

Minutes for April 20, 1965.

To: Members of the Board

From: Office of the Secretary

Attached is a copy of the minutes of the Board of Governors of the Federal Reserve System on the above date.

It is not proposed to include a statement with respect to any of the entries in this set of minutes in the record of policy actions required to be maintained pursuant to section 10 of the Federal Reserve Act.

Should you have any question with regard to the minutes, it will be appreciated if you will advise the Secretary's Office. Otherwise, please initial below. If you were present at the meeting, your initials will indicate approval of the minutes. If you were not present, your initials will indicate only that you have seen the minutes.

Chm. Martin

RM

Gov. Robertson

RRB

Gov. Balderston

JS

Gov. Shepardson

CM

Gov. Mitchell

DM

Gov. Daane

Minutes of the Board of Governors of the Federal Reserve System
on Tuesday, April 20, 1965. The Board met in the Board Room at 10:00 a.m.

PRESENT: Mr. Martin, Chairman
Mr. Balderston, Vice Chairman
Mr. Robertson
Mr. Shepardson
Mr. Daane

Mr. Sherman, Secretary
Mr. Kenyon, Assistant Secretary
Mr. Young, Adviser to the Board and Director,
Division of International Finance
Mr. Noyes, Adviser to the Board
Mr. Molony, Assistant to the Board
Mr. Cardon, Legislative Counsel
Mr. Hackley, General Counsel
Mr. Brill, Director, Division of Research and
Statistics
Mr. Solomon, Director, Division of Examinations
Mr. O'Connell, Assistant General Counsel
Mr. Shay, Assistant General Counsel
Mr. Koch, Associate Director, Division of
Research and Statistics
Mr. Katz, Adviser, Division of International
Finance
Mr. Leavitt, Assistant Director, Division of
Examinations
Mr. Sprecher, Assistant Director, Division of
Personnel Administration
Mr. Spencer, General Assistant, Office of the
Secretary
Mr. Egertson, Supervisory Review Examiner,
Division of Examinations
Mr. Veenstra, Chief, Financial Statistics Section,
Division of Data Processing

Discount rates. The establishment without change by the Federal Reserve Bank of Atlanta on April 19, 1965, of the rates on discounts and advances in its existing schedule was approved unanimously, with the understanding that appropriate advice would be sent to that Bank.

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Circulated or distributed items. The following items, copies of which are attached to these minutes under the respective item numbers indicated, were approved unanimously:

	<u>Item No.</u>
Letter to Chemical Bank New York Trust Company, New York, New York, approving the establishment of a branch in the Baldwin Place Shopping Center, Baldwin Place, Town of Somers.	1
Letter to Marine Midland Trust Company of Central New York, Syracuse, New York, approving an extension of time to establish a branch at 700-730 Erie Boulevard, East.	2
Letter to The Maries County Bank, Vienna, Missouri, interposing no objection to a dividend declared on January 11, 1965.	3

Requests concerning deposit data (Items 4, 5, and 6). A distributed memorandum from the Legal Division dated April 16, 1965, referred to the fact that in Federal District Court in California there was pending an antitrust suit instituted by the United States under section 7 of the Clayton Act contesting the validity of the merger of Crocker-Anglo National Bank, San Francisco, with Citizens National Bank, Los Angeles. (The banks merged effective November 1, 1963, under the title of Crocker-Citizens National Bank.)

The memorandum discussed (1) a request by Richard J. Archer, counsel for the defendant banks, to use in the aforementioned litigation data resulting from the 1964 survey of deposits of banks in California; (2) a related request by the Department of Justice for the same

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data if the Board made it available to Mr. Archer; and (3) removal of the condition imposed earlier by the Board on use by the Justice Department of county deposit data for the years 1954 and 1956 for individual banks in California.

The Legal Division recommended, for reasons indicated in its memorandum, that the data for member banks from the 1964 survey be made available to Mr. Archer and to the Department of Justice. Drafts of letters to Mr. Archer and to the Department reflecting approval of their requests, and stating a condition on use of the data, were attached to the memorandum.

