

HARRISON REPORTS CONDITIONS ABROAD

Governor of Federal Reserve Bank Meets Directors After Trip to Europe.

J. P. MORGAN MAKES CALL

Owen D. Young Joins Harrison in Telling of Conversations With Foreign Bankers.

Directors of the Federal Reserve Bank of New York held yesterday their first meeting since the return on last Tuesday of George L. Harrison, governor of the bank, from Europe, where he conferred with the heads of the Bank of England, the Bank of France and the Reichsbank. The meeting, which was attended by Eugene Meyer, governor of the Federal Reserve Board, was protracted beyond the usual time.

While the meeting was in progress J. P. Morgan entered the bank and asked to see Mr. Harrison. Mr. Morgan also returned from Europe this week. Owen D. Young, chairman of the General Electric Company and a director of the Reserve bank, came back from Europe last week. While they were in London Mr. Morgan and Mr. Young were reported to have held several conferences with Mr. Harrison and Montagu Norman, governor of the Bank of England.

All that was made known of yesterday's meeting was that Mr. Harrison and Mr. Young outlined conditions as they had found them in Europe and placed before the directors the substance of conversations which they had with European central bankers.

The presence of Mr. Morgan at the bank added interest to a meeting which already was regarded as of great significance in Wall Street. Owing to the world-wide business depression and the seriousness of the international banking and exchange problems confronting central bankers the discussions which Mr. Harrison had abroad are regarded as fraught with consequence. Following his previous trip to Europe, which was in February, the central banks there and in this country embarked upon a concerted program of easy money. Whether or not Mr. Harrison has returned with a new plan for central banking cooperation to stimulate business revival has not been revealed.

The difficulties of maintaining sterling exchange in the face of constant withdrawals of funds from London by Paris has been one of the chief sources of concern among bankers. Recently it was reported that banking authorities in London and Paris were discussing a credit arrangement to meet the problem. It is believed to be possible that the Federal Reserve may be concerned in these arrangements and that Mr. Harrison brought back with him plans for cooperation between London, Paris and New York.

The course pursued by the Federal Reserve Banks here will be watched closely for the next few weeks for a clue to any new policy. Most bankers here confess that they are at a loss to know what further steps the bank of issue can take to meet the situation created by the business depression.