

543 So La Salle
Ann Arbor MI

Dear Mr. Cecles

Feb 21, 1951

It is my understanding that you intend to leave the F. R. B. if you lose your fight with Mr. Snyder. I want to urge you to continue your fight even if the fair deal League does win the first couple rounds.

I have discussed the F. R. B. vs Treasury fight with a number of average citizens of about average educational background. So far, every one of them has been capable of understanding the implications of the decision. To a man, they are squarely behind you and your co-workers, once they grasp the implications. This leads me to believe that the majority of American citizens are in favor of stabilizing the dollar, even though they do not understand the workings of the F. R. B.

There are not many smart men in govt office today, so, if our country is to survive, the few of you who are there must make up in fighting spirit what you lack in numbers. For this reason I wish again to urge you not to give up the fight.

Sincerely yours
Ralph P. Gasher

March 9, 1951

Mr. Ralph P. Graeber,
543 South La Salle Street,
Aurora, Illinois.

Dear Mr. Graeber:

Thank you for your letter of February 21. I want you to know that I appreciate your thoughtfulness in writing me.

I am not at all surprised that the average citizens with whom you have discussed our present monetary problem understand the implications of the problem and the importance of preventing further depreciation in the purchasing power of the dollar. A large number of everyday citizens--housewives, wage earners, retired people, small town bankers and doctors--have written to me recently and their letters consistently indicate a clear realization that there is a direct connection between recent monetary policy and the inflation which has made most of them its helpless victims. While many of the writers may not understand such technical matters as the way in which our fractional reserve system intensifies the problem, they do understand that rigid support of the Government securities market has resulted in unhealthy credit expansion, that this expansion of the money supply has seriously reduced the value of the dollar and, especially, that preserving our way of life includes defending the dollar.

Needless to say, we at the Board find these expressions of public understanding very gratifying. The most effective reply we can make to them is to continue to do all that we can to assure the adoption of fiscal, monetary and credit measures necessary to prevent further inflation.

Very truly yours,

M. S. Eccles.