

**FEDERAL RESERVE BANK  
OF NEW YORK**

{ Circular No. 3750 }  
August 30, 1951 }

**FIRST DEFENSE BOND DRIVE**

*To the Chief Executive Officers of Banks  
in the Second Federal Reserve District:*

The First Defense Bond Drive opens Labor Day, September 3, and will continue through October 27.

A principal purpose of the Drive is to moderate inflationary pressures in the economy, by encouraging people to save more and spend less. There is no need to persuade bankers of the importance of this purpose. A successful Drive will also achieve the desirable ends of encouraging thrift on the part of every individual, maintaining and increasing the wide ownership of the public debt, and enabling the Treasury to meet its needs without inflationary financing through the banks.

In the last decade, the bankers of America sold billions of dollars worth of Savings Bonds to the American people. Through these bond sales, banks rendered a great public service and won for themselves many new customers and friends. They also accumulated a vast store of skill and experience in selling — not only bonds, but thrift.

Now the banking community can once again make a substantial contribution to the national welfare by using its valuable knowledge and opportunities to assure the success of the First Defense Bond Drive. Some of the ways in which banks helped to sell bonds in the past include:

1. Identifying themselves as issuing agents in their advertisements and in their banking offices;
2. Urging employees to join the payroll savings plan;
3. Urging customers to use the bond-a-month purchase plan for automatic saving; and
4. Using Savings Bond copy in their advertising.

I know that all banks and bankers will want to take the fullest advantage of this new opportunity to serve.

**ALLAN SPROUL,**  
*President.*