

President
4/29/35

QUOTATION FROM MEMORANDUM PRESENTED TO AND
APPROVED BY THE PRESIDENT AND SECRETARY IN
CONTEMPLATION OF MY APPOINTMENT TO THE
FEDERAL RESERVE BOARD

Desirable changes in the administration of the Federal Reserve System. In order to endeavor, with some prospects of success, (a) to render prompt support for the emergency financing in case of need, (b) to prevent the recovery from getting out of hand, and (c) to prevent the recurrence of disastrous depressions in the future, it is, in my opinion, essential that the authority of the Federal Reserve Board should be strengthened in the following ways:

1. Complete control over the timing, character and volume of open market purchases and sales of bills and securities by the reserve banks should be conferred upon the Federal Reserve Board.

2. Governors of the individual Federal Reserve Banks should be appointed annually by their Boards of Directors subject to the approval of the Federal Reserve Board.