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THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

February 7, 1969

MEMORANDUM FOR KEN COLE

This is to comment on some of the memoranda in regard to proposed programs.

1. Legislation on Bank Holding Companies. We have sent evaluation of this to the Under Secretary of the Treasury.
2. Debt Ceiling. We strongly concur in the importance of going immediately for the full needed relief on the debt ceiling.
3. Federal Lending and Guarantee Programs. A Subcommittee of the Committee on Economic Policy has just been appointed to carry on this matter. The Committee consists of the Secretary of the Treasury, the Chairman of the Federal Reserve, the Director of the Bureau of the Budget, and the Chairman of the Council of Economic Advisers.
4. The "back office" problem of brokerage firms. The Council has had a long conference with the Chairman of the Securities and Exchange Commission and has also discussed this briefly with representatives from the Federal Reserve System. It is our judgment that there is a substantive problem here. We are preparing a basic statement on this problem, and I recommend that we then have a discussion of the matter at a meeting of the Cabinet Committee on Economic Policy.

*Back office problem*  
 Paul W. McCracken  
*See 7-16 to 1-20-69*  
*see to 1-20-69*