

1954

UNITED STATES GOVERNMENT

EXECUTIVE OFFICERS

President	-	Dwight D. Eisenhower (elected Nov. 1952, inaugurated Jan. 20, 1953)
Secretary of Treasury	-	George M. Humphrey (appointed in 1953)
Comptroller of Currency	-	Ray M. Gidney
Secretary of State	-	John Foster Dulles
Secretary of Defense	-	Charles E. Wilson
Secretary of Interior	-	Douglas McKay
Secretary of Agriculture	-	Ezra Taft Benson
Secretary of Commerce	-	Sinclair Weeks
Secretary of Labor	-	James P. Mitchell
Postmaster General	-	Arthur E. Summerfield
Attorney General	-	Herbert Brownell, Jr.
Secretary of Health, Education & Welfare	-	Oveta Culp Hobby

1954
February

U. S. G O V E R N M E N T

S E N A T E

Banking and Currency Committee

83rd Congress

Republicans

CAPEHART, Homer E.
BRICKER, John W.
IVES, Irving M.
BENNETT, Wallace F.
BUSH, Prescott
BEALL, J. Glenn
PAYNE, Frederick G.
GOLDWATER, Barry

Indiana
Ohio
New York
Utah
Connecticut
Maryland
Maine
Arizona

Democrats

MAYBANK, Burnet R.
FULBRIGHT, J. W.
ROBERTSON, A. Willis
SPARKMAN, John J.
FREAR, J. Allen, (Jr.)
DOUGLAS, Paul H.
LEHMAN, Herbert H.

South Carolina
Arkansas
Virginia
Alabama
Delaware
Illinois
New York

IRA DIXON, Chief Clerk

1954
February

U. S. G O V E R N M E N T
HOUSE OF REPRESENTATIVES

Banking and Currency Committee

83rd Congress

Republicans

WOLCOTT, Jesse P.
GAMBLE, Ralph A.
TALLE, Henry O.
KILBURN, Clarence E.
McDONOUGH, Gordon L.
WIDNALL, William B.
BETTS, Jackson E.
D'EWART, Wesley A.
GEORGE, Myron V.
MUMMA, Walter M.
McVEY, William E.
MERRILL, D. Bailey
OAKMAN, Charles G.
HIESTAND, Edgar W.
STRINGFELLOW, Douglas R.
VAN PELT, William K.

Michigan
New York
Iowa
New York
California
New Jersey
Ohio
Montana
Kansas
Pennsylvania
Illinois
Indiana
Michigan
California
Utah
Wisconsin

Democrats

SPENCE, Brent
BROWN, Paul
PATMAN, Wright
RAINS, Albert
MULTER, Abraham J.
DEANE, Charles B.
O'BRIEN, George D.
ADDONIZIO, Hugh J.
DOLLINGER, Isidore
BOLLING, Richard
BARRETT, William A.
HAYS, Wayne L.
O'HARA, Barratt
McCARTHY, Eugene J.

Kentucky
Georgia
Texas
Alabama
New York
N. Carolina
Michigan
New Jersey
New York
Missouri
Pennsylvania
Ohio
Illinois
Minnesota

WILLIAM J. HALLAHAN, CLERK

1954

FEDERAL RESERVE SYSTEM

BOARD OF GOVERNORS

Wm. McC. Martin Jr. Chairman

M.S. Szymczak R. M. Evans J. L. Robertson James K. Vardaman, Jr. A. L. Mills, Jr.

