

Foster a flow of credit and money that will facilitate orderly economic growth, a stable dollar, and a long run balance in our international payments.

Article I, Section 8, Clause 5: The Congress shall have power to coin money, regulate the value thereof, and of foreign coin.

Federal Reserve System never has been tested for const. compliance. Court has refused to accept jurisdiction of cases.

Power of Congress is absolute --

Gold cases  
Legal tender  
Greenbacks

The court is powerless.

*insert* >

Ground rules can be changed. Harsh results. Explosive evolution of banking industry --

*Sophistication of customers*  
Computers  
Change in money mix  
Trust services  
Federal funds market  
International considerations  
Deliberate and positive effort --  
Fiscal policy  
Monetary policy

This district -- { 369 National banks  
973 State  
Small banks -- deposits

1342 banks (insured)  
1171 are under 10 M  
926 are under 5 M  
597 non par  
494 are members of Fed. Res.

capital  
385 banks 121 000  
995 - 231 000

Average of all member banks: 13.3 M  
Average of all non-member banks: 3.5 M

1108 000 -  
309 000 -

*see end*