

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: Business Finance and Banking

Volume Author/Editor: Neil H. Jacoby and Raymond J. Saulnier

Volume Publisher: NBER

Volume ISBN: 0-870-14137-6

Volume URL: <http://www.nber.org/books/jaco47-1>

Publication Date: 1947

Chapter Title: Appendix to "Business Finance and Banking"

Chapter Author: Neil H. Jacoby, Raymond J. Saulnier

Chapter URL: <http://www.nber.org/chapters/c4690>

Chapter pages in book: (p. 221 - 230)

Appendix

PART I — SOURCES OF DATA FOR CHARTS

Summary

Chart: Estimates of National Bureau of Economic Research, Financial Research Program, based on data from *Annual Reports of the Comptroller of the Currency*

Chapter 1

Chart 1: Estimates of National Bureau of Economic Research, Financial Research Program

Chart 2: William Leonard Crum, *Corporate Size and Earning Power* (Cambridge, Mass., 1939) p. 31

Charts 3, 4, 5: Based on data in U. S. Treasury Department, *Statistics of Income for 1939*, Part 2

Chapter 2

Charts 6, 8: Carl Kaysen, *Industrial and Commercial Debt—A Balance Sheet Analysis, 1939* (National Bureau of Economic Research, Financial Research Program, ms. 1942) Table A-6. Totals are weighted averages of percentages for the five divisions.

Chart 7: Based on tabulations in Carl Kaysen, *op. cit.*, p. 26

Chart 9: Neil H. Jacoby and Raymond J. Saulnier, *Term Lending to Business* (National Bureau of Economic Research, Financial Research Program, 1942) Table C-3, p. 154

Chart 10: *Ibid.*, Table C-2, p. 152

Chart 11: Estimates of National Bureau of Economic Research, Financial Research Program, covering both corporate and non-corporate businesses

Chapter 3

Chart 12: Simon Kuznets, *National Income and Its Composition, 1919-1938*, Vol. I (National Bureau of Economic Research, 1941) p. 164

Chart 13: Data for manufacturing industries are from Solomon Fabricant, *The Output of Manufacturing Industries, 1899-1937* (National Bureau of Economic Research, 1940) p. 83; notes payable ratios are calculations of the National Bureau of Economic Research, Financial Research Program, from compilations in U. S. Treasury Department, *Statistics of Income for 1937*, Part 2

Chart 14: Records of National Bureau of Economic Research, Financial Research Program, Corporate Bond Project

Charts 15, 16, 17, 18, 19, 20: Calculations of the National Bureau of Economic Research, Financial Research Program, based on samples of corporations

Charts 21, 22, 23: Estimates of the National Bureau of Economic Research, Financial Research Program, based on data from *Annual Reports of the Comptroller of the Currency*

Chapter 4

Chart 24: *Federal Reserve Bulletin, Annual Reports of the Comptroller of the Currency, Banking and Monetary Statistics* (Board of Governors of the Federal Reserve System, 1943), and estimates of the National Bureau of Economic Research, Financial Research Program

Chapter 6

Chart 25: Population data are from Harold Barger and Hans H. Landsberg, *American Agriculture, 1899-1939: A Study of Output, Employment and Productivity* (National Bureau of Economic Research, 1942) pp. 399-400; data on the labor force are from National Industrial Conference Board, *The Economic Almanac for 1943-44*, p. 115; the index of manufacturing output is from Solomon Fabricant, *Employment in Manufacturing, 1899-1939: An Analysis of Its Relation to the Volume of Production* (National Bureau of Economic Research, 1942) p. 331; estimates of national income are from National Industrial Conference Board, *op. cit.*, p. 361, Willford Isbell King, *The National Income and Its Purchasing Power* (National Bureau of Economic Research, 1930) p. 74, and Simon Kuznets, *National Income and Its Composition*, Vol. I (National Bureau of Economic Research, 1941) p. 137; data for national wealth are from *Statistical Abstract of the United States*, 1937, p. 295, and National Industrial Conference Board, *op. cit.*, p. 353.

