

*filed*  
Governor Marriner Eccles,  
Federal Reserve Board,  
Washington, D.C.

Dear sir-

With regard to your letter to Senator Byrd, you are, apparently, one of the crackpot theorists with whom the country is afflicted.

It makes a very big difference whether the State is the one and only borrower. The obligations of the government are held in quantity by every bank and insurance company. Yes, the government is wasting a lot of money on employing people who do no useful work. Capital is being destroyed by the government on a lot of silly ventures. How do you explain the terrible loss on our purchases of useless silver far above the world price; the loss on the Passamoquoddy venture, and other idiotic ideas.

The New Deal has put business in a strait jacket. Overhead has gone way up; our companies cannot compete with concerns abroad because of this - yet, the New Deal makes conditions worse by lowering the tariff. You and your associates have been responsible for the loss of the country's export markets in wheat and cotton; you have used the people's money for TVA projects; have kept no comparable record of costs; and have prevented the utility industry from spending money on improvements. By a political decision interested solely in votes, you have kept railroad wages so high that many roads are broke. Nothing can be spent on new equipment. In fact, because of government policies, the heavy industries are practically getting nowhere. No one sees sufficient daylight ahead to make improvements to plant and equipment - which is the sort of business that would provide work for thousands for many months ahead.

Yes, when a man invests money in private industry, in stocks or bonds, he knows some of them will turn out bad; but he hopes to make more than he loses. That is our profit and loss system - not merely a profit system. But when one buys a government bond, he does not expect to lose. Government credit, etc., is the basis for confidence in our currency. Destroy that, and you will have wild disastrous inflation.

The country knows you had banking experience - of the bush league type. You are not a major league player, or thinker. And remember, you were not elected to any public office. Try running for the Senate; see how many votes you can get.

Your letter to Senator Byrd is just typical of the snarling done by New Dealers. No use your crying for fair play - you don't come into the court with clean hands.

Yours truly,

*M. R. Wilson*

*Mr. Holly, Jr.*