As to the 1954 and 1956 deposit data given earlier to the Justice Department, the memorandum pointed out that the Department had advised of an anticipated demand by Mr. Archer for access to that data for use in preparing the defendant banks' case for trial. The Department anticipated that it might be required to use the same data in some form of counter-evidential presentation. In advance of this occurrence, the Justice Department requested authorization by the Board to give the 1954 and 1956 data to Mr. Archer with the understanding that access to it would be limited to counsel and certain expert witnesses and that the Board would be notified before more extensive use was made of the data. In this connection, the Department of Justice requested the Board to reconsider the condition imposed on the use in trial of the 1954 and 1956 data, which was that permission be obtained from the banks involved

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before using the data in any manner that would enable identification of individual bank deposits. The memorandum noted that while some time had passed since the 1954 and 1956 data were collected, such data were obtained on a confidential basis.

At the Board's request Mr. O'Connell commented on the matter, basing his remarks on the information presented in the April 16 memorandum.

In the discussion that followed, Messrs. O'Connell and Veenstra confirmed that the 1964 deposit data would reveal information as to branch deposits of a particular bank in a given area. Admittedly, this kind of information could be of interest to a competing bank. However, since 1960 the banks furnishing such data had been advised that the data would be considered public information with respect to merger, branch, and bank holding company applications. It seemed unlikely to Mr. O'Connell that any harm would result from the information being furnished to counsel for the defendants in this case.

Mr. Noyes suggested that the Board might want to consider taking a more liberal position on the use of such data generally. Since the statistics had been collected in recent years with notice to the banks that the data might become public information, he saw no particular reason why such information should not be made generally available if anybody requested it. The Board might not want to take the initiative in publishing individual bank county data, but he failed to see why such

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information should be held confidential. In the case of a unit bank, the deposit data were public knowledge, and the question was why equivalent branch data for a large bank should not be made available.

Mr. Veenstra said that in some States such data were published. However, in connection with the most recent collection of these data, some Federal Reserve Banks had reported increased sensitivity about supplying the information. Since the surveys involved voluntary reporting, it could be argued that care should be exercised about the disclosure of such data in order not to increase the difficulty in collecting the reports.

In further discussion, Mr. O'Connell brought out that the position proposed to be taken was that the pertinent member bank data from the 1964 survey would be made available subject only to the restriction on its use that had been suggested by counsel for the defendant banks. This condition had been volunteered, and it seemed that the Board could hardly be disadvantaged if it was given prior knowledge on the first occasion that such data were going to be introduced in evidence.

Governor Robertson said he felt that the Board was going as far as necessary, and Governor Daane agreed.

Mr. O'Connell then reverted to the question of the 1954 and 1956 data, and after discussion Chairman Martin said he understood it to be the Board's view that these data should be made available not only to the Justice Department but to the defendants, and on a basis whereby they could

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be used in trial without the prior consent of the banks involved, thus removing the condition previously placed on the use of these data when they were furnished to the Justice Department.

Mr. O'Connell indicated that a letter to the Justice Department would be prepared reflecting this position, and it was agreed that such a letter should be sent.

Mr. Sherman inquired whether he understood it to be the Board's position that any other request for county deposit data, even though such data might disclose deposits of branches of individual banks, could be granted without the necessity of bringing the matter to the Board for decision.

Governor Balderston suggested that it might be well first to bring the matter to the attention of the Reserve Bank Presidents in order to obtain their reaction, since the burden of collection of such data fell on the Reserve Banks. Governors Robertson and Daane expressed the view that at this time the Board should deal only with the Crocker case, and then feel its way along. Chairman Martin suggested that perhaps Mr. Sherman might want to prepare a memorandum on the question that could be transmitted to the Reserve Bank Presidents.

Mr. Leavitt raised the question of use of such data in reports on the competitive factors involved in proposed bank mergers, and the members of the Board indicated that they could see no objection to following such a practice, which would improve the accuracy of the reports.

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Governor Shepardson inquired as to the origin of the theory that branch deposits of individual banks should be kept confidential, and Governor Robertson described difficulties that had been experienced years ago in securing the cooperation of banks--particularly one large West Coast bank--in supplying this kind of information. It was his view that the bank supervisory authorities had been dilatory in bringing about a change and that the public was entitled to information on deposits of branches as well as individual banks.