Chart 26: Estimates of the amount of corporate bonds outstanding

were made by the National Bureau of Economic Research, Financial Research Program, Corporate Bond Project; data on net private short-term debt are from *Survey of Current Business*, July 1944, p. 16; total assets of commercial banks are estimates of the National Bureau of Economic Research, Financial Research Program, based on *Annual Reports of the Comptroller of the Currency*; and number of commercial banks is from *Banking and Monetary Statistics* (Board of Governors of the Federal Reserve System, 1943) p. 6.

Chart 27: Capital assets per wage earner are from Solomon Fabricant, *Employment in Manufacturing, 1899-1939: An Analysis of Its Relation to the Volume of Production* (National Bureau of Economic Research, 1942) p. 95; notes payable ratios are calculations of National Bureau of Economic Research, Financial Research Program, based on data in U. S. Treasury Department, *Statistics of Income for 1937*, Part 2

Chart 28: William H. Shaw, *Finished Commodities Since 1879: Output and Its Composition* (National Bureau of Economic Research, Occasional Paper 3, August 1941) pp. 5-6

Chart 29: Simon Kuznets, *Commodity Flow and Capital Formation*, Vol. I (National Bureau of Economic Research, 1938) p. 487; Simon Kuznets, *Commodity Flow and Capital Formation in the Recent Recovery and Decline, 1932-1938* (National Bureau of Economic Research, Bulletin 74, 1939) p. 2; estimates of National Bureau of Economic Research, Financial Research Program, based on *Annual Reports of the Comptroller of the Currency* and *Annual Reports of the Treasury Department*

Chart 30: *Banking and Monetary Statistics* (Board of Governors of the Federal Reserve System, 1943) pp. 264-65

Chapter 7

Charts 31, 32: Securities and Exchange Commission, Statistical Series, Release No. 758 (February 13, 1946)

Chart 33: Indexes (December 1939 = 100) were computed from data in the following publications: current liabilities, Securities and Exchange Commission, Statistical Series, Release No. 758 (February 13, 1946); production (seasonally adjusted), *Federal Reserve Bulletin*, June 1943, p. 553, January 1944, p. 85, March 1946, p. 321; commercial loans, Federal Deposit Insurance Corporation, *Assets and Liabilities of Operating Insured Banks*

Appendix

PART II — SOURCES OF FIGURES IN TEXT

A. LIST OF ITEMS

In the following list, monographs are referred to by name of author only. For complete titles and dates of publication of monographs, see Part B, below.

Chapter 1

- p. 23, lines 19-24: Estimates of National Bureau of Economic Research, Financial Research Program.
- p. 29, lines 29-33: Based on *Statistics of Income for 1939*, Part 2.
- p. 35, lines 5-7: Alexander, pp. III 14-15; Kaysen, p. 14.
- p. 35, lines 10-13: Chudson, p. 15.

Chapter 2

- p. 39, lines 10-19: Based on *Statistics of Income for 1939*, Part 2.
- p. 39, lines 20-29: Alexander, pp. V 13-14.
- p. 45, lines 1-10: Based on data in Kaysen, p. 21, and Chudson, p. 48.
- p. 45, line 36 — p. 46, line 5: Chudson, p. 53.
- p. 46, lines 6-9: *Federal Reserve Bulletin*, August 1942, p. 772.
- p. 46, lines 23-31: Estimates of National Bureau of Economic Research, Financial Research Program.
- p. 47, line 11 — p. 48, line 2: *Federal Reserve Bulletin*, September 1942, Table 9, p. 889.
- p. 48, lines 23-35 — p. 49, lines 6-11: Estimates of National Bureau of Economic Research, Financial Research Program.
- p. 49, line 32 — p. 50, line 4: *Federal Reserve Bulletin*, November 1942, p. 1091.
- p. 50, lines 5-8: *Federal Reserve Bulletin*, November 1942, p. 1093.
- p. 50, lines 9-18: Jacoby and Saulnier, *Accounts Receivable Financing*, pp. 12-13, 133; *Financing Inventory on Field Warehouse Receipts*, p. 81; *Financing Equipment for Commercial and Industrial Enterprise*, p. 80.
- p. 51, lines 31-33: Estimates of National Bureau of Economic Research, Financial Research Program.

