

LUNCHEON WITH PRESIDENT ROOSEVELT - July 29, 1941

1. I left with the President, to take up with Smith, the memorandum re Annex; it will be O.K. with the President if Smith will clear. Will wait to hear from Smith.
2. Discussed Evans and Wilson for membership on Board. Either one agreeable with President if can clear with Wickard. I also suggested be cleared with Wallace.
3. Discussed with President quite thoroughly the Executive Order, which he read and kept.
4. President said he was appointing this week a committee, with Wallace as chairman, on Foreign Economic Problems. Thought such a committee as I proposed should be appointed to cover domestic situation and would do that a week or so after other committee was appointed.
5. I discussed briefly with President the need of legislation giving Board powers to deal with the excess reserve problem, and he did not object to such legislation being proposed to have Congress discuss issues. I advised him we would not ask him to sponsor such legislation.
6. I talked briefly to the President about consumer credit control dealing with housing from a credit standpoint.
7. I also mentioned to the President the need of increasing social security taxes as well as coverage and benefits as a deflationary factor at this time.

July 29, 1941.

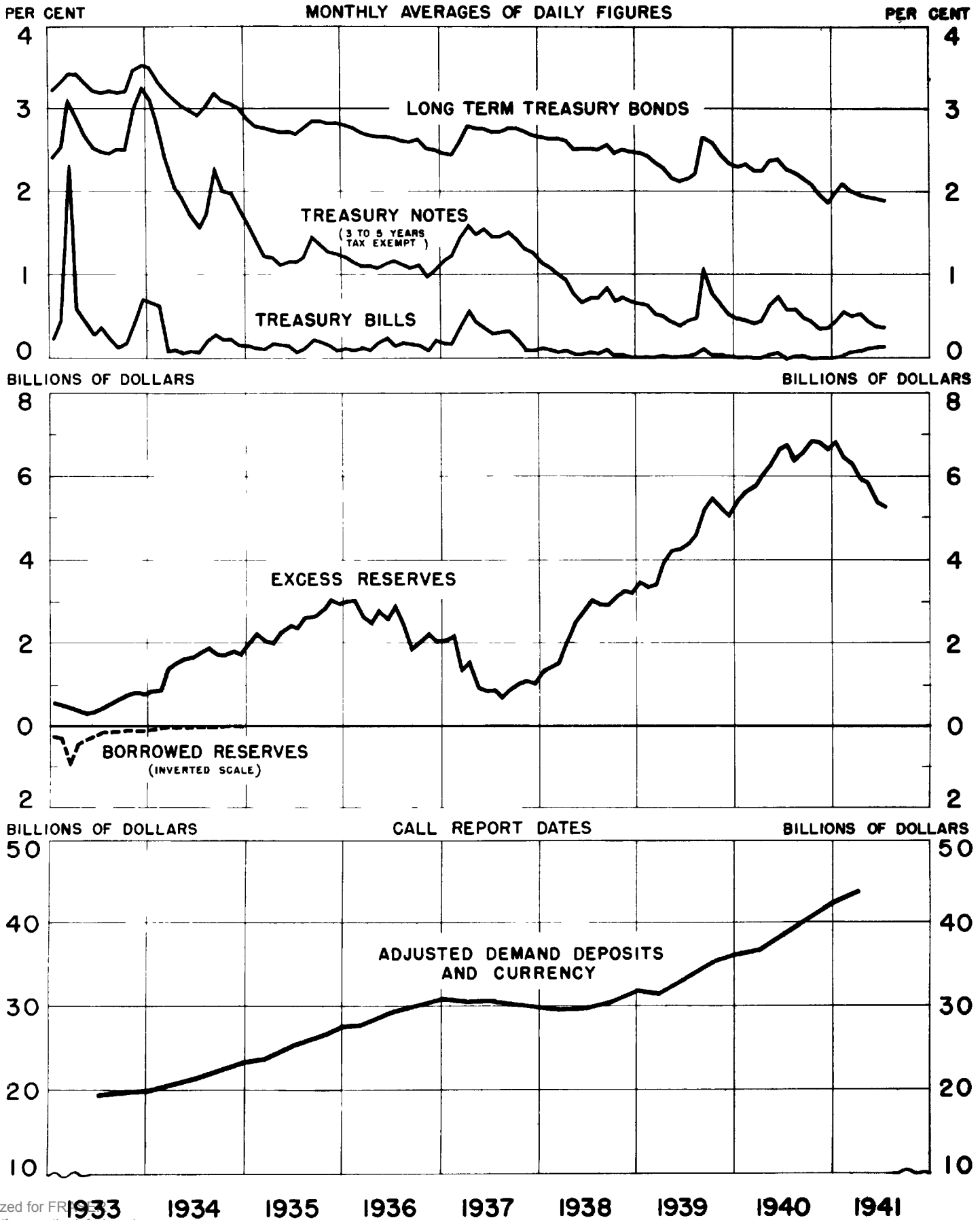
MEMORANDUM FOR CHAIRMAN ECCLES:

