

21 Sewall St.

Augusta, Maine

1-26-46

Wm. W. E. Ecker  
Chairman Federal Reserve Board  
Wash. D.C.

Dear Sir

Please accept my thanks for your letter of Dec. 18<sup>th</sup> with copies of your statements dated Nov. 25<sup>th</sup> and Dec. 15<sup>th</sup> and the "Current Inflation Problems - Causes & Cures".

The writer is an old traveling man. I have been on the road for forty five years.

It is quite evident that you people in Washington do not sense the undercurrent of distrust that is building up in people's minds as to the value of this paper dollar and of their government bonds.

You have the reputation of being a very brilliant man and as such I think you will agree that interest rates over the years rise and fall like the tides and that any nation that will try to fix interest rates by using

Paper money would never go broke.

The enclosed clipping - "Mr. Eccles Assures" contains really worth while ideas about government bond prices.

If you should go before congress and ask them to cancel the present power of the Sec. of the Treasury to buy or sell gold at any price he sees fit, you would make real friends. We should have a fixed not a flexible standard of monetary value.

Then if you would work to have the gold coin standard put back into operation, you would go down in history as a truly great man.

Assuming that gold coins were made available to us all on request, there would be some hoarding. Most people however if they took gold would not keep it long as paper dollars are so much more convenient. It would be like the people in the nucleus

3  
territory down in Washington County about  
two days after the bank was first to the bank  
holiday.

In that town is a savings bank and branches  
of two large (for Maine) bank companies one of  
which a quiet run had been going on for  
some months.

The President of the Savings Bank was an  
elderly, small, soft spoken man named E. E. Talbot  
who when people came in and asked him  
about withdrawing their savings account from  
the Trust Company and putting it in his bank,  
told them to wait a while.

However when some one came in and  
asked if he could withdraw his savings  
from the Trust Company in case he should  
need money, Mr. Talbot would ask him if  
he had the bank book with him? He always  
said yes. Mr. Talbot would take the book  
and any interest that might be accrued,

Wrote account came out the balance<sup>7</sup>  
due in cash and had the man in settle  
deposit with the remark "you seem to be a  
little uncertain as to whether or not your  
money is safe here, so you better take it then  
you will have it and know where it is".  
He even did this with one of his own trustees.

The result was that it didn't take long  
for the people in that section to learn that  
unless they really needed their money, they  
had better keep away from the National  
Bus. Bk. otherwise they would have to take it.

The bank came through handsomely.

I hope you will read the enclosed copy  
of "Monetary notes".

Respectfully yours

C. P. Fitzgerald

P.S.

○ Please do not bother to acknowledge this.