Elliott Thurston, Assistant to the Board Winfield W. Riefler, Assistant to the Chairman
Woodlief Thomas, Economic Adviser to the Board Alfred K. Cherry, Legislative Counsel

Office of the Secretary

S. R. Carpenter, Secretary

Merritt Sherman, Assistant Secretary

Kenneth A. Canyon, Assistant Secretary

Legal Division

George B. Vest, General Counsel

Frederic Solomon, Assistant General Counsel

Howard H. Hackley, Assistant General Counsel

David B. Hexter, Assistant General Counsel

G. Howland Chase, Assistant General Counsel

Division of Research and Statistics

Ralph A. Young, Director

Frank R. Garfield, Adviser on Economic Research

Kenneth B. Williams, Assistant Director

Susan S. Burr, Assistant Director

Guy E. Noyes, Assistant Director

C. Richard Youngdahl, Assistant Director

Division of International Finance

Arthur W. Marget Director

Lewis N. Dembitz, Assistant Director

Office of the Controller

Edward J. Johnson, Controller

Division of Examinations

George S. Sloan, Director

C.C. Hostrup, Asst. Director

Fred A. Nelson, Asst. Director

Arthur H. Lang, Chief Federal Reserve Examiner

Robert C. Masters, Asst. Director

Glenn M. Goodman, Asst. Director

Henry Benner, Asst. Director

Division of Bank Operations

Robert F. Leonard, Director

J. E. Horbett, Asst. Director

Lowell Myrick, Asst. Director

Division of Personnel Administration

Dwight L. Allen Director (res. 6/30)

H. Franklin Sprecher Jr., Asst. Director

Division of Administrative Services

Liston P. Bethea, Director

Joseph E. Kelleher, Asst. Director

Office of Defense Loans

Gardner L. Boothe II, Administrator

(turn)

Charles Molony }
Charke L. Fauver }

Special Assistants to the Board (eff. Feb. 16)

1954

FEDERAL RESERVE SYSTEM
FEDERAL ADVISORY COUNCIL

District No. 1 (Boston)	William D. Ireland
District No. 2 (New York)	Henry C. Alexander
District No. 3 (Philadelphia)	Geoffrey S. Smith
District No. 4 (Cleveland)	George Gund
District No. 5 (Richmond)	Robert V. Fleming
District No. 6 (Atlanta)	Wallace M. Davis
District No. 7 (Chicago)	Edward E. Brown
District No. 8 (St. Louis)	W. W. Campbell
District No. 9 (Minneapolis)	Joseph F. Ringland
District No. 10 (Kansas City)	Charles J. Chandler
District No. 11 (Dallas)	Geo. G. Matkin
District No. 12 (San Francisco)	John M. Wallace

Herbert V. Prochnow, Secretary

1954

FEDERAL RESERVE SYSTEM
FEDERAL OPEN MARKET COMMITTEE

Wm. McC. Martin Jr., Chairman
Allan Sproul, Vice Chairman

J. A. Erickson
R. M. Evans

W. D. Fulton
Delos C. Johns

A. L. Mills, Jr.
O. S. Powell
M. S. Szymczak

J. L. Robertson
James K. Vardaman, Jr.

Winfield W. Riefler, Secretary
Elliott Thurston, Assistant Secretary
George B. Vest, General Counsel
Frederic Solomon, Assistant General Counsel
Woodlief Thomas, Economist
Wm. J. Abbott, Jr., Associate Economist
L. Merle Hostetler, Associate Economist
J. Marvin Peterson, Associate Economist
H. V. Roelse, Associate Economist
Parker B. Willis, Associate Economist
Ralph A. Young, Associate Economist
Robert G. Rouse, Manager of System Open Market Account

1954

Federal Reserve Bank of Boston (Dist. 1)

OFFICERS

President	-	J. A. Erickson
First Vice President	-	Alfred C. Neal

Vice Presidents

Robert B. Harvey	Carl B. Pitman
E. O. Latham	O. A. Schlaikjer
R. F. Van Amringe	

Chairman and Federal Reserve Agent	-	Harold D. Hodgkinson
Deputy Chairman	-	Ames Stevens

DIRECTORSClass ATerm Expires
Dec. 31

CHANDLER, Harold I. (Keene, N.H.)	1954
ELLSWORTH, Oliver B. (Hartford, Conn.)	1955
BRACE, Lloyd D. (Boston, Mass.)	1956 (re-elected)

