

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

*For books*  
**Office Correspondence**

Date March 22, 1945

To Mr. Thurston

Subject: \_\_\_\_\_

From Mr. Morrill

*Torn to be*

In a pamphlet which has just come to my attention, prepared by employees of the Federal Reserve Bank of Boston, I find the following interesting excerpt from a description of conditions at the time of the opening of the Bank on November 16, 1914:

"Only a few bankers knew very much about the Federal Reserve Act and many were opposed to any changes and some were very antagonistic and bitter in criticisms. One bank paid its installment with old torn and dirty ones and twos packed in a shoe box, inscribing the tag with, "The Union forever but to h--l with the way it's run." Another bank, in its list of assets, wrote off its Federal Reserve stock as a poor investment of no value. Most, however, were willing to give the new system a trial. Some thought the Reserve Bank a semi-government institution and any dealings with it would be surrounded by the customary government red tape.

"One bank cashier bet his officers that if his bank rediscounted a note, it would take a week to finish the deal and was much surprised to find that it did take only twenty minutes."

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