

MINUTES OF MEETING OF THE FEDERAL ADVISORY COUNCIL

September 16, 1926.

The third meeting of the Federal Advisory Council for the year 1926 began informally in the Vice-Presidential Suite of the Mayflower Hotel, Washington, D. C., on Thursday, September 16.

The President, Mr. Wetmore, called the meeting to order at 9:45 A. M.

Present:

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| Mr. Gates McGarrah (Alternate for Mr. James S. Alexander) | District No. 2 |
| Mr. L. L. Rue | District No. 3 |
| Mr. G. A. Coulton | District No. 4 |
| Mr. P. D. Houston | District No. 6 |
| Mr. F. O. Wetmore | District No. 7 |
| Mr. Breckinridge Jones | District No. 8 |
| Mr. Theodore Wold | District No. 9 |
| Mr. P. W. Goebel | District No. 10 |
| Mr. B. A. McKinney | District No. 11 |
| Mr. H. S. McKee | District No. 12 |
| Mr. Walter Lichtenstein | Secretary |

Absent:

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| Mr. Charles A. Morss | District No. 1 |
| Mr. John F. Bruton | District No. 5 |

The Secretary stated that Messrs. Morss and Bruton would arrive later in the day as it had not been expected that the Council would hold a meeting before Friday morning.

Mr. James S. Alexander, who sailed for Europe on September 15, sent to the Secretary a letter regretting his inability to be present.

The Council remained in session until 2:30 P. M. at which time the meeting was adjourned in order to reconvene in the Federal Reserve Board room at 3:15 P. M.

WALTER LICHTENSTEIN,
Secretary.

MINUTES OF JOINT CONFERENCE OF THE FEDERAL ADVISORY
COUNCIL AND THE FEDERAL RESERVE BOARD

September 16, 1926.

At 3:15 P. M. an informal joint conference of the Federal Advisory Council and the Federal Reserve Board was held in the Federal Reserve Board room.

Present: Members of the Federal Reserve Board:

Governor D. R. Crissinger; Hon. J. W. McIntosh, Comptroller of the Currency; Messrs. C. S. Hamlin, A. C. Miller, E. H. Cunningham; also Mr. Walter Wyatt, General Counsel for the Board, and Messrs. J. C. Noell and E. M. McClelland, Assistant Secretaries.

Present: Members of the Federal Advisory Council:

Mr. F. O. Wetmore, President; Messrs. Gates McGarragh, L. L. Rue, G. A. Coulton, P. D. Houston, Breckinridge Jones, P. W. Goebel, B. A. McKinney, H. S. McKee, and Walter Lichtenstein, Secretary.

The President of the Council, Mr. Wetmore, called the meeting to order and an informal discussion took place largely in relation to the McFadden bill and its possible effects upon the Federal Reserve System, and the problem of the interpretation of the eligibility rules for paper presented for rediscount.

Mr. Wyatt, General Counsel for the Federal Reserve Board, made a statement about the eligibility rules and the difficulties involved in making allowances for exceptional cases.

It was agreed to meet with the Federal Reserve Board at 10:30 A. M. on the following day, Friday, September 17.

Meeting adjourned at 3:30 P. M.

WALTER LICHTENSTEIN,
Secretary.

MINUTES OF MEETING OF THE FEDERAL ADVISORY COUNCIL

September 16, 1926.

At 7 P. M. the Federal Advisory Council reconvened in the dining room of the Vice-Presidential Suite of the Mayflower Hotel, the President, Mr. Wetmore, in the Chair.

Present: Mr. F. O. Wetmore, President; Mr. C. A. Morss, Vice-President; Messrs. Gates McGarrah, L. L. Rue, G. A. Coulton, J. F. Bruton, P. D. Houston, Breckinridge Jones, Theodore Wold, P. W. Goebel, B. A. McKinney, H. S. McKee, and Walter Lichtenstein, Secretary.

A discussion of the various topics on the program was continued.

At 9 P. M. the Council adjourned.

WALTER LICHTENSTEIN,
Secretary.

MINUTES OF MEETING OF THE FEDERAL ADVISORY COUNCIL

September 17, 1926.

At 9 A. M. the Federal Advisory Council reconvened in the sitting room of the Vice-Presidential Suite of the Mayflower Hotel, the President, Mr. Wetmore, in the Chair.

Present: Mr. F. O. Wetmore, President; Mr. C. A. Morss, Vice-President; Messrs. Gates McGarrah, L. L. Rue, G. A. Coulton, J. F. Bruton, P. D. Houston, Breckinridge Jones, Theodore Wold, P. W. Goebel, B. A. McKinney, H. S. McKee, and Walter Lichtenstein, Secretary.

Mr. Wetmore made a statement about the discussion on September 16 concerning the McFadden bill, and also about the discussion in regard to the rules of eligibility of notes presented for rediscount at Federal Reserve banks.

The Secretary read a statement prepared by Mr. C. S. Hamlin regarding the question of agencies in Cuba, and also a statement relating to the recent rediscount policy of the Federal Reserve Board.

The topics (Nos. 1-4, inclusive, attached hereto and made a part of these minutes) were discussed, and recommendations formulated which, on motion duly seconded, were unanimously approved for presentation to the Federal Reserve Board.

At 10 A. M. the Council adjourned to meet with the Federal Reserve Board.

WALTER LICHTENSTEIN,
Secretary.

MINUTES OF JOINT CONFERENCE OF THE FEDERAL ADVISORY
COUNCIL AND THE FEDERAL RESERVE BOARD

September 17, 1926.

At 10:30 A. M. a joint conference of the Federal Advisory Council and the Federal Reserve Board was held in the Federal Reserve Board room.

Present: Members of the Federal Reserve Board:

Governor D. R. Crissinger, Vice-Governor Edmund Platt; Messrs. C. S. Hamlin, A. C. Miller, E. H. Cunningham; also Messrs. J. C. Noell and E. M. McClelland, Assistant Secretaries, and Mr. E. A. Goldenweiser, Acting Director of the Division of Research and Statistics, Federal Reserve Board.

Present: Members of the Federal Advisory Council:

Mr. F. O. Wetmore, President; Mr. C. A. Morss, Vice-President; Messrs. Gates McGarrah, L. L. Rue, G. A. Coulton, J. F. Bruton, P. D. Houston, Breckinridge Jones, Theodore Wold, P. W. Goebel, B. A. McKinney, H. S. McKee, and Walter Lichtenstein, Secretary.

The President of the Council, Mr. Wetmore, called the meeting to order.

Mr. A. C. Miller gave an account of the impressions which he gained from a recent trip to western Europe.

The President of the Council presented to the Board the recommendations of the Council which had been prepared (Recommendations Nos. 1-4, attached hereto and made a part of these minutes).

Mr. Goldenweiser explained various charts showing the fluctuations in the amount of money lent by member banks on call to New York brokers.

Meeting adjourned at 1 P. M.

WALTER LICHTENSTEIN,
Secretary.