



FEDERAL DEPOSIT INSURANCE CORPORATION
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BANKING AND ANTITRUST PANEL

Introduction

- A. FDIC regulatory responsibility for insured State chartered nonmember banks.
- B. Corporation's supervisory powers are limited.
- C. Work in cooperation with State supervisory authorities.

FDIC Administration of Bank Merger Act

Corporation has no authority to enforce anti-trust laws.
Act enumerates seven factors--none paramount.
Weighing of factors determines whether in public interest--not
a separate factor.

Qualitative Versus Quantitative Analysis

Standards of Merger Act are qualitative--require exercise
in judgment.

Absence of quantitative standards in legislation.

Need for qualitative standards.

1. Flexibility--characteristics of banks--conditions.
2. Changing requirements of economy and of particular areas.

Strict application of quantitative standards can lead to
absurd situations.

Aspect of Banking Competition Requiring More Attention

Competition from non-bank financial institutions.

Many types of institutions.

Competition for both deposits and loans.

Savings and loan associations and credit unions
two examples.

Congressional recognition.

Unrealistic to ignore.