

Sears, Roebuck and Co.

Executive Offices

Chicago

R. E. Wood
President

June 16, 1938.

Personal.

Hon. M. S. Eccles, Chairman,
Board of Governors of the
Federal Reserve System,
Washington, D. C.

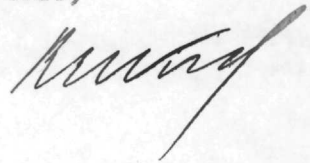
My dear Governor Eccles:

I heard recently that the old question of having Mr. Crowley appointed to chairmanship of the Federal Reserve Bank here had again come up.

I think it would be a great mistake to make this appointment unless the Board here were consulted, and I am quite sure what the Board would say. On general principles I think it would be a mistake to make a political appointment of this chairmanship.

You understand, of course, my own attitude in the matter. As far as I am concerned, I do not care. I went on the Board simply to be of such assistance to you as I could and I still feel the same way, but once on the Board I should not like to see a political appointment made such as that of Mr. Crowley, especially since I understand he did not have a very good record as a banker.

Sincerely yours,



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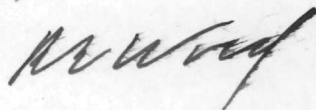
My dear Governor Eccles:

Is there any chance of your being out in Chicago within the next few weeks? I have not been able to get down to Washington for a long time and doubt whether I will be there this summer.

Business continues getting progressively worse. I think it is more or less a race between the deflation spiral and the forces loosed by the new money that you are able to put into circulation within the next 90 days, coupled with the two steps taken in April. To my mind the great mistake was that these steps were not taken last November.

Do you get any news from England as to the possibility of their again raising the price of gold? As you know, I have not been in favor of changing the gold price since the President raised it in 1934, but if England should change their price, I think we would be forced to follow suit. If there is any information you can consistently give me on the subject, I should appreciate it.

Sincerely yours,



June 22, 1938.

Mr. R. E. Wood, President,
Sears, Roebuck and Co.,
Chicago, Illinois.

Dear General Wood:

With regard to your letter of June 16th as to my program, it does not appear at the moment that I shall have occasion to be in Chicago within the next few weeks. It is my intention to remain here until I go west about the middle of August, at which time I might be able en route to look in on you in Chicago in case you will be there. In any event, I shall make a point of trying to see you then, in case no earlier opportunity presents itself.

I agree with you about the business situation, and, as you know, did what I could to bring about broad-scale action last fall to meet the depression that to my mind was clearly developing.

So far as the gold matter is concerned, I have no information whatever on the subject, beyond what is already known generally. These persistent rumors, which have been repeatedly and emphatically denied, apparently originate abroad and have no substance so far as I am informed or have reason to believe.

With reference to your personal note of the same date, I deeply appreciate your attitude and the public service you are rendering, as we all do here, and you may be sure that you would be fully consulted if any such step were to be taken.

Sincerely yours,

M. S. Eccles,
Chairman.

 ET:b