

Law Offices
J. F. T. O'Connor
530 West Sixth Street
Los Angeles
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June 6th, 1939

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

Dear Marriner:-

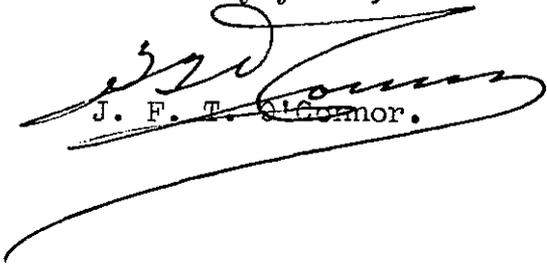
I was very much pleased to read in this morning's Los Angeles Times, the enclosed article.

More power to you in carrying out this suggestion.

Sometime after the Federal Reserve Board was authorized to make loans, the agents were called to Washington for a report, and I noticed that fewer loans were made in the Twelfth District than in any other Federal Reserve District, and I asked the then agent about it, and he said there was no demand. I am sorry to disagree with that statement. I find that there is a great demand for loans, but the government representatives are now asking for practically the same collateral and security as the banks.

With best wishes and kindest regards, I am

Sincerely yours,


J. F. T. O'Connor.

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June 19, 1939.

Mr. J. F. T. O'Connor,
630 West Sixth Street,
Los Angeles, California.

Dear Jefty:

This is to thank you for your letter of June 6 with regard to my recent testimony on the Mead bill. Because I know you are very much interested in the subject, I am enclosing a copy of the statement I made to the Committee, as the press accounts were necessarily fragmentary.

I, of course, agree with you that if Government representatives are going to ask for practically the same collateral and security as banks, there is no point in authorizing Government agencies to supplement private lending facilities. I think it is also true that there are applicants who, anticipating that they would be turned down, never approach the banks at all, so that banker estimates of credit requirements are not likely to be representative. However, as I undertook to point out in my statement, where I think the real gap exists is for longer term capital for the smaller businesses.

with kindest personal regards,

Sincerely yours,

M. S. Eccles
Chairman.

enclosure

ET:b

Received in
Chairman's Office
JUN 7 1939
Board of Governors
of the
Federal Reserve System