

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date October 29, 1947

To Chairman Eccles

Subject: _____

From J. Burke Knapp

You will recall that a telephone poll was taken last week with regard to a proposed N.A.C. Action agreeing to relieve the United Kingdom of the burden of dollar expenditures for German disease and unrest imports during the rest of 1947. It appears that the Treasury Department had some objections to the phrasing of the Action and we were requested yesterday to approve a redrafted version of the Action. Since there was no change in the content, I informed the Treasury that we had no objection.

The revised Action, which I understand was approved by all of the Council members, is as follows:

"The National Advisory Council has been informed of the facts of the negotiations with the British to date in the discussions for amendment of the Bizonal Fusion Agreement and considers that in view of the British financial situation as analyzed in NAC Document 525 of October 9, 1947, favorable consideration should be given to proposals for relieving the United Kingdom of the burden of dollar expenditures for approved Category "A" imports during the remainder of the calendar year 1947."