

DECLASSIFIED
Authority *EX Order 12250*

*333.3-a-1
Final Minutes*

5/23/34

CONFIDENTIAL

MINUTES OF THE MEETING OF EXECUTIVE COMMITTEE OF THE
FEDERAL OPEN MARKET COMMITTEE
HELD AT WASHINGTON, D. C.,
MAY 23, 1934

The meeting was called to order at 10:15 a. m., the following being present:

Governor Harrison, chairman, Governors Young, Norris, and Schaller and Deputy Governor Burgess, secretary.

Governor Black was also present.

The secretary presented a report of operations which was carefully reviewed. There ensued a discussion of the proper balance of maturities in the System account. [Attention was called to the reduction in yield on the securities in the account and the need of some of the Reserve banks for additional earnings. There was discussion as to whether some shift into longer maturities might exert a wholesome influence toward a reduction in the long term rate of interest. Question was also raised whether there was a possibility of a purchase of government securities from the Federal Reserve System by the Treasury for the account of the stabilization fund. These questions were discussed wholly tentatively without any conclusion being reached.

At 12:20 Secretary Morgenthau, Under Secretary Coolidge, Dr. Viner, and Mr. Bell, joined the meeting. There ensued an extended informal discussion with regard to Treasury financing on June 15.

The meeting adjourned at 1:30 p. m.

W. Randolph Burgess,
Secretary.