

November 13, 1947.

Dear Clark:

Enclosed is a final revision of the explanatory memorandum on the Board's proposal regarding bank credit restraints. We are, of course, treating it in the strictest confidence.

One slight but, nevertheless, very important change from the Board's standpoint needs to be made in the third and last paragraph of the memorandum I sent over to you suggesting possible language for inclusion in the special message. Because of the highly confidential nature of the bank credit proposal and the time element, the Board has not had a chance as yet to get formal clearance from all the Reserve Banks, therefore, I would not want any inference to be drawn from the language to the effect that this is a System proposal when, in fact, it is at this stage, a Board proposal. It can be easily done simply by making the paragraph read, "As a more basic means of restricting excessive growth of bank credit, I also recommend that Congress give consideration to the proposal of the Board of Governors of the Federal Reserve System that the Federal Open Market Committee be given a temporary authority\*\*\*\*"

I would greatly appreciate it if you would take care of this for me.

Sincerely,

Mr. Clark Clifford,  
Special Counsel to the President,  
The White House,  
Washington, D. C.

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