APRIL 3, 1967.

Hon. WILLIAM PROXMIRE,
Chairman, Joint Economic Committee,
U.S. Congress, Washington, D.C.

DEAR MR. CHAIRMAN: Transmitted herewith is a report on "Foreign Government Restraints on U.S. Bank Operations Abroad." This is Study Paper No. 10, another in the series on *Economic Policies and Practices* in the various foreign industrial countries which the committee has undertaken in the interest of increased understanding of international economic policies as practiced by the leading industrial nations.

This paper grew out of Study Paper No. 9, "Foreign Banking in the United States," which was published last year. That study of foreign banking operations in this country and their regulation evoked questions as to the experience of American banks operated in other countries—the other side of the coin, so to speak, from Paper No. 9. This stndy is intended to be descriptive, and not to express an opinion or brief concerning the desirability of any particular kind of operation or regulation, either here or abroad.

This study paper was prepared by the Department of Economics and Research of The American Bankers Association under the direction of Thomas R. Atkinson, director of economic research. He was assisted by Jacqueline T. Belisle of The American Bankers Association who carried a major part of the burden of assembling the report. Most of the information on which the report was based, particularly the detailed appendix tables, was derived from a survey of U.S. banks active in the international field, without whose cooperation the study could not have been done. Additional assistance was obtained from bankers associations in foreign countries and individual staff members of the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the U.S. Treasury. The Association was aided by the major American banks with operations abroad, and the project itself was reviewed by a committee of experts from the various operating banks.

It is understood that this study does not necessarily represent the views of the committee, individual members thereof, or the staff. The staff has not sought to alter or censure the manuscript, though it has cooperated with the staff of The American Bankers Association in designing the structure of the study as to coverage and style, so as to make it as useful as possible to the members of the committee, the Congress, and the public.

JOHN R. STARK,
Executive Director.