

CABINET MEETING, FRIDAY, AUGUST 13, 1948



Maurice Tobin  
First meeting as  
Secty of Labor

THE PRESIDENT

Asked if anything new on Russian front.

MARSHALL

Is investigating Russian Consulate in New York to get facts on the detention of Russian Nationals in New York City. 2 are being protected by New York police.

Too early to report on negotiations in Moscow.

SNYDER

Explained change in discount rate from 1 1/4 to 1 1/2 announced yesterday. It is designed for psychological effect on tightening credit loans and will aid in controlling inflation.

The Federal Reserve Bank - the open market - and the Treasury have worked together over a period of weeks to accomplish the program. It looks like it is working but is only a drop in the bucket in the fight against inflationary pressures.

ATTY GENL

Discussed spy hearings on Hill. Grand Jury members in New York are being harassed by newspapers for statements.

BRANNAN

15 million bale cotton crop is estimated this year (this is an underestimate). We will also have the largest corn, rice, soybean and peanut crops. Wheat and oats will not be record breakers but will be very large.

This is caused by various factors - improved varieties of seeds,

improved insecticides (DDT), improved fertilizer.

There will be no effect in supply of pork or beef for the rest of this year. Meat will continue to be short.

END 10:55