Class B

BLACKALL, Frederick S. (Jr.) (Woonsocket, R.I.)	1954
UMPHREY, Harry E. (Presque Isle, Me.)	1955
HOOD, Harvey P. (Boston, Mass.)	1956 (re-elected)

Class C

STEVENS, Ames (Lowell, Mass.) Deputy Chairman	1954
HODGKINSON, Harold D. (Boston, Mass.) Chrman & Agent	1955
COMPTON, Karl T. (Cambridge, Mass.)	1956 (re-appointed)

1954

Federal Reserve Bank of New York (Dist. 2)

OFFICERS

President	-	Allan Sproul
First Vice President	-	William F. Treiber

Vice Presidents

H. A. Bilby	H. V. Roelse
H. H. Kimball	Robert G. Rouse
L. W. Knoke	T. G. Tiebout
A. Phelan	V. Willis
R. B. Wiltse	J. H. Wurts

Chairman and Federal Reserve Agent	-	Jay E. Crane
Deputy Chairman	-	William I. Myers

Federal Reserve Bank of New York (Dist. 2)

<u>Class A</u>	<u>DIRECTORS</u>	<u>Term Expires</u> <u>Dec. 31</u>
ARMSTRONG, F. Palmer (Keyport, N.J.)		1954
JACKSON, N. Baxter (New York, New York)		1955
EVANS, John R. (Poughkeepsie, N.Y.)		1956 (elected)
<u>Class B</u>		
BIERWIRTH, John E. (New York, N.Y.)		1954
FRANCIS, Clarence (New York, N.Y.)		1955
SHIELD, Lansing P. (East Patterson, N.J.)		1956 (re-elected)
<u>Class C</u>		
MYERS, William I. (Ithaca, N.Y.) Deputy Chrman		1954
SCHNEIDER, Franz (New York, N.Y.)		1955
CRANE, Jay E. (New York, N.Y.)		1956 (re-appointed)

Federal Reserve Bank of Philadelphia (Dist. 3)

OFFICERS

President	-	Alfred H. Williams
First Vice President	-	W. J. Davis

Vice Presidents

Karl R. Bopp	P. M. Poorman
Robert N. Hilkert	J. V. Vergari
E. C. Hill	Richard G. Wilgus
Wm. G. McCreedy	

Chairman and Federal Reserve Agent	-	William J. Meinel
Deputy Chairman	-	Henderson Supplee, Jr.

DIRECTORSClass A

Term Expires

Dec. 31

CRESSE, Wadsworth (Woodbury, N.J.)	1954
WOLFE, Bernard C. (Towanda, Pa.)	1955
KURTZ, Wm. Fulton (Philadelphia, Pa.)	1956 (elected)

Class B

KAUL, Andrew III, (St. Marys, Pa.)	1954
OAKES, Charles E. (Allentown, Pa.)	1955
NEWTON, Warren C. (Bridgeville, Del.)	1956 (re-elected)

Class C

MEINEL, WilliamJ. (Philadelphia, Pa.) Chrman & Agt.	1954
SUPPLEE, Henderson (Jr.) (Philadelphia, Pa.)	1955
CHANDLER, Lester V. (Princeton, N.J.)	1956 (appointed)

1954

Federal Reserve Bank of Cleveland (Dist. 4)

OFFICERS

President	-	W. D. Fulton
First Vice President	-	Donald S. Thompson

Vice Presidents

Roger R. Clouse	H. E. J. Smith
A. H. Laning	Paul C. Stetzelberger
Martin Morrison	

Chairman and Federal Reserve Agent	-	John C. Virden
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Deputy Chairman	-	Leo L. Rummell
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Federal Reserve Bank of Cleveland (Dist. 4)

DIRECTORS

Term Expires

Dec. 31Class A

HOBSTETTER, Edison (Pomeroy, Ohio)

1954

BAINER, John D. (Meadville, Pa.)

