AMERICAN INSTITUTE FOR ECONOMIC RESEARCH

GREAT BARRINGTON, MASSACHUSETTS 01230

March 1988

HOW SAFE IS YOUR BANK?

According to many reports, America may soon face its worst banking crisis since the 1930's -- if it is not already doing so. Banks now are failing faster than they did even during the worst years of the Great Depression. For example, for the past few years banks closed at more than twice the 1937 rate.

Most analysts, including Government bank regulators, say that bank closings will increase during the next few years. Some forecasters even predict that a general "banking collapse" soon will occur.

How safe is <u>your</u> bank? Bankers and Government officials will not tell you which banks are in trouble -- or how bad things might be. If they did, depositors would stage bank "runs" on weak banks and quickly deplete the thin resources of the Federal deposit insurance agencies.

If you want to protect the funds in your savings, checking, money market or NOW account, but cannot afford the price of a private financial appraisal, it is up to you to be your own bank examiner. Our new booklet "How Safe Is Your Bank?" tells you:

-- what to believe about the "banking crisis."
-- what you risk as a depositor.
-- whether to trust Federal deposit insurance.
-- what the Competitive Equality Banking Act of 1987 means for the safety of your funds.
-- which types of banks are in trouble.
-- peer group experiences of banks and thrift institutions.
-- what to look for in your bank's financial reports.
-- where to get the information you need.
-- how to be your own bank examiner.

If your are worried about the banking situation, we believe that this booklet will be invaluable to you. We will refund your payment if you are dissatisfied. Please use the coupon on the reverse and the enclosed convenience envelope to order your copy today.

Sincerely,

Robert A. Gilmour

Robert A. Gilmour
Director of Research and Education