

177 East 77 Street,  
New York City,  
March 8, 1945.

Mr. Mervin S. Eccles,  
Dear Sir,

I am taking the liberty of writing to you to tell you how gratified we Americans are about your efforts to stop speculation on the New York Stock Exchange, by limiting trading on margin. Those of us who have enough money to really speculate, have enough to do it with Cash, thus cutting profits in half, and spending in half. Those of us who have not ample funds to trade in Cash, have no right to be speculating, anyhow. Any measures to prevent a recurrence of '29, and the unhappy '30's that followed will be most welcome.

As a lasting memento of World War II, and particularly of one of our foremost economists, I would be eternally proud and grateful if you could spare a memento from your pressing duties to honor me with your signature.

May God bless you, and grant us a speedy Victory and a Permanent Peace.

Respectfully,  
Selma Taeni

March 13, 1945.

Miss Selma Taeni,  
177 East 77th Street,  
New York City.

Dear Miss Taeni:

This is to thank you for your interesting letter of March 8 commenting on speculation particularly in the stock market. I thought you expressed it very aptly in saying that those who have enough money to speculate have enough to do so by using cash, whereas those who do not have enough to trade in cash ought not to be speculating anyhow. And, as you correctly observe, if this sound advice were followed, it would cut profits and spending in half.

It is gratifying to have your encouragement, and I appreciate your courtesy in writing.

Sincerely yours,

M. S. Eccles,  
Chairman.

ET:b

Received in  
Operations Office  
MAR 10 1945  
Board of Governors  
of the  
Federal Reserve System