

BANK SUSPENSION STUDY

At a meeting of the Board on March 26, 1936 there was an informal discussion regarding the prospects for legislation dealing with the banking structure. In order to have available factual and analytical material relating to the problems of the banking structure with a view to a constructive legislative program on the subject, a committee of senior staff members was appointed to propose a study program and to organize a staff for the prosecution of this work. The staff was instructed to treat the study as a strictly confidential one, to be carried on by the existing organization with material available to it. The work was carried on as other duties permitted.

The committee of senior staff members consisted of Messrs. Morrill, Goldenweiser, Paulger, Smead, and Wyatt. A subcommittee which consisted originally of Messrs. Blattner, Cagle, Horbett, and Wingfield was appointed to outline the program in specific form and to supervise the preparation of the studies. Later, because of the pressure of other work, Mr. Wingfield was forced to retire and was succeeded by Messrs. Dreibelbis and Solomon.

The subcommittee met with the senior staff in the middle of April 1936 to discuss the general outlines of the program of study. Following this meeting a program was drafted by the subcommittee which was submitted for discussion at a second meeting with the senior staff, revised on the basis of this discussion, and presented by the senior staff to the Board in a memorandum dated May 5, 1936. This memorandum, which contains a statement of the general objectives of the program, was informally approved by members of the Board on May 15, 1936.

In carrying out the program there was considerable revision of the grouping of topics in the original outline. Some of the topics were combined, while in other cases topics were divided and two or more studies were prepared to cover the subject of a single topic. There is given below a list showing the studies which were (1) submitted to the Board, (2) published in the Federal Reserve Bulletin after submission to the Board, and (3) not submitted to the Board. The study was kept confidential and, except for the material published in the Federal Reserve Bulletin, the memoranda have not been given out.

MEMORANDA SUBMITTED TO THE BOARD

<u>Subject</u>	<u>No. of mimeographed pages</u>	<u>Date submitted</u>
1. "Unification of the Commercial Banking System"	37	Dec. 28, 1936
2. "Consolidation of Federal Supervision of Commercial Banks"	26	Dec. 28, 1936
3. "Branch and Group Banking"	56	Mar. 10, 1937
4. "Branch Banking in the United States (long edition)"	208	July 29, 1937
5. "The Postal Savings System in the United States"	64	Aug. 23, 1937
6. "Bank Management"	193	Aug. 30, 1937
7. "Some Competitive Aspects of the Dual Banking System Evidenced by Statutory Changes and Administrative Practices"	65	Sept. 7, 1937
8. "Group Banking in the United States (long edition)"	251	Oct. 28, 1937
9. "Complexities of Banking Laws and Practices Associated with Multiple Banking Jurisdictions"	46	Nov. 18, 1937

MATERIAL PUBLISHED IN THE FEDERAL RESERVE BULLETIN

<u>Subject</u>	<u>No. of mimeographed pages</u>	<u>Published in Bulletin for</u>
1. "Compilation of Federal and State Laws Relating to Branch Banking within the U. S."	88	November 1936
2. "Analyses of the Banking Structure"	32*	August 1937
3. "Bank Suspensions, 1921-1936" (tables)	91	September 1937
4. "Bank Suspensions, 1921-1936" (text)	56	December 1937
5. "Changes in the Number of National and State Banks during 1921-1936"	39*	November 1937
6. "Group Banking in the United States"	40	February 1938
7. "Trends in Rates of Bank Earnings and Expenses"	60	February 1938

*Number of printed pages. This material was not mimeographed.

MANUSCRIPTS PREPARED BUT NOT SUBMITTED TO BOARD

<u>Studies which were used for purpose of reference or parts of which were incorporated in other documents</u>	<u>No. of mimeographed pages</u>	<u>Date</u>
1. "Divided and Overlapping Federal Regulation, Examination, and Supervision of Banks"	51	July 9, 1936
2. "Study of Obsolete, Overlapping, Conflicting, Ambiguous, and Other Unsatisfactory Provisions in Existing Banking Laws"	160	July 29, 1936
3. "Banking Profits, 1890-1935"	50	Sept. 3, 1936
4. "Bank Suspensions, 1892-1935"	111	Sept. 26, 1936
5. "Administrative Competition in Laxity"	112*	Oct. 5, 1936
6. "Statutory Competition in Laxity"	151	Oct. 26, 1936
7. "Classification of Banks in Operation on December 31, 1935"	40	Dec. 31, 1936
8. "Complexities of Banking Laws and Practices Relative to the Organization, Operation, and Supervision of Banks"	288	Jan. 13, 1937
9. "Divided and Overlapping Supervision and Methods of Improvement"	200*	Prepared in draft form only, not formally dated
<u>Other manuscripts</u>		
10. "Investment in Capital Structure of Banks and Loans to Banks and Others by the Reconstruction Finance Corporation"	32	Aug. 21, 1936
11. "Federal Intermediate Credit Banks and Production Credit Associations"	39	Aug. 21, 1936
12. "Savings and Loan Associations under the Federal Home Loan Bank Board"	15	Aug. 21, 1936
13. "Federal Land Banks and Federal Farm Mortgage Corporation"	47	Nov. 16, 1936
14. "Home Owners Loan Corporation"	30	Feb. 12, 1937
15. "Important Classes of Institutions Competing with Commercial Banks for Savings Funds or in Lending Activities"	67*	Prepared in draft form only, not formally dated
16. "The Changing Character of Bank Assets and Liabilities"	26*	"
17. "Historical Background of the American Banking System"	11	"

* In typewritten form

August 25, 1938.