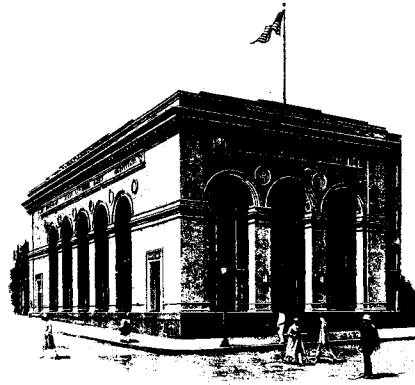


CHARLES F. ZIMMERMAN, PRESIDENT  
THOMAS F. MILLER, VICE PRESIDENT  
ROBERT W. FLECK, VICE PRESIDENT  
W. CLAIR HALL, VICE PRESIDENT  
IN CHARGE OF TRUSTS



JOHN W. STRAIT, CASHIER  
J. WILLIAM EDWARDS, ASST. CASHIER  
SAMUEL D. FLEMING, ASST. CASHIER

CHARTER NO. 31

## FIRST NATIONAL BANK

CAPITAL, SURPLUS AND PROFITS \$ 600,000.00

HUNTINGDON, PENNSYLVANIA

November 23, 1949

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

Dear Marriner:

Reading the newspaper account this morning of your testimony yesterday before the Douglas sub-committee prompts me to send you the enclosed copy of an address of mine "The Future of Commercial Banking" in 1938 which is interesting in the fact that my eye-sight wasn't too bad at that time. I do not know if you will find time to look it over, but in case you find it convenient to do so, I would much appreciate having some word from you in reply.

Going back to 1935 and beyond, I recognized the belief in which you and our friend "A. P." shared to the effect that unification of banking in America was very desirable. As you know, this thesis has had no appeal with me and I find my views growing stronger rapidly these days when those same influences are again becoming vocal down Washington way.

Although I have become a mere silent observer I do find it a privilege to try to keep in touch with the efforts being made these days along the same lines.

With very kind regards, I am

Sincerely yours,

*Charlie*  
Charles F. Zimmerman.

December 9, 1949.

Mr. Charles F. Zimmerman,  
President,  
First National Bank,  
Huntingdon, Pennsylvania.

Dear Charlie:

I am glad to hear again from you in your letter of November 23rd. It confirms the fact that you and I haven't seen the banking picture the same way and that no amount of argument will cause either of us to change his mind, but it gives me an opportunity to send you a copy of the statement which I made before the Douglas Subcommittee on monetary, credit and fiscal policies on November 22, 1949, because I am sure that the newspaper account was inadequate. In addition, I enclose a copy of the letter which I sent to Senator Douglas on December 1 supplementing my testimony.

While I will not take up your time to review ancient history, and particularly some of the statements in your address of April 4, 1948, with which I do not agree, I cannot refrain from expressing my complete disagreement with the idea which one might get from your letter that you "recognize the belief in which you and our friend A. P. shared to the effect that unification of banking in America was very desirable." I am sure that, upon second thought, you will realize that A.P. and I never shared any such belief. One emphatic way of demonstrating this is by referring to the fact that the proceeding now pending against Transamerica under the Clayton Act was instituted by the Board of Governors while I was Chairman to test out the legality of the continuing absorption of individual banking institutions by Transamerica, as well as to the initiation by the Board of Governors, also during my chairmanship, of bank holding company legislation, which was designed not only to provide more effective supervision over bank holding companies but to restrain their unlimited expansion.

In my statement before the Douglas Subcommittee I expressed my views on the "dual banking system" red herring and on the relationship that in my opinion should be established between the Federal Reserve System and commercial banks generally.

Reiterating my assumption that nothing I say on this subject will change your mind, I am nevertheless glad to hear from you in your new capacity as a "silent" observer and to know that you are keeping in touch.

With sincere best wishes, I am

Very truly yours,

M. S. Eccles.

Quinn called and said that Bob Nathan spent his entire 15 minutes on the radio last evening on you and your testimony. The first part on the testimony and its outstanding, forceful, etc., quality. Then he spent time in high praise of you ---

Governor Eccles is one of the finest economists in the country -- there is none finer. His public spirit is remarkable, especially since he was demoted from the Chairmanship over a year ago -- he decided to stay on his job as a Governor and to give the country the benefit of his wide experience and ability.

Quinn said that was the gist of it, but that it was stronger and more "flowery" than that.

I called Nathan's secretary to see if he had a copy. He speaks off-the-cuff at one station, what he says is recorded and later broadcast over another station. She is going to see if they have had it taken from the record for a written record -- if not, she said she would see if the station would let someone listen to the record and take it down in shorthand. Quinn suggested this and said Judy would be glad to do it, as they wanted a copy too. She is going to let our office know on Friday. I, and I think you, would like to see what he said about YOU and the testimony.

\* \* \* \* \*

November 1949

Miss Saunders:

Bob Nathan's secretary will call on Friday or Monday and let us know whether or not she was able to get a written transcript of Mr. Nathan's evening broadcast of last night -- if not she will advise you whether it is permissible for someone to listen to the recording and take the thing down. Judy Romney is going to go and take it down if they will let us do that -- you can call her or Quinn at OWens 5150 if Judy is to go and take it off the record. She and Quinn called me about it and asked if they could go take it down -- that will save us bothering as we would like to have a copy.

\* \* \* \* \*

Friday P.M.

Miss Egbert:

Mr. Nathan's secretary called to say that they do not keep the tapes at WCFM or WINX, that they are sent up to New York. She said there was a possibility that you might get some information by writing to WFDR, 444 Broadway, N.Y. But she did not sound very encouraging. Mr. Nathan makes only the briefest notes and has no manuscript of his commentary at all.