

FEDERAL RESERVE BANK
OF MINNEAPOLIS

OFFICE OF
THE PRESIDENT

March 9, 1944

Chairman M. S. Eccles
Board of Governors of the
Federal Reserve System
Washington 25, D. C.

Dear Marriner:

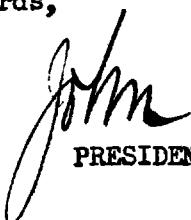
Here's a jewel that came in the morning mail from a northern Michigan banker. As it seems to cast a personal aspersion on you, I thought you might be interested.

We are getting grand results in our efforts to get action against the Maybank Bill. The State Examiner in North Dakota is addressing a personal letter to every bank in the State, asking them to oppose the Bill. The Minnesota Bankers Association is holding a meeting of its Executive Committee tomorrow, to agree upon a very satisfactory letter to go to the Minnesota banks.

We are not only asking every banker in the district to voice his protest against the Maybank Bill, but we are calling them all up on the 'phone, and the country bank men employed by the several Minneapolis, St. Paul, and Duluth banks are doing the same thing, and I am astonished at the success of our campaign to date.

We are hopeful we have established direct approaches of a decisive character to all of our Senators.

Regards,


PRESIDENT

JNP:B
ENCL.



Yesterday we had a meeting of the three banks and decided that we would send telegrams to our senators and to Senator Wagner, against the Brown Bill; and we did that just because we wanted to do what John Peyton and Otis Preston asked us to do. We really were in favor of the Brown Bill because we feel that a good many changes coming out of Washington are not in favor of the small banks; and we are suspicious of anything that comes from the Chairman of the Federal Reserve Board in Washington.

You probably know that in Michigan the method used by Mr. Stoddard, cousin of Mr. Eccles, to get his Michigan National Bank chain of seven banks started in Michigan, was supposed to be by bribery in the Michigan legislature; and that matter is up before a Grand Jury at this time, and the officer of one of the Grand Rapids Branches of the Michigan National Bank has been indicted for bribery.

Michigan's experience with chain banks was very bad in Detroit; and today the Detroit banks are all fighting against the Michigan National Bank System, which bank is very anxious to get started in Detroit. In fact Mr. Stoddard, the president, stated at one time that he wanted a branch in every city of any size in the state. We are naturally afraid of these things, but the fact that we are always glad to work with John and Otis, and the confidence we have in you and in every other officer of the Federal Reserve Bank at Minneapolis, influenced us to do what you asked. We surely hope it will be all right, but we are getting to a point where we are afraid of many of the Washington bureaus.

With kindest regards, we are

March 14, 1914.

Mr. John W. Peyton, President,
Federal Reserve Bank of Minneapolis,
Minneapolis 2, Minnesota.

Dear John:

There are jewels that appeal to me more than the one you enclosed anonymously in your letter of March 9. However, I was interested in seeing it. As I do not need to tell you, I am not responsible for and, as a matter of fact, know absolutely nothing about that Michigan situation.

I am glad to see these suspicious gentlemen at least have confidence in you, and the results you are getting in your District are further proof of your command of the situation. You deserve and certainly have my commendation. It begins to look as if this bill will be killed, at least in its present form, in the Senate. I hope you will keep up the good work, as I know you will.

With best regards,

Sincerely yours,

ET:b