

LOOMIS - SAYLES - & - COMPANY
INCORPORATED
140 FEDERAL STREET
BOSTON 10

March 6, 1951

The Honorable Marriner S. Eccles
Board of Governors
Federal Reserve System
Washington 25, D. C.

Dear Governor Eccles:

I was sorry but not surprised last week to find that you were unavailable. It would have been good to talk with you--meanwhile, I am obliged to you for the copy of your address in Chicago which has just been received. It is another excellent statement of the Federal Reserve point of view.

It will be sometime before one on the outside can fully and accurately interpret the reported agreement between the Federal Reserve and the Treasury. I shall be surprised indeed, however, if it does not mark a real--perhaps important --gain for the System's point of view. If so, much of the credit belongs to you.

It is little short of astonishing that it should have been so difficult to straighten out the Treasury's thinking on the community of purpose between itself and the Federal Reserve System, the dependence of the Federal credit on things more basic than market support, and the important difference between flexible and rigid patterns of support to the market for Federal securities. It is to be hoped that at least as much agreement as is suggested by recent statements in the press has really been achieved.

You may be interested in the enclosed memorandum.

Cordially,



W. R. Stark

WRS:PTM

March 20, 1951.

Dear Mr. Stark:

Just before leaving for the West last weekend Mr. Eccles asked me to drop you a line in his behalf.

He greatly appreciated your thoughtful, and flattering, letter of March 6 and the memorandum you enclosed. He regretted he did not get an opportunity to personally reply before he left, but was sure you would understand the pressure he was under during the past several weeks.

Mr. Eccles was glad to have your expression of approval and confidence, and appreciated your taking time to send words of encouragement. He asked that I send you his kindest regards.

Sincerely yours,

Secretary to Mr. M.S.Eccles

Mr. W. R. Stark,
Loomis-Sayles & Company,
140 Federal Street,
Boston 10, Mass.