

Minutes of actions taken by the Board of Governors of the Federal Reserve System on Thursday, September 25, 1952. The Board met in the Board Room at 2:30 p.m.

PRESENT: Mr. Martin, Chairman
 Mr. Evans
 Mr. Vardaman
 Mr. Robertson

Mr. Carpenter, Secretary
 Mr. Kenyon, Assistant Secretary
 Mr. Riefler, Assistant to the Chairman
 Mr. Leonard, Director, Division of Bank Operations
 Mr. Vest, General Counsel
 Mr. Young, Director, Division of Research and Statistics
 Mr. Allen, Director, Division of Personnel Administration

Before this meeting there had been submitted by the Conference of Presidents of the Federal Reserve Banks a memorandum covering topics to be discussed at the joint meeting of the Board and the Presidents to be held tomorrow at 10:00 a.m. The Board considered the topics listed and it was agreed that the views of the Board would be substantially as recorded in the minutes of the joint meeting.

During the course of consideration of the topics to be discussed with the Presidents, Governor Robertson stated that in accordance with an informal request of the Board, he had discussed with Mr. Leedy, President of the Federal Reserve Bank of Kansas City, the management of that Bank and steps which might be taken looking toward its improvement. He said that Mr. Leedy agreed to review the situation upon his return

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to the Bank and advise the Board as to the results.

At this point Governor Vardaman withdrew from the meeting.

Mr. Young referred to the series on changes in commercial and industrial loans of a sample of weekly reporting banks, by industry, which was initiated in connection with the Voluntary Credit Restraint Program, and described the usefulness of these figures to members of the Board's staff in analyzing trends in bank loans in discussions with the staffs of Congressional committees and Government agencies. He said that there had been some defections among the reporting banks and that it was understood that Mr. Potts, Chairman of the Committee on Bank Credit Policy of the Association of Reserve City Bankers, was going to bring the matter of continuing the series before the committee for discussion at a meeting to be held during the forthcoming annual convention of the American Bankers Association at Atlantic City. Mr. Young suggested that the Board authorize Mr. Powell, President of the Federal Reserve Bank of Minneapolis, to discuss on its behalf the maintenance of the series with Mr. Potts and other appropriate persons during the convention and encourage them to urge the continued reporting of the information necessary to continue the series.

Following discussion, Mr. Young's suggestion was approved unanimously and it was understood that Chairman Martin would refer to this matter at the joint meeting with the Presidents tomorrow and would suggest that the Presidents other

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than Mr. Powell who were attending the convention of the American Bankers Association also should talk to appropriate individuals along the same lines.

At this point all of the members of the staff except Messrs. Carpenter and Kenyon withdrew from the meeting and the following additional action was taken by the Board:

Letter to the Presidents of all Federal Reserve Banks, prepared for the signature of the Chairman, reading as follows:

"There is attached a letter recently received from the Secretary of the Treasury in which he expresses his sincere appreciation for the continuing assistance being rendered by the Federal Reserve Banks to the Savings Bond Program and asks that his appreciation be conveyed to you.

"On behalf of the Board of Governors may I say we are proud of the continued and effective efforts of all the Reserve Banks on behalf of this program. I know you will urge your staff to keep up the good work, for this is an important aspect of monetary and fiscal policy."

Approved unanimously.


Secretary.