tion, these examples appeared to have only limited contemporary relevance. Thus there was a contraction of money supply by one-quarter between mid-1929 and mid-1933; while banks with loanable funds chose to restrict their business because they saw no chance of coping with lending risks, this was a result of persistently erroneous Federal Reserve policies. Again, the fantastic doubling of banks' required reserve ratios in 1936–37, accompanying a check to the growth of money supply, precipitated trouble in money markets and in the economy. So, it could be said, it was the loss of confidence, the malfunction of the credit markets and the relative cheapness of money holding, especially when prices were falling, a situation compounded by the incapacity or harmfulness of Federal Reserve policy, that should be held responsible. More recent experience too, for example, the vagaries of Federal Reserve policies in the late 1950's, shows how wrong it is to ascribe limitless perspicacity to any human institution. Nonetheless, the committee is of the view that the management of the entire economy, still beset by imperfections and uncertainties, has at least developed to the level of never again having to undergo or tolerate such a vast monetary and economic disorder as the depression of the 1930's.