

A meeting of the Board of Governors of the Federal Reserve System was held in Washington on Tuesday, February 29, 1944, at 1:30 p.m.

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

Mr. Morrill, Secretary  
Mr. Bethea, Assistant Secretary  
Mr. Carpenter, Assistant Secretary  
Mr. Clayton, Assistant to the Chairman

The action stated with respect to each of the matters herein-after referred to was taken by the Board:

The minutes of the meeting of the Board of Governors of the Federal Reserve System held on February 28, 1944, were approved unanimously.

Letters to "The Johnstown Bank", Johnstown, New York, and the "New Cumberland Bank", New Cumberland, Pennsylvania, reading as follows:

"The Board is glad to learn that you have completed all arrangements for the admission of your bank to the Federal Reserve System and takes pleasure in transmitting herewith a formal certificate of your membership.

"It will be appreciated if you will acknowledge receipt of this certificate."

Approved unanimously.

Letter to Mr. George W. Fitch, Managing Director of the Retail Furniture Association of California, Inc., San Francisco, California, reading as follows:

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"We are glad to acknowledge your letter of February 16 in which you remind us of the position taken by your association with respect to the future of Regulation W and suggest a means for ascertaining the sentiment of Registrants on this matter.

"As a wartime measure, this regulation has met with widespread approval, as your letter affirms, and we have noted this fact with a very real sense of appreciation. Without such approval, the job of the Federal Reserve System in administering the regulation would have been extremely difficult. At the same time, we have noted with interest the active two-sided discussion in the trade concerning the question of post-war continuation, but without ourselves taking any part in that discussion on either side. In fact, we have not as yet even gone so far as to develop a stand of our own on this question, since we recognize that if and when it comes up for decision the decision will be for the Congress and will depend in considerable part upon the conditions prevailing at the time.

"Your suggestion as to sending out a brief questionnaire to ascertain whether registrants favor or oppose continuation of regulation after the war has been given very careful consideration by Board and staff members. Their feeling is that if we were to do this it would be construed as an effort to perpetuate the regulation rather than as an effort to obtain impartially the views of those interested in or affected by the regulation. To put the matter somewhat differently, the question is whether we would be justified, particularly in view of the rigid restrictions on use of paper and the shortage of man-power, in circularizing some 500,000 registrants with a view solely to finding out how they feel about a matter which the Congress must determine. As you know there has been some criticism of government on the ground that the public and business men in particular are already over-burdened with official reports, questionnaires and similar requests, if not demands. It would be interesting and important to have the information you contemplate, but at this time it seems to us that we ought not to undertake to conduct such a poll of public opinion. When the matter reaches the stage of Congressional consideration, the considered opinions of leading organizations like your own will undoubtedly carry great weight with those members of Congress who will have the responsibility for determining whether such regulation should be continued.

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"Your letter, the spirit that prompts it, and your suggestions are sincerely appreciated."

Approved unanimously.

Thereupon the meeting adjourned.

Chester Morley  
Secretary.

Approved:

W. S. ...  
Chairman.