1955

ROOT, J. Brenner (Canton, Ohio)

1956 (elected)

Class B

BOWLBY, Joel M. (Cincinnati, Ohio)

1954

DOLL, Edward C. (Erie, Pa.)

1955

WALKER, Alexander E. (Pittsburgh, Pa.)

1956 (elected)

Class C

RUMMELL, Leo L. (Columbus, Ohio) Deputy Chairman

1954

SWENSRUD, Sidney A. (Pittsburgh, Pa.)

1955

VIRDEN, John C. (Cleveland, Ohio) Chrman & FR Agent

1956 (re-appointed)

1954

Federal Reserve Bank of Richmond (Dist. 5)

OFFICERS

President	-	Hugh Leach
First Vice President	-	Edward A. Wayne

Vice Presidents

N. L. Armistead	C. B. Strathy
Aubrey N. Heflin	K. Brantley Watson
Upton S. Martin	Chas. W. Williams
J. M. Nowlan	

Chairman and Federal Reserve Agent	-	John B. Woodward, Jr.
Deputy Chairman	-	W. G. Wysor

Federal Reserve Bank of Richmond (Dist. 5)

DIRECTORSClass A

Term Expires

Dec. 31

HARRISON, James D. (Baltimore, Md.)
 JOHNSON, Warren S. (Wilmington, N.C.)
 SYDENSTRICKER, John A. (Marlinton, W.Va.)

1954
 1955
 1956 (re-elected)

Class B

HYDE, Edwin (Richmond, Va.)
 RUST, H. L. (Jr.) (Washington, D.C.)
 SIBLEY, W.A.L. (Union, S.C.)

1954
 1955
 1956 (elected)

Class C

WYSOR, W. G. (Richmond, Va.) Deputy Chairman
 WOODWARD, John B. (Jr.) (Newport News, Va.) Chrman
 DECKER, Alonzo G. (Jr.) (Towson, Md.)

1954
 1955
 1956 (appointed)

1954

Federal Reserve Bank of Atlanta (Dist. 6)

OFFICERS

President	-	Malcolm Bryan
First Vice President	-	Lewis M. Clark

Vice Presidents

V. K. Bowman	L. B. Raisty
J. E. Denmark	Earle L. Rauber
John L. Liles, Jr.	S. P. Schuessler
Harold T. Patterson	

Chairman and Federal Reserve Agent	-	Rufus C. Harris
Deputy Chairman	-	Paul E. Reinhold

1954

Federal Reserve Bank of Atlanta (Dist. 6)

<u>Class A</u>	<u>DIRECTORS</u>	<u>Term Expires</u> <u>Dec. 31</u>
BOWMAN, W. C. (Montgomery, Ala.)		1954
DRIVER, Leslie R. (Bristol, Tenn.)		1955
ADAMS, L. Roland (York, Ala.)		1956 (re-elected)
 <u>Class B</u>		
TURMAN, Pollard (Atlanta, Ga.)		1954
COMER, Donald (Birmingham, Ala.)		1955
FREEMAN, A. B. (New Orleans, La.)		1956 (re-elected)
 <u>Class C</u>		
REINHOLD, Paul E. (Jacksonville, Fla.)	Deputy Chrman	1954
HARRIS, Rufus C. (New Orleans, La.)	Chrman & FR Agent	1955
BRANCH, Harllee (Jr.) (Atlanta, Ga.)		1956 (appointed)

1954

Federal Reserve Bank of Chicago (Dist. 7)

OFFICERS

President - C. S. Young

First Vice President - E. C. Harris

Vice Presidents

Neil B. Dawes

W. R. Diercks

W. A. Hopkins

L. H. Jones

L. G. Meyer

George W. Mitchell

A. L. Olson

Alfred T. Sihler

W. W. Turner

Chairman and Federal
Reserve Agent

- John S. Coleman

Deputy Chairman

- Bert R. Prall

Federal Reserve Bank of Chicago (Dist. 7)

