

CONTENTS

Letters of Transmittal.....	Page III
CHAPTERS	
I. American Bank Relationships With Foreign Governments.....	3
The philosophy of U.S. banking abroad.....	3
Attitudes of foreign countries toward U.S. banks.....	8
Countries motivated by desire to protect cultural and economic independence.....	9
Countries motivated by desire to control economic development.....	9
Countries desiring to rid themselves of colonial status.....	10
Countries motivated by strategic considerations.....	10
Countries desiring to protect existing institutions.....	10
Europe.....	12
Central America.....	12
Canada.....	13
Scandinavia.....	13
Conclusions.....	14
II. U.S. Bank Activity Abroad.....	15
International departments and correspondent relationships.....	17
Direct branches.....	18
Table 1. Foreign branches of member banks, December 31, 1965.....	18
Table 2. Assets and liabilities of foreign branches of member banks, December 31, 1965.....	19
Agencies.....	19
Representative offices.....	20
Locally organized affiliates.....	20
Minority participations.....	20
Banking and financing corporations—Legislative framework.....	20
Agreement corporations.....	21
Edge Act corporations.....	21
Summary.....	22
III. The Establishment of American Banking Operations Abroad.....	23
Authority to operate.....	23
Licensing agencies.....	26
Capital requirements.....	27
Directorships and employees.....	29
Conditional arrangements.....	29
Branching restrictions.....	29
Conclusions.....	30
IV. Foreign Regulation of American Banking Operations.....	31
Deposit restrictions.....	32
Reserve requirements.....	33
Liquidity ratios.....	34
Investment in Government securities.....	34
Other investments.....	34
Credit ceilings.....	35
Loan restrictions.....	35
Interest rate limits.....	35
Exchange control.....	35
Central Bank credit.....	36
Bank examinations.....	36
Other regulations.....	37
Conclusions.....	37
Appendix.....	39
Table I: Entrance and organization requirements.....	40
Table II: Banking and exchange regulations.....	46
Table III: Operational regulations and practices.....	51