

WRIGHT PATMAN
1ST DISTRICT
STATE OF TEXAS

WASHINGTON ADDRESS:
1035 HOUSE OFFICE BUILDING

COMMITTEE ON
BANKING AND CURRENCY

SECRETARY:
MRS. LUCILLE SPAIN

Congress of the United States

House of Representatives

Washington, D. C.

March 2, 1946.

Hon. Marriner S. Eccles
Chairman
Federal Reserve Board
Washington, D. C.

PERSONAL AND
CONFIDENTIAL

Dear Chairman Eccles:

If you will put your ideas down on paper about the banks being permitted to carry only securities drawing interest up to seven-eights percent, also your suggestions about how the arrangement can be brought about, and furnish them to me, it will be very much appreciated.

If you have such ideas made up in the form of a bill, I would like to have a copy.

I will consider this matter in confidence until such time as we mutually agree that it should be released and how, if at all.

With kindest personal regards and very best wishes, I am

Sincerely yours,

Wright Patman.

March 8, 1946.

PERSONAL AND CONFIDENTIAL

My dear Wright:

This is to acknowledge your personal and confidential note to me of March 2. Following the hearing, when you suggested that a special report might be made in connection with problems of debt management as it affects the banking system, I reported to the Board and to members of the Federal Open Market Committee the substance of the questions and what I had stated to the Committee. As I sought to indicate then, the subject is an important one and requires very careful thought before attempting to formalize conclusions, so that while I hope to be able to send a special report to the Congress very promptly along the lines that were discussed when I was before the Committee, it will necessarily take some time to prepare it. I assume, of course, that any such special report to the Congress would be referred to the Banking and Currency Committee. It had not been my idea to attempt to draft a bill at this stage.

Needless to add, I appreciate your interest in and respect your understanding of these problems.

With best regards,

Sincerely yours,

The Honorable Wright Patman,
House of Representatives,
Washington 25, D. C.

P.S. I enclose a copy of the Canadian Finance Minister's announcement, which you may not have seen, on reduction of the rate being paid the Dominion banks on their loans to the Canadian Government.

M.S.E

ET:b