

STATE BANKING DEPARTMENT
OF MICHIGAN
LANSING

ALVAN MACAULEY, JR.
COMMISSIONER

December 13, 1938

Hon. Marriner S. Eccles
Chairman of the Board of Governors
Federal Reserve System
Washington, D. C.

My dear Mr. Eccles:

It has been reported to me that there is a possibility of your attending and addressing a luncheon meeting of The Economic Club of Detroit.

If you can find time to schedule such a meeting, I am sure that it would be greatly appreciated by the banking fraternity in the entire state.

Yours very truly,

A handwritten signature in cursive script, reading "Alvan Macauley, Jr.", with a large, stylized flourish at the end.

December 17, 1938.

Mr. Alvan Macauley, Jr., Commissioner,
State Banking Department of Michigan,
Lansing, Michigan.

My dear Mr. Macauley:

This is to thank you for your letter of December 13th with reference to Mr. Crow's kind invitation to me to address a luncheon meeting of The Economic Club of Detroit. I have informed Mr. Crow that if it can possibly be arranged sometime this winter, I should take pleasure in meeting with this representative group.

I appreciate your interest and kindness in writing to me about it.

Sincerely yours,

M. S. Eccles,
Chairman.

ET:b

STATE BANKING DEPARTMENT
OF MICHIGAN
LANSING

ALVAN MACAULEY, JR.
COMMISSIONER

January 28, 1939

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

My dear Mr. Eccles:

On the twentieth of next month, when you are scheduled to address the Economic Club in Detroit, it appears that I am to have the job (and I very much appreciate the honor) of making your introduction. I would therefore appreciate knowing what you are planning to talk about; and if you have any suggestions as to the general theme of my remarks, I will be glad indeed to have them.

Would it be well if, in the very few minutes that I shall allot myself, I reviewed the duties and responsibilities of your office and outlined a few of the outstanding events of your administration? Of course, this last suggestion would depend on whether you planned to talk about the past or the future.

In any event, if Mr. Clayton happens to have any information already prepared and available on the Federal Reserve Board's history under your administration, I would appreciate receiving it.

With cordial regards, I am

Sincerely yours,



February 3, 1939

Dear Mr. Macauley:

I was glad to receive yours of January 30th and to learn that you are to introduce me on the occasion of my address before the Economic Club of Detroit. I asked Mr. Clayton to send you some material which might be of use in framing your introductory remarks and I understand this has already gone forward.

It will be a pleasure to see you again on the 20th.

Yours sincerely,

M. S. Eccles
Chairman

Mr. Alvan Macauley, Jr., Commissioner
State Banking Department of Michigan
Lansing, Michigan

LC/fgr

February 2, 1939

Mr. Alvan Macauley, Jr., Commissioner
State Banking Department of Michigan
Lansing, Michigan

Dear Mr. Macauley:

Mr. Eccles has referred to me your letter of January 28 in which you advise that you have been asked to introduce the Chairman upon the occasion of his address before the Economic Club of Detroit on February 20. In connection with this matter your letter requests some material respecting Mr. Eccles' administration of his present office with the Board of Governors.

In discussing this matter, Mr. Eccles felt that it would be perhaps more interesting to the audience and less technical if you referred to his business antecedents and to his various activities both within and without the immediate sphere of the Federal Reserve System since coming to Washington. Accordingly I am enclosing herewith an excerpt from a biography of Mr. Eccles which appears in The National Cyclopedia of American Biography.

Within the last year or so Mr. Eccles has taken an especial interest in the problem of unemployment and relief, his testimony before the Byrnes Committee arousing nation-wide attention. A year ago last December he had a major part in bringing about the amendments to the Housing Act which are chiefly responsible for the important increase in the volume of residential construction since that time. More recently, as you know, he has been conspicuous defending from the economic standpoint government deficit spending as a necessary part of a comprehensive program for increasing the national income. He has been rather widely misunderstood as being an advocate of spending for spending's sake and in order that you might have a clear

Mr. Alvan Macauley, Jr. - 2

statement of his views on this matter, I am enclosing a copy of his recent radio address on this subject.

