

CENTRAL WESTERN BANKER

Omaha



Photograph, Courtesy Kearney Daily Hub

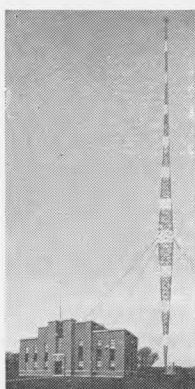
1934 CROP OF HAY

(This picture taken five miles west of Kearney, Nebraska, September 6, 1934)

(See Page 4)

April

1935



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**THE CENTRAL WESTERN BANKER
OMAHA**

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CENTRAL WESTERN BANKER

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OMAHA

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Will Economic Security Legislation Affect Bank Savings Accounts?

TO ANSWER, with any degree of certainty, the question, "Will economic security legislation affect the thrift habits of the American people?" is a very tough assignment. The major prophets of society walked the earth and blazed their trails two thousand years ago. Today it might seem that we have become sufficiently mature to force those among us who aspire to the prophet's mantle to be promptly tried by a jury of their peers in a courtroom of "debunking." But, have we?

One of our present day prophets formed a society whose object is to have the federal government pay \$200 a month to every American who is sixty years of age and over for the rest of his life, provided that he spends all of this \$200 month by month within the United States.

In contrast to such proposals we have the report of the Committee on Economic Security and its quintuple offering, the Wagner-Lewis-Doughton Economic Security Bill, now before the Congress with its five major coverages: old age assistance, contributory old age annuities both compulsory and voluntary, unemployment compensation, maternal and child welfare and public health aid. Coupled with this proposal is the work relief bill providing \$4,880,000,000 with which to give employment assurance. The underlying theory is that if a man is still unemployed after he has drawn his regular benefits under the unemployment compensation plan, or if he never came under the plan, he is to be given employment by the government on public works until such time as he is re-

AN Address by Roderic Olzendam, research director of The Metropolitan Life Insurance Company, before the savings division of the Eastern Savings Conference of the American Bankers Association, held last month in New York

absorbed by private industry. These two proposals constitute the legislative program of the administration for economic security up to the present time.

Value of Security

There are those who have been tremendously perturbed because they felt that such legislation was the straw that would break the camel's back. Is this attitude well founded? I am inclined to feel that it is not. In a recent public address, Vice President and General Counsel Lincoln of the Metropolitan, speaking purely from the point of view of a life insurance company, said:

"... we endorse an intelligent pursuit of the question and we view with friendly eyes some nationwide provision for old age retirement and for the support of the workingman, to some practical extent, against the shocks of unemployment."

The Metropolitan does not fear that such legislation which sticks tenaciously through the years to the objectives set forth by the President, provided it is soundly conceived and is wisely administered, will have harmful effects upon

our business. Such a plan should be flexible enough to permit alterations but only when the technicians deem it wise and necessary. It is of transcendent importance that the administrative procedure be devised with the most meticulous care and that eternal vigilance be exercised in its application. With these fundamentals kept constantly before the eyes of those in responsible positions, we are rather inclined to the belief that economic security legislation will bring home to a number of people the value of planned security, not only on a national basis, but on an individual basis as well.

Since 1929 the American people, employers, employees, state governments and federal government have been pouring ever-increasing millions of dollars through the sluiceways marked "government aid," "private charities," and "personal aid." The passage of this social insurance legislation does not mean that we are taking an additional 12, 15 or 20 per cent of the wage bill for purposes of providing unemployment compensation, old age pensions, widows and orphans pensions. The cost of this program is not necessarily an entirely new cost. How much of it is new, we do not know. We do know, however, that we are simply redirecting, reallocating, redistributing a part of the sums we have been spending on the relief projects, many of which we have had to think up extemporaneously in the white heat of crises. We are deliberately reslucing a part of this astronomical sum down a channel which we have calmly dug for the purpose. It may not mean less taxes, but because we did some figuring in advance, it may

mean that the money spent goes further and accomplishes more for the social good.

We stand on the first tee of the economic security course. It is a long way to the first hole and further yet to the eighteenth. If we are to make the course in par or anywhere near it, it is altogether important to keep our eye on the ball, not only for the first shot, but for each intervening stroke, whether we use a mashie, a brassie, an iron or an niblick. There are many traps along this course and our niblick should not only be in good condition, but we should know how to use it. There are fundamental principles underlying a game of golf. The man who would be a good golfer must stick to those principles and not try a new stance every time he plays. Just so with the social insurance game. Let us be sure that we have learned the fundamentals from those who have been out on this course ahead of us and, having learned them, follow them.

