

TO Mr. Ransom

FROM Elliott Thurston

REMARKS:

4/1/44

To note and return.

E. J.

*Trying to make
"friends" with as I
supposed.*

(11)

CHAIRMAN'S OFFICE



CAPITAL AND SURPLUS \$ 500,000.00

W. D. COOK
PRESIDENT

March 28, 1944

Mr. M. S. Eccles, Chairman
Board of Governors
Federal Reserve Bank
Washington, D.C.

Dear Mr. Eccles:

I congratulate you on advocating the continuance or extension of the Price Control Act for a period of two years after the war ends. If the Act should expire with the close of the war, the country will lose one of its most important battles against inflation.

If the small loan agencies (non-banking), retail groups and financial agencies specializing in installment credit are permitted to extend the terms of installment sales beyond a twelve-month period, the bars will be let down and competition will soon induce some to accept 36 months paper. This will be bad for the individual as well as sound financing.

I hope the Board can keep the time limit to not exceed 18 months on all installment buying for an indefinite period after the war ends.

Sincerely yours,


W.D. Cook, President -

WDC:b

April 1, 1944.

Dear Mr. Cook:

This is to thank you for your letter of March 28 and for your generous references to my statement on extension of the Price Control Act.

I am glad to have your comments with regard to retention of reasonable limitations upon instalment credit, and I am taking the liberty of passing your letter along to Ronald Ransom, who has carried most of the burden for the Board of framing and administering regulation W. He will be interested, as I was, in having your views.

Sincerely yours,

(Signed) M. S. Eccles

Mr. W. D. Cook, President,
First National Bank,
Meridian, Mississippi.

ET:b