

October 26, 1934.

Mr. D. J. Young,
The Bank of California,
Tacoma, Washington.

Dear Sir:

Your letter addressed to Mr. Early has been referred to me, and I wish to herewith acknowledge it.

I have turned over your plan for monetary control to members of the Treasury staff who are familiar with the problems involved and they have given it careful consideration.

If you are going to be in Washington in the near future I will arrange for you to meet some competent member of the Treasury staff who will be glad to discuss with you the details of your proposals.

Very truly yours,

Assistant to the Secretary.

HRE:EMB

October 29, 1934

Mr. Gaston

Mr. Eccles

I have not had time to read Mr. Young's plan, but I have referred it to my assistant, Mr. Edmiston, who has gone over it carefully.

Mr. Young's plan contains some pertinent observations about the difficulties which result from the poor functioning of the money system and he has made some accurate observations about the volume of money and its velocity of circulation. However, his suggestions for improvement are not as carefully worked out as they might be, and there is considerable doubt that they could be effectively inaugurated into our banking system. Considering the low order of the average plan which is presented to the President, Mr. Young's is far above normal and therefore I think it would be well for somebody in the Treasury to see him when he comes to Washington.

Either myself or Edmiston will be glad to talk to him about his proposals.

Attached is a suggested reply to his letter for your signature.

H.K.