In England

A scanning of the British situation may shed some light on the answer.

So far as any conclusions are possible, in the absence of positive evidence, I do

not believe that the adoption of social insurance in the United Kingdom has had any adverse effect on the thrift institutions of that country. In England we find that during the same period in which social insurance was established and its scope expanded, the records of both the Post Office and Trustee savings banks show an almost unbroken increase in both the number of depositors and the average amount to the credit of each depositor. Similarly the amounts invested in national savings certificates have shown a healthy increase and the assets of building societies have also maintained a steady and consistent upward trend. Once more, however, a number of factors may affect these statistics, such as changes in interest rates, income tax rates, etc. At the same time the fact remains that savings have not gone down in Great Britain. Of course, some may advance the point that had social insurance not been established these drift indices would show a much faster rise and this may be so.

After taking into consideration all the "buts," "ifs" and "ands" which may be raised when any one attempts to draw an analogy between what has happened in Britain and what, therefore, may be

expected to happen in the United States, I raise the question: "Should we be unduly alarmed lest the adoption of the proposed legislation have an adverse effect on the business of life insurance in the United States?" On the contrary, its adoption may have beneficial results in more than one direction.

Sound Legislation

We are discussing economic security legislation in the United States and its possible effect on thrift habits and I have not so far found reason to anticipate that the effect will be unfavorable provided, and I cannot too often reiterate the point, that the legislation is soundly devised and administered. Any plan which aims to provide security for the American citizen must, perforce, be secure. To what craftsmen should we turn in our endeavors to devise a plan to endure not for a day, but for the years? Is there any one among us whose background and training is such as to warrant our having faith in his counsel? I believe there is, in the person of the actuary.

A study of the past twenty-five years history of the relations of actuaries to social insurance shows that when the members of this profession have been approached it has not been for counsel and advice as would have been expected, but rather did the advocates of social insurance come to these practical men armed with the detailed specifications of plans asking them to do the calculating required to make the proposed plans work. All too often the actuaries have been asked neither to suggest nor to criticize nor change anything, but simply to apply their mathematical abilities to a pre-conceived situation, and to deal with inadequate statistics. Too many times the function of the actuary has begun and ended with actuarial estimates. There has been altogether too much lay tinkering before and after consultation with the actuaries.

If all these men, when considering such problems as are involved in economic security legislation would stop when the actuary gives them the red light, proceed slowly when he turns it to amber and resume speed in confidence when he flashes the green light, they would avoid innumerable accidents which would otherwise painfully involve our economic, financial and social lives. The people of the United States or any other country will, in my humble judgment, get a liberal education in thriftiness if they regularly and consistently seek his counsel and follow it.

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Kearney—A Distinctive City

(See Cover Photo)

KEARNEY is a community with a history which every resident may view with pride. From the strenuous days of Old Fort Kearney, down to the present day when over ten thousand inhabitants claim the city as their own, Kearney has built for itself an enduring niche in the history of Nebraska and of Buffalo county.

Today, Kearney is a thriving and prosperous city, known as one of the most beautiful cities along the Lincoln Highway. Its citizens show a civic spirit and consciousness manifested in extensive improvements, in miles of wide paved streets, in well kept lawns and beautiful homes. Kearney is a community with all the advantages a city can offer and with the distinct advantages of a wholesome countryside.

A recent freight rate decision by the Interstate Commerce Commission has greatly improved Kearney's advantages as a jobbing and manufacturing center.

Substantial reductions in class rates and more equitable differentials with competitive cities, coupled with Kearney's geographical location and transportation facilities, makes Kearney an attractive point for distribution.

Kearney, due to its geographical location and its splendid distribution facilities, is the home of numerous commercial representatives covering Nebraska and surrounding states for many of the leading manufacturing and jobbing institutions of the United States.

Two banking institutions serve the interests of Kearney and surrounding territory—the Fort Kearney State Bank, and the Guaranty Trust Company. Officers of the Fort Kearney State Bank are Thomas Gass, president; R. H. Barber and P. H. Kallow, vice presidents; and Mr. Kallow is also cashier. F. E. Hollingsworth is president of the Guaranty Trust Company, with E. E. Rydberg secretary and treasurer.