I understand that plans and specifications have been completed for the Federal Reserve Building addition which you and I have discussed several times but that, unless there is some assurance that it would be used for housing the other bank supervisory agencies of the Government, your Board questions whether it should proceed with the construction at this time and desires my advice.

Regardless of the question of consolidation of these agencies, it is obvious that their work could be carried on to greater advantage if they were located in the same buildings. This would also be a convenience for the public. Your addition, together with such offices as you could make available in your present building, would accomplish these desirable purposes. The addition would not require any appropriation by Congress. It would release office space in the Treasury and elsewhere that is urgently needed for other purposes. I think you would be justified in going ahead without delay, and accordingly I will recommend that the other banking agencies occupy these quarters instead of constructing or leasing other space.

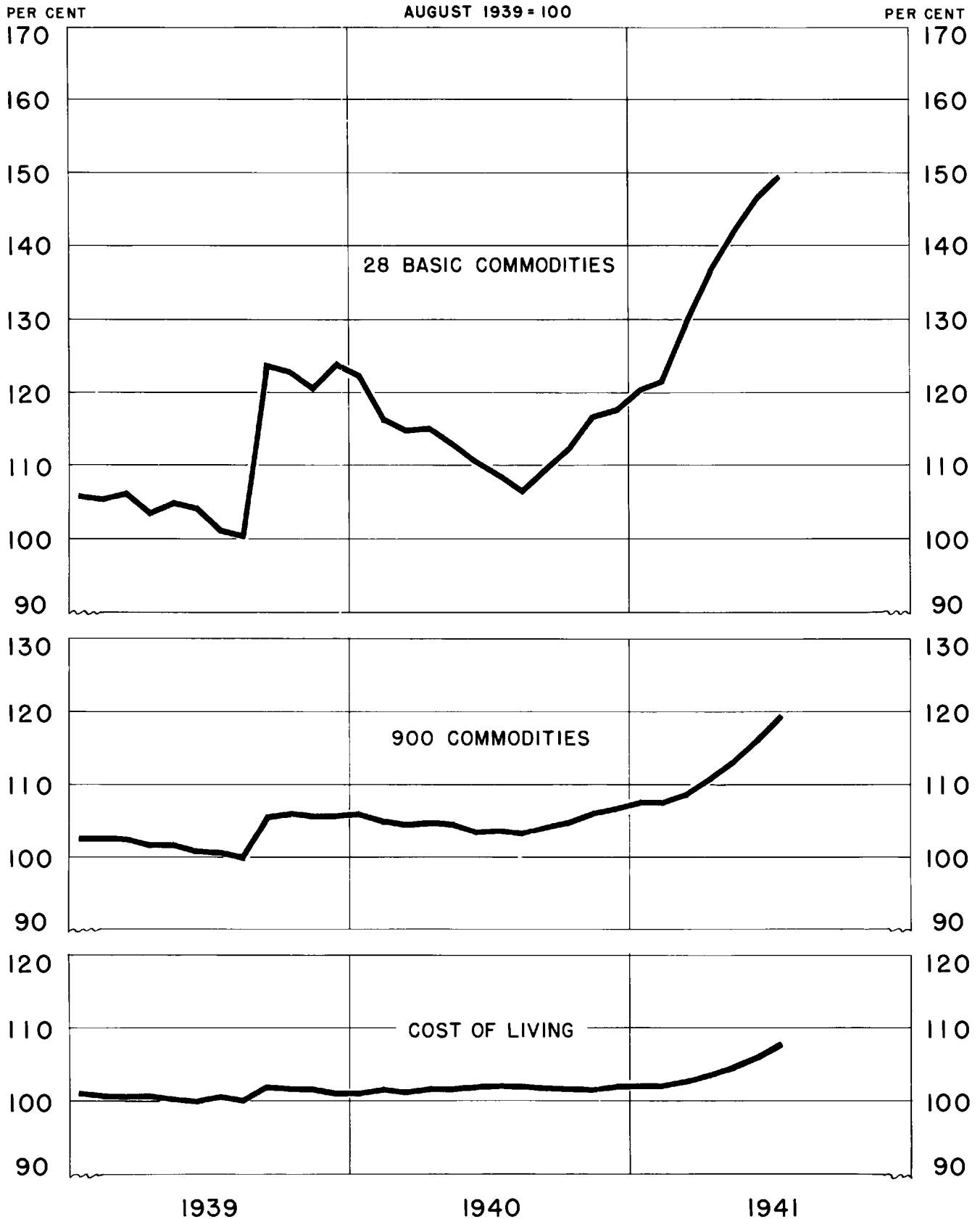
4/18/41

# GOVERNMENT SECURITY YIELDS, EXCESS RESERVES, AND BANK DEPOSITS



*Wrote down  
7/29/41*

# COMMODITY PRICES



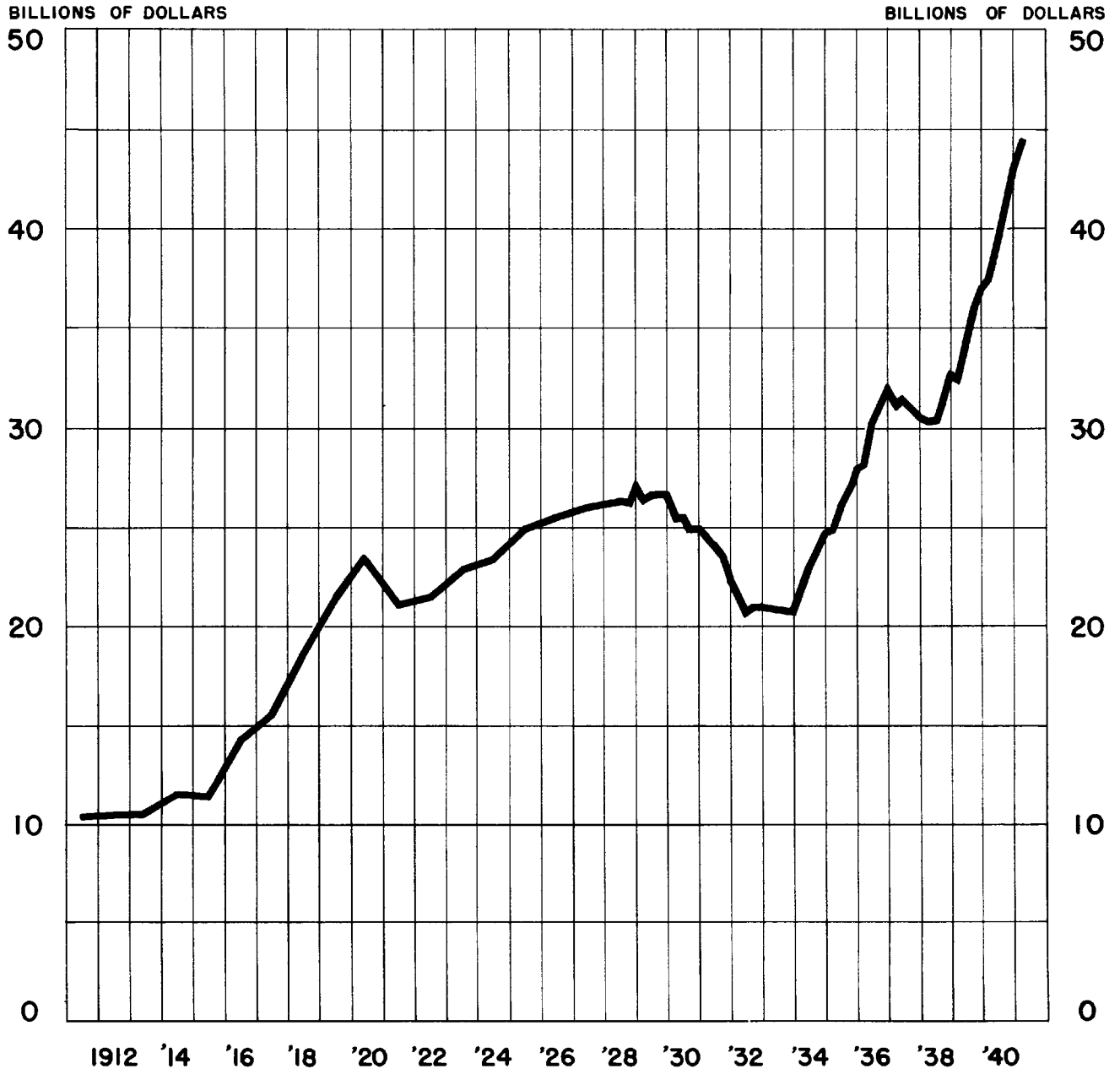
ESTIMATES FOR JULY.