I don't think Mr. Eccles has made up his mind definitely as to the exact subject he will discuss but I presume the foregoing material will be useful in any event for your purposes.

With best wishes in which Mr. Eccles joins, I am

Yours sincerely,

Lawrence Clayton
Assistant to the Chairman

enclosures

LC/fg

Excerpt from The National Cyclopedia of
American Biography

ECCLES, Marriner Stoddard, governor of the Federal Reserve Board (1934 ___), was born at Logan, Utah, Sept. 9, 1890, son of David and Ellen (Stoddard) Eccles. His father (q.v.), a native of Scotland, was one of the outstanding financial and industrial leaders of the West.

When he entered public life he was president of the First Security Corp., owning and controlling four banks—the First Security Bank of Idaho with 16 branches, the First Security Bank of Utah with 7 branches, the First National Bank of Salt Lake with 2 branches, and First Security Trust Co. of Salt Lake City. This group of financial institutions, with resources in excess of \$60,000,000, came successfully through the financial crisis of 1932-33 which brought failure to numerous other banks in the same area. In the industrial field Mr. Eccles is president of the Utah Construction Co., one of the oldest and largest companies in the country engaged in the construction of dams, railroads and highways, one of the component units of the six companies which constructed Boulder Dam, and owning and operating in Nevada one of the largest cattle and sheep ranches in the country; president of the Sege Milk Products Co. of Salt Lake City, a \$2,000,000 corporation, with plants in Utah, Idaho and California, producing evaporated milk, butter and cheese, and with an annual business of \$4,000,000 to \$5,000,000; president of the Stoddard Lumber Co. of Eastern Oregon, a lumber manufacturing concern producing normally 30,000,000 feet of pine lumber annually; president of The Amalgamated Sugar Co., which operates six sugar factories in Utah, Idaho and Oregon, and is one of the large beet sugar companies in the United States, with assets of \$10,000,000 and an annual business of \$8,000,000 to \$10,000,000; and a director of numerous other companies, including the Pet Milk Co. of St. Louis, Mo.; Anderson & Sons Lumber Co., operating a chain of lumber yards in Utah and Idaho; Mountain States Implement Co., with a wholesale house and eleven retail stores; formerly director of Utah Power & Light Co.; Utah-Idaho Central Railroad Company and Ogden Union Railway & Depot Co. All of these companies successfully weathered the years of business depression.

Mr. Eccles was a Republican in national politics until the campaign of 1932, when he voted for Franklin D. Roosevelt for President and after the latter's election he became increasingly friendly toward most of the Roosevelt "New Deal" policies, including banking reform, planned economy, social security, regulation

of trading in securities and the expenditure of public money for relief and business recovery. As a result of his liberal views and his demonstrated ability as a banker and business man he was several times called to Washington to give his views on economic problems to officials of the administration and in January 1934 he was appointed special assistant to the secretary of the treasury. In that position he became the representative of the treasury department in its relations with the Federal Reserve System, Home Owners' Loan Corp., Reconstruction Finance Corp., Farm Credit Administration, Agricultural Adjustment Administration, Federal Deposit Insurance Corp. and other fiscal agencies of the government. He also represented the treasury in the development of the federal housing legislation and on the administration's executive committee on commercial policies. His ability and success as a coordinator in the field of governmental finance progressively won recognition in Washington and resulted in his appointment by President Roosevelt in November 1934, as Governor of the Federal Reserve Board, which position he held until February 1, 1936, at which time the Board was reorganized as a result of the Banking Act of 1935 and changed to the Board of Governors of the Federal Reserve System, of which body he was designated Chairman by the President, which position he still holds (1938). He was the sponsor of the Banking Act of 1935 under which the primary responsibility for the major monetary policies of the System were placed in the Board as a body representing the public interest.