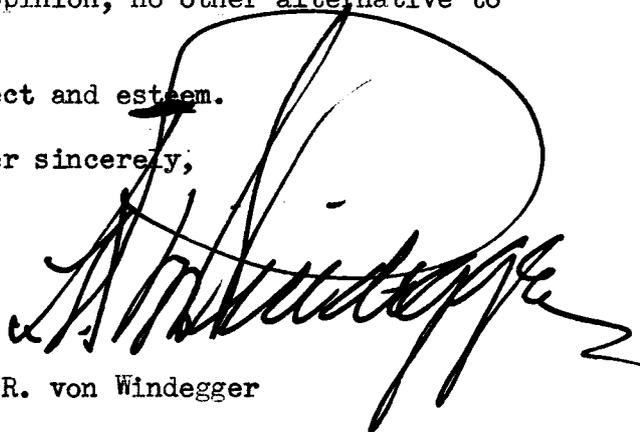
Thank you for having sent me a copy of your address in Des Moines, Iowa on October 27. I have read it with great interest and as usual with hearty approval.

If you will forgive me for saying so, I was rather shocked at your conclusion. You said "the alternative is to bring about a condition of world peace at an early date, even at the risk of war." The underscoring, of course, is mine. My shock was caused by the thought that as brilliant a thinker as yourself could entertain the idea of risking war when there is another alternative. War is the last and the impossible solution, for it is generally conceded by the military experts as well as the scientists that the next war may well destroy civilization.

If you had, in place of the words "even at the risk of war," said "even to the extent of sacrificing our ability to make war by joining a world federal government," I could have agreed with you one thousand per cent. Whether or not we like the idea of a federal world government, there is, in my opinion, no other alternative to World Peace.

With renewed expression of my respect and esteem.

Ever sincerely,



F. R. von Windegger

FRvW:dem

Mr. Marriner S. Eccles  
c/o The Board of Governors  
of the Federal Reserve System  
Washington, D. C.

December 6, 1948.

Mr. F. R. von Windegger, President,  
The Plaza Bank of St. Louis,  
Twelve Thirty Olive Street,  
St. Louis, Missouri.

Dear Mr. von Windegger:

These have been such busy days that I have only just now had an opportunity to thank you for your letter of November 23 commenting on my talk at Des Moines. I agree with you, of course, that war is the last desperate resort. It is my feeling, however, that there is less risk of war in taking a firm stand now with the Russians than there would be to go on indefinitely, year after year, in a competitive armament race. That involves the risk that the Soviets may sometime get the bomb. I agree with Churchill that the situation now is much as it was after World War I. We have definite superiority in the air, on the high-seas, and we have the bomb. The Allies had complete mastery of Europe after World War I but let it slip away from them gradually until the catastrophe of World War II.

What I consider the best informed opinion, including that of General Deane who headed our military mission in Moscow and dealt direct with Stalin and the other top Russians during the period of alliance, concludes that the way to deal with the Russians is to confront them with a decision rather than a negotiation. I feel increasingly convinced that a determined stand now will force them into agreements without resort to arms. If I am wrong, however, then are we not better prepared to decide the issue by force now than we will be say 5 or 10 years hence?

I see little chance for establishing a world federal government until firm foundations for peace are secured on which to build such a government. As long as this threat hangs over our heads I can see no form of federation that can succeed. In other words, the basic issue today, and what lies at the bottom of all of our foreign problems and our inflation at home, is the Soviet menace. It is a large subject -- I cannot do it justice in a brief letter, but I so highly respect your opinion that I did not want to leave the impression that I want to risk war. I want to avoid it, of course, and I think this gives the best hope of doing so.

Incidentally, I was delighted to see your worthy associate and understudy, Mr. Kirk, when he called.

With every good wish,

Sincerely yours,

M. S. Eccles.

ET:mmm

THE PLAZA BANK OF ST. LOUIS  
TWELVE THIRTY OLIVE STREET  
SAINT LOUIS

F. R. VONWINDEGGER  
PRESIDENT

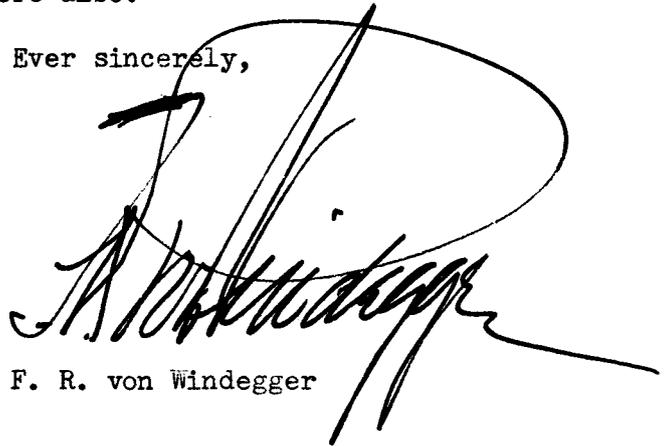
November 26, 1948

Dear Mr. Eccles:

My very worthy associate and understudy, Mr. John R. Kirk, Jr., will be in Washington on Monday next and would like very much to call on you and pay his respects, which, I assure you, are of the highest as you know mine are.

