

MOWBRAY F. PEARSON

E 131 AUGUSTA AVE.
SPOKANE, WASHINGTON
U. S. A.

Jan. 26, 1939.

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

Dear Mr. Eccles:

Referring again to your letter of Jan. 10th and my reply of the 14th. Last night I read "Thrift vs Spending" by Harry F. Byrd in the United States News of Jan 23rd.

You and Senator Byrd are BOTH RIGHT and BOTH WRONG. The trouble seems to me to be that neither of you has just the right point of view. The Economists are still in "HORSE AND BUGGY" days in their ideas. They are still talking about "durable goods and consumer goods". That is not the right split up. They do not understand what we should produce and why. They do not know the definition of "Wealth".

They do not know the definition of "Purchasing Power". Every article I read indicates they have the wrong definition in mind.

Senator Byrd makes money more important than men. It is just the reverse. I only wish I could have exactly the same kind of a newspaper debate you and Senator Byrd are now having. I think I could put a new light on many things.

Last night on the "Town Meeting of the Air" program Prof. Arnold indicated he expected to increase "purchasing power" by prosecuting monopolies and so bring down prices and increase "purchasing power". That is funny. Just one more instance of not understanding.

I am afraid I have taken too much of your time.

Very truly yours,

Mowbray F. Pearson

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The citation for the original is:

Public Service, "Farms Needed!" [January 1939].

File

MOWBRAY F. PEARSON
E. 131 AUGUSTA AVE.
SPOKANE, WASHINGTON
U. S. A.

Replied

Jan. 14, 1939.

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

Dear Mr. Eccles:

Thank you for your favor of Feb., 10th.

1st. I would show how the workers of this nation could produce ABOUT 120 billions of wealth per year.

2nd. What wealth is. That is not understood.

3rd. How to produce the right kind of wealth without the coercion of dictatorship.

4th. How to make purchasing power exactly equal to production.

5th. Give a formula for money that will stay stable all over the world.

6th. Give a good Social Security formula.

If you are interested I would be pleased to hear from you again.

Very truly yours,

Mowbray F. Pearson

MOWBRAY F. PEARSON

E. 131 AUGUSTA AVE.
SPOKANE, WASHINGTON
U. S. A.

Jan. 6, 1939.

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

Dear Mr. Eccles;

Your letter replying to Senator Byrd appeared in the Newspaper and also in the United States News of Jan. 3, 1939. In the third from the last paragraph you say, "I do not profess to know all the answers".

The major answer is ** this country is run the same as if a man were to drive an automobile by stepping on the gas and pulling the emergency brake at the same time. That once sentence may not make things entirely clear but I can do so if given the opportunity. I am looking for a chance to have a debate to be printed as a syndicated Sunday article on the subject:

It is resolved the President and Congress can bring about the employment of every able bodied man and woman between 20 and 70, increase National income to about 120 billions per annum with our present capitalistic system, give real security to every person, balance the budget, and do it all with a lower percentage of taxation than we have at present, and do it within two years.

The present Administration with 6 years in power has not been able to do it and there is nothing in the President's message that indicates a solution is in sight. The Republicans have not put forth a single idea worth printing.

The answer is really very simple. Are you patriotic enough to arrange so I can have a chance to prove it?

Very truly yours,

Mowbray F. Pearson

*Save in
Bureau*

January 10, 1939.

Mr. Mowbray F. Pearson,
E. 131 Augusta Avenue,
Spokane, Washington.

Dear Mr. Pearson:

I have your letter of January 6th with reference to my recent letter replying to Senator Byrd and your suggestions for meeting the problems confronting the country. I would be interested to know what you have in mind, and to that end I would suggest that you might, if you will, furnish me with a memorandum outlining the program that you would recommend.

Sincerely yours,

M. S. Eccles,
Chairman.

ET:b

**Received in
Chairman's Office**

JAN 9 - 1939

**Board of Governors
of the
Federal Reserve System**