- p. 52, lines 5-9: Jacoby and Saulnier, *Term Lending to Business*, pp. 3, 33.
- p. 52, lines 15-17: U. S. Department of Commerce, *Indebtedness in the United States, 1929-41* (Washington, 1942) p. 41.
- p. 52, lines 19-21: *Proceedings of the Thirty-Fifth Annual Convention of the Association of Life Insurance Presidents* (New York, 1941) pp. 115-17.
- p. 52, lines 22-28: *Report of the Comptroller of the Currency*, 1940, p. 36; *Report of the Reconstruction Finance Corporation*, Fourth Quarter, 1940, pp. 9-10.
- p. 54, lines 1-6: Chudson, p. 107.
- p. 54, lines 13-15: Chudson, p. 106.
- p. 58, line 13 — p. 59, line 1: Jacoby and Saulnier, *Term Lending to Business*, pp. 60, 63.
- p. 60, lines 3-8: Jacoby and Saulnier, *Term Lending to Business*, pp. 57, 61, 64. The figure for Federal Reserve banks is based upon analyses made in 1935.
- p. 60, lines 18-25: Jacoby and Saulnier, *Term Lending to Business*, pp. 61, 66.
- p. 60, lines 26-34: Based on compilations of National Bureau of Economic Research, Financial Research Program, Corporate Bond Project.
- p. 61, line 6 — p. 62, line 2: Jacoby and Saulnier, *Term Lending to Business*, pp. 58, 62, 66.
- p. 62, lines 24-26: Jacoby and Saulnier, *Term Lending to Business*, pp. 107-8.
- p. 65, line 10: *Report of Federal Deposit Insurance Corporation*, December 31, 1940, p. 145.
- p. 68, lines 17-19: *Report of Federal Deposit Insurance Corporation*, December 31, 1940, p. 158.

Chapter 3

- p. 71, line 23 — p. 72, line 1: Kuznets, *National Income and Capital Formation*, p. 15.
- p. 74, lines 1-8: King, p. 94, and Martin, pp. 60-61.
- p. 76, lines 15-17: T.N.E.C., *The Structure of Industry*, p. 10.
- p. 76, lines 20-23: T.N.E.C., *Competition and Monopoly in American Industry*, p. 56.
- p. 97, lines 3-6: *Report of the Comptroller of the Currency*, 1920, Vol. I, p. 31.
- p. 100, lines 19-30: Tabulations of National Bureau of Economic Research, Financial Research Program.

- p. 100, line 33 — p. 101, line 2: *Report of the Comptroller of the Currency*, 1913, p. 7.
- p. 101, lines 24-27: *Serving Seventy Million Americans* (a report to the membership of the Life Insurance Association of America, by James A. Fulton, President, December 1, 1944) Table 1, p. 9.
- p. 101, line 28 — p. 103, line 35: Based on estimates of National Bureau of Economic Research, Financial Research Program, Corporate Bond Project.
- p. 104, lines 16-19: *Tenth Annual Report of the Securities and Exchange Commission*, pp. A-10 and A-11.
- p. 104, lines 25-28: Based on estimates of National Bureau of Economic Research, Financial Research Program, Corporate Bond Project.
- p. 104, lines 28-31: *Tenth Annual Report of the Securities and Exchange Commission*, p. A-11.

Chapter 4

- p. 115, line 27 — p. 116, line 3: Dauer, pp. 44-46.
- p. 119, line 37 — p. 120, line 3: *Proceedings of the Thirty-Fifth Annual Convention of the Association of Life Insurance Presidents* (New York, 1941) p. 116. Premium notes are estimated to have constituted about 5 percent of the total.
- p. 123, lines 1-3, 13-16: *Report of the Reconstruction Finance Corporation*, Fourth Quarters, 1934 and 1940, Table 1.
- p. 124, lines 28-34: *Federal Reserve Bulletin*, January 1946, p. 17.
- p. 125, lines 7-9: *Federal Reserve Bulletin*, April 1941, p. 307.
- p. 125, lines 13-16: *United States Maritime Commission Report to Congress for the Period Ended October 25, 1940*, p. 17.
- p. 126, lines 2-12: *Annual Report of the Export-Import Bank of Washington for 1940*, pp. 2-3, 5.
- p. 128, line 34 — p. 129, line 6: *Survey of Current Business*, July 1944, p. 16.
- p. 129, lines 8-10: *Federal Reserve Bulletin*, January 1946, p. 81.
- p. 129, lines 10-11: *Survey of Current Business*, July 1944, p. 16.

