

F. H. FECHTIG
1810 PRINCESS ST.
WILMINGTON, N. C.

March 13, 1945.

Mr. Marriner Eccles, Chairman
Federal Reserve Board,
Washington, D. C.

Dear Mr. Eccles:

I saw in last evening's paper where you were worried over the fact that you were unable to control the sale of real estate.

If you will pardon me I will recall to you that in the year 1926 when the great Florida boom was on, in which I was in no way interested as a purchaser, I was in the office of one of the leading lumber merchants in Jacksonville, Mr. John Stevens. He handed me a letter that he had just received from then Governor Martin asking him if he could suggest a way in which they could restrain the speculation in land. Mr. Stephens asked me what I thought of it.

After thinking over it for a few minutes I told Mr. Stevens that I thought the State of Florida should make a law that no purchaser of land, or the property constructed on the land, should pay the real estate agent any commission except as and when payments were made on the land, and that no real estate agent should be allowed to receive any commission except as collections were made on account of the sale in accordance with it.

It would, to a large extent, stop it. The Real Estate men had too much influence. Even Wm. Jennings Bryan, was in the Real Estate business.

Yours very truly,

F. H. Fechtig

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March 19, 1945.

Mr. F. H. Fechtig,
1810 Princess Street,
Wilmington, North Carolina.

Dear Mr. Fechtig:

This is to thank you for your letter of March 13 in regard to the question of curbing rising prices of capital assets, including real estate. It occurred to me you might care to see the text of a statement explaining why I feel that a special war-time capital gains tax is the most effective single instrument available.

The suggestion you make would, of course, require a very elaborate Federal or State setup, putting the real estate agent under strict controls that would be extremely difficult to enforce.

I wanted you to know that I appreciated your interest and courtesy in writing.

Sincerely yours,

M. S. Eccles,
Chairman.

Enclosure

ET:b