



FIRST STATE BANK OF SAUK CENTRE
SAUK CENTRE, MINNESOTA



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December 21, 1949

Mr. Marriner S. Eccles
Board of Governors
Federal Reserve System
Washington, D. C.

Dear Marriner:

Just finished reading your testimony before Senator Douglas's Committee and also the supplementary letter. You are treading on many toes but your arguments for what you propose are hard to refute. Too many of us in banking lack a long-range view -- we are more interested in the immediate financial gains than we are in a sound long-time working economy. We have been critical of little things and have ballooned them up out of proportion. We little bankers have been influenced by the expressed views of the bigger bankers, perhaps many times to our own disadvantage.

The Congress has placed a heavy responsibility upon the System and with the change in conditions and the large government debt, the powers of the Board appear to be far from effectual. I believe that our economy must be directed and if sufficient authority rests with the System to control the volume, availability and costs, much benefit will accrue and without serious regimentation.

I am glad that you have sent your statement to all the banks in the country. It will, I believe, clarify the thinking of many of the banking fraternity. Your contribution to a sound economy will be better realized as time goes on. I am hoping that you will not retire from the Board for years to come. Your voice is much needed there. Your courage in stating your views wins my admiration and I believe, Marriner, that the banking fraternity's estimation of you is definitely on the rise.

Yours very truly,

Ben DuBois
President

January 25, 1950.

Dear Ben:

I can think of no one whose voluntary expression of agreement with my views is so encouraging and so much appreciated as that in your letter of December 21 which came during my absence in the West. This is particularly so in view of the influential position which you occupy among the independent bankers of the United States. While I have remained with the Board in the hope that my voice and my experience may continue to carry some weight in Congress and with the public, I have been in public life in Washington for 15 years and believe the time has come when I can seriously and justifiably consider relinquishing my place here. However, I have not reached a decision and consequently have not set a date. Your letter gives me great encouragement in the hope that a better understanding of the fundamental principles and importance of monetary and credit policy is spreading.

With the expression of my highest regards, I am

Sincerely yours,

M. S. Eccles.

Mr. Ben DuBois, President,
First State Bank of Sauk Centre,
Sauk Centre, Minnesota.