

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Tuesday, April 15, 1941, at 10:45 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom, Vice Chairman
Mr. Szymczak
Mr. Draper

Mr. Morrill, Secretary
Mr. Carpenter, Assistant Secretary
Mr. Clayton, Assistant to the Chairman
Mr. Goldenweiser, Director of the
Division of Research and Statistics
Mr. Smead, Chief of the Division of
Bank Operations
Mr. Parry, Chief of the Division of
Security Loans
Mr. Wyatt, General Counsel
Mr. Dreibelbis, Assistant General Counsel

There was presented for the record a letter addressed to the President of the United States by Mr. Davis under date of April 11, 1941, reading as follows:

"In accord with the understanding reached in personal discussion on February 26, I herewith tender you my resignation as member of the Board of Governors of the Federal Reserve System and ask that it become effective at the close of April 15.

"I find myself unable to express adequately my gratitude to you for the opportunities and responsibilities you have given me and my appreciation of your never-failing thoughtfulness and considerateness during the eight years I have had the privilege of working with you and for you.

"It is my understanding that you wish me to continue to serve as agricultural member of the Advisory Commission to the Council of National Defense. I am delighted to do this. I hope there may be other ways also in which I can continue to serve you and that you will keep in mind that I very much want to do so."

The President's reply of April 12, 1941, to Mr. Davis' letter was as follows:

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"Because I know of plans which will govern your future activities I have, unfortunately, no recourse but to accept, effective at the close of business on April 15, 1941, your resignation as a Member of the Board of Governors of the Federal Reserve System, tendered in your letter of April eleventh.

"Nevertheless, I contemplate your withdrawal with very real regret. You were called to assume the responsibilities of a high public trust in a time of grave emergency. You have discharged every duty with vision, ability and fidelity to the public interest.

"In assuring you of my appreciation of all that you have done I desire also to wish you happiness and success in the new work you are about to undertake."

Reference was made to a letter addressed to Mr. Davis as a member of the Board under date of April 7, 1941, by Congressman John H. Tolan, Chairman of the Special Congressional Committee Investigating the Interstate Migration of Destitute Citizens, requesting that the Board make William Glazier, an economic assistant in the Division of Research and Statistics, available to the committee for a period of 90 days in connection with an investigation of national defense migration. It appeared from a memorandum dated February 14, 1941, from F. P. Weber of the committee's staff, that the study would include the financial problems raised by the regional distribution of prime and subcontracts which would involve studies relating the distribution of defense contracts to regional banking and other financial institutions involved, that the role of the local commercial bank in financing the defense program as well as the relative participation of the Federal Reserve Districts would be surveyed, and that emphasis would also be placed upon the banking aspects of the post-defense problems growing

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out of the present situation. It also appeared from telephone conversations had with members of the committee's staff that the study might require Mr. Glazier's services for a period as long as five months and that it would be expected that the Board would pay Mr. Glazier's salary during that period.

During the discussion of the matter Mr. Goldenweiser stated that it would be extremely inconvenient to release Mr. Glazier at this time and that if he were made available to the committee it would be necessary to employ someone else during the period of his absence.

Mr. Szymczak moved that Mr. Morrill be requested to prepare for consideration by the Board, a draft of reply to Congressman Tolan's letter along the lines suggested during the discussion.

Mr. Szymczak's motion was put by the chair and carried unanimously.

At this point Messrs. Goldenweiser, Smead, Parry, Wyatt, and Dreibelbis left the meeting and the action stated with respect to each of the matters hereinafter referred to was then taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on April 14, 1941, were approved unanimously.

Memorandum dated April 3, 1941, from Mr. Nelson, Assistant Secretary, submitting the recommendation of Chairman Eccles that Arthur B. Norris be appointed on a temporary basis as a messenger in the office of the Chairman, with salary at the rate of \$1,200 per annum,

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for a period which will not exceed the time during which Bishop Hart is absent on military leave, the appointment to be effective as of the date upon which Norris enters upon the performance of his duties after having passed satisfactorily the usual physical examination.

The memorandum stated that because of the temporary nature of his appointment Norris would not be made a member of the Retirement System.

Approved unanimously.

Thereupon the meeting adjourned.

Robert Morrie
Secretary.

Approved:

W. C. ...
Chairman.