

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date November 8, 1946.

To Chairman Eccles

Subject: _____

From Mr. Knapp

Upon further investigation, I have found no record of the proceedings at the meeting which you attended in Secretary Vinson's office where the salaries of Fund and Bank officers were discussed. The record does make it clear, however, that this was a meeting (in executive session) of the National Advisory Council and not just a group meeting with Secretary Vinson in his capacity as U. S. Governor of the Fund and the Bank.

On February 13, 1946, you addressed a letter to Secretary Vinson which commenced as follows:

"In view of the responsibilities placed upon the National Advisory Council for giving guidance to the representatives of the United States on the International Fund and Bank, it has occurred to me that it would be useful to have a special meeting of the Council in the near future to consider the questions which may arise at the coming meeting of the Board of Governors for these institutions."

You then went on to list the questions which you would like to have discussed by the Council, giving your comments on each. Among these was the following:

"Salaries of the principal Fund and Bank officials. I do not know what the thinking has been on this subject thus far. It is clear, however, that these salaries should receive serious consideration, not only from the point of view of attracting men of the necessary caliber but also with a view to establishing an appropriate relationship between the sums paid to Executive Directors on the one hand and to the Managing Director of the Fund and President of the Bank on the other."

The agenda for the Council's meeting number 14, on February 27, 1946 lists under Item 2 the same questions which you had asked the Council to discuss. At the meeting on that day, the Council first disposed of other business on the agenda and then went into executive session to discuss the subject matter of Item 2.