

there be no restriction with respect to real estate credit as is now contained in the last sentence of section 208?

Mr. BRYANT. Yes, sir. The problem of credit control is not really a separable problem, and if it is attempted, it ought to be attempted in its broadest aspects, and, therefore, in our planning, we do prepare to submit control measures which would control the entire spectrum of credit including real estate credit.

Mr. BINGHAM. Was real estate credit included in the regular uses during the Korean war, for example?

Mr. BRYANT. Yes, sir.

Mr. BINGHAM. Thank you very much.

Mrs. SULLIVAN. I have a few questions that I would like you to answer now; and then, Governor, if there are others, I will submit them for the record for you to answer in writing.

First, as I understand your position in your recent letter to Chairman Patman, you are claiming that since President Roosevelt on August 9, 1941, 26 years ago, issued Executive Order 8843 establishing regulations over consumer credit on the authority of section 5(b) of the Trading With the Enemy Act, originally enacted in 1917, that the President could still adopt emergency consumer credit controls by Executive order pursuant to section 5(b) of the Trading With the Enemy Act. Is that correct?

Mr. BRYANT. Yes, madam.

Mrs. SULLIVAN. Could you tell me specifically what provisions of section 5(b) of the Trading With the Enemy Act could be relied on to support consumer credit regulations by Executive order?

I ask this question because the title of section 5 of the Trading With the Enemy Act is "Suspension of Provisions Relating to Ally of Enemy; Regulation of Transaction in Foreign Exchange of Gold and Silver." The annotated code indicates that practically all executive actions taken under this provision have related to foreign trade and exchange matters and not to control of domestic consumer credit.

Mr. BRYANT. May I refer you, Madam Chairman, to title 12 in the U.S. Code Annotated, section 95(a), subsection (1) (A), in which the President is given authority, "to investigate, regulate, or prohibit transfers of credit or payments between, by, or through, or to any banking institution."

I have not given you a total quotation, but that is the essence of the language upon which the authority is predicated.

Mrs. SULLIVAN. I am not a lawyer, so I don't know whether the legal meaning of that section can be stretched to apply it to standby controls or the requiring of a minimum amount to be put down on any item that is to be purchased with credit by the ordinary consumer.

Mr. BRYANT. Madam Chairman, I have with me today, two persons that I would like to present at this time, one, Mr. Skubal, Chief of the Economic Stabilization Division and Mr. M. M. Merker, who is General Counsel for OEP.

May I ask him to respond more fully to your legal question?

Mr. MERKER. Madam Chairman, the Executive order which was issued on August 9, 1941, by President Roosevelt specifically relied upon section 5(b) of the act of October 6, 1917, which is the Trading With the Enemy Act.