

May 18, 1954

Internal Memorandum

New York

Interview with Marriner Eccles

Mr. Marriner Eccles came into the office at the suggestion of Mr. Sam Carpenter, Secretary of the Federal Reserve Board and a fellow resident of Utah. He was in the East for a short time, and in the Bank to lunch with Mr. Sproul. He looks well, and much more relaxed than in his Washington days. Also he is not as compulsively talkative.

When Mr. Eccles left Washington in the summer of 1951 he arranged to have his secretary, Miss Egbert, stay on to sift and arrange his papers. A great deal which she thought unimportant was destroyed. The remainder is in Mr. Eccles' office in the 1st Security Bank Building, Main and First South, Salt Lake City, Utah.

This consists of 10 to 12 running feet of volumes of memoranda, correspondence, etc. bound and indexed. There are 13 volumes of clippings covering speeches, press releases, testimony before Congress, etc. Not all of it is Federal Reserve material - he also testified on housing and on taxation. Clippings are arranged chronologically, indexed according to time and place. There is also correspondence both with the Senate and with the White House, some of it indexed according to subject. (There was a certain vagueness on this point.) In addition to this bound material Mr. Eccles has 5 or 6 file cabinets full of personal letters and correspondence. He considers his entire collection "the most complete record of twenty years in the economic history of the country". It runs from 1920 to 1951 and includes the famous "Accord" of 1951, but his first statement before Congress was made in 1933.

Mr. Eccles thinks he will leave his papers to the Library of Congress, though he has also been considering the interest of the University of Utah. He

is apparently coming to the conclusion that the Library of Congress would be the more accessible place for scholars wishing to use the material. (Later - Mr. Sproul phoned to say he had talked with Mr. Eccles about the Committee, and had suggested that the Library of Congress would be the proper place.)

Thus far Mr. Eccles has written an autobiography called "Beckoning Frontiers", and a collection of his papers has been put together by Weisman, a free-lance writer. For this latter Mr. Eccles wrote an introduction which he called "credo". This gives his philosophy.

Mr. Eccles then talked for a short time on his own beliefs, and on his present occupations. He proclaimed himself a "great believer in a compensatory economy", by which he meant that government should compensate for the "excesses of private economy" through fiscal policy and debt management. He regards monetary policy as supplementing fiscal policy and debt management. Central banking as such does not very much interest him, though he deems it important in its possible effect on keeping the balance between investment and consumption. He believes it possible to stop inflation by monetary action but not deflation.

He spoke of the famous "Accord" of 1951 (?) between the Treasury and the Federal Reserve. Regarded as a victory of the Federal Reserve over the Treasury and the White House, it was in his opinion possible only because enough pressure was generated behind Congress to push Congress over to the Federal Reserve side.

Mr. Eccles now divides his time between Salt Lake City and in San Francisco - in the latter city he has bought a beautiful house on Pacific Heights (Scott between Broadway and Vallejo.) He is chairman of the board of three companies: the Utah Construction Company owned by five families

which was started in 1900 with a capital of \$24,000 and now is capitalized at \$20,000,000, with projects all over the world; a family bank holding company owning and operating (?) three banks - the First Security Bank of Utah (with 48 branches), the First Bank (?) of Idaho, and a bank in Wyoming; the Amalgamated Sugar Company of Ogden, with factories in Utah, Oregon and Idaho.

He says he never intended to stay long in Washington, but one crisis after another kept him there. On visits nowadays he finds nothing new at the Federal Reserve Board but some of the people. Life there is full of repetition and frustration, and the problems which the Board faces are the ones he dealt with for some seventeen years.

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REGISTERMarriner Eccles Papers

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Mr. Eccles thinks he will leave his papers to the Library of Congress, though he has also been considering the interest of the University of Utah. Mr. Sproul has urged Mr. Eccles to put them in the Library of Congress.