



FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON

OFFICE OF THE CHAIRMAN

September 10, 1948

Dear Marriner:

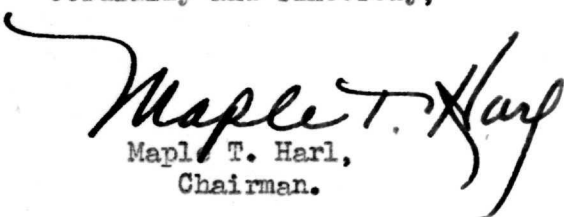
Enclosed herewith, with our best wishes, is a copy of the "Annual Report of the Federal Deposit Insurance Corporation for the Year Ended December 31, 1947".

Incidentally, although 1947 was another year of great expansion in bank lending, we are happy to report that in that period there was not a dollar's loss to a depositor or a single receivership of an insured bank, which evidences in no uncertain terms the confidence the public reposes in the FDIC.

In addition to the foregoing, we are happy to report that only recently we repaid the United States Treasury the two hundred and eighty-nine million dollars originally advanced in order to capitalize this Corporation, thereby eliminating, insofar as this organization is concerned, any governmental subsidy to the dual system of banking.

Thanking you for any suggestions and comments you care to make regarding the matters covered by the enclosed report, furthermore, appreciating your fine cooperation at all times, I am, believe me,

Cordially and sincerely,

  
Maple T. Harl,  
Chairman.

Enclosure

Honorable Marriner S. Eccles  
Board of Governors  
Federal Reserve System  
Washington 25, D. C.

October 7, 1948.

Mr. Maple T. Harl, Chairman,  
Federal Deposit Insurance Corporation,  
Washington 25, D. C.

Dear Maple:

Your letter of September 10, with a copy of the Annual Report of the Federal Deposit Insurance Corporation, was received while I was on a western trip. Upon my return I had so many matters awaiting my attention that I have not had an opportunity to send you an earlier acknowledgment.

Naturally I share your gratification that the Corporation has repaid to the Treasury the \$289 million dollars originally subscribed for capital of the Corporation, although I might have some reservations as to whether this entirely eliminates "any governmental subsidy to the dual system of banking" even in so far as your organization is concerned.

May I also offer the comment that we in the Federal Reserve System had a share in bringing about the retirement of this capital, of which \$139 million was originally furnished by the Federal Reserve Banks and upon which they have received no return. It was upon my suggestion, with the concurrence of the Board of Governors, that the Budget Bureau proposed and the President recommended in January 1947 that Congress authorize the Corporation not only to retire the \$139 million of capital furnished by the Federal Reserve System but to make the payment to the Treasury instead of to the Federal Reserve Banks. This was in addition to the proposed retirement of capital furnished by the Treasury. The combined steps helped at that time to balance the budget.

With best wishes, I am,

Very sincerely yours,

M. S. Eccles.

CM/ET/ra  
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