

The COMMITTEE *for* ECONOMIC RECOVERY ^I_C
- - - 730 FIFTH AVENUE - NEW YORK CITY - - -
NATIONAL HEADQUARTERS

OFFICE OF CHAIRMAN

Hon. Marriner Eccles,
Governor, Federal Reserve Board,
Washington, D. C.

Dear Mr. Governor:

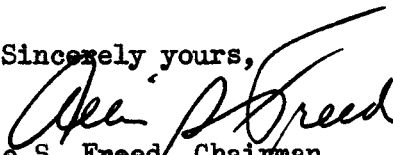
Under separate cover we are sending you copy of a report we have just made to the President. We would very much appreciate your going over same and letting us have your comments.

You will note that we have two beliefs in common with you, namely: that we believe -

- 1) - A great housing program is essential if we are to make real economic and social progress.
- 2) - Long-term interest rates must not be raised, in fact, in many sectors, must be reduced.

May we take this occasion to compliment you upon your recent statement that you did not agree with some of the bankers who are trying to talk up higher long-term interest rates. We feel that they are blind in this attitude and that, as usual, they show their complete ignorance of the social and economic movements in this country.

Sincerely yours,



Allie S. Freed, Chairman,
Committee for Economic and Social Progress. X

February
Twentieth,
1937.

February 23, 1937

Dear Mr. Freed:

I appreciate your thoughtfulness in sending to me a copy of your Committee's report on "Opportunities and Responsibilities in a National Home Building Program." The subject is one in which I am interested, and I shall therefore be interested in the conclusions of your Committee in regard to it.

Yours very truly,

M. S. Eccles
Chairman.

Mr. Allie S. Freed, Chairman
Committee for Economic and Social Progress
The Committee for Economic Recovery
730 Fifth Avenue
New York, N. Y.

COMMITTEE *for* ECONOMIC and SOCIAL PROGRESS ¹/₂
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NATIONAL HEADQUARTERS

Hon. M. S. Eccles,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Eccles:

I am in receipt of yours of the 25rd. I am very glad to note that you will go over our report, and sincerely hope that you will agree with some of our recommendations.

Mr. Chairman, may I be perfectly frank with you? In my opinion, unless and until we break through this log-jam of mortgage credit for large-scale housing projects, I do not believe that we can ever have any sound recovery. And surely, until then we will be missing the greatest single step in social and economic progress. In spite of a tremendous excess of funds, there is such a concentration in the hands of a few large institutions that proper credit is practically non-existent. These organizations have become real estate speculators rather than mortgage lenders. On the other hand, we bungled up the mortgage association side of the Housing Act to such an extent that we did not provide a security that could be bought by the public.

I know the importance of your judgment on financial affairs. I sincerely hope that after reading our report, you will let us have your informal opinion of same.

Yours very truly,



Allie S. Freed, Chairman,
Committee for Economic and Social Progress.

March
third,
1937.