

ABA ANTI-INFLATION PROGRAM

The program announced by the American Bankers Association emphasizes:

"That in the months immediately ahead, commodity and inventory loans which are designed to withhold essential goods from the normal market channels in anticipation of price rises should not be made.

"That mortgage loans for non-essential building or for construction which can be postponed until building supplies and labor are in greater abundance should be discouraged.

"That banks should give priority to loans to those borrowers who can turn out the supplies and services needed at home and abroad now, in order that the machinery for the production of essential goods may be kept functioning at maximum levels.

"That there should be a greatly intensified drive to sell Treasury Savings Bonds to the public and to promote other forms of savings, such as savings accounts in banks, as a means of absorbing some of the surplus money in the spending stream which would otherwise continue to compete for the goods and services in short supply."

SOURCE: ABA press release for January 5, 1948.