FEDERAL RESERVE

W. L. L. L. L.  
7/29/41

## DEMAND DEPOSITS AND CURRENCY

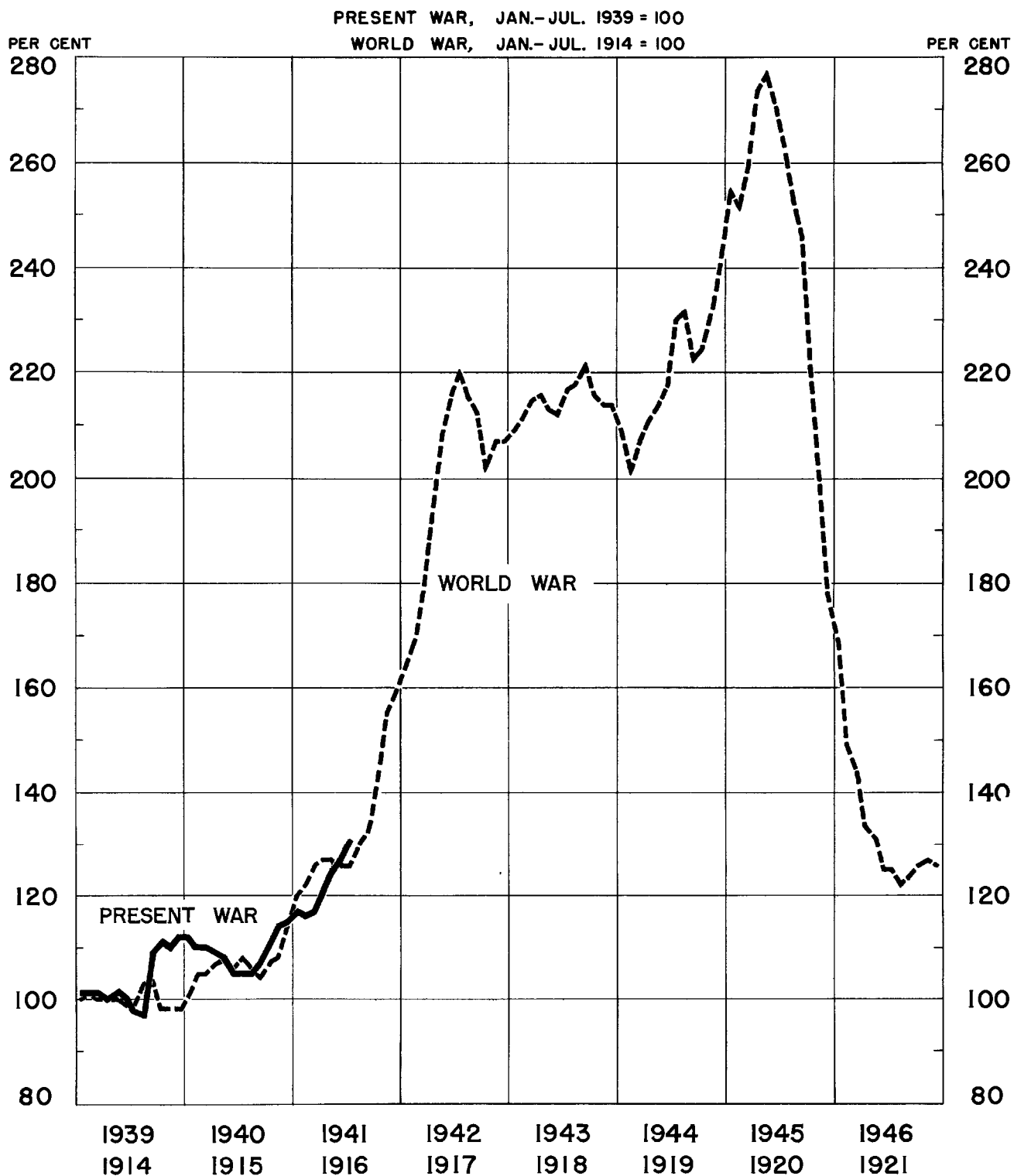
JUNE 30, 1911-1928; CALL REPORT DATES AFTER JUNE 30, 1928



INCLUDES ADJUSTED DEMAND DEPOSITS, GOVERNMENT DEPOSITS,  
AND CURRENCY OUTSIDE BANKS.

Whitehouse  
7/29/41  
Extra Copy

## PRICES OF 40 BASIC COMMODITIES



FEDERAL RESERVE INDEXES BASED ON DATA COMPILED BY  
GENERAL MOTORS CORPORATION AND CORNELL UNIVERSITY.  
ESTIMATE FOR JULY.

EXECUTIVE ORDER

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ESTABLISHING THE ADVISORY MONETARY AND FISCAL COMMITTEE

By virtue of the authority vested in me by the Constitution and the Statutes, and in order to define further the functions and duties of the Office for Emergency Management with respect to the national emergency as declared by the President on May 27, 1941, it is hereby ordered:

1. There shall be in the Office for Emergency Management of the Executive Office of the President an office to be known as the Advisory Monetary and Fiscal Committee which shall consist of (1) the Vice President, who will be the Chairman of the Committee, (2) the Secretary of the Treasury, (3) the Chairman of the National Resources Planning Board, (4) the Director of the Budget, (5) the Federal Loan Administrator, (6) the Chairman of the Board of Governors of the Federal Reserve System, and (7) the Administrator of the Office of Price Administration and Civilian Supply. An Administrative Assistant to the President, named by the President, shall be Secretary to the Committee.

2. It shall be the duty of the Committee generally to coordinate the monetary, credit, and fiscal policies of the Government and to formulate and recommend to the President comprehensive monetary, credit, and fiscal programs integrated with the programs for national defense and civilian supply, the full and continuous use of national resources in the defense and post-defense periods, and the avoidance of price distortions and inflation from monetary, credit and fiscal causes.

This Order shall take effect on \_\_\_\_\_, 1941.

