

METROPOLITAN LIFE INSURANCE COMPANY
NEW YORK CITY

JAMES L. MADDEN
Third Vice-President

February 1, 1943

Hon. Marriner S. Eccles, Chairman
Federal Reserve Board
Washington, D. C.

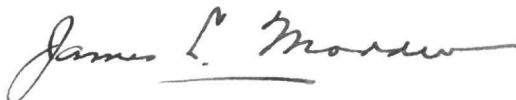
Dear Mr. Eccles:

Some months ago you were good enough to grant us permission to reproduce your splendid letter which dealt with the purchase of Government Bonds and Life Insurance. A copy of this is attached. We understood, at the time, that the letter was to be reproduced only in toto and we have been glad to comply with this request.

We are now thinking of running an advertisement entitled "When Peacetime Dollars Go to War" in magazines with a monthly circulation of about 20,000,000. On account of space limitations, we would like very much to quote only one section of your letter and, therefore, we are writing to ask whether or not you would be inclined to approve this. So that you may see just what we have in mind, we are enclosing for your personal information, a preliminary draft of the advertisement. This has been set up in type for your convenience. As time is a factor, we shall appreciate a prompt reply at your earliest convenience.

With regards, I am

Sincerely yours



Third Vice-President

February 3, 1943.

Mr. James L. Madden,
Third Vice President,
Metropolitan Life Insurance Company,
New York City.


Dear Mr. Madden:

This is to acknowledge your letter of February 1. I appreciate your courtesy in writing to me for permission to use the quotation from my letter in regard to life insurance.

The quotation you have in mind is satisfactory to me because it emphasizes that investment in War Bonds comes first. Accordingly, I have no objection to your using it as you suggest.

Sincerely yours,

M. S. Eccles,
Chairman.

 ET:b

METROPOLITAN LIFE INSURANCE COMPANY

NEW YORK CITY

JAMES L. MADDEN
Third Vice-President

February 11, 1943

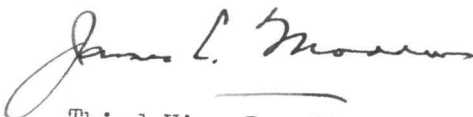
Hon. Marriner S. Eccles, Chairman
Board of Governors of the
Federal Reserve System
Washington, D. C.

Dear Mr. Eccles:

I want to thank you for your friendly
note of the 3rd which awaited my return to the
office from a trip to the Middle West. We are
indeed appreciative of your cooperation.

With regards, I am

Sincerely yours

A handwritten signature in dark ink, appearing to read "James L. Madden". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Third Vice-President

Eccles on Life Insurance

Federal Reserve Chairman Says Its Purchase Comes Next in Importance to Govern- ment Bond Buying

In his address as president of the Actuarial Society of America at its meeting in New York last week, John M. Laird, vice-president Connecticut General, quoted Marriner S. Eccles, chairman of the Federal Reserve System, who had said that next to the purchase of government bonds investment in life insurance is particularly to be encouraged at this time. Mr. Eccles said:

"All proper steps must be taken to prevent a runaway price situation and to this end a complete and comprehensive attack must be made on all fronts against inflationary forces.

"This is the time to save, not to spend money. This is the time to get out of, not into debt. No form of savings is as timely and effective as the purchase by our citizens of government savings and war bonds. Savings out of current income when thus invested help finance the war, are diverted from the market place where they tend to bid up prices of the shrinking supply of civilian goods, and are a store of future purchasing power which will be needed and can be spent without inflationary consequences after the war.

"Insurance companies are large investors in government securities so that the bulk of savings put into the insurance companies in the form of premiums thus help in financing the war. Likewise, investment in life insurance serves to divert funds from consumer markets and thus to reduce inflationary pressures. And, of course, insurance is a store of future protection for the beneficiaries of insurance policies. Accordingly, I feel that next to the purchase of government savings and war bonds and stamps by the public, investment in life insurance is particularly to be encouraged at this time."

When peacetime dollars go to war

IN PEACE OR WAR, life insurance dollars are *security* dollars... but *security* has different meanings.

In peacetime, security means freedom from worry... protection of your loved ones against the loss of their breadwinner... education for your children... retirement in your own old age... and those standards of living which are synonymous with America at peace. Helping to guarantee those standards is the peacetime job of life insurance.

But in wartime, *security* takes on a more fundamental meaning. It becomes the difference between freedom and slavery—for it means the security of our nation itself against foreign domination. Without this security, other kinds of security are meaningless.

So, in wartime, the peacetime dollars of life insurance become war dollars. Invested in Government Bonds, they help to buy planes, tanks, ships, guns—all the weapons we need to keep this nation free.

In the words of the Hon. Marriner S. Eccles, chairman of the Federal Reserve System: "Insurance companies are large investors in Government Securities so that

the bulk of savings put into the insurance companies in the form of premiums thus help in financing the war. Accordingly, I feel that, next to the purchase of Government savings and War Bonds and Stamps by the public, investment in life insurance is particularly to be encouraged at this time."

Other life insurance dollars, invested in American industry and agriculture, continue to work in war just as they worked in peace, to help finance transportation, the production of power, steel, chemicals, oil, food, and other materials now more essential than ever.

Thus in war, life insurance dollars assume the added responsibility of safeguarding the security of the nation, at the same time continuing to guarantee the *security* of your home and family.

Since Pearl Harbor, the life insurance companies of America have invested nearly \$3,000,000,000 in United States Government Bonds. In this same period, Metropolitan alone has purchased about \$540,000,000 of United States Government Bonds, and now owns over \$1,600,000,000 of these bonds, representing more than 26% of the Company's total assets.

75th ANNIVERSARY 1868-1943

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)

Frederick H. Ecker, CHAIRMAN OF THE BOARD

Leroy A. Lincoln, PRESIDENT

1 MADISON AVENUE, NEW YORK, N. Y.

