

Banking with C&B&T in the

1960s

May 13, 1960: President Dwight D. Eisenhower signs the Bank Merger Act. This law requires that no insured bank can merge with another insured bank without prior written consent of the appropriate federal banking agency (the Office of the Comptroller of the Currency, the Federal Reserve Board, or the FDIC).

1961: the Merchandise National Bank of Chicago produced a film presenting the newest development in leading-edge banking technology: computers. The computers enabled bank employees to process checks in a fraction of a second as well as access customer information saved in databases.

December 23, 1969: A law increasing deposit insurance coverage to \$20,000 is signed into law by President Richard M. Nixon. The increase in coverage was intended to help the thrift industry, as thrifts found themselves unable to compete with higher interest rates offered in the securities markets. Both the FDIC and Federal Home Loan Bank Board endorsed an increase to \$25,000, a position that they had held even before the increase in coverage in 1966, but Congress chose a more limited increase in the coverage level.

The negotiable **certificate of deposit (CD)** revolutionized the world of finance. Introduced in 1961 by First National City Bank of New York (now Citibank), the flexible CD enabled large banks to quickly and efficiently raise funds for lending. They could now draw liquidity from investors as well as businesses and consumers. Today, many of the old limits on deposits and branching faced by National City are gone. The ban against paying interest on business checking accounts was lifted by the Dodd-Frank Consumer Protection and Wall Street Reform Act of 2010. The negotiable certificate of deposit was the device that cracked open the door in 1961.

Business wear

During the early 1960s, slim fitting single breasted continental style suits and skinny ties were fashionable in the UK and America. These suits, as worn by Sean Connery as James Bond, the Rat Pack's Frank Sinatra, and the cast of Mad Men, were often made from grey flannel, mohair, or sharkskin.



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YEARS


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