FINAL AGENDA

Committee on Financial Analysis
Federal Reserve Bank of Philadelphia
April 20 and 21, 1966

Wednesday, April 20:

Morning (9:00 A.M.)

I. The Concept of Liquidity

A. Role in Economic Analysis -- Leonall Anderson, Federal Reserve Bank of St. Louis

Comment: Richard Davis, Federal Reserve Bank of New York
Arthur Broida, Board of Governors

B. Bank Liquidity -- Martin Blyn, Federal Reserve Bank of Cleveland
James Pierce, Board of Governors

Comment: John Zoellner, Federal Reserve Bank of Kansas City

Luncheon (12:30 P.M. to 1:30 P.M.)

Informal remarks by Mr. Karl R. Bopp, President, Federal Reserve Bank of Philadelphia

Afternoon (2:00 P.M. to 5:00 P.M.)

C. Corporate Liquidity -- Hugh Chairnoff, Federal Reserve Bank of Philadelphia

Comment: George Cloos, Federal Reserve Bank of Chicago

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Thursday, April 21:

Morning (9:00 A.M. to 1:00 P.M.)

II. The Significance of Total Credit

A. Bank Credit and Total Credit -- Marshall Puckett, Federal Reserve Bank of New York

Comment: Lyle Gramley, Board of Governors
James Duprey, Federal Reserve Bank of Minneapolis

B. Total Credit Flows -- Concept, Measurement, and Estimation
Stephen Taylor, Board of Governors

Comment: Ronald Cooper, Federal Reserve Bank of San Francisco

Luncheon (1:30 P.M. to 2:30 P.M.)

-- Informal remarks by academic guests

Afternoon (2:00 P.M. to 4:00 P.M.)

-- Recapitulation and planning for future meetings

Maurice Mann, Chairman
Committee on Financial Analysis

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April 25, 1966.

System Committee on Financial Analysis
Summary Minutes of Meeting Held in Philadelphia, Pennsylvania
April 19-21, 1966

Present for all or part of the meeting:

Boston	Messrs. Anderson and Murphy
New York	Messrs. Davis and Puckett
Philadelphia	Messrs. Bopp, Rothwell, Aff, Alderfer, Chairnoff, Eastburn, O'Leary, Staats, and Miss Deutermann
Cleveland	Messrs. Mann (Chairman) and Blyn
Richmond	Mr. Haymes
Atlanta	Messrs. Wyand, Crowe, and Brandt
Chicago	Messrs. Stiles and Cloos
St. Louis	Messrs. Bowsher and Anderson
Minneapolis	Mr. Duprey
Kansas City	Messrs. Zoellner and Struble
Dallas	Mr. Saylor
San Francisco	Mr. Cooper
Board	Messrs. Partee, Gramley, Broida, Pierce, and Taylor
Guests	Professors A. G. Hart, Columbia University, Albert Ando, University of Pennsylvania, and Lawrence R. Klein, University of Pennsylvania.

The Spring meeting of the Committee on Financial Analysis was convened at 9:00 a.m., April 20, 1966, at the Federal Reserve Bank of Philadelphia. Mr. Mann presided.

The first day of the session was concerned with the concept of liquidity and its relevance for ecnonomic activity and central banking. Leonall Anderson (Federal Reserve Bank of St. Louis) opened this part of the program with a paper on the concept of liquidity and its role in economic analysis, focusing particularly on the consumer sector. Richard Davis (Federal Reserve Bank of New York) and Arthur Broida (Board of Governors) provided formal comments. Following this were two papers on bank liquidity given by Martin Blyn (Federal Reserve Bank of Cleveland) and James Pierce (Board of Governors). The discussant for these two papers was John Zoellner (Federal Reserve Bank of Kansas City). The question of corporate liquidity was treated in a paper by Hugh Chairnoff (Federal Reserve Bank of Philadelphia), with formal discussion by George Cloos (Federal Reserve Bank of Chicago).

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At lunch on the first day the group was greeted by Mr. Karl Bopp (President, Federal Reserve Bank of Philadelphia) who spoke informally on the role and prospects for research in the formulation and implementation of monetary policy.

