

CONFIDENTIAL (FR)

Matters for consideration at the meeting of the Federal Open Market Committee to be held on Tuesday, August 24, 1971, at 9:30 a.m.

EXECUTIVE SESSION:

1. Comments by Chairman Burns on the Administration's new economic program.
2. Ratification of actions taken by members of the Committee approving the following increases in the Federal Reserve swap lines and the conforming amendments to paragraph 2 of the authorization for System foreign currency operations:
 - A. On August 9, 1971, an increase in the line with the National Bank of Belgium from \$500 million to \$600 million, effective on that date.
 - B. On August 11, 1971, an increase in the line with the Swiss National Bank from \$600 million to \$1 billion, effective August 12, 1971.
3. Foreign currency operations.
 - A. Report by Governor Daane on international meetings.
 - B. Report by the Special Manager on foreign currency transactions since the meeting of the Committee on July 27, 1971; and action with respect to transactions during that period.
 - C. Consideration of recommendations of Special Manager.
 - D. Staff report on international developments.

REGULAR SESSION:

4. Approval of minutes of actions taken at the meeting of the Federal Open Market Committee on July 27, 1971.
5. Acceptance of memorandum of discussion for the meeting of the Federal Open Market Committee on July 27, 1971.

6. Report by Manager on open market operations since the meeting of the Committee on July 27, 1971; and action with respect to transactions during that period.

7. Economic and financial situation and outlook.
 - A. Staff report.

 - B. General Committee discussion.

8. Discussion of possible change in form of instructions to the Federal Reserve Bank of New York. (See "Interim Report of the Committee on the Directive" dated August 10, 1971.)

9. Discussion of monetary policy and of current economic policy directive to be issued to the Federal Reserve Bank of New York. (Copy of July 27, 1971, directive attached.)

10. Discussion of possible outright System operations in Federal agency issues. (See staff memorandum dated August 6, 1971.)

11. Confirmation of date for next meeting (September 21, 1971).

Attachment