

November 25, 1947.

Dear Al:

In view of the fact that you want the Chairman's statement so quickly, I enclose three copies. However, we are revising this draft before sending it out generally as there are some details which need changing.

The changes will not alter the general argument for or suggested terms of the so-called special reserve. As an example, we refer to the option of banks to keep such a reserve in short-term Governments, when we should have spelled it out and said bills, certificates and notes. For your purposes, however, I think it will suffice.

Faithfully,

Mr. A. H. Williams, President,
Federal Reserve Bank of Philadelphia,
Philadelphia, Pennsylvania.

Enclosures 3

ET:b