



CLARE BARNES
345 CENTRAL AVENUE
DUNKIRK, NEW YORK

January 21, 1941

Hon. Marriner Eccles
Chairman Federal Reserve Board
Washington, D. C.

Dear Mr. Eccles:

I respectfully ask you, if consistent with the important obligations of your very great public service, to allay some of the propagandized alarm now being so widely circulated under the bogie of "monetary inflation."

Mr. H. V. Kaltenborn, the self-proclaimed interpreter of all news on the air, recently defined monetary inflation in vivid and horrifying terms, and put forth a carefully worded definition thereof which was, on analysis of any intelligent reasoning, wholly inaccurate, fallacious and untenable on any combination of fact and reality. As Mr. Kaltenborn reaches and is taken seriously by millions of our people everywhere without question and in good faith, I felt this subtle but poisonous inaccuracy of definition he broadcasted could only confuse and confound intelligent and reasoning action on the part of millions of patriotic American listeners.

Therefore, I wrote him, calling his attention to the self-evident errors which he defined as economic facts. He graciously replied, bringing you, Mr. Marriner Eccles, Chairman of the Federal Reserve Board, into the picture personally in the following letter:

"No man has defined inflation in such a way that the definition is satisfactory to anyone else. So I am quite willing to agree with you that I did not define inflation clearly or satisfactorily in my broadcast. If you will get Henry Morgenthau Jr., Secretary of the Treasury, and Chairman Marriner Eccles of the Federal Reserve Board to agree upon a definition of inflation, perhaps I could do likewise."

I believe that mistatements like Mr. Kaltenborn's, even if made in the good faith which I certainly accord to him, create great national disunity and should be so far as intelligently possible be corrected to whatever extent possible. So I join in Mr. Kaltenborn's request that you give us a justifiable definition of "monetary inflation."

Mr. Marriner Eccles
Chairman Federal Reserve Board
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However, our large Dunkirk-Fredonia (New York) Economic Club and associates of economic associates of Buffalo, New York, join me in recognition of the great problems you face, and in assurance that no publicity or news expression to any reply or answer will be given, and that any reply will be held in complete confidence. Additionally, should a reply seem properly warranted, and public welfare be served by its announcement, we shall appreciate suggestions of yourself or designees as to a fitting and commendable release thereof to the public.

Thanking you for your consideration and awaiting your suggestions, I am,

Faithfully yours,

A handwritten signature in cursive script, reading "Clare Barnes". The signature is written in black ink and is positioned below the typed name "Clare Barnes".

CB:IJ

January 30, 1941.

For:

Clare Barnes,
345 Central Avenue,
Dunkirk, New York.

Attached is a copy of Chairman Eccles' recent address before the National Industrial Conference Board which contains, beginning on page 2 and running over to page 4, the question of inflation about which you inquired in your letter of January 21.

The Chairman, who is temporarily absent, requested me to thank you for your letter and to enclose this material.

Elliott Thurston,
Special Assistant
to the Chairman.

enclosure

ET:b