Mr. Kirk will call your office Monday morning to make an appointment, and I hope that you will be able to find time to see him. I only regret that I cannot be there also.

Ever sincerely,

A large, stylized handwritten signature in black ink, appearing to read 'F. R. von Windegger', is written over the typed name. The signature is fluid and cursive, with a large loop at the top.

F. R. von Windegger

FRvW:dem

Mr. Marriner S. Eccles  
c/o The Board of Governors  
of the Federal Reserve System  
Washington, D. C.



THE PLAZA BANK OF ST. LOUIS  
1230 OLIVE STREET  
SAINT LOUIS

December 10, 1948

Mr. M. S. Eccles  
Board of Governors  
Federal Reserve System  
Washington, D. C.

Dear Mr. Eccles:

I have read with much interest and thought your letter of December 6 which confirmed the message that John Kirk brought to me from you.

Your thinking is so parallel with that of all the people that I have talked with who are close to the Government that I am wondering if that line of reasoning is not due to the locality which precludes the vision of Washington itself in the context of the rest of the world. I cannot help but feel that if you were looking at the whole world picture from, say, your Utah Mountains, it would ~~not~~ be a different picture (Please do not misunderstand me; I applaud your decision to stay in the position that you have honored so greatly as long as you feel you can be useful).

From where I sit, I think I can see deeper into this world chaos than could be done from your viewpoint. Fundamentally, I can see two basic and inescapable conditions. First, we and Russia are here. We will either have to learn to live together or we will die together. Even after the war, which so many in Washington seem to feel is almost inevitable, what remains of ourselves and Russia will still be here, and we will still have to live together. The holocaust will have settled nothing. Second, the basic cause of the world condition is not as you intimate, "the Soviet menace." It is more fundamental. It is world anarchy - the absence of law and order in this shrunken world.

As I have never found in history any way of establishing law and order except under government, then if this world anarchy is to be cured, World Government is inevitable. It will either be established by force or by consent of the governed. You and I both prefer the latter.

You say you "see little chance for establishing a world federal government until firm foundations for peace are secured on which to build such a government." Isn't the reverse true? That is, there will be no firm foundation for peace until we have law and order, which means Government.

Mr. M. S. Eccles

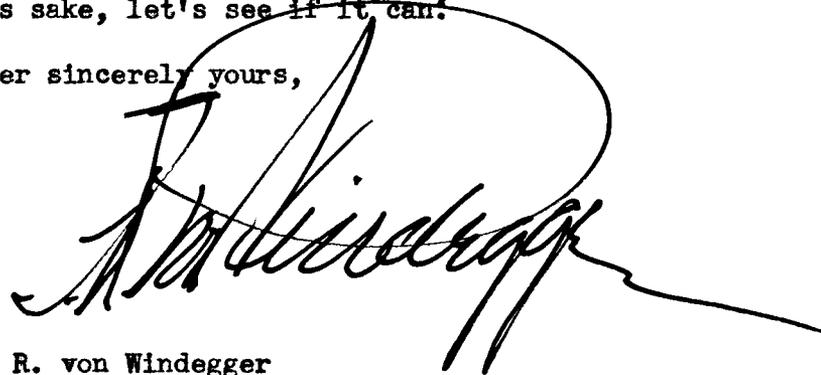
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December 10, 1948

With all due respect to your General Deane, I feel that much of our trouble is caused by trying to fit the high brass into positions for which they are not trained. A soldier is trained to give and obey orders. A diplomat is trained to obtain agreement by negotiation and compromise, which is political. Isn't it true that what Grenville Clark calls our massive self-righteousness is responsible for our attitude that the world must do as we want it to do? Let us acknowledge the correctness of General Deane's analysis of the Russians "that the way to deal with the Russians is to confront them with a decision rather than a negotiation." All right, let that decision be political instead of military. Let it be a decision to form a federal world government inviting Russia to join. If Russia will not join, then let all nations who are willing form what Tom Finletter calls "an Article 51 Federation" within the United Nations Charter. That Federation will assure that those nations who want peace will be our friends so closely tied to us that Russia could not intimidate them, and it will be Russia against the rest of the world instead of the present chaotic condition of ourselves and uncertain allies against Russia.

I may be wrong, but the situation is so critical that instead of sitting back and saying it cannot be done, for God's sake, let's see if it can!

Ever sincerely yours,

A large, stylized handwritten signature in black ink, appearing to read 'F. R. von Windegger'. The signature is written over the typed name and extends to the right with a long horizontal flourish.

F. R. von Windegger

FRvW:dem  
ENCS