

PERSONAL AND
CONFIDENTIAL

April 3, 1947.

Dear Lee:

Because of the Treasury's interest in and approval of the so-called direct purchase bill, I felt you would like to see the enclosed correspondence. It originated with Randolph Burgess' letter to Chairman Wolcott which, if it had gone unanswered, would have left, I am sure, a very erroneous impression in his mind. I am sending copies also to Senator Tobey, to Bob Fleming who headed the advisory committee of bankers which endorsed the bill, to Ned Brown as head of the Federal Advisory Council which also endorsed it, and to Hal Stonier of the American Bankers Association.

I am advised confidentially by Senator Tobey that the bill appears to be in some jeopardy because of the strong opposition of Senator Taft. While I have no way of knowing the origin of Taft's attitude, Senator Tobey expressed the opinion to me over the telephone this morning that it stemmed from Burgess. That is a very serious charge and I do not want to repeat it except for your confidential information.

Sincerely yours,

The Honorable A. L. M. Wiggins,
Under Secretary of the Treasury,
Washington, D. C.

Enclosures

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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

April 3, 1947.

Dear Randy:

This is to thank you for your letter of March 27 enclosing a copy of the letter which you sent to Chairman Wolcott. I enclose a copy of the letter which I sent to him in order to give my views on the points you raise.

Needless to say, I do not think that the points you raise are material ones. I would not have troubled Jesse Wolcott with this matter except for the fact that he might well have gained the impression from your letter to him that "the Federal Reserve people" had deceived him.

Sincerely yours,

(Signed) M. S. Eccles

Dr. W. Randolph Burgess,
55 Wall Street,
New York 15, New York.

Enclosure