DIRECTORSTerm Expires
Dec. 31Class A

CUMMINGS, Walter J. (Chicago, Ill.)	1954
OBERWORTMANN, Nugent R. (Chicago, Ill.)	1955
JOHNSON, Vivian W. (Cedar Falls, Iowa)	1956 (re-elected)

Class B

HAWKINSON, Walter E. (Milwaukee, Wis.)	1954
GREDE, William J. (Milwaukee, Wis.)	1955
HANLEY, William A. (Indianapolis, Ind.)	1956 (elected)

Class C

PRALL, Bert R. (Chicago, Ill.) Deputy Chairman	1954
COLEMAN, John S. (Detroit, Mich.) Chrman & FR Agent	1955
RUSSELL, J. Stuart (Des Moines, Iowa)	1956 (appointment eff. June 10)

1954

Federal Reserve Bank of St. Louis (Dist. 8)

OFFICERS

President - Delos C. Johns

First Vice President - Frederick L. Deming

Vice Presidents

Dale M. Lewis H. H. Weigel

Wm. E. Peterson J. C. Wotawa

Chairman and Federal
Reserve Agent - M. Moss Alexander

Deputy Chairman - Caffey Robertson

DIRECTORSClass ATerm Expires
Dec. 31

CHAPPELL, Phil E. (Hopkinsville, Ky.)
ETHERTON, J. E. (Carbondale, Ill.)
McDONNELL, William A. (St. Louis, Mo.)

1954
1955
1956 (re-elected)

Class B

WIECK, Leo J. (St. Louis, Mo.)
PLUNKETT, Ralph E. (Little Rock, Ark.)
RUTHENBURG, Louis (Evansville, Ind.)

1954 (elected March 18)
1955
1956 (re-elected)

Class C

MOORE, Joseph H. (Charleston, Mo.)
ROBERTSON, Caffey (Memphis, Tenn.) Deputy Chairman
ALEXANDER, M. Moss (St. Louis, Mo.) Chrmn & FR Agent

1954
1955
1956 (appointed)

1954

Federal Reserve Bank of Minneapolis (Dist. 9)

OFFICERS

President - O. S. Powell

First Vice President - A. W. Mills

Vice Presidents

H. C. Core

E. B. Larson

Otis R. Preston

M. H. Strothman, Jr.

Chairman and Federal
Reserve Agent

- Paul E. Miller

Deputy Chairman

- Leslie N. Perrin

1954

Federal Reserve Bank of Minneapolis (Dist. 9)

DIRECTORSClass ATerm Expires
Dec. 31

*BURGES, C. W. (Edgeley, N.D.)
*SCOTT, John W. (Gilby, N.D.)
ZELLE, Edgar F. (Minneapolis, Minn.)
THOMSON, H. N. (Presho, S.D.)

1954 (died Feb. 28)
1954 (eff. May 11)
1955
1956 (re-elected)

Class B

LANGE, Ray C. (Chippewa Falls, Wis.)
CLARK, Homer P. (St. Paul, Minn.)
CORETTE, John E. (Butte, Mont.)

1954
1955
1956 (elected)

Class C

MILLER, Paul E. (St. Paul, Minn.) Chrman & FR Agent
FLODIN, F. A. (Iron Mountain, Mich.)
PERRIN, Leslie N. (Minneapolis, Minn.) Deputy Chrman

1954
1955
1956 (appointed)

1954

Federal Reserve Bank of Kansas City (Dist. 10)

OFFICERS

President	-	H. G. Leedy
First Vice President	-	Henry O. Koppang

Vice Presidents

John T. Boysen	E. D. Vanderhoof
Clarence W. Tow	D. W. Woolley

Chairman and Federal Reserve Agent	-	Raymond W. Hall
Deputy Chairman	-	Cecil Puckett

1954

Federal Reserve Bank of Kansas City (Dist. 10)

DIRECTORSClass ATerm Expires
Dec. 31

*DINES, T. A. (Denver, Colo.)
 KENNEDY, W. S. (Junction City, Kan.)
 BUNTEN, W. L. (Goodland, Kan.)
 *KOUNTZE, Harold (Denver, Colo.)

