

R-618

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

STATEMENT FOR THE PRESS

For release in morning newspapers of
Wednesday, February 21, 1940

February 20, 1940

The Federal Advisory Council of the Federal Reserve System held its annual organization meeting in Washington on February 18-20, and elected Edward E. Brown, President of the First National Bank of Chicago, as President of the Council, and re-elected Howard A. Loeb, Chairman of the Tradesmen's National Bank & Trust Company of Philadelphia, as Vice President. Walter Lichtenstein was reappointed Secretary.

In the course of its meetings the Council discussed business conditions, pending legislation affecting banking, and monetary policies, including gold and silver questions. On the subject of silver, the Council adopted the following recommendation:

"The Federal Advisory Council has noted that the Senate Committee on Banking and Currency is considering at this time S. 785 which would discontinue the purchase of foreign silver by the Secretary of the Treasury. The Council is unanimously of the opinion that these purchases of foreign silver should be discontinued forthwith, particularly in view of the fact that silver purchases increase the already excessively large bank reserves."

The Council requested that the Board of Governors, with whom it met on Monday and again today, transmit a copy of the foregoing resolution to the Senate Committee on Banking and Currency.

- 2 -

The Council is composed of the following members:

Federal Reserve

- District No. 1. Thomas M. Steele, of New Haven, Connecticut.
- No. 2. Leon Fraser, of New York, New York.
- No. 3. Howard A. Loeb, of Philadelphia, Pennsylvania.
- No. 4. B. G. Huntington, of Columbus, Ohio.
- No. 5. Robert M. Hanes, of Winston-Salem, North Carolina.
- No. 6. Ryburn G. Clay, of Atlanta, Georgia.
- No. 7. Edward E. Brown, of Chicago, Illinois.
- No. 8. S. E. Ragland, of Memphis, Tennessee.
- No. 9. John Crosby, of Minneapolis, Minnesota.
- No. 10. John Evans, of Denver, Colorado.
- No. 11. R. E. Harding, of Fort Worth, Texas.
- No. 12. Paul S. Dick, of Portland, Oregon.