

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Saturday, May 29, 1948. The Board met in the Greenbrier Hotel at White Sulphur Springs, West Virginia, at 10:00 a.m.

PRESENT: Mr. Eccles, Chairman pro tem.  
Mr. Szymczak  
Mr. Draper  
Mr. Evans  
Mr. Vardaman  
Mr. Clayton

Mr. Carpenter, Secretary

This meeting was held in accordance with the action taken at the meeting on May 27, 1948, for the purpose of giving further consideration to the question of an increase in reserve requirements of member banks in central reserve cities. When, at the meeting of May 27, 1948, this meeting was called it was hoped that all members of the Board would be at White Sulphur Springs for the purpose of attending the Conference of Chairmen of the Federal Reserve Banks. However, word had been received from Chairman McCabe that he had developed a virus infection and had been ordered by his doctor to remain in bed for at least 48 hours after his fever left and that, therefore, he would not be able to come to White Sulphur Springs for the meeting of the Board during the three days that the other Board members were to be there in connection with the Chairmen's Conference.

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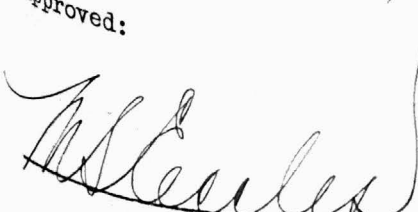
Mr. Eccles stated that a request had been received from Chairman McCabe that, in the circumstances, the Board defer action on the increase in reserve requirements of member banks in central reserve cities until his return to Washington next week.

The matter was discussed in the light of the feeling of some of the members of the Board that action should be taken promptly to be effective in June and in the light of Chairman McCabe's request.

At the conclusion of the discussion the meeting adjourned with the understanding that another meeting would be held tomorrow morning at 9:30 a.m. for further consideration of the matter.

  
Secretary.

Approved:

  
Chairman pro tem.