

in the law. Frankly, I do not know how we can cover everything which might happen, so we are seeking guidance.

Mr. ROBERTSON. I don't, either. It may be that the housing authorities, Mr. Weaver, for example, would be in a better position to advise you on this than I would.

Also, insofar as the closing costs are concerned, we think they should be disclosed and by everyone—first mortgage, second mortgage, or anyone else. This should be done.

Mrs. SULLIVAN. Thank you, Mr. Stephens?

Mr. STEPHENS. Thank you, Madam Chairman.

We appreciate your coming before us and making the statement that you have.

I have one or two questions or comments. I am interested in the consistency of the Federal Reserve in not wanting to set any interest ceilings. I think that has been my feeling about setting interest rates. But I want to ask you this: You have in your statement here suggested that we delete from the bill the question of credit control. I have felt that one of the functions of the Federal Reserve in making money available in times when it is needed, and when it looks as if the economy is getting too out of hand, that you exercise certain controls in the economy. This would be some overlapping perhaps if you had a separate board to set up separate controls?

Mr. ROBERTSON. We are not contending here or anywhere else that consumer credit controls would not at times, and especially in times of national emergency, be good supplements to the general credit controls that we have now. But we merely take the position that this is a very controversial matter. It ought to be looked at from the point of view of all sectors of the economy which will be involved in a national emergency and treated by itself rather than brought in as a part of a bill which relates to protection of consumers.

Mr. STEPHENS. In respect to the commodity exchanges, your recommendation there is that it not be necessarily deleted from consideration, but that you feel, as I understand your testimony here, that action should be postponed because of other studies and if nothing has transpired from these studies by the time we come back on this bill it should be deleted?

Mr. ROBERTSON. I hope if you do enact legislation of this kind, that you place that not in the Federal Reserve but in the Department of Agriculture where it belongs. We have no knowledge which equips us from any point of view to administer such legislation.

Mr. STEPHENS. You recommend we delete the Federal Reserve on commodity credit controls?

Mr. ROBERTSON. That is right. We simply are not expert enough to give you any real advice as to what is needed in that particular area.

Mr. STEPHENS. You would be opposed—you are not making a statement that you would be opposed to the legislation.

Mr. ROBERTSON. We do not know enough.

Mrs. SULLIVAN. Will the gentleman yield?

Mr. STEPHENS. I yield.

Mrs. SULLIVAN. Are you people in the Federal Reserve experts in the stock market? You set margins on stock transactions.

Mr. ROBERTSON. A very different situation. We are regulating the amount of credit that goes into the stock market. Here you are not