The White House

, 1941.

EVANS, RUDOLPH MARTIN, adminstr. A.A.A.;  
b. Cedar Rapids, Ia., Nov. 4, 1890; s. Martin and  
Margaret (Ganshorn) E.; B.S. in Civil Engring.,  
Ia. State Coll., 1913; m. Thurma Margeurite Allen,  
Apr. 15, 1919; children--Lenore Margeurite, Nancy  
Lee. Farmer and livestock raiser, Laurens, Ia.,  
1921-36; adminstr. A.A.A. since 1938; dir. Laurens  
Farm Co.; dir. Federal Surplus Commodities Corp.,  
Commodity Credit Corp., Federal Crop Ins. Corp.  
Served with 116th Engrs., U. S. Army, with A.E.F.,  
1918-19. Mem. Kappa Sigma. Democrat. Episcopalian.  
Mason. Home: 3109 Cameron Mills Road, Beverly  
Hills, Alexandria, Va. Office: Dept. of Agri-  
culture, Washington, D. C.



Chester Davis writes as to Evans:

"He is fine in every respect; well-trained, cooperative, intelligent; makes a good appearance and a good speech; has the confidence of farmers generally. In my opinion he would work into a very useful place on the Board. He is not a 'jarring' personality; in general, he would be a peacemaker on the Board. Back of this, is the fact that he has been interested in farm financing, and the Fed. Res. System, and has been a business-like farm operator. Personally, I should be very happy to see him on the Board."

April 24, 1941.

PERSONAL AND CONFIDENTIAL

MEMORANDUM:

To - The President  
From - Chairman Eccles

Since receiving your memorandum of April 18, I have given a good deal of thought to the situation resulting from Chester Davis' leaving the Board. I fully understand the position in which it places you because of your responsibility for making appointments to the Board and I greatly appreciate your attitude now, as heretofore, in giving me an opportunity to advise with you.

Accordingly, I would like to suggest that you consider M. L. Wilson, Under Secretary of Agriculture from 1937 to 1940, and since then, Director of Extension of the Department of Agriculture. He has held important agricultural posts in your Administration continuously since 1933. He is exceptionally well qualified by experience and training and has excellent standing with the agricultural groups generally throughout the country. I attach a brief biography of him. His appointment could be made either from the Montana District or from Washington.

If you look favorably upon him and would let me know, possibly by phone, I can check as to his availability and have the necessary data prepared for making out the appointment papers, or if you would like to have me suggest other names, I can do so immediately.

As you are aware, there has been a good deal of pressure for A. G. Black, but I have reason to believe that this is more to get him out of his present position, where I understand he is unpopular both with the agricultural community as well as with the Farm Credit Administration, than it is to have him represent agriculture in the Reserve System. He is about the last man whom the agricultural interests would propose for this place. I understand from those who know him well that he is an extremely difficult person to work with. His selection would be very disappointing to me.

Henry Morgenthau knows both Wilson and Black, and I believe that he feels about as I do regarding them.

