

# CRAIG MOUNTAIN LUMBER COMPANY

Manufacturers of

CRAIG MOUNTAIN PONDEROSA PINE



Address All Communications to the Company

WINCHESTER, IDAHO

January 17, 1941

PERSONAL

Marriner S. Eccles, Chairman  
Federal Reserve Bank,  
Washington, D. C.

Dear Marriner:

I greatly appreciate your sending to me the copy of the address you delivered November 28, 1940, in New York City. This is, in my opinion, a very masterful address and a very fine analysis of the situation. I agree with you in most all that you have outlined and the only criticism I might make would not be serious. However, I feel that I am in no position to have before me full and complete information. The only question that occurs and this may be and perhaps is because of your knowledge of banking, and briefly it is this. I wonder about the feasibility of raising interest rates in a period of rapidly expanding Government loans. Is it feasible to issue long term bonds adapted to the requirements of insurance companies, savings banks, institutional investors at higher rates than those prevailing? However, such a thing may do much good to discourage concentration of Government bonds in the hands of banks, but unless handled, with caution, it seems to me it might have an unduly depressing effect on the bonds now held by the banks. By such procedure it would preclude us from balancing the budget because we could use the proceeds from the sale of saving bonds to retire part of the Federal debt now outstanding in the hands on banks and corporations. Would this not seem to be rather a switch of Government creditors rather than reducing the net indebtedness.

I hope, Marriner, that you will be good enough to have your Secretary forward to me the address which you make and which are very interesting to me.

With kind personal regards, I am

Yours very truly,

W. C. Geddes  
President

