

Doctor WILLIS. This gives the tabulated results of some of the studies of foreign bank failures. I simply submit it for what it is worth, merely illustrating the point I have just made that in branch-bank countries you do not have the evil that we have here.

Mr. Chairman, that brings me practically to the close of what I have to say on the subject of branches. I have dealt merely with a few points that I think are rather essential, and I have omitted the discussion of the number of branches, the laws on the subject, etc., all of which, however, is contained in these volumes here.

The CHAIRMAN. Before you take up another point—I am very much interested in what you say about chain banks. Apparently those things have come into existence in response to a feeling of need?

Doctor WILLIS. Yes.

The CHAIRMAN. They are an evil and consideration ought to be given to the possible checking of them.

Doctor WILLIS. Yes.

The CHAIRMAN. And if so, what could possibly be done in that direction?

Doctor WILLIS. Well, since you ask me a plain question, I will give you a plain reply. I think properly regulated, controlled branch banking is the remedy for chain banks, just as I think the proper supervision of the drink evil is the remedy for that rather than prohibition.

The CHAIRMAN. At this point the committee will take a recess until 1.45 o'clock.

(Accordingly, at 12.05 p. m., the committee took a recess until 1.45 p. m.)

AFTER RECESS

The hearing was resumed at 1.45 o'clock p. m., at the conclusion of the recess.

STATEMENT OF DR. HENRY P. WILLIS (RESUMED)

The CHAIRMAN. Mr. Willis, we will resume our hearing.

Doctor WILLIS. Mr. Chairman and gentlemen, before leaving the subject of branch banking, which was my second point, there is one matter that I should like to refer to with special reference to that portion of H. R. 2, which has to do with the control or regulation of branches.

The CHAIRMAN. Before you go into that, I should like to say just this, that a number of gentlemen here, when we took our recess, expressed to me a desire, from time to time, to ask questions in reference to the policy and development of whatever subject you were touching upon.

Doctor WILLIS. Yes.

The CHAIRMAN. And if it is not disagreeable to you, I would suggest to those present that if, at any stage of the testimony, any of you gentlemen have any questions to ask, simply step forward and touch me on the shoulder and I will see that the questions are asked.

Doctor WILLIS. I shall be glad to answer any questions.

The CHAIRMAN. Sometimes, if you can congregate the facts, when you come to read the record, it is a great deal easier than to have them scattered through separate pages.