

**FEDERAL RESERVE BANK  
OF NEW YORK**

Personal

May 19, 1943.

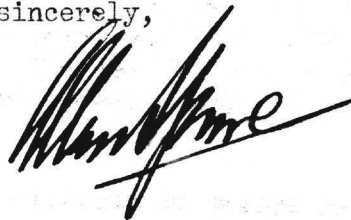
Hon. Marriner S. Eccles, Chairman,  
Board of Governors of the Federal  
Reserve System,  
Washington, D.C.

Dear Marriner:

Enclosed is a copy of my letter to the Secretary, dated May 3rd, which he mentioned to you, and which I said I would send to you.

Some days after he had received this letter he called me on the telephone, without mentioning it, and asked if I were going to be in Washington at any time before our conference on Friday. When I said I was not, he asked me if I had written down anything as to the kind of organization he should now set up. When I said I had not, he asked if I could jot something down so that he could have it and I said I would try to do so. Enclosed is a copy of a letter of mine to him, dated May 12th written and sent to him in response to this request.

Yours sincerely,



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from MSE ✓  
May 21, 1943.

PERSONAL AND CONFIDENTIAL

Dear Henry:

Because you took exception to a letter you had received from Allan Sproul dated May 3, I asked him to send me a copy. He did so and at the same time sent me a copy of his letter to you of May 12 in response to your request over the telephone for his ideas on the way he felt the organization should be set up for future financing drives.

I have gone over both of these letters carefully and I think they are excellent -- direct, clear, courteous and most constructive. They are entirely objective. There is nothing personal in them. They are just the sort of frank and constructive comments I should think you would want to have. I am in full agreement with practically everything he has to say and every suggestion he makes.

I cannot understand why they should have created such an unfavorable reaction on your part. Knowing Allan Sproul as I do and as you should after your long association with him, I should think these letters would serve only to increase your confidence in him and in his judgment. I can only conclude that you have wholly misunderstood him.

Sincerely yours,

Honorable Henry Morgenthau, Jr.,  
Secretary of the Treasury,  
Washington, D. C.

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May 21, 1943.

Dear Allan:

The enclosed copy of a letter I have sent to the Secretary speaks for itself. In view of what he said to us, I could not do less than send him this expression of my own opinion in this matter.

Sincerely yours,

Mr. Allan Sproul, President,  
Federal Reserve Bank of New York,  
New York City.

Enclosure

 ET:b