Unanimous approval then was given to letters to the Department of Justice and to counsel for the defendant banks in substantially the form in which they had been submitted with the Legal Division's April 16 memorandum. Unanimous approval also was given to an additional letter to the Department of Justice, along the lines described by Mr. O'Connell during the preceding discussion, relating to the use of county deposit data for individual banks in California for the years 1954 and 1956. Copies of the respective letters, as sent, are attached as Items 4, 5, and 6.

Messrs. O'Connell, Shay, Egertson, and Veenstra then withdrew from the meeting.

Housing credit. Mr. Brill reported on a meeting that he attended yesterday of an interagency committee concerned with housing credit. The meeting was called principally for the purpose of bringing together leading Government housing experts pursuant to a request from the Administration

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to review the situation in light of the recent sluggishness in housing activity and reports of deterioration in the quality of mortgage credit.

It seemed to be generally concluded, Mr. Brill said, that while there were certain local areas where the housing problem was still serious from the financial standpoint, the situation was not critical in the national sense. However, concern was expressed about apparent overbuilding in some areas, particularly in the western and southwestern sections of the country. But it was felt that there was little that could be done in the way of regulating overbuilding. Nor was it believed that much could be done about stimulating housing activity, if that was necessary, because credit terms were lenient and credit was freely available.

Discussion at the meeting also touched upon certain actions contemplated by the Federal Home Loan Bank Board to limit, by formula, advances to savings and loan associations for the purpose of carrying mortgage portfolios. The view was expressed, Mr. Brill said, that imposition of a stricter limitation than at present upon such advances might give the impression that the Administration was tightening credit, although such action might not actually affect mortgage credit availability to any significant extent. It was suggested that it would be more effective if the credit review procedures of the Home Loan Banks were tightened up and applied uniformly from Bank to Bank.

Mr. Brill concluded his comments by noting that it was expected that the interagency committee would meet more frequently in the future to discuss the housing credit situation.

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Report by Mr. Katz. Mr. Katz, who had recently returned from a technical meeting at the Bank for International Settlements and a subsequent visit to the Bank of England, reported on his observations concerning the Euro-dollar market, the repercussions of the voluntary foreign credit restraint program instituted in the United States, interest rates, and the British budget and balance of payments situation.

Hearings on H. R. 7539. Mr. Cardon reported that the House Banking and Currency Committee intended to hold hearings beginning April 26, 1965, on H. R. 7539, a bill that would have the effect of permitting banks to underwrite and deal in revenue bonds.

It was understood that Vice Chairman Balderston would represent the Board at the hearings and that he would present testimony reflecting the position heretofore expressed by the Board on such legislation.

All of the members of the staff except Messrs. Sherman, Kenyon, and Sprecher then withdrew from the meeting.

Salaries of officers at San Francisco Bank (Item No. 7). By letter dated April 2, 1965, which had been circulated to the Board, the Federal Reserve Bank of San Francisco requested approval for the payment of salaries to Vice Presidents Donald M. Davenport and Paul W. Cavan at annual rates of \$17,000 and \$18,500, respectively, for the period July 1 through December 31, 1965. Mr. Davenport, currently assigned to the Los Angeles Branch, was to be transferred to the head office with responsibility for administration of the personnel function. Mr. Cavan was to

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be transferred from the head office to the Los Angeles Branch as second ranking officer and as potential successor to the Vice President in charge of the Branch, who was scheduled to retire in August 1966. In a circulated memorandum dated April 8, 1965, the Division of Personnel Administration recommended approval of the proposed salaries.

After discussion of the reasons understood to be involved in the changes of assignments of the two officers and the appropriateness of such changes, unanimous approval was given to the payment of salaries at the rates fixed by the Board of Directors. A copy of the letter sent to the San Francisco Reserve Bank reflecting this action is attached as Item No. 7.