1954 (res. January 28)
 1955
 1956 (re-elected)
 1954 (eff. May 4)

Class B

MILLER, Max A. (Omaha, Nebr.)
 DODDS, E. M. (Kansas City, Mo.)
 ADAMS, K. S. (Bartlesville, Okla.)

1954
 1955
 1956 (elected eff. March 11)

Class C

HAGUE, Lyle L. (Cherokee, Okla.)
 HALL, Raymond W. (Kansas City, Mo.) Chrman & FR Agent
 PUCKETT, Cecil (Denver, Colo.) Deputy Chairman

1954
 1955
 1956 (re-appointed)

1954

Federal Reserve Bank of Dallas (Dist. 11)

OFFICERS

President	-	Watrous H. Irons
First Vice President	-	W. D. Gentry

Vice Presidents

E. B. Austin	L. G. Pondrom
J. L. Cook	Morgan H. Rice
T. W. Plant	Harry A. Shuford

Chairman and Federal Reserve Agent	-	J. R. Parten
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Deputy Chairman	-	Robert J. Smith
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1954

Federal Reserve Bank of Dallas (Dist. 11)

Class ADIRECTORS

Term Expires

Dec. 31

BUTLER, P. P. (Houston, Tex.)
 McLAUGHLIN, J. Edd (Ralls, Texas)
 PETERSON, W. L. (Denison, Texas)

1954
 1955
 1956 (re-elected)

Class B

HULEY, D. A. (Dallas, Texas)
 THOMAS, J. B. (Fort Worth, Texas)
 ALFORD, John R. (Henderson, Texas)

1954
 1955
 1956 (elected eff. March 16)

Class C

SMITH, Robert J. (Dallas, Texas) Deputy Chairman
 PARTEN, J. R. (Houston, Texas) Chrman & FR Agent
 BOGLE, Hal (Dexter, N.M.)

1954
 1955
 1956 (re-appointed)

1954

Federal Reserve Bank of San Francisco (Dist. 12)

OFFICERS

President - C. E. Earhart

First Vice Presidents - H. N. Mangels

Vice Presidents

E. R. Millard

Eliot J. Swan

H. F. Slade

O. P. Wheeler

Chairman and Federal
Reserve Agent

- A. H. Brawner

Deputy Chairman

- Y. Frank Freeman

1954

Federal Reserve Bank of San Francisco, (Dist. 12)

<u>Class A</u>	<u>DIRECTORS</u>	<u>Term Expires</u> <u>Dec. 31</u>
BYRD, Carroll F. (Willows, Calif.)		1954
SCHOONOVER, John A. (Boise, Idaho)		1955
HUBBARD, M. Vilas (Pasadena, Calif.)		1956 (elected)
<u>Class B</u>		
TAYLOR, Reese H. (Los Angeles, Calif.)		1954
JOHNSON, Walter S. (San Francisco, Calif.)		1955
ROACH, Alden G. (San Francisco, Calif.)		1956 (re-elected)
<u>Class C</u>		
WELLMAN, Harry R. (Berkeley, Calif.)		1954
FREEMAN, Y. Frank (Hollywood, Calif.) Deputy Chairman		1955
BRAWNER, A. H. (San Francisco, Calif.)		1956 (appointed)

1954

HEARINGS

Mar.29-31

Apr.1

U.S.Congress. Senate. Banking and Currency
committee.

HG
2560
.A2
1954

Gold Reserve Act Amendments: HEARING before
a Subcommittee on Federal Reserve Matters ...
83d, 2d sess. on S.13, S.2332, S.2364, S.2514
to permit the sale of gold, to resume the redem-
ption of gold, to permit the free marketing of
newly mined gold, to establish a sound monetary
system, and for other purposes. March 29-31,
April 1, 1954. Wash., Govt.ptg.off., 1954.

402. p.