THE PROBLEM of FARM TENANCY

A Statement of Henry A. Wallace
Secretary of Agriculture
At Recent Hearings on the Bankhead
Tenancy Bill



Henry A. Wallace

DURING the past half century, the increase of farm tenancy has been one of the undesirable and yet wide-spread characteristics of rural America. Only two generations ago we were at the heights of the homestead movement, which had as one of its fundamental aims the creation of an agriculture made up predominantly of small farm operators. Today we find that half of our farm lands are operated by tenants, and nearly that large a percentage of our farmers rent all of the land they farm.

By the homestead laws, and legislation of earlier years, the development of family-sized farms owned by resident farm operators, was encouraged and promoted. This was a wise and highly desirable feature of our land policy. Unfortunately, however, our land policies failed to safeguard the permanent ownership of family-sized farms by the actual operators who farmed them. The land speculator was a pernicious counterpart of our early land settlement activities. Along with the pioneer squatter and homesteader was the speculative "land grabber," into whose hands soon fell much of the best virgin soil of America. The recent report of the Land Planning Committee of the National Resources Board declares, "The operation of farm

land by the owner was no doubt the ideal of all who favored liberal land policies. European tenant-ridden countries were cited in contrast with America, where every man could sit under his *own* vine and fig tree. It is easy, therefore, to understand the feeling of consternation which prevailed when the census of 1880 revealed that over one-fourth of our farmers were no longer owners but had somehow become tenants in spite of homestead and other liberal land laws." By 1930, about 53 per cent of our farmers operated leased land, and 42 per cent of them rented all of the land which they operated. The forces of depression appear to have increased this proportion, so that today it is estimated that not less than 45 per cent of all our farmers are tenants.

Rapid Development

The consequences of the failure to safeguard the principle of farm ownership by the operator of the farm in emphasized by the rapid development of farm tenancy in the states most recently settled under the Homestead System. In North Dakota, for instance, where a large percentage of the land was homesteaded in the latter part of the last century, over 34 per cent of all farmers in the state are tenants. The same develop-

ment occurred in South Dakota, where almost half the farmers are now tenants. In Oklahoma, one of the last states to be opened for settlement, about two-thirds of all farms are now operated by tenant farmers. Our Federal Reclamation policy was also urged as a means of creating farm homes operated by owners. Nevertheless, there was the same failure to safeguard the system against the land speculator and the absentee landlord. Consequently, we find that about 40 per cent of the farms on Federal Reclamation projects are operated by tenants. The growth of tenancy is all the more serious because in the main it has occurred on the better lands in each of the principal regions of the country. In some of the best prairie counties of Illinois, for instance, you will find 70 to 80 per cent of the farms operated by tenants. Tenancy is closely associated with the specialized production of the major cash crops, the surplus of which has been troubling this country for more than a decade. Because it is associated with commercial farming and specialized crop production it is closely associated with and related to that other great evil of our land system—land speculation.

The fact that the tenant farmer has been intrusted with some of the best soils of the nation is especially serious be-

cause a large proportion of our tenants have little permanent interest in soil conservation. The average period of occupancy by tenants is only a little more than four years. Since few tenant contracts provide compensation for improvements made by the tenant and since both landlord and tenant are usually interested in the production of cash crops, it follows that in general tenancy is largely responsible for the serious and progressive depletion of soil fertility. We can hardly deal fundamentally with erosion and other types of soil wastage until we bring about a change in the relationship of tenant farmers to the lands they operate.

Research

We have been talking about the evils of farm tenancy in this country for a

great many years. It is high time that America faced her tenant situation openly, and pursued a vigorous policy of improvement. Studies made by the Department of Agriculture, state experiment stations, and other research agencies have repeatedly shown that in communities where tenancy is extensive there is an unusual degree of rural instability and lack of a well knit social life. It is almost impossible for tenant families who move from place to place every two or three years, to participate in the activities of schools, churches and other similar rural institutions.

I do not mean to imply that all tenant farmers are poor farmers or that all of them are migratory and unstable. Perhaps the best type of tenancy in America is that which arises when a farmer re-

tires and rents his farm to a son, a son-in-law, or some other relative. In such cases the owner usually lives nearby and both he and his tenant relative are interested in the upkeep of the property. The owner continues to exercise considerable supervision. The tenant after his period of apprenticeship, is likely to inherit the property or acquire it through some other family arrangement. This