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Attachment

ET:b

WILSON, MILBURN LINCOLN, Director of Extension, U.S. Dept. Agri.;  
b. at Atlantic, Ia., Oct. 23, 1885; s. John Wesley and Mary  
E. (Magee) W.; B.S.A., Iowa State College, Ames, Ia., 1907;  
M.S., Univ. of Wis., 1920; hon. D.Sc., Montana State College,  
1935. Began as farmer, 1907; asst. agronomist, Mont. State  
Coll., 1910-12, extension agri. economist, 1922-24, prof. and  
head dept. of agri. economics since 1926; county agent, Custer  
County, Mont., 1913; state extension agent leader, 1914-22; in  
charge div. farm management and cost accounting, U.S. Dept. Agr.,  
1924-26; mgr. Fairway Farms Corpn. (an endowed research orgn.).  
Chief Wheat Adjustment Section, Agri. Adjustment Adminstrn., U.S.  
Dept. of Agr., May 16-Sept. 1, 1933; dir. Div. of Subsistence  
Homesteads, U.S. Dept. Interior, Sept. 1, 1933-June 30, 1934;  
asst. sec. of Agr., 1934-37; under secretary of agr., 1937-40;  
dir. of extension, U.S. Dept. Agr., since 1940. Chairman sub-  
com. in support of voluntary domestic allotment plan, U.S.  
Chamber of Commerce, 1931-32. Mem. Am. Econ. Assn., Agri.  
History Soc. (pres. 1938), Am. County Life Assn. (pres. 1936),  
A.A.A.S., Am. Farm Economic Assn. (pres. 1925), Epsilon Sigma  
Phi, Phi Kappa Phi, Alpha Zeta. Unitarian. Club: Cosmos.  
Author: Farm Relief and the Domestic Allotment Plan, 1933;  
Democracy Has Roots, 1939. Joint Author: Agriculture in  
Modern Life. Home: 14 Rosemary St., Chevy Chase, Md.  
Address: U. S. Dept. of Agriculture, Washington, D. C.

THE WHITE HOUSE  
WASHINGTON

April 18, 1941

PERSONAL & CONFIDENTIAL

MEMORANDUM FOR

HON. MARRINER S. ECCLES

I am a good deal troubled by the fact that Section 10 of the Federal Reserve Act says that the President in selecting the FRB shall "have due regard to a fair representation of the financial, agricultural, industrial and commercial interests and geographical divisions of the country". I take it that it can be properly said that you and Ransome represent, in a sense, finance; that Szymczak represents commerce and that McKee and Draper represent industry. This leaves agriculture with no representation and this means that three out of the four interests mentioned are represented by the present five members but that the fourth interest mentioned is not so represented. You will see my embarrassment.

Insofar as the agricultural divisions of the country are concerned, I am not worried because the present five members represent Utah, Georgia, Illinois, Ohio and Connecticut.

What do you think?

F. D. R.

*White House  
7/29/41  
(not taken up)*

July 9, 1941

To: Chairman Eccles

From: Mr. **D**reibelbis

Attached are two bills, either of which would extend the period until January 21, 1943 during which a reorganization under the Reorganization Act of 1939 could take effect.

The short form would extend the period without eliminating any of the exempted agencies.

The long form would extend the period and would eliminate the agencies originally exempted in section 3(b) of the Act. This would be done by amending section 3 so as to eliminate the present subsection (b) in which the exempted agencies are enumerated and relettering the succeeding subsections.

For your information, I have marked the eliminated section 3(b) in the attached copy of the Act.

**Attachments**

A BILL

To extend the period during which a reorganization under the Reorganization Act of 1939 shall take effect

Be it enacted by the Senate and House of Representatives  
of the United States of America in Congress assembled, That  
Section 12 of the Act of Congress approved April 3, 1939, known as the Reorganization Act of 1939, is hereby amended by striking out "January 21, 1941" and inserting in lieu thereof "January 21, 1943".

7/9/41

A BILL

To extend the period during which a reorganization under the Reorganization Act of 1939 shall take effect, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 3 of the Act of Congress approved April 3, 1939 known as the Reorganization Act of 1939 is hereby amended to read as follows:

"Sec. 3. No reorganization plan under section 4 shall provide -

(a) For the abolition or transfer of an executive department or all the functions thereof or for the establishment of any new executive department;

(b) For changing the name of any executive department or the title of its head, or for designating any agency as 'Department' or its head as 'Secretary'; or

(c) For the continuation of any agency beyond the period authorized by law for the existence of such agency; or

(d) For the continuation of any function of any agency beyond the period authorized by law for the exercise of such function; or

(e) For authorizing any agency to exercise any function which is not expressly authorized by law."

Sec. 2. Section 12 of the Reorganization Act of 1939 is hereby amended to read as follows:

"Sec. 12. No reorganization specified in a reorganization plan shall take effect unless the plan is transmitted to the Congress before January 21, 1943."

7/9/41