

COPY

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE FOR EMERGENCY MANAGEMENT  
OFFICE OF ECONOMIC STABILIZATION

James F. Byrnes  
Director

February 27, 1943.

My dear Mr. Chairman:

You are aware, I know, of the tremendous need for public education on the whole stabilization program. The reports of the Office of War Information on public opinion disclose profound and widespread misunderstanding or lack of understanding of the reasons for taxation, buying bonds, curtailing credit, and other important steps of the program. Manifestly, without general public understanding it is impossible to hope for acceptance of necessary measures and without acceptance, this office cannot hope to succeed in its program for economic stabilization. As I need not remind you, this undertaking is vital to the welfare of the country, both in winning the war and in the peace that is to follow. We need a united front to achieve success on the domestic front as much as we need it on the fighting front. Politics and partisanship have no part in it whatsoever.

The Federal Reserve System, as a public institution, is singularly well adapted by reason of its regional organization and its freedom from special or partisan interests, to help in the vast educational task that needs to be done. Through your Banks and branches and under the direction of your Board, I feel that much could be accomplished in helping to bring about better understanding on the part of the public, especially through enlisting the aid of bankers and business men who are leaders in their respective communities, and are, in turn, able to help in informing and guiding the general public in comprehending the reasons for measures that are in their own and the country's best interest.

I am, therefore, writing to request that the Federal Reserve System lend whatever assistance it can in this important educational work to bring about a wider public knowledge of the elements of economics which underlie the measures that are vitally necessary for the country's welfare.

Sincerely yours,

(Signed) James F. Byrnes.

Director.

Honorable Marriner Eccles,  
Chairman, Federal Reserve Board.

COPY

March 6, 1943.

Honorable James F. Byrnes, Director,  
Office of Economic Stabilization,  
Washington, D. C.

My dear Mr. Byrnes:

This is to acknowledge your letter of February 27 in regard to the way in which the Federal Reserve System may assist in the important educational work that so urgently needs to be done in order to bring about a wider public understanding and thus a more general acceptance of the Government's program for economic stabilization.

Your letter reached me at the moment when the presidents of the Federal Reserve Banks were meeting here with the members of the Board of Governors, and I took advantage of this occasion to read it to the entire group and to discuss with them at some length various ways in which the twelve Federal Reserve Banks and their twenty-four branches, in cooperation with the Board of Governors, might be helpful in promoting better public comprehension of the program and the measures essential to protect the domestic economy from inflationary dangers. I think I reflect the sentiments of all who attended the meeting when I say that they are heartily in accord with the purposes which you seek to achieve, and wish to assure you that they stand ready at all times to do whatever lies within their power to assist in this vitally important task.

I shall endeavor to keep you informed from time to time of the System's activities in this undertaking.

Sincerely yours,

(Signed) M. S. Eccles.

M. S. Eccles,  
Chairman.