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December 15, 1947

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

Dear Mr. Eccles:-

Your explanation to the special committee, headed by Senator Taft, about the Cause and Cure of Inflation was illuminating and quite correct in my opinion.

The press quoted you as saying, among other things, that "we can't have full employment and low prices unless the government regulates everything."

Under the impact of a free economy without regulation subject to the laws of supply and demand, we have the situation as reflected in your statement. If the government "regulates everything" we have price control which leads to more and more controls and we must meet the charge of "Dictatorship" which, in my opinion, might come to pass.

Ten years ago I recommended that the subject of Economics be made a required study in all high schools and universities which is the law of "How a Man Makes his living". Less than 10% of the population understands this subject. If 90% did understand elementary economics, they would refrain from kicking up prices because of the laws of cause and effect.

People would become aware of their responsibility towards their workers, their customers and the public in general.

1. I am willing to help turn up the virgin soil in this direction by speeches and writings and would respectfully ask if you would encourage such an effort on my part?
2. To meet the present situation, it may be very necessary to have many controls that are irritating and hard to take, but until such time as we can acquire enough knowledge of the laws of conomics, how can we avoid such a step?
3. What subject is more important than economics in any educational system?

Yours respectfully,



December 24, 1947.

Mr. William J. Carignan,
9212 California Avenue,
South Gate, California.

Dear Mr. Carignan:

On behalf of Chairman Eccles who is spending the holidays in Utah, I wish to acknowledge your letter of December 15. Mr. Eccles was interested in seeing it, particularly because he is in full accord with your recognition of the need for wider education in elementary economics. He asked me to thank you for your courtesy in writing to him.

Sincerely yours,

Elliott Hurston,
Assistant to the Chairman.

ET:B