

MEMORANDUM

11.30.38

TO: Mr. Purcell

FROM: Mr. Louchheim

SUBJECT: Report on Foreign Dealings in American Securities by Lunsford P. Yandell,
Dated November 22, 1938

The latest draft of this report has omitted the section containing concluding observations which occupied several pages of the previous draft. In place of these observations is the following in this draft:

“This report has presented facts and impressions bearing on foreign dealings in American securities, as was requested. Although conclusions and recommendations may be reached from it, they do not fall within its assigned province.”

As a result of the omission of these concluding observations, the conclusive material contained in the report is not actually collected in any one place. However, there are found throughout the report the same apparently unsupported conclusions, remarks and criticisms relating to American securities markets, as well as implications of the effect of federal regulation thereof which were found in the preceding draft. In a few instances a word or a phrase has been amended, but substantially these portions are intact. The portions referred to will be found underlined on pages 60 through 65, 71 and 72, 83 and 84. I have underlined these portions as you may care to consider whether they contain material which is conclusive by nature rather than statements of fact.