

**NATIONAL RECOVERY ADMINISTRATION**  
**WASHINGTON, D. C.**

November 30, 1935.

Marriner S. Eccles, Governor,  
Federal Reserve Board,  
Washington, D. C.

My dear Governor Eccles:

I have re-read your speech several times to gain its full import and each time have become increasingly aware of its significance. Not only does it have power of expression, but it presents a philosophy which alone can justify our governmental program. I often have thought that, whether or not Woodrow Wilson's governmental concepts were essentially correct, his strength was in his being guided definitely and usually consistently by a philosophy of government which itself was his greatest bulwark against attacks from those who called upon opportunism as their weapon in place of an opposing political philosophy.

It was indeed very kind of you to give me a copy of your speech. I have had several copies made and am turning one over to Charles West. I am sure he would agree with me that your economic and social points of view should be revised and put into pamphlet form for general dissemination. If it meets with your approval, I intend to suggest this to him. Frankly, your speech contains the only definite, logical and comprehensive answer I have seen to three-fourths of the attacks on the Government's spending program -- and a clear explanation as to why it was necessary.

Mr. West remarked that when in Ohio last weekend, he found most of the attacks there on governmental policy have to do with the expenditure of public monies. Without repeated and consistent emphasis, both in pamphlet form and over the radio, of the Government's point of view, such as that expressed in your speech, I believe it will be difficult to educate the mass into a comprehension of the logic and philosophy behind the program.

If you have read Lewis Douglas', "The Liberal Tradition," you probably were most intrigued by his chapter on our financial policy which I think expresses quite authentically the Tory, rather than the Liberal, Tradition. I wish you could find time to phrase an answer to his economic philosophy in such simple language (and in parables, if necessary!) that even the country store-keeper and the city factory worker would read and understand.

*Send "Eccles"  
Have Turner &  
Wendell*

Of course, this suggestion may seem presumptuous and bold, but it constitutes both the open compliment of an economic neophyte upon the powerful presentation of your social and economic philosophy and, in addition, an implied compliment in suggesting your possession of a versatility which would make possible a pamphlet so authoritative, clear and readable as to contain the virtues and none of the vices of Adam Smith, Louis Brandeis, Henry George, Will Rogers and General Johnson.

Very sincerely yours,



George T. Ross

Chairman  
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December 10, 1935.

Mr. George T. Ross,  
National Recovery Administration,  
Washington, D. C.

My dear Mr. Ross:

Your letter of November 30th with reference to my speech before the American Bankers Association is extremely gratifying to me. While I think that you are over-generous in your comments, I feel very strongly that the public, and particularly the bankers and business men who are so vocal and critical, have failed to see the picture in full or correct perspective, and that it is not only to the interest of the administration, but to the interest of business and banking and of the entire country to see the picture in its proper and complete proportions.

I should be very glad to furnish you with as many copies as you might have occasion to use. At the suggestion of the Board, I have had copies mailed to the officers and directors of all of the Federal reserve banks and their branches and such member banks as may request them. Several hundred more have also been mailed in response to written requests received directly at my office.

From comments which I have received, especially from extremely hostile bankers and business men, I am convinced that a sharp change, if not a complete reversal in their attitude could be brought about just as you say by presenting the case -- I do not mean to suggest that I have done it justice, but only that the speech attempts to outline a rather different and I think comprehensive presentation of the case -- over the radio or otherwise.

Mr. George T. Ross

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I am also impressed with your suggestion with reference to Lewis Douglas' "The Liberal Tradition". It certainly should be and could be exposed, and I have this under discussion here, not with the idea of answering it under my name, but in getting together, if possible, what I think would be the appropriate answer in simple, understandable language. Please feel at all times free to offer any suggestion and I shall do likewise.

I think if you have not already seen it, you will be interested in having the enclosed copy of an article by Stuart Chase, which is a rather heated, but I think devastating, answer to the blind critics of government spending. As you will note, it follows in general my own line of reasoning.

Sincerely yours,

M. S. Eccles,  
Chairman.

enclosure

ET:b