

A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, November 14, 1929 at 10:30 a.m.

PRESENT: Vice Governor Platt
 Mr. Hanlin
 Mr. Miller
 Mr. Cunningham
 Mr. McClelland, Asst. Secretary

Mr. Cunningham stated that Governor Young had called him on the telephone from New York and asked for the reaction of the members of the Board who are here on a recommendation which Governor Harrison contemplates making to his board of directors today that the discount rate of the New York bank be reduced to 4 1/2% and that a bill rate of 4 1/2% also be established.

After discussion, it was decided to reply to Governor Young, as follows:

"The Board is of the opinion that any action with regard to the discount rate at this time is primarily a matter for the judgment of the directors of the New York bank. The Board will support them in any action they take, whether that be to leave the rate where it is or to reduce it to 4 1/2%. In the event that the discount rate should be reduced, the Board would expect that the acceptance rate would be similarly reduced."

The decision of the Executive Committee, quoted above, was submitted to the Secretary of the Treasury and the Comptroller of the Currency and concurred in by them.

The Vice Governor then communicated the action to Governor Young at New York, who advised of his concurrence therein.

The meeting adjourned at 11:15 a.m.

Approved:

Edmund Platt
 Vice Governor.

C. W. McClelland
 Assistant Secretary.