

BENNER, C. L.

THE FEDERAL INTERMEDIATE CREDIT SYSTEM. New York:
Macmillan, 1926. Pp. xviii, 375.

Review:

by H.L. Reed, AMERICAN ECONOMIC REVIEW,
Sept., 1926, p. 503-4
(unsigned) JOURNAL OF POLITICAL ECONOMY, vol. 34,
Aug., 1926, pp. 543-5

Origin of Agricultural Credits Act of 1923.

The Agricultural Credits Act of 1923 was the legislative result of several more or less conflicting programs of rural credit relief; and it made provision for the organization of many new financial institutions. At the same time this statute modified the powers and methods of operation of existing institutions, including local and Federal Reserve banks, in their relations with farmer borrowers. It was accordingly inevitable that much confusion should arise regarding the place these various institutions would occupy in the general credit system and their procedure in agricultural loan operations. To clarify the situation there has been need of a book which would display a firm grasp of the principles of finance and be written in a style simple and attractive to the inexperienced reader.

The service of preparing such a volume has been performed very satisfactorily by C. L. Benner with the cooperation of the Institute of Economics. After several chapters on the general character of agricultural credit needs, the author traces the influence and services of the War Finance Corporation upon legislative thought and presents the basic ideas of the Capper-McFadden and Lenroot-Anderson bills. Showing thence the extent to which the terms of these bills were embodied in the omnibus legislation of 1923, the author proceeds to define the relative statutory provisions, methods of operation and administrative development of the Federal Intermediate Credit banks and the various state and national credit corporations, as

well as their relationships to other institutions. He closes with an a/c of the probable effects of these organizations upon the general credit situation. The author feels that with careful management of the F.R. System the soundness of the credit structure need not be impaired as a result of the great haste with which Congress proceeded in enacting this legislation. The new machinery should be regarded primarily as providing intermediaries to assist in the mobilization of banking capital for the benefit of the farmer, rather than as offering opportunities for the creation of new credit. But with this qualified approval the author does not hesitate to express himself about the superfluous character of some of the institutions for whose organization statutory provision was made. He furthermore does not fail to display full sympathy for the established local bank, insofar as its services to the farmer seem not to have been fully recognized by farmers of

HENDERSON, G. C.

The Agricultural Credits Act of 1923, QUARTERLY
JOURNAL OF ECONOMICS, XXXVII, May 1923, pp. 518-522.

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The Agricultural Credits Act of 1923,
QUARTERLY JOURNAL OF ECONOMICS, Vol. 37,

pp. 518-

VALGREN, V. N.

"The Agricultural Credits Act of 1923,"
AMERICAN ECONOMIC REVIEW, XIII, ~~December~~, 1923,
pp. 442-460. *September*

The Agric. Credits Act of 1923,
March 4, 1923.

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**The Agricultural credits act of 1923.
AMERICAN ECONOMIC REVIEW, XIII, September, 1923.**

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"The Agricultural Credits Act of 1923,"
THE AMERICAN ECONOMIC REVIEW, XIII, Sept. 1923, pp.
442-60.