

PERSONAL AND
CONFIDENTIAL

January 27, 1948.

Dear Friend:

Once more that salutation comes to mind because a friend in need is a friend indeed. I knew you would be interested to see the enclosed exchange of letters which we discussed over the telephone.

Sincerely,

The Honorable Charles W. Tobey,
United States Senate,
Washington, D. C.

Enclosure

ET:b

PERSONAL AND
CONFIDENTIAL

January 27, 1948.

Dear Arthur:

In view of our talk, I thought you would be interested to see the attached exchange of letters which I tried to make conform to your valuable suggestions. I am more deeply grateful to you than I can say.

Sincerely,

The Honorable Arthur H. Vandenberg,
United States Senate,
Washington, D. C.

Attachment

ET:b

PERSONAL AND
CONFIDENTIAL

January 27, 1948.

Dear Bob:

In view of our conversations, I am sure you will be interested to see the enclosed exchange of letters. I cannot tell you how greatly I have valued your aid and counsel.

Sincerely,

The Honorable Robert A. Taft,
United States Senate,
Washington, D. C.

Enclosure

ET:b

THE WHITE HOUSE
WASHINGTON

January 27, 1948

Dear Mr. Eccles:

Shortly after I became President you offered to resign as Chairman of the Board of Governors of the Federal Reserve System and said it was your feeling that the Chairman, who is designated by the President, should serve at his pleasure. I told you then and on other occasions that there was no one I desired to appoint in your place.

You will have completed your present term as Chairman on February 1, your appointment as a member of the Board continuing until 1958. As I explained to you last week, it is now my preference to appoint a new member of the Board to fill the vacancy created by the death of Vice Chairman Ransom and, when confirmed by the Senate, to designate him as Chairman.

This decision, as I assured you, reflects no lack of complete confidence in you, or dissatisfaction in any respect with your public service, or disagreement on monetary or debt-management policies, or with official actions taken by the Board under your chairmanship. All who are familiar with your record recognize your devotion to the public welfare and the constructiveness that has characterized your leadership in the Federal Reserve System.

Therefore, I urged you to remain as a member of the Board and to accept the Vice Chairmanship so that the benefit of your long experience and judgment will continue to be available and so that you may carry forward legislative proposals now pending in Congress dealing with the important problems of bank credit as outlined in the President's Economic Report to Congress, as well as with other matters in the interest of a sound banking system and a sound economy.

Sincerely yours,

(Signed) Harry S. Truman.

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

January 27, 1948.

My dear Mr. President:

You have stated in your complimentary letter the substance of our conversation of last week. As I advised you then, I desired to have time to consider fully your decision and request. I have not altered my conviction that the Chairman of this Board should serve at the pleasure of the President, and I sought to have such a provision included in the Banking Act of 1935.

I have carefully considered your request. After consultation with close friends and associates on the Board and because of the reasons mentioned in your letter, I have decided to remain with the Board in the capacity you suggest.

Respectfully yours,

(Signed) M. S. Eccles.

M. S. Eccles,
Chairman.

The President,
The White House.