Testi- Martin, W.M. March 29 pp.39-41
mony: Burgess, W. R.

F.R.Bd.L.

a

1954

HEARINGS

May 13

U.S.Congress. Senate. Banking and Currency
committee.

HG
2560

Federal Reserve Act Amendments: HEARING before
a Subcommittee on Federal Reserve Matters ...

.A21
1954

83d, 2d sess. on S.3206, a bill to extend authority
of Federal Reserve to purchase obligations direct
from Treasury, and S.3268, a bill to repeal
provisions which prohibit a Federal Reserve Bank
from paying out notes of another Federal Reserve
Bank. May 13, 1954. Wash., Govt.ptg.off., 1954.

13 p.

Testimony: Martin, W.M. May 13 pp.5-7

F.R.Bd.L.

a

1953-54

HEARINGS

June 1

U.S.Congress. House. Banking and Currency
committee.

FG

2560

Amendments to sections 23A, 24 and 24A of
the Federal Reserve Act: HEARINGS on H.R.9142
and H.R.9144, June 1, 1954. .A22 1953-54

In: U.S.Congress. House. Banking and Currency
committee. (83d 2d sess. June 1, 1954.)

Miscellaneous Hearings (83d Cong., 2d sess.)
pp.19-41.

Testimony: Gidney, Ray.M., June 1, 1954, pp.20-33.

F.R.Bd.L.

a

1954

HEARINGS

May 26,27

U.S.Congress. House. Banking and Currency
committee.

HG
2560
.A21
1954

Federal Reserve Act Amendments (Sections 14 and 16): HEARINGS ... 83d,2d sess. on H.R.8729, a bill to amend Sec.14 (b) of the Federal Reserve Act, as amended and H.R.9143, a bill to repeal the provisions of Sec.16 of the Federal Reserve Act which prohibits a Federal Reserve Bank from paying out notes of another Federal Reserve Bank. May 26 and 27, 1954. Wash., Govt.ptg.off..., 1954.

83 p.

Testi- Cherry, A.K. (F.R.Bd.legal) May 27, '54 pp.44-45,57

mony: Leonard,R.F. (F.R.Bd.BkOp) May 26, p.29

: Martin.W.M. May 26 and 27

F.R.Bd.L.

a

1954

HEARINGS

Aug. 2

U.S.Congress. Senate. Banking and Currency
committee.

Nomination of Paul E. Miller to be a member of
the Board of Governors of the Federal Reserve
System: HEARING ... 83d,2d sess. on Aug.2, 1954.
Wash., Govt.ptg.off., 1954.

3 p.

HG
2562
.A2
1954

F.R.Bd.L.

a

1954

HEARINGS

Dec.6 and 7

U. S. Congress. Joint Committee on the Economic
Report

United States monetary policy: recent thinking
and experience. Hearings before the Subcommittee
on Economic Stabilization of the Joint Committee
... pursuant to Sec.5(a) of Public Law 304 (79th
Congress) December 6 and 7, 1954. Wash.Govt.
1954.

331p. tab.charts. (83d.Cong. 2d.sess.)

Testimony by W.R. Burgess, George M. Humphrey,
William McC. Martin, Jr., and Allan Sproul, is
included.

1954
January - June, 1954

FEDERAL RESERVE SYSTEM

POLICY ACTION

Action: Limited net sales to about 900 million dollars of U. S. Government securities in OPEN MARKET.

Intent with respect to effect on credit and money: Expansive

Explanation: To absorb only part of the reserves made available by the seasonal deposit contraction and return flow of currency thereby further easing bank reserve positions.

Source: Replies of Chairman of FRS Board of Governors to Questions of Subcommittee on Economic Stabilization of the Joint Committee on the Economic Report in connection with Subcommittee Hearings on December 7, 1954.

1954
February, 1954

FEDERAL RESERVE SYSTEM

POLICY ACTION

Action: Reduced discount rates from 2 to 1-3/4 per cent and buying rates on 90-day bankers' acceptances from 2-1/8 to 1-3/4 percent.

