

Form F. R. 511

TO _____

FROM _____

REMARKS:

4:15 Mr. Hill called and left this message:

He saw Tobey and told him about bill 2413, and Tobey will stand by until he hears from you next week, to push the bill. Tobey said the recess will only be for Friday and Saturday and they will be back in session on Monday (insofar as he knows). Regarding your suggestion to have Cherry drop in the office once or twice a week, they feel that would be very helpful. Hill will be very glad to be of assistance and to help out whenever you feel he can. The Committee's office will close on Thursday at 5:00 and remain closed until Monday.

CHAIRMAN'S OFFICE

FR

4/1/47

Mr. Thurston:

Mr. Hill just called (1:00) and asked that I send you the following message immediately:

Senator Tobey does not want to touch 2413 today. He prefers not to touch it until Mr. Eccles talks with Senator Taft. Mr. Hill thinks it might be advisable for either you or the Chairman to talk with Senator Tobey right away in addition to Taft. Mr. Hill said, in other words, Senator Tobey isn't going to do anything about the bill until he has talked with the Chairman and hopes by that time the Chairman will have talked to Senator Taft.

Mr. Hill also said I might remind you that the Senate will recess at the end of the week and if the bill is not voted on tomorrow, it will have to go over until sometime next week.

Mr. Hill also said that if he can be of any help to you, he will be in his office this afternoon.

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BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date April 1, 1947.

To Chairman Eccles

Subject: _____

From Mr. Thurston

I have talked with Hill and LaRue, the Committee's Counsel, and what they and Tobey were interested in knowing was whether you had succeeded in getting in touch with Taft. I told them you had made every effort but there seemed to be a lack of cooperation at his end.

LaRue said he overheard Taft remark yesterday that he thought the 5-billion limit was too much. In case you do succeed in talking with Taft, they would be interested in knowing it. They fear that he may block the bill entirely. They did not think it was necessary to provide any more material, but that if anything came up on the floor requiring more information, they said they would call.

I mentioned to them both that if the inflation point came up, the answer to it was that it is no more inflationary than open market purchases, on which there is practically no limit, and that the real source of inflation is in the Government running a deficit at a time when there is a shortage of labor and materials.

A handwritten signature in black ink, appearing to be 'J. H. ...', is written over a horizontal line.