Chapter 5

- p. 134, lines 13-18: Fiske, pp. 138-39.
- p. 134, lines 28-31: Hague, p. 95.
- p. 136, lines 28-31: Estimates of National Bureau of Economic Research, Financial Research Program.
- p. 136, lines 31-35: Alexander, pp. II-2, III-3.
- p. 141, line 36 — p. 142, line 2: Jacoby and Saulnier, *Term Lending to Business*, Table C-1, p. 151.

Chapter 6

- p. 153, lines 21-24: *Statistical Abstract of the United States*, 1941, p. 6.
- p. 153, line 33 — p. 154, line 3: National Industrial Conference Board, *The Economic Almanac for 1943-44*, pp. 115, 117-19.
- p. 157, lines 1-5: Data are available in the *Annual Report of the Comptroller of the Currency* and cover national banks, state banks, and loan and trust companies. Estimates are necessary, from 1926-40, inclusive, to exclude stock savings bank assets from the total.
- p. 158, lines 21-25: Barger and Schurr, p. 80.
- p. 162, lines 1-4: Kaysen, p. 21.
- p. 162, lines 5-9: *Federal Reserve Bulletin*, December 1943, p. 1193, and *Annual Report of the Federal Deposit Insurance Corporation*, 1940, pp. 144-45.
- p. 162, lines 26-28: *Statistical Abstract of the United States*, 1937, p. 268.
- p. 164, lines 23-28: Kuznets, *Commodity Flow and Capital Formation*, p. 2.

Chapter 7

- p. 171, lines 18-25: Computed from data given in the *Treasury Bulletin*, August 1942, p. 8; September 1942, p. 8; January 1943, p. 16; December 1943, p. 17; June 1944, p. 9; March 1945, p. 7; October 1945, p. 7.
- p. 172, lines 4-8: *Federal Reserve Bulletin*, October 1943, p. 1013; February 1946, p. 175.
- p. 172, lines 14-18: See "National Income and National Product in 1943" by Milton Gilbert and George Jaszi, *Survey of Current Business*, April 1944, p. 6. Measured in 1939 dollars rather than current dollars, gross national product during 1943 was \$155 billion. Professor Kuznets' estimates of gross national product in current dollars are lower than those of the Department of Commerce but agree closely on the percentage increase between 1900 and 1943. See Kuznets, *National Product, War and Prewar*, p. 3. Data for gross national product during 1944 and 1945 are from *Survey of Current Business*, February 1946, p. 8.
- p. 172, lines 28-32: *Federal Reserve Bulletin*, April 1943, p. 288.
- p. 173, lines 1-4: *Federal Reserve Bulletin*, December 1943, p. 1190.
- p. 173, lines 13-16: *Federal Reserve Bulletin*, July 1946, p. 802.
- p. 173, lines 24-31: *Survey of Current Business*, July 1944, p. 7; May 1946, p. 21.

- p. 175, lines 33-35: *Statistics of Income for 1939*, Part 2, p. 22.
- p. 177, lines 6-19: Securities and Exchange Commission, Statistical Series, Release No. 756, December 17, 1945.
- p. 177, lines 20-39: Securities and Exchange Commission, Statistical Series, Release No. 758, February 13, 1946.
- p. 180, line 31 — p. 181, line 30: *Ibid.*
- p. 182, lines 21-28: *Federal Reserve Bulletin*, November 1945, p. 1104.
- p. 183, lines 8-21: Securities and Exchange Commission, *Working Capital of 1228 Registered Corporations*, December 5, 1945, Table 1.
- p. 189, lines 25-27: *Report of the Reconstruction Finance Corporation*, June 30, 1945, Table 1, p. 4.
- p. 190, lines 22-23: *Federal Reserve Bulletin*, November 1945, p. 1141 and correspondence with Export-Import Bank.
- p. 192, line 37 — p. 193, line 10: *Federal Reserve Bulletin*, March 1946, pp. 245-46.
- p. 193, lines 21-23: *Report of the Reconstruction Finance Corporation*, June 30, 1945, Table 1, p. 4, Table 2, p. 2.
- p. 194, lines 20-27: Smaller War Plants Corporation, *Eighteenth and Nineteenth Progress Reports* (April-May 1945 and June-July 1945).
- p. 194, lines 28-30: *Federal Reserve Bulletin*, January 1946, p. 67.