Intent with respect to effect on credit and money: Expansive

Explanation: To bring discount rates as well as buying rates on bankers' acceptances into closer alignment with market rates of interest and to eliminate any undue deterrent to bank borrowing from the Reserve Banks for making temporary reserve adjustments.

FURTHER REDUCTION IN DISCOUNT AND BUYING RATES
IN APRIL MAY, 1954 FOR SAME PURPOSE. SEE CARD FOR
APRIL-MAY, 1954

Source: Replies of Chairman of FRS Board of Governors to Questions of Subcommittee on Economic Stabilization of the Joint Committee on the Economic Report in connection with Subcommittee Hearings on December 7, 1954.

1954
April-May, 1954

FEDERAL RESERVE SYSTEM

POLICY ACTION

Action: Reduced discount rates from $1\frac{3}{4}$ to $1\frac{1}{2}$ per cent and buying rates on 90-day bankers' acceptances from $1\frac{3}{4}$ to $1\frac{1}{2}$ per cent.

Intent with respect to effect on credit and money: Expansive

Explanation: To bring discount rates as well as buying rates on bankers' acceptances into closer alignment with market rates of interest and to eliminate any undue deterrent to bank borrowing from the Reserve Banks for making temporary reserve adjustments.

THIS ACTION IS A FURTHER REDUCTION IN RATES FOLLOWING ONE TAKEN IN FEBRUARY, 1954. SEE CARD FOR FEBRUARY, 1954.

Source: Replies of Chairman of FRS Board of Governors to Questions of Subcommittee on Economic Stabilization of the Joint Committee on the Economic Report in connection with Subcommittee Hearings on December 7, 1954.

1954

FEDERAL RESERVE SYSTEM

POLICY ACTION

June - October, 1954

- Action: 1) Reduced reserve requirements on net demand deposits by 2 percentage points at central reserve city banks and by 1 percentage point at reserve city and country banks, and requirements on time deposits by 1 percentage point at all member banks, thus freeing about 1.5 billion of reserves in the period June 16 - August 1.
- 2) Sold or redeemed U. S. Government securities totaling about 1.0 billion dollars in July and August.
- 3) Made net purchases in open market of about 400 million dollars in September and October.

Intent with respect to effect on credit and money: 1) Expansive
2) and 3) Cushioning

Explanation: 1) To supply the banking system with reserves to meet expected growth and seasonal demands for credit and money, including Treasury financing needs.

2) and 3) Reductions in reserve requirements were offset in part by temporary sales of securities in order to prevent excess reserves from increasing unduly at the time, but security purchases were resumed as need for funds developed.

Source: Replies of Chairman of FRS Board of Governors to Questions of Subcommittee on Economic Stabilization of the Joint Committee on the Economic Report in connection with Subcommittee Hearings on December 7, 1954.

7.207. State Sales Tax.—The Federal Reserve Bank brought suit against the Michigan Department of Revenue to obtain a declaration of rights with regard to liability for payment of the Michigan sales tax on supplies and equipment purchased by it and on personal property sold by it principally in the bank-operated cafeteria. Plaintiff relied upon implied constitutional immunity from State taxation and express statutory exemption under section 7 of the Federal Reserve Act.

The Michigan Supreme Court upheld the decree of the trial court in favor of the defendant. It was held that for the purpose of determining exemption the legal incidence of a tax is the decisive factor and that under the Michigan statute the legal incidence of the sales tax is upon the retailer, rather than the purchaser, regardless of the fact that the tax may be passed on to the purchaser who bears the economic burden of the tax. Accordingly, it was held that plaintiff is entitled to exemption from the tax with regard to sales made by it but is subject to the tax with regard to purchases made by it from Michigan retailers. Federal Reserve Bank of Chicago v. Department of Revenue of the State of Michigan, 339 Michigan 587; 64 N.W. 2d. 639 (1954).