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Hutner, Simeon and Hutner, Frances Cornwall. "To Check Inflation: Value of Federal Reserve System as Brake Is Considered." *New York Times*, February 14, 1951.

March 9, 1951.

Mr. and Mrs. Simeon Hutner,
Cherry Valley Road,
Princeton, New Jersey.

Dear Mr. and Mrs. Hutner:

Thank you for sending me a copy of your letter to the New York Times, which I had already read with a good deal of interest. The very favorable reaction, particularly the publicly-expressed reaction, of informed people like yourselves to the Board's efforts to check inflation has indeed been gratifying.

Your letter is one of the best I have seen and I fully agree with all that you said. The recent inflation has been neither an unavoidable concomitant nor the direct result of our growing rearmament program. With a sounder monetary policy, much of the price rise of the past eight months could have been prevented. So long as uncontrolled expansion of the money supply is permitted, fear of run-away inflation cannot be dismissed as unreasoning hysteria.

There is enclosed a copy of a statement prepared in connection with an address which I delivered recently before The Executives' Club of Chicago, which I hope you will find of interest.

Thank you again for your clear and thought-provoking letter to the Times.

Very truly yours,

M. S. Eccles.

EJS:mf