Chapter 8

- p. 205, lines 19-21: Securities and Exchange Commission, Statistical Series, Release No. 758, February 13, 1946.
- p. 210, lines 11-13: *Statistical Abstract of the United States*, 1944-45, p. 334. The 1944 figure is from the *Annual Report of the Comptroller of the Currency*, 1944, p. 6.
- p. 210, lines 13-15: Jacoby and Saulnier, *Accounts Receivable Financing*, p. 51.
- p. 212, lines 8-12: Davis, p. 188.
- p. 217, lines 16-18: Received from the American Bankers Association, April 1946.

B. LIST OF MONOGRAPHS

- Alexander, Sidney S. *Changes in the Financial Structure of American Business Enterprise, 1900-1940*. National Bureau of Economic Research, Financial Research Program, ms. 1943.
- Barger, Harold. and Sam H. Schurr. *The Mining Industries, 1899-1939*:

- A Study of Output, Employment, and Productivity*. National Bureau of Economic Research, 1944.
- Chudson, Walter A. *The Pattern of Corporate Financial Structure: A Cross-Section View of Manufacturing, Mining, Trade and Construction, 1937*. National Bureau of Economic Research, Financial Research Program, 1945.
- Dauer, Ernst A. *Comparative Operating Experience of Consumer Installment Financing Agencies and Commercial Banks, 1929-41*. National Bureau of Economic Research, Financial Research Program, 1944.
- Davis, Andrew McFarland. *The Origin of the National Banking System*. Report of National Monetary Commission, 61st Congress, 2nd Session, Senate Document No. 582, Washington, D. C., 1910.
- Fiske, Amos Kidder. *The Modern Bank*, New York, 1907.
- Hague, George. *Banking and Commerce*, New York, 1908.
- Jacoby, Neil H., and Raymond J. Saulnier. *Accounts Receivable Financing*. National Bureau of Economic Research, Financial Research Program, 1943.
- . *Financing Equipment for Commercial and Industrial Enterprise*. National Bureau of Economic Research, Financial Research Program, 1944.
- . *Financing Inventory on Field Warehouse Receipts*. National Bureau of Economic Research, Financial Research Program, 1944.
- . *Term Lending to Business*. National Bureau of Economic Research, Financial Research Program, 1942.
- Kaysen, Carl. *Industrial and Commercial Debt — A Balance Sheet Analysis, 1939*. National Bureau of Economic Research, Financial Research Program, ms. 1942.
- King, Willford Isbell. *The National Income and Its Purchasing Power*. National Bureau of Economic Research, 1930.
- Kuznets, Simon. *Commodity Flow and Capital Formation in the Recent Recovery and Decline, 1932-38*. National Bureau of Economic Research, Bulletin 74, 1939.
- . *National Income and Capital Formation, 1919-1935*. National Bureau of Economic Research, 1937.
- . *National Product, War and Prewar*. National Bureau of Economic Research, Our Economy in War, Occasional Paper 17, February 1944.
- Martin, Robert F. *National Income in the United States, 1799-1938*. National Industrial Conference Board, Study No. 241, January 1939.
- Temporary National Economic Committee. *Competition and Monopoly in American Industry*. Monograph 21. Washington, 1940.
- . *The Structure of Industry*. Monograph 27. Washington, 1941.

C. SOURCES OF DATA IN TABLES 5, 6, 7, 8

Bank-eligible corporate bonds outstanding: Compilations of the National Bureau of Economic Research, Financial Research Program, Corporate Bond Project; only publicly placed obligations are included. "Bank-eligible" bonds are those placed within the first four rating groups by a recognized rating service. See *Annual Report of the Federal Deposit Insurance Corporation*, 1938, p. 64. Data in Tables 5 and 6 are based on single-maturity fixed-income bonds plus equipment trust certificates and other serial bonds; those in Tables 7 and 8 are based on single-maturity, fixed-income bonds.

Term loans held: Based on data for a sample of 99 large commercial banks. From Neil H. Jacoby and Raymond J. Saulnier, *Term Lending to Business* (National Bureau of Economic Research, Financial Research Program, 1942) Table C-2, pp. 152-53, Table 3, p. 48, Table 4, p. 50, Table 5, p. 52.