

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE

TO Mr. Luxford

4/7/45

FROM Mr. Brenner

Mr. Cherry of the Federal Reserve Board called me this morning to inquire about the plans for the resumption of the Bretton Woods hearings. He said he had spoken to some one in Spence's office and had been told that the hearings would begin as soon as possible after April 10, as Spence is anxious to complete them. Mr. Cherry asked that we keep him informed of the plans respecting the resumption of the hearings.

RB

March 28, 1945.

Secretary Morgenthau

Mr. Luxford

You inquired about the Board of Governors coming out for an advisory committee in their Bretton Woods report.

Governor Szymczak has been checking with me frequently regarding the timing of the Federal Reserve report. Although we have discussed this on and off over the last two or three weeks, he never mentioned to me that they were incorporating the recommendation for an advisory committee (although, of course, we always knew that they had not given up this idea and that Eccles would probably include it in his oral testimony when he testified).

In any event, Elliott Thurston, Assistant to Eccles, called me Tuesday morning and said that they were about ready to release their report. Yesterday morning when I went to the Hill, Congressman Spence called me aside and showed me the Board's report and inquired whether it was okay with us if he inserted it in the Record. I told him that I did not know its contents, and knowing only that it was favorable, I would appreciate it if he would give us until noon to check it. He called my attention to the Board's recommendation for an advisory council and said that in his opinion the proposal would not harm us. I called Mr. White's office at once and advised them of the Board's action recommending an advisory committee and requested that he advise me before noon as to whether he wanted to do anything about it. Later in the morning he called me and both of us agreed that there was nothing we could do about the Board's recommendation and that we would not object to the report being introduced by Spence and I advised Spence accordingly.

I don't think that the Board's recommendation for an advisory council at this time is prejudicial. There is a strong sentiment for a council of this character and Jesse Wolcott has told me several times this might be one of the points on which we could compromise Republican pressure.

(Initialed) A.F.L.