

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

JOHN R. KIRK, JR.
VICE PRESIDENT

September 26, 1947

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

Dear Governor Eccles:

While I have not received the full text of your comments for the National Association of Supervisors of State Banks, this morning's papers carry enough to convince me that the speech was very timely. The great majority of the people in our Country seem to want to avoid the unpleasant facts of the present critical situation, and I am fearful that our failure to face these facts is leading us into some tragic experiences. It is my firm conviction that the military in this Country, by placing their demands for funds on the basis of an appeal to patriotism, are able to talk the Congress out of unwarranted sums of the tax payers' money.

Internally, we now have a great number of our people already in the grip of a depression, despite what statistics may show as to number of people employed and total payroll. Any family earning \$150 a month, and required to spend \$155 a month to exist is actually suffering depression. Although we do not have a large savings department in our small city bank, a study of the accounts being closed shows that more and more people are being forced to withdraw funds from these accounts, from time to time, to meet increased living costs. The report of the member banks in leading cities, for the period ending September 17, shows a \$776,000,000 increase in time deposits in the last year, but I

Hon. Marriner S. Eccles

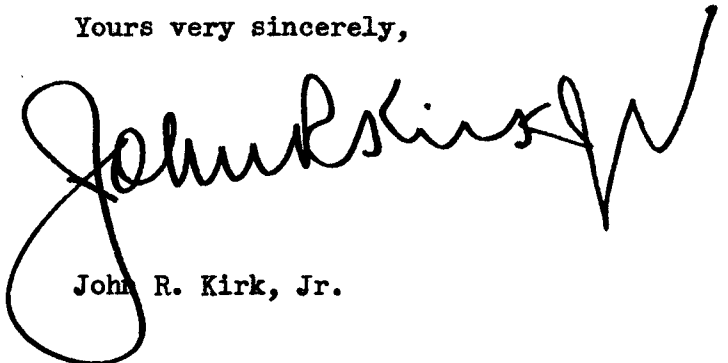
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believe that if the general experience is similar to ours, it will be found that the total number of accounts has undergone a material decline in the same period.

The press is continually beating the drums in the fight against Communism. It seems to have become an obsession with the great majority of people in places of importance. Personally, I am not at all impressed with the manner in which Communism is being opposed in this Country. I think the best guaranty against the spread of Communism is the realization on the part of Congress and the people that we have nothing to fear as long as our economic structure can be maintained in such fashion that our people can be assured of steady work and the opportunity to acquire the necessities of life at reasonable prices.

My basic reason for writing this letter was to applaud your courage and frankness, but as I have gone along I seem to have inserted some opinions of my own. I know that at times you must be discouraged when you contemplate the mountainous tasks which confront this Country, and I do hope that you will continue to give the leadership which we have become accustomed to expect from you.

Yours very sincerely,

A large, stylized handwritten signature in black ink, appearing to read "John R. Kirk, Jr.". The signature is written in a cursive style with a large loop at the bottom left.

John R. Kirk, Jr.

JRK:SAM

October 13, 1947.

Dear Mr. Kirk:

Your letter of September 26 commenting on my recent talk to the State Bank Supervisors was particularly interesting to me. I certainly agree with you that the best way to fight Communism is to be sure that our economic system functions in a way to assure steady work for our people, and the opportunity to acquire the necessities of life.

I am most gratified by your kind references to my talk, a copy of which I am enclosing.

Sincerely yours,

M. S. Eccles,
Chairman.

Enclosure

Mr. John R. Kirk, Jr., Vice President,
The Plaza Bank of St. Louis,
1230 Olive Street,
Saint Louis, Missouri.

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