

New York City, who have more interest than anybody else along that line, wanted the status quo to maintain in the way it is, and the comptroller was beginning to permit national banks to organize with a capital less than the statute really provided for. I think that was done in several instances in Chicago. We felt this way, that as to branch banks we would rather suffer the handicap possibly of the national banks in one instance and of the State banks in another instance than to permit what we believe was something inimical to the best interests of our different communities. I think you will find that true as you go to the middle of the country and to the far West. I know you have had many arguments made to you, and I hope you do not think I am trying to make an argument of that kind.

Senator GLASS. I want you to argue. I want somebody to justify to me the proposition that the national banks of 26 States of this Union should be denied a right which is granted the national banks in the other 22 States of the Union.

Mr. POWELL. Senator, I do not think any person would undertake, at least I would not, to say that this bill is fair and just in all particulars. I think in many instances it recognizes what the States try to maintain within their own boundaries, and that is the right to run certain financial matters. I do not believe that we should by national act go in there and create conditions which they have tried to eliminate locally. Take the State of Illinois, for example—and I want to speak especially for that State—we have recognized the principle here that evidently the States know what they want in each particular State, as they have adopted laws.

I heard you ask Mr. Rathje a question here, as to whether or not hereafter this law would have to be amended. In my opinion, if it comes around to denying to a national bank a right or privilege to which they were entitled in a State where the State laws had permitted branch banking, whereas they do not now, and later on did, then you would have to give to the national bank that same right. I do not think there is any doubt about that.

Senator GLASS. But you do not give it to them. You expressly deny it to them.

Mr. POWELL. Here is what I want to say to you. I have been quite active in this matter, and this is an attempt to approach something that is regarded as workable. I do not believe there is any instance anywhere at the present time where it works a hardship. I do not think any man in fairness would say that it is absolutely just to all, but on the other hand that provision which you say is unfair was not suggested by the gentlemen who opposed branch banking. That was suggested by the gentlemen who have these branch banks, and it is they who attempt to take upon themselves that handicap, if it can be thought that those gentlemen represent properly their States and their communities, and that is the only reason it is suggested.

For instance, to be very frank with you, all my activities and those of the associations to which I belong, and which I was delegated with any authority to represent—my community was entirely against the branch banking, and I think to-day, with all due regard to the gentlemen who argue so eloquently for them, that they are inimical to our country and I do not think the country needs them. We have developed in an amazing degree without them, and we have