tuations among its responsibilities. Indeed, Marriner Eccles had attempted to include passages in the Banking Act of 1935 which would have anticipated by over a decade the intent of the Employment Act of 1946.[5]

Thus, the 1939 edition described the objectives of Federal Reserve policy as "to contribute, with other agencies, to economic stability" and "to maintain monetary conditions favorable for an active and sound use of the country's productive facilities, full employment and a rate of consumption reflecting widely diffuse well-being" (1939, p. 115). However, nothing was said in 1939 about economic growth or the need to maintain price stability.

In the 1947 edition the objectives of monetary policy were "to help prevent inflations and deflations, and to share in creating conditions favorable to sustained high employment, stable values and a rising level of consumption" (1947, p. 1). The main differences between 1939 and 1947 are the explicit introduction of price stability and a change from "full employment" to "sustained high employment." Those seeking a harbinger of the growth objective can perhaps fasten on the statement that the Federal Reserve endeavors "to see that the money supply is neither too large nor too small for the maintenance of stable economic progress" (1947, p. ix).

By 1954 economic growth had been explicitly introduced. The objectives of monetary policy were "to help counteract inflationary and deflationary movements, and to share in creating conditions favorable to sustained high employment, stable values, growth of the country, and a rising level of consumption" (1954, p. 1). The growth objective was frequently expressed in terms of achieving "sustainable" or "orderly" growth. However, this was about the end of the story on growth in 1954, for it received scant additional mention beyond being included among the stated policy objectives.

Although the objectives set forth in the recent 1961 edition are for the most part identical with those of 1954, two notable changes appear. In the first place, there is now considerable substantive discussion of growth throughout the volume, including a section on secular expansion of the money supply in line with the public's long-run needs for cash balances. Second, the objective of price stability is occasionally—not always, but occasionally—expressed in terms of achieving "relatively" stable prices.

None of the editions recognizes any possible incompatibility among the various objectives. Quite the contrary; it is implied in the 1954 edition that price stability is a *sine qua non* of sustained high employment and in the 1961 edition that both are prerequisites for sustainable economic growth. Similarly, the potential conflict, at least in the short run, between the growth objective and the always stated goal of rising consumption is not mentioned, despite recognition in the 1961 edition that growth is intimately related not to consumption but to investment (see 1961, p. 142). The problem of the appropriate policy mix between monetary and fiscal policy also receives only passing mention, despite the statement that "the mechanism of credit tightness and of related increases in interest rates counteracts unsound business booms to a large extent by curbing the pace of investment" (1954, p. 151).

It is of interest to note that international considerations receive relatively little attention in every one of the four editions, including the 1961 version.

[5] See Marriner Eccles, *Beckoning Frontiers* (New York, 1951), p. 228.