

BERNARD M. BARUCH
597 MADISON AVENUE
NEW YORK 22, N.Y.

June 1, 1944.

Mr. M. S. Eccles, Chairman
Federal Reserve System,
Washington, D. C.

My dear Mr. Eccles:

I was so glad to see you
put in the bill. Is there anything
I can do?

You have always been so
sane in your actions, and so helpful
at all times.

Sincerely yours,

A handwritten signature in cursive script that reads "Bernard M. Baruch". The signature is written in dark ink and is positioned below the typed name "Bernard M. Baruch".

August 1, 1944

Honorable Bernard M. Baruch,
Sands Point,
Long Island, New York.

Dear Mr. Baruch:

Now that Congress has reconvened to consider legislation related to reconversion, it is my purpose to request of Chairman Wagner and Chairman Spence that hearings be scheduled on S. 1918 and H. R. 4804 providing for guarantees by the Federal Reserve Banks of loans to business enterprises made by private financing institutions, thus following out the recommendations contained in the Baruch-Hancock Report.

Under date of June 1, 1944, you wrote me a brief note advising that you were glad to see that I had brought about the introduction of these bills and asking if there was anything that you could do in the matter. I think it would be helpful at this time if you would write me a letter in support of this legislation, and a suggested draft of such a letter is enclosed for your consideration. It would be my purpose to place this letter or a copy of it in the record of the hearings.

Trusting this finds you well and with kind personal regards, I am,

Sincerely yours,

M. S. Eccles,
Chairman.

Enclosure

LC/mg

General File copies of this letter were made but are being held by Mr. Clayton until he determines whether or not they should be sent to General Files.

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BERNARD M. BARUCH
597 Madison Avenue
New York

August 3, 1944

Hon. Marriner S. Eccles, Chairman,
Board of Governors,
Federal Reserve System,
Washington 25, D. C.

Dear Mr. Eccles:

As you know, I have been greatly concerned over the delay of Congress in enacting the legislative program recommended in the Baruch-Hancock report.

Fortunately, just before the Summer recess, Congress passed S. 1718 which relates to settlement of terminated contracts. Unfortunately, they did not pass the unemployment insurance so necessary to human demobilization. Another essential part of the program is the assurance of adequate credit for small and medium sized businesses through amendment of the Federal Reserve Act, as outlined in the plan which you submitted to me last December and which was set forth in general terms in my report.

I was glad to note that under date of May 15th, Chairman Wagner and Chairman Spence introduced companion bills, which, if enacted, would implement this plan. The financing mechanism embodied in these bills will be very helpful and indeed necessary, particularly during the impending transition period.

In addition to facilitating the financing of reconversion, it would be an important aid in financing businesses which do not require reconversion, including new enterprises so that they can do their full share in the resumption of our civilian production.

Now that Congress has reconvened, I hope that the Banking and Currency Committees of the Senate and the House will promptly hold hearings on these bills and that no opposition will be encountered. There would seem to be no valid ground on which anyone should object to your plan which, in essence, merely releases for timely use at this critical period unused funds appropriated by Congress ten years ago for the very purpose of helping businesses which cannot otherwise obtain requisite financing.

Please advise me if there is anything I can do to assist in the early enactment of S. 1918 and H. R. 4804.

Sincerely yours,

(Signed) Bernard M. Baruch.

Mr. Benton

August 9, 1944

Honorable Bernard M. Baruch,
Sands Point,
Long Island, New York.

Dear Mr. Baruch:

I wish to thank you for your gracious letter of August 3 respecting the bills S. 1918 and H. R. 4804 introduced last May by Chairman Wagner and Chairman Spence and now pending in their respective committees. I am sure your letter will be most helpful in obtaining early consideration of this legislation.

I note that there is a slight typographical error in your letter in that in the second paragraph you refer to "S-718" relating to the settlement of terminated contracts whereas this bill was S. 1718. Also in the last line of your letter you offer to assist in the early enactment of "S 718" whereas you intended to refer to S. 1918, the pending bill relating to section 13b.

Thinking that your letter may be submitted for the Record, I assume that you would prefer to send me a corrected copy, upon receipt of which I shall be glad to return to you the one just received.

Thanking you heartily for your fine cooperation and with warmest personal regards, I am,

Sincerely yours,

M. S. Eccles,
Chairman

LC/mg

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