

Received at the Federal Reserve Bank

of Richmond - March 17, 1945

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Federal Reserve Bank of St. Louis

# PRINCETON BANK & TRUST COMPANY

ESTABLISHED 1874

PRINCETON, WEST VIRGINIA



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CHAIRMAN OF THE BOARD  
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E. E. BAILEY, CASHIER  
J. S. LILLY, ASST. CASHIER  
R. F. LUCUS, ASST. CASHIER

March 16, 1945

Mr. Marien S. Eccles  
Chairmen of Federal Reserve Board  
Richmond, Virginia

Dear Mr. Eccles:

I notice recently where you had suggested to our President the calling in of bills of large denominations as a means to try and eliminate some of the tax evasion and black market. I want to comment you for this suggestion and hope you will continue your efforts in this direction until some success is had. I too hope you will get them to go as low as the fifty dollar bill as in our bank, which of course is small, we see so much hoarding or what we suspect as hoarding in that so many people get bills in fifty and hundreds. This is especially true of professional men.

As we have a complete check on salaried men we feel that these other persons who are making more money than they ever did should be checked on in some manner. While the calling of these bills wouldn't eliminate the trouble entirely yet money would not be so easily hoarded and too the physiological effect would help, so I want to again ask you to continue your effort until something is accomplished.

Yours very truly,

E. E. Bailey, Cashier

EEB:FT

March 21, 1945.

Mr. E. E. Bailey, Cashier,  
Princeton Bank & Trust Company,  
Princeton, West Virginia.

Dear Mr. Bailey:

This is to thank you for your letter of March 16. While I mentioned the calling in of bills of large denominations as one thing that had been given consideration in efforts to get at tax evasion and black markets, the British experience with this device was not encouraging and it is not likely that it would be effective in this country.

I appreciate your writing and your encouragement.

Sincerely yours,

M. S. Eccles,  
Chairman.

 ET:b

# Constitutional Money League of America

Headquarters

3200 Sixteenth Street, Washington, D. C.  
CHARLES G. BINDERUP, National President

L. E. SAUPE,  
Secretary-Treasurer

M. YOWELL,  
President  
J. M. ATKINS,  
Vice-President

ORGANIZATION STATE OF FLORIDA  
Headquarters

C. J. MAURER,  
Counsel

841 2nd Avenue North

St. Petersburg, Florida

May 26-1945.

Mr. Marriner S. Eccles  
Governor Federal Reserve Board,  
Washington, D.C.

Dear Mr. Eccles;-

We wish to express to you our sincere thanks and great appreciation for your stand on the currency question, as you were quoted in the Congressional Record of April 26, when bill S 510 was on the floor for action, and the Senate passed it unanimously by voice vote with only 53 members present, the others being in Europe, San Francisco and other places. Section 4 of this bill is a direct slap at our president, secretary of the treasury, and this administration, and taking away this power to issue 3 billions of dollars interest free U.S. Treasury notes should an emergency arise in the future, as given under Sec. 43(b) 1 of the act approved May 12, 1933 (48 Stat 31, 52)

Your statement "Why have gold or collateral back of your currency? This is the currency of the United States Government, and they are the backers of that money. Why have any collateral back of that?" This is absolutely true, so why even 25% gold when the entire nation is better than gold?

Money is only an impression of legal decree, and the United States stamp on paper, metal or anything else, is better than anything based on a single commodity, gold or any other material.

We want a stabilized dollar that has the same debt paying power when paid as when issued, and this can be easily be done without gold, but not with a gold basis which varies constantly as proved in the past fifty or more years.

In a test made in 67 countries only Lincoln Money was accepted at its face value, and no other, neither gold, federal reserve, or any other would be taken. Why be the only nation in the world to base our money on a variable basis on a single commodity, gold, even on a 25% basis, and which is not used as money anywhere, even in our own country, where we have been such fools to pay \$35. per ounce for it, when it was only worth \$20. per ounce and then bury it in Kentucky where it does nobody any good. Gold is the metal of the miser and the thief, and should be used only in the arts like other metals.

Art. 1, Sec. 8, Clause 2, should be abolished from the United States Constitution, and in its stead issue national, or International Money, free of interest at its source that would be

acceptable to every nation in the world.

Our Foreign trade is only about 5% or less of our nations business, then why should we talk so much about this 5% instead of attending more to our own 95% in our own country. Let us cooperate in every way with all nations, but our own American people should come first. Every Nation in the world is looking out for their welfare first, and as Former President Hoover said, "We are the only nation in the world that fights other nations battles at our own colossal loss."

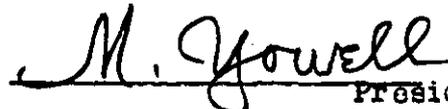
As we see your viewpoint you are endeavoring to stabilize the purchasing power of the dollar and when you do this the people in the United States will rise up and call you blessed. And when you do this all nations in the world will want to follow suit.

Senate Document 23 by Senator Robt.M.Owens from Oklahoma, makes this very plain. He made this statement in 1914. It seems that the whole world looks up to him as the walking encyclopedia of the monetary affairs of the entire world.

After long study of monetary principles we are greatly pleased at your stand and we congratulate you again and again for your true expression of its value and for the welfare of all our people, and not for the few who try to exploit the masses by monetary control.

Keep up your good work Mr. Eccles and we the people will bless you as our great leader in currency reform. This is the conclusion of our group.

Very Sincerely Yours,

  
President

841 - 2nd. Ave. North  
St. Petersburg, Florida.

June 4, 1945.

Mr. M. Yowell, President,  
Constitutional Money League of America,  
841 2nd Avenue North,  
St. Petersburg, Florida.

Dear Mr. Yowell:

This is to acknowledge your letter of  
May 26. I have read with interest your comments  
and appreciate having your views.

I am, of course, interested in economic  
stability as a primary objective. The former Senator  
Owen has devoted a lifetime to monetary matters and  
my only regret is that he thinks stability can be  
achieved so easily under the quantity-of-money theory.  
I wish it were that simple.

Sincerely yours,

M. S. Eccles,  
Chairman.

ET:b

Received in  
Chairman's Office  
MAY 30 1945  
Board of Governors  
of the  
Federal Reserve System