

## FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO  
THE FEDERAL RESERVE BOARD

X-8033

October 2, 1934.

Dear Sir:

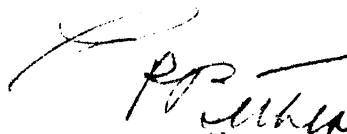
It has appeared in a few instances from correspondence and conversations that the Board's position on the matter of public addresses by responsible officers of Federal reserve banks has been misunderstood. The Board has imposed no general prohibition upon the making of speeches or addresses or talks by such officials. As was indicated to the Governors at their recent meeting in Washington, there have been two or three cases of members of the staffs of the Federal reserve banks who have indulged in publicity on controversial aspects of banking which involve the possibility of embarrassment to the system, but such cases have been taken up individually and directly with the Federal reserve banks concerned and the action thereon has not justified any misunderstanding of the Board's position on the general subject. There is attached for ready reference a copy of the Board's letter of April 18, 1932, on the subject "Addresses on Banking and Credit", from which it will be noted that, while the Board desired to be advised currently with regard to addresses on banking and credit made by persons connected with the Federal reserve system and that it be furnished with copies of all addresses on these subjects delivered

by officers and employees of the Federal reserve banks, it was expressly stated that copies of such addresses need not be furnished to the Board in advance of their delivery although they should be sent to the Board promptly. This request was made so that the Board might be informed of what is being said and written and also be in position to assist in correcting misunderstandings that might result in serious consequences. This is the latest circular issued by the Board on this subject and therefore it should be clear that the Board has not required that addresses be approved in advance. While the Board desires to be informed fully as to the nature of talks or speeches which relate to matters in which the Federal reserve system is interested, it has not been the intention of the Board to undertake to edit the manuscripts in advance and the Board has advised officers of the Federal reserve banks that, when the nature of the occasion and the conditions under which a talk is made are such that it is not practical to prepare a manuscript in advance, it will meet the Board's desires if a resume of the remarks be sent as promptly as possible.

The Board not only sees no objection to addresses or talks by Chairmen, Governors and other responsible officers of the Federal reserve banks when it is felt by the banks that they would be beneficial to the Federal reserve system but is of opinion that there are times and circumstances when it is desirable that there be activity of this character, especially when the subject of discussion is in the nature of an exposition and not a controversial one. Such a situation exists at this time with respect to the industrial loan activities of the Federal reserve banks, in connection with which it is the desire

of the Board that every effort possible be made to carry out the purpose of the industrial loan act, and discussions of this subject should afford an opportunity to promote better understanding of the functions and services of the Federal reserve system and to enlist the cooperation of bankers generally in matters of common interest.

Very truly yours,



L. P. Bethea,  
Assistant Secretary.

Inclosure.

TO THE CHAIRMEN OF ALL FEDERAL RESERVE BANKS.

X-7135

April 18, 1932.

SUBJECT: Addresses on Banking and Credit.

Dear Sir:

In order that the Federal Reserve Board may be advised currently with regard to addresses on banking and credit made by persons connected with the Federal Reserve System, it will be appreciated if you will furnish the Board with copies of all addresses on these subjects delivered by officers and employees of your bank.

Copies of such addresses need not be furnished the Board in advance of their delivery but it will be appreciated if they are sent to the Board promptly.

Very truly yours,

Chester Morrill,  
Secretary.

TO CHAIRMEN OF ALL F. R. BANKS.