

A meeting of the executive committee of the Federal Open Market Committee was held in the offices of the Board of Governors of the Federal Reserve System in Washington on Tuesday, March 2, 1943, at 9:40 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Sproul, Vice Chairman
Mr. Szymczak
Mr. Alfred H. Williams
Mr. McKee (alternate for Mr. Draper)

Mr. Morrill, Secretary
Mr. Carpenter, Assistant Secretary
Mr. Goldenweiser, Economist
Mr. John H. Williams, Associate Economist
Mr. Wyatt, General Counsel
Mr. Dreibelbis, Assistant General Counsel
Mr. Rouse, Manager of the System Open Market Account
Mr. Clayton, Assistant to the Chairman of the Board of Governors
Mr. Thomas, Assistant Director of the Division of Research and Statistics of the Board of Governors
Mr. Piser, Chief, Government Securities Section, Division of Research and Statistics of the Board of Governors
Mr. Berntson, Clerk in the Office of the Secretary of the Board of Governors

Messrs. Ransom, Evans, Paddock, Fleming, and McLarin, members of the Federal Open Market Committee

Messrs. Leach, Young, and Peyton, alternate members of the Federal Open Market Committee

Messrs. Leedy and Gilbert, Presidents of the Federal Reserve Banks of Kansas City and Dallas, respectively

Messrs. Bryan and Clerk, First Vice Presidents of the Federal Reserve Banks of Atlanta and San Francisco, respectively

Messrs. Sienkiewicz, MacKenzie, and Upgren, Vice Presidents of the Federal Reserve Banks

3/2/43

-2-

of Philadelphia, Cleveland, and Minneapolis, respectively

Mr. Edmiston, Assistant Vice President of the Federal Reserve Bank of St. Louis

Mr. Rice, Manager of the Research and Statistical Department at the Federal Reserve Bank of Dallas

Upon motion duly made and seconded, and by unanimous vote, the minutes of the meeting of the executive committee of the Federal Open Market Committee held on January 25-26, 1943, were approved.

Upon motion duly made and seconded, and by unanimous vote, the action taken by the members of the executive committee on February 3, 1943, in increasing to \$750,000,000 the limitation on the authority of the New York Bank to increase or decrease the amount of securities held in the System account was approved, ratified, and confirmed.

Upon motion duly made and seconded, and by unanimous vote, the transactions in the System account during the period January 25 to March 1, 1943, inclusive, as reported daily by the Federal Reserve Bank of New York to the members of the executive committee, were approved, ratified, and confirmed.

Chairman Eccles stated that the executive committee had not had an opportunity to do anything with respect to the understanding reached at the last meeting of the Federal Open Market Committee that the executive committee would undertake to arrange with the Treasury for full replacement, in the discretion of the executive committee, of maturing securities held in the System account, but that, in view of the increasing volume of bills being taken by the System, the problem was becoming more pressing and for that reason a procedure for direct replacement

3/2/43

-3-

should be worked out. Mr. McKee suggested that in the meeting of the full Committee which was to follow this meeting consideration be given to renewing the understanding that the executive committee would confer with the Treasury for the purpose of working out such an arrangement.

Thereupon the meeting adjourned.

Robert Morrie
Secretary.

Approved:

W. B. ...
Chairman.