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A concerted nationwide campaign by the Victory Fund Committees to sell Government securities to the public will be launched on November 30 and will continue for at least two weeks, it was announced today by Secretary Morgenthau. This drive will be in addition to the continuous campaign by the War Savings Staff to sell War Savings Bonds and Stamps. No further intensive drive will be made before February.

New issues to be offered on November 30 will be 2-1/2 per cent long-term bonds offered to all investors other than commercial banks and 1-3/4 per cent short-term bonds. A goal of six billion dollars has been set for sales of these two issues, together with increased sales of tax notes during the drive.

It is estimated that in December and January the Government must borrow from the public approximately twelve billion dollars to meet the growing cost of the war. A substantial proportion of this amount will be provided through the continuing sale of War Savings Bonds and tax savings notes. The campaign will be concentrated on raising the bulk of the remaining requirements. To the extent that additional funds will be needed, they will be raised through certificates and Treasury bills offered in January.

It is imperative that the war financing program should be so designed as to create a minimum of disturbance to our economy now and after the war. Accordingly, as much as possible of the borrowing by the Treasury should come out of current income and savings of the public because funds borrowed from the public reduce inflationary pressures and avoid the creation of additional supplies of money through the banking system.

In order to make the campaign more effective, the Victory Fund Committees are being expanded for the duration in all Federal Reserve districts by placing representatives in strategic centers. The purpose of the Committees is to raise as large an amount as possible from all available sources outside of commercial banks. A variety of securities is being offered in order to meet the requirements of all groups of investors. The banking system will be called upon to play an important part in the campaign by encouraging their customers to participate in the drive. It is recognized that the commercial banks will be expected to subscribe for a large part of the 1-3/4 per cent bonds for their own account.

The Secretary also announced that arrangements will be made for the purchase of the two issues of bonds on an instalment basis. The initial payment of 50 per cent of the amount subscribed would be made at the time of purchase. An additional 25 per cent would be paid on January 2 and the balance of the principal amount on January 16, 1943.

Complete details will be made known at the time of final announcement of the offerings by the Secretary.