

Parted on 8/17/75
Chyppin 8

Rio de Janeiro, June 30th. 1948

Mr. MARRIMER S. ECCLES
Federal Reserv System
WASHINGTON

Dear Sir:

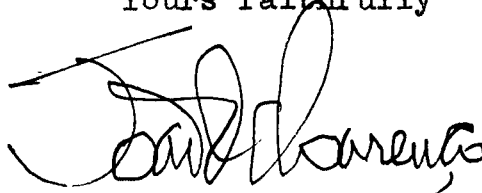
I have the pleasure to enclose the article I wrote in the "Jornal do Comercio", about the statements made by you, before the NATIONAL ASSOCIATION OF SUPERVISORS OF STATE BANKS on action's program against inflation. I have already written some other articles on speeches uttered by you, previously.

In the above article I pointed out that we are bounded to follow United States example to improve our difficult position, entirely under the power of an accelerated inflation. I signalized too that, wherever subsists in inflation peril, the financial and economical order, foundation and base of the legal and social order, remains potentially threaten.

On the economic and financial politic, a great number of mistakes were committed by the Brazilian Government during the war. We called too much upon cre

dit instead of reinforcing direct tribu-
tation, to weaken the effects of budget
deficit on high prices and cost of liv-
ing.

Yours faithfully

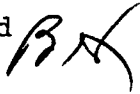
A handwritten signature in black ink, appearing to read "João de Lourenço". The signature is fluid and cursive, with a long horizontal stroke at the beginning and a large loop at the end.

Address: Dr. JOÃO DE LOURENÇO
Rua Cândido Gaffrêe, 85 - Urca
RIO DE JANEIRO - Brasil

August 18, 1948.

To: Mr. Thurston

From: Mr. Hammond



^a
~~the~~ Dr. de Lourenco is the chief of
the division in the Brazilian Ministry of
Finance and ~~one~~ of their ablest men, in
Mr. Grove's opinion. I think it would be
nice to say that the letter with his article
has been received and read with interest
and that Mr. Eccles is gratified to know
how much the point of view he expressed here
is appreciated elsewhere.

August 18, 1948.

My dear Dr. de Lourenco:

This is to thank you for your thoughtfulness and courtesy in sending me your letter of June 30 enclosing your article based on my address before the National Association of Supervisors of State Banks.

I was especially interested in your letter and its observations about the danger of inflation. I agree with you entirely.

Sincerely yours,

M. S. Eccles.

Dr. Joao de Lourenco,
Rua Candido Gaffree, 85 - Urua,
Rio de Janeiro, Brazil.

ET:b
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