

February 18, 1946.

Honorable Fred M. Vinson,
Secretary of the Treasury,
Washington 25, D. C.

Dear Fred:

As you know, I am opposed to increasing the lending authority of the Export-Import Bank by 1.5 billion dollars. Although you and I were outvoted on this issue at the Council meeting on Wednesday, I think the President ought to be informed of the difference of opinion which developed there. Specifically, I think he ought to know that it was the members of the Council from the lending and export promoting agencies who supported the figure of 1.5 billion dollars and that the members from the agencies more concerned with the raising of the funds favored reducing the figure to 1.25 billion dollars.

I still believe that the suggested lending program prepared by the staff committee could easily be reduced by 250 million dollars by deducting this sum from the allocation to "other countries and other purposes" amounting to 400 million dollars. I am told that the staff committee thought it unlikely that more than 50 million dollars would be required for "other countries" so that 350 million dollars under this last heading is intended to cover expansion in the Export-Import Bank's program of financing American exporters, American business enterprises in the international field, etc. I am dead against any such expansion in this program under present conditions. American exporters and American business enterprises do not need subsidized Government credit to enable them to compete in foreign markets. In present conditions any funds which are required to finance such transactions can and should be found in the private capital market.

Sincerely yours,

(Signed) Marriner

M. S. Eccles,
Chairman.