

F. R. VON WINDEGGER

1230 OLIVE STREET

PRESIDENT

THE PLAZA BANK

MEMBER FEDERAL RESERVE SYSTEM

SAINT LOUIS

THE PLAZA BANK OF ST. LOUIS
TWELVE THIRTY OLIVE STREET
SAINT LOUIS

F. R. VONWINDEGGER
PRESIDENT

April 7, 1943

Dear Depositor:

Here's your "Fuller Brush man" again, and again he is selling government bonds to help win the war.

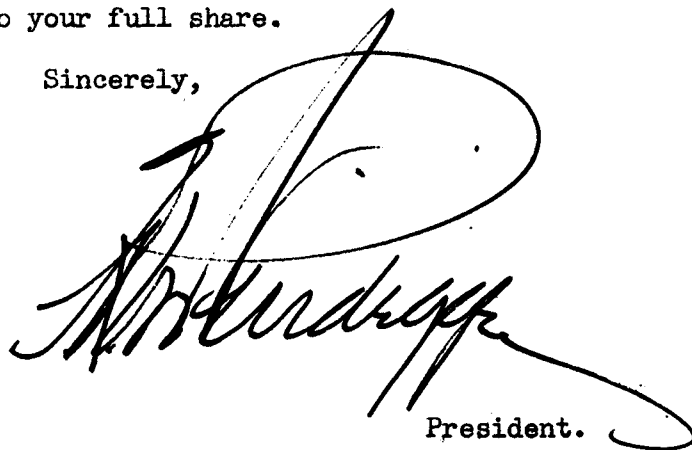
The control of inflation is a three legged stool. One leg is direct price control, the second leg is adequate and the proper kind of taxes, and the third leg is the purchase by the public of government bonds to the full extent of the current savings of the people. If any one of these legs is short, the stool will not stand up.

As Marriner Eccles, one of our most intelligent public servants, explains in the attached pamphlet, the purchase by the commercial banks of more than their share of government bonds is distinctly inflationary, and works against both control of prices and control by taxation. Even though the banks make some interest, however small, from the purchase of government bonds, all good bankers would much prefer to have their customers obtain this interest, for over-inflation does as much harm to the banking business as it does to all other interests in our country.

For our own personal benefit, as well as to help our country win the war, each one of us should purchase at least one of the government issues which will be offered on April twelfth. We shall be glad to have you consult with us as to which bond would be the best for you to purchase, and to place your order for all that you can afford to lend to your government at this time.

We are sure you will do your full share.

Sincerely,



President.

FRvW:DF
Encl.

April 15, 1943.

Mr. F. R. vonWindegger, President,
The Plaza Bank of St. Louis,
1230 Olive Street,
St. Louis, Missouri.

Dear Mr. vonWindegger:

You are always an encouragement and a challenge to me — a challenge to live up to your high expectations. No words could gratify me so much as your action in having copies of the Chicago talk printed in pamphlet form for distribution to your depositors with your excellent letter.

Your analogy between the control of inflation and the three-legged stool is particularly apt. Had I thought of it first, I would have used it for a radio talk I gave last evening on the April bond selling drive, when I attempted again to stress the danger in financing the war through the commercial banks and the Reserve System, the point you so well bring out in your letter to depositors.

With kindest personal regards,

Sincerely yours,

M. S. Eccles,
Chairman.