

JOHN D. McMASTER, COUNSELOR AT LAW
ONE EXCHANGE PLACE, JERSEY CITY, N.J.

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

June 30, 1942.

Dear Sir:-

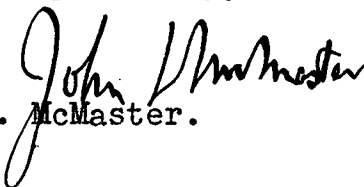
In a recent newspaper statement you took exception to the resolutions recently passed by the United States Chamber of Commerce seeking to defend bonus and incentive compensation payments to corporate executives.

May I congratulate you upon your stand; as these excessive bonuses and salaries seem to me a sore and unnecessary evil, particularly in these war times.

I have been unable, however, to obtain a copy of the resolutions or statements which you criticized; and would be greatly obliged if you could furnish me with a copy of same or let me know where a copy may be obtained.

A printed booklet prepared by the Chamber of Commerce under date of April 30, 1942, entitled Declarations Thirtieth Annual Meeting, seems to have all objectionable statements on the subject deleted.

Yours respectfully,


John D. McMaster.

July 2, 1942.

Mr. John D. McMaster,
Counselor at law,
One Exchange Place,
Jersey City, New Jersey.

Dear Mr. McMaster:

This is to acknowledge your letter of June 30 in regard to my comments in a recent speech on the failure of the United States Chamber of Commerce to adopt the resolution reported by the Resolutions Committee which covered not only wages and salaries, but also bonuses, commissions and other forms of executive compensation. While I did not mention the Chamber by name, it was that organization I had in mind.

Subsequently Mr. O'Leary of the Chamber wrote me that I had been misinformed and that the stenographic transcript of the proceedings would show that those who omitted executive compensation from the resolution finally adopted were not undertaking to discriminate as between the workers and management. I requested a copy of this transcript some time ago but it has not been sent to me.

Further inquiry showed that without exception the Chicago newspapers represented the situation precisely as I had done. You will not find in the printed booklet to which you refer any reflection of this controversy which took place on the floor on the last day of the meeting. You will find accounts of it, however, in the press, and I enclose one from the New York Times as well as a column written by Mr. Vanderpoel of the Chicago Herald-American.

I am glad that you feel as I do about the short-sightedness of business leaders in proposing to freeze wages, abolish the forty-hour week and otherwise put restrictions on labor while at the same time contending that it would impair their incentive to have similar restraints placed upon them.

Sincerely yours,

(Signed) M. S. Eccles

M. S. Eccles,
Chairman.

Enclosures 2

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