Handout for February 24, 2015

Table 1. Number of Banks, 1863-1913

|  | \# National |  |
| :---: | :---: | ---: |
| 1863 | 66 | \# State |
| 1864 | 1,089 | 1,466 |
| 1865 | 1,294 | 467 |
| 1880 | 2,076 | 349 |
| 1890 | 3,484 | 650 |
| 1900 | 3,731 | 2,250 |
| 1913 | 7,467 | 5,007 |

Source: Historical Statistics, Series X634, X656.

State Bank Notes, 1830-1879
Thousands of dollars


Figure 1

Number of Banks, 1863-1896


Figure 2

Bank Deposits, 1863-1896


Figure 3

Real Estate Loans as \% of Total Loans State vs National Banks, 1895-1970


## Figure 4

Number of Banks, 1900-1998


Source: US Historical Staisistics. Series Ci289. 292.295
Figure 5

Table 2. Determinants of Failure (from Wheelock's Tables 1 and 2)
(standard errors in parentheses)

|  | All Banksfailed $\quad$failed or chose to <br> liquidate |  | Counties <br> failed | ith $\geq 5$ banks <br> failed or chose to liquidate |
| :---: | :---: | :---: | :---: | :---: |
| constant | $\begin{aligned} & -0.15 \\ & (0.11) \end{aligned}$ | $\begin{aligned} & -0.04 \\ & (0.08) \end{aligned}$ | $\begin{aligned} & -0.19^{*} \\ & (0.11) \end{aligned}$ | $\begin{aligned} & -0.09 \\ & (0.09) \end{aligned}$ |
| $\% \Delta$ value per acre of farmland $\&$ buildings ( $\Delta$ VALUE) | $\begin{aligned} & -0.35^{* *} \\ & (0.18) \end{aligned}$ | $\begin{aligned} & -0.41^{* * *} \\ & (0.15) \end{aligned}$ | $\begin{aligned} & -0.15 \\ & (0.17) \end{aligned}$ | $\begin{aligned} & -0.41^{* * *} \\ & (0.15) \end{aligned}$ |
| $\% \Delta$ total farm acreage ( $\Delta$ LAND) | $\begin{aligned} & -0.12 \\ & (0.29) \end{aligned}$ | $\begin{aligned} & -0.48^{* *} \\ & (0.19) \end{aligned}$ | $\begin{aligned} & -0.08 \\ & (0.35) \end{aligned}$ | $\begin{gathered} 0.15 \\ (0.29) \end{gathered}$ |
| \% of state banks with deposit insurance (RATIO) | $\begin{aligned} & 0.13^{* *} \\ & (0.07) \end{aligned}$ | $\begin{aligned} & -0.01 \\ & (0.06) \end{aligned}$ | $\begin{aligned} & 0.19 * * * \\ & (0.07) \end{aligned}$ | $\begin{gathered} 0.11^{*} \\ (0.06) \end{gathered}$ |
| \% $\Delta$ county's population, 1920-1930 ( $\triangle \mathrm{POP}$ ) | $\begin{aligned} & -0.23^{* *} \\ & (0.13) \end{aligned}$ | $\begin{aligned} & -0.01 \\ & (0.09) \end{aligned}$ | $\begin{aligned} & -0.09 \\ & (0.14) \end{aligned}$ | $\begin{gathered} 0.00 \\ (0.11) \end{gathered}$ |
| \# banks per person (BANKPOP) | $\begin{aligned} & -0.22 \\ & (0.61) \end{aligned}$ | $\begin{gathered} 0.07 \\ (0.51) \end{gathered}$ | $\begin{gathered} .19 \\ (0.57) \end{gathered}$ | $\begin{gathered} 0.22 \\ (0.47) \end{gathered}$ |
| \% of total banks that were national banks (NATIONAL) | $\begin{aligned} & 0.36^{* *} \\ & (0.18) \end{aligned}$ | $\begin{aligned} & 0.46^{* *} \\ & (0.14) \end{aligned}$ | $\begin{aligned} & 0.55^{* * *} \\ & (0.23) \end{aligned}$ | $\begin{aligned} & 0.40^{* *} \\ & (0.19) \end{aligned}$ |
| \# of observations | 105 | 105 | 82 | 82 |

Source: Wheelock, "Regulation and Bank Failures," Tables 1 and 2, Equations 1.1, 2.1, 1.3, and 2.3, respectively.

* Significant at the 0.10 level. ${ }^{* *}$ Significant at the 0.05 level. ${ }^{* * *}$ Significant at the 0.01 level.

Table 3. Percent Population Urban

| 1860 | $20 \%$ |
| :--- | :--- |
| 1880 | $28 \%$ |
| 1900 | $40 \%$ |
| 1910 | $46 \%$ |
| 1920 | $51 \%$ |
| 1930 | $56 \%$ |
| 2010 | $81 \%$ |

Source: Historical Statistics: Millennial Edition, Series Aa699 and Aa712. 2010 data from 2015 Statistical Abstract, Table 25.

