

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date July 18, 1947

To Chairman Eccles

Subject: _____

From J. Burke Knapp



Reference is made to my memorandum of yesterday's date pointing out that the Treasury would probably take prompt action to offset the unfortunate effects of Secretary Snyder's remarks concerning international gold transfers at his press conference on Wednesday.

I have now been asked to attend a meeting at the Treasury at 2:15 where decisions will be made concerning action under the Treasury gold regulations to control the international traffic in gold at premium prices. We shall also try to reach agreement on the joint statement to be issued by the Treasury and the Federal Reserve Board concerning this matter.

With regard to the joint statement, I am informed that the Treasury desires to extend it to cover not only banks but also "other enterprises". I am informed by Mr. Sanford that Mr. Sproul would approve this addition and I trust that you will too. For the rest I think the Treasury's suggestions will involve only minor language changes and I hope you will authorize me to agree to any drafting changes which do not involve substantial departure from the substance of the draft statement approved by the policy group and by the Board. It is expected public announcement of these decisions will be made over the week end or, at the latest by Monday.