On the second day the Committee's attention focused on the significance of credit flows for evaluation of financial market developments. Marshall Puckett of the Federal Reserve Bank of New York evaluated the significance of differing growth rates of bank credit as a potential indicator of credit availability and as a proxy for total credit flows. The formal discussants for his paper were James Duprey (Federal Reserve Bank of Minneapolis) and Lyle Gramley (Board of Governors). Stephen Taylor (Board of Governors) then discussed the concept, measurement, and estimation of total credit flows in the context of the flow-of-funds accounting system. Ronald Cooper (Federal Reserve Bank of San Francisco) discussed a paper by himself and Robert J. Oster, in which an attempt was made to utilize flow-of-funds data for sectoral analysis of cyclical changes in flows of funds.

The first day's session on liquidity was attended by Professor A. G. Hart of Columbia University and Professor Lawrence R. Klein of the University of Pennsylvania. The second day's session was attended by Professor Albert Ando of the University of Pennsylvania.

The latter part of the second day was devoted to Committee business and planning for the fall meeting, tentatively scheduled to be held at the Fedaral Reserve Bank of Minneapolis during the week of October 17-21. The specific date will be announced later. The first day of that session will deal with recent progress in the linkage research area. Selected members of Mr. Mann's working group on linkage research will provide papers. There will be three invited papers on the second day, by Professor Albert Ando of the University of Pennsylvania, Fred Struble of the Federal Reserve Bank of Kansas City, and Thomas Thomson of the Board of Governors. Ando's paper will be on a special purpose model for monetary policy. Struble will provide a survey paper on the term structure of interest rates. Thomson will give a paper on short-run reserve adjustments of commercial banks. The Committee decided to continue the policy of soliciting short formal commentaries on the principal papers. Specific discussants will be announced later, along with the more detailed agenda for the fall meeting. It is the sense of the Committee that all papers to be presented at the fall meeting should be distributed to Committee members as far in advance as possible.

The Committee accepted with regret the resignation of J. Charles Partee as Secretary, offering its sincere thanks for a task well done.

The meeting was adjourned at 2:45 p.m. on April 21.w

Lyle E. Gramley,
Secretary,
System Research
Committee on Financial Analysis.

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Mr. Bopp

Listing for Meeting of
Committee on Financial Analysis
Federal Reserve Bank of Philadelphia
April 20-21, 1966

MEMBERS- COMMITTEE ON FINANCIAL ANALYSIS

Maurice Mann, Chairman	(Cleveland)
Paul Anderson	(Boston)
Richard Davis	(New York)
J. C. Rothwell	(Philadelphia)
Harmon Haymes	(Richmond)
Robert R. Wyand, II	(Atlanta)
Lynn A. Stiles	(Chicago)
Norman N. Bowsher	(St. Louis)
James N. Duprey	(Minneapolis)
John F. Zoellner	(Kansas City)
R. Gerald Saylor	(Dallas)
Ronald Cooper	(San Francisco)
J. Charles Partee, Secretary	(Board)

OTHER PARTICIPANTS

Neil Murphy	(Boston)
Edward A. Aff	(Philadelphia)
Clay J. Anderson	(Philadelphia)
Evan B. Alderfer	(Philadelphia)
Hugh Chairnoff	(Philadelphia)
Elizabeth P. Deutermann	(Philadelphia)
David P. Eastburn	(Philadelphia)
David C. Melnicoff	(Philadelphia)
Lawrence C. Murdoch	(Philadelphia)
John F. O'Leary	(Philadelphia)
Kenneth M. Snader	(Philadelphia)
William F. Staats	(Philadelphia)
Bertram W. Zumeta	(Philadelphia)
Martin Blyn	(Cleveland)
Harry Brandt	(Atlanta)
Paul Crowe	(Atlanta)
George Cloos	(Chicago)
Leonall C. Anderson	(St. Louis)
Fred Struble	(Kansas City)
Arthur Broida	(Board)
James Eckert	(Board)
Lyle E. Gramley	(Board)
James Pierce	(Board)
Stephen Taylor	(Board)

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GUESTS

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Philadelphia, Pennsylvania

Prof. John G. Gurley
Department of Economics
Stanford University
Stanford, California

Prof. A. G. Hart
Department of Economics
Columbia University
New York

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