Foreign travel (Item No. 8). After consideration of the information contained in a memorandum dated April 19, 1965, from Mr. Young, Adviser to the Board and Director, Division of International Finance (copy attached as Item No. 8), the Board authorized the foreign travel by Mr. Young and by Messrs. Maroni (Senior Economist) and Nettles (Economist) of the Division of International Finance for which approval was requested in the memorandum.

In connection with the proposed travel by Mr. Maroni to Chile, it was noted that the Board had previously written to the Central Bank of Chile suggesting that two members of the Board's staff participate in the technical assistance mission requested by the Bank in connection with its study of consumer credit controls. While no names were mentioned in

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the earlier letter, to which a reply had not yet been received, the Board had had in mind that the other staff participant in the mission would be Mr. Fauver, Assistant to the Board. In the circumstances, it was understood at this meeting that Mr. Maroni's services would be offered to the Central Bank of Chile without request for reimbursement of either salary or travel expenses.

In this connection, there was a brief discussion of the practice that might most appropriately be followed in handling expenses of technical assistance missions involving Board personnel. It was noted that the matter was under study by the staff pursuant to the Board's request at the meeting on March 22, 1965.

The meeting then adjourned.

Secretary's Notes: Governor Shepardson today approved on behalf of the Board memoranda recommending the following actions relating to the Board's staff:

Appointments

Corwin D. Vencill as Summer Research Assistant, Division of Research and Statistics, with basic annual salary at the rate of \$6,050, effective the date of entrance upon duty.

Wallace H. Wilson as Summer Research Assistant, Division of Research and Statistics, with basic annual salary at the rate of \$6,050, effective the date of entrance upon duty.

Alice Geris as Charwoman, Division of Administrative Services, with basic annual salary at the rate of \$3,385, effective May 3, 1965.

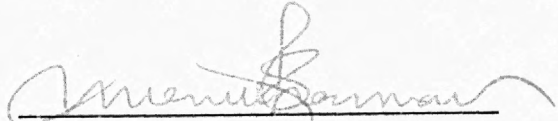
Transfer

Catherine M. Cole, from the position of Secretary in the Division of Research and Statistics to the position of Secretary in the Legal Division, with no change in basic annual salary at the rate of \$5,000, effective upon assuming her new duties.

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Governor Shepardson today noted on behalf of the Board a memorandum from the Division of International Finance advising that Wendell E. Thorne, Assistant to the Director of that Division, had made application for retirement, effective May 1, 1965.



Amelita Borman
Secretary

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

Item No. 1
4/20/65



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 20, 1965.

Board of Directors,
Chemical Bank New York Trust Company,
New York, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System approves the establishment by Chemical Bank New York Trust Company, New York, New York, of a branch in the Baldwin Place Shopping Center at the intersection of Routes 6 and 118, Baldwin Place (unincorporated area), Town of Somers, Westchester County, New York, provided the branch is established within one year from the date of this letter.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

(The letter to the Reserve Bank stated that the Board also had approved a six-month extension of the period allowed to establish the branch; and that if an extension should be requested, the procedure prescribed in the Board's letter of November 9, 1962 (S-1846), should be followed.)

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

Item No. 2
4/20/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 20, 1965.

Board of Directors,
Marine Midland Trust Company
of Central New York,
Syracuse, New York.

Gentlemen:

The Board of Governors of the Federal Reserve System extends to April 5, 1966, the time within which Marine Midland Trust Company of Central New York may establish an in-town branch at 700-730 Erie Boulevard, East, Syracuse, Onondaga County, New York.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

Item No. 3
4/20/65



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 20, 1965.

Board of Directors,
The Maries County Bank,
Vienna, Missouri.

Gentlemen:

The Board of Governors of the Federal Reserve System has received a copy of a letter signed by the president and the secretary of The Maries County Bank, regarding the declaration and payment of a dividend by the bank on January 11, 1965. The declaration of this dividend was in contravention of the provisions of paragraph 6, Section 9 of the Federal Reserve Act and Section 5199(b), United States Revised Statutes, as you were previously informed by the Federal Reserve Bank of St. Louis.

Under the statutes, the Board's approval is required prior to the declaration of the dividend. Prior approval cannot be given in this case since the dividend has already been paid. However, the Board, after consideration of the facts, interposes no objection to the declaration of the dividend. This letter does not authorize any future declaration of dividends.

Very truly yours,

(Signed) Karl E. Bakke

Karl E. Bakke,
Assistant Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 4
4/20/65

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 21, 1965.



Mr. Robert L. Wright,
First Assistant,
Antitrust Division,
Department of Justice,
Washington, D. C. 20530

Dear Mr. Wright:

This refers to your letter of April 6, 1965, wherein you advise of receipt of a copy of a letter, dated March 23, 1965, addressed to the Board by Mr. Robert J. Archer, counsel for the defendant banks in the pending case of United States v. Crocker-Anglo National Bank et al. (N.D. Cal., Civil No. 41808), in which Mr. Archer requests certain data from the 1964 survey of deposits of banks in California. We have noted that the Department does not object to the Board's furnishing the requested data to Mr. Archer, but that the Department does not wish to be placed in the position of being a participant "in some sort of joint project or request for the material in question". We note, however, that should the Board provide Mr. Archer with the data requested, the Department also wishes to be furnished with copies.

Enclosed is a copy of a letter that the Board has this date transmitted to Mr. Archer advising of the Board's willingness to furnish the 1964 survey-of-deposits data relating to national and State member banks in California, on the terms and with the understanding set forth in Mr. Archer's letter, and further agreeing, upon receipt of appropriate authorization by the Federal Deposit Insurance Corporation, to include in such preparation, under the said terms and understanding, data relating to nonmember banks. Pursuant to your request, the Board will make available to you the same data tabulations that will be furnished to Mr. Archer.

In view of the Department's stated position that the data in question are irrelevant to the above litigation, inasmuch as the Department disassociated itself from Mr. Archer's request for this

Mr. Robert L. Wright

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material, it will be assumed that the Department has no present intention of using the 1964 deposit data in the trial of the above action and that any change in this position would be made known to the Board.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 5
4/20/65



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 21, 1965.

Richard J. Archer, Esq.,
Morrison, Foerster, Holloway,
Clinton & Clark,
Crocker Building,
San Francisco, California. 94104

Dear Mr. Archer:

This acknowledges your letter of March 23, 1965, in which, referring to the pending case of United States v. Crocker-Anglo National Bank et al. (N. D. Cal., Civil No. 41808), you request that there be made available for use in that action data resulting from the 1964 survey of deposits of banks in California. You state that you wish the data made available in such form as to identify individual bank deposits in the various counties in California. In making this request, you have expressed the view that the information sought would be helpful to both plaintiff and defendants in the above action, and you have given assurances that both sides would agree that the information would be made available only to counsel and to expert witnesses for each side, and that the Board would be notified before any of the information is actually used in the court proceeding.

The Board has received from the Department of Justice a letter of April 6, 1965, a copy of which it is noted was sent to you, in which the Department states that while it has no objection to the Board's furnishing to you the data requested, it regards the data as irrelevant to the litigation. For this reason, the Department expressly declines to be placed in the position of being a participant "in some sort of joint project or request for the material in question". In view of the foregoing position taken by the Department, the Board considers the request herein as being made solely on behalf of the defendant banks in the above litigation.

As you may be aware, incident to the 1964 survey of deposits by counties the Board originated only the deposit data relating to national banks and State member banks. The Board will make these data available to you on the terms and with the understanding set forth in your letter regarding the persons who will have access to the data,

Richard J. Archer, Esq.

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and the notification that will be given to the Board prior to use of the data in the court proceeding. Since the Board did not originate the county deposit data for nonmember State banks, the Board could not appropriately authorize disclosure of data for those banks. However, you may wish to request disclosure authorization from the Federal Deposit Insurance Corporation.

Machine listings are now being prepared of the member bank data that the Board has agreed to make available. Upon receipt of written advice that the Federal Deposit Insurance Corporation is agreeable to making available nonmember bank data, the same can be included in the material being prepared. Upon completion, these tabulations will be forwarded to you. Pursuant to the request of the Department of Justice in its letter of April 6, the tabulations will also be made available to the Department. A copy of the Board's letter to the Department containing this advice is enclosed for your information.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

Enclosure

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Item No. 6
4/20/65



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 21, 1965.

Mr. Robert L. Wright,
First Assistant,
Antitrust Division,
Department of Justice,
Washington, D. C. 20530

Re: United States v. Crocker-Anglo National Bank
et al. (N.D. Cal., Civil No. 41808)

Dear Mr. Wright:

Reference is made to previous correspondence exchanged relating to your use in connection with the above case of county deposit data for individual banks in California for the years 1954 and 1956. Specifically, conditions attending the Board's action in making these data available to the Department, and in the Department's acceptance of the data, were contained in letters, among others, of August 30 and November 1, 1963, from the Board to the Department, and of October 3, 1963, from the Department to the Board. The essence of the understanding reached as to the Department's use of the 1954 and 1956 data was that, to the fullest extent possible, it would be used in such a way as to avoid disclosure of data for identified banks, but that if such disclosure were considered necessary in connection with the pending judicial proceeding, prior consent would be obtained by the Department from any bank whose data would be disclosed.

It is understood that Mr. Herbert G. Schoepke of your staff has informally discussed with Mr. Thomas J. O'Connell of the Board's staff the apparent likelihood that counsel for the defendant banks in the above case will demand from the Department access to the 1954 and 1956 county deposit data in the Department's possession. In such an event, Mr. Schoepke inquires whether the Board would authorize the Department's making these data available to counsel for the banks and whether, if it becomes necessary, the Department might itself make use of these data without being required to comply with the condition previously imposed that prior consent of the banks involved be obtained.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Mr. Robert L. Wright

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The Board has concluded that, particularly in view of the time that has elapsed since the collection of the 1954 and 1956 deposit data, no substantial adverse economic effect would result from disclosure of individual bank data. Accordingly, the Board has no objection to the Department's making the 1954 and 1956 data available to counsel for the banks if request therefor is made, and it has no objection to your use of these data in trial without the prior consent of the banks involved.

Very truly yours,

(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

Item No. 7
4/20/65



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

April 20, 1965.

CONFIDENTIAL (FR)

Mr. Eliot J. Swan, President,
Federal Reserve Bank of San Francisco,
San Francisco, California 94120.

Dear Mr. Swan:

The Board of Governors approves the payment of salaries to the following officers of the Federal Reserve Bank of San Francisco for the period July 1 through December 31, 1965, at the rates indicated:

<u>Name</u>	<u>Title</u>	<u>Annual Salary</u>
<u>Head Office</u>		
Donald M. Davenport	Vice President	\$17,000
<u>Los Angeles Branch</u>		
Paul W. Cavan	Vice President	\$18,500

The rates approved by the Board are those fixed by your Board of Directors as reported in your letter of April 2, 1965.

Very truly yours,
(Signed) Merritt Sherman

Merritt Sherman,
Secretary.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Item No. 8
4/20/65

1329

Office Correspondence

Date April 19, 1965.

To Board of Governors

Subject: Staff Participation in the
Punta del Este Conference and
Connected Travel.

From Ralph A. Young

The annual conference of central bank governors will be held at Punta del Este, Uruguay during the period May 2-5, 1965. Chairman Martin and Governor Mitchell will attend this conference. They would like to have three members of the staff, Mr. Ralph A. Young, Yves Maroni and James K. Nettles, accompany them. The group will leave Washington, April 27, 1965, and will stopover in Rio de Janeiro en route. Mr. Young will return home with Chairman Martin immediately after the conference.

Governor Mitchell plans to visit the central banks of Argentina, Chile and Peru after the conference. He has requested that Mr. Nettles accompany him on this portion of his trip. They will return to Washington May 16, 1965.

The Board has previously approved travel to Santiago, Chile by Mr. Maroni together with Mr. Fauver to advise the Central Bank of Chile on consumer credit controls. We anticipate that this mission can be timed to follow the Punta del Este conference. If this should prove to be the case, the Board is requested to approve travel by Mr. Maroni to Santiago, Chile at the conclusion of the conference. It is anticipated that he could complete his portion of the mission there in two weeks, returning to Washington on May 21, 1965.

Board approval of the above travel is requested.

Ray