



NEWS RELEASE

FOR IMMEDIATE RELEASE

PR-82-87 (4-27-87)

FDIC CHAIRMAN URGES JOINT COMMERCIAL BANK/THRIFT APPROACH TO FSLIC CRISIS

FDIC Chairman L. William Seidman today called on commercial banks and thrifts to cooperate and work together to solve the problems confronting the Federal Savings and Loan Insurance Corporation.

In remarks to the ABA Leadership Conference at the Greenbrier, Mr. Seidman said: "I ask you to begin to think of banks and S&Ls as common institutions -- common in the sense that they are the insured depository system and have many common interests, not the least of which is the maintenance of a safe and sound system."

Chairman Seidman said it is imperative that Congress pass a good recapitalization bill that will solve FSLIC's funding crisis. "Time is getting short," he warned.

Mr. Seidman urged the two groups of depository institutions to work together as one industry to create the kind of level playing field and competitive powers that will allow both to survive and prosper. "If such a cooperative effort can be achieved," he said, "you will find that you have much more in common than you have to quarrel about."

Chairman Seidman said he has serious reservations about H.R. 27, the House bill to recapitalize FSLIC. In addition to concerns about whether the bill offers a permanent solution to FSLIC's problems, he objected to attempts to mandate supervisory procedures by legislation.

###