

MEMORANDUM FOR CONSIDERATION.

It seems highly desirable that we should take advantage at this time, and perhaps make a virtue of our country's necessities in a careful study looking to a possible readjustment of our currency and coinage, the relations of our Treasury and subtreasuries to the issuance and redemption of various kinds of currency and coinage. The very large demands which the requirements of the war are making upon our currency and banking system, make this study both opportune and desirable, and there is reason to believe that there are opportunities for vastly increasing the efficiency of our methods, to the great advantage of the Treasury and the nation.

It is suggested that this study should embrace the following:

First. A consideration of various forms of currency which should be maintained;

Second. A consideration of the denominations of this currency;

Third. A consideration of the various forms of coinage to be maintained;

Fourth. The denominations of that coinage;

Fifth. A study of the methods and facilities for the redemption of currency and coinage;

Sixth. How far can the subtreasury system and the Federal reserve banks effectively cooperate in facilitating the above operations and at the same time coordinate these operations with meeting the needs of the Treasury in selling and distributing bonds, savings certificates, and the like, or in accumulating gold?

Seventh. To what extent and how may the Federal Government take advantage of the now existing high price of silver to revise its silver coinage and currency or sell some of its silver for gold?

Eighth. How far can Federal reserve notes be substituted for other circulation (e. g. gold or silver)?

Ninth. What legislation, if any, would be necessary to carry out the more desirable provisions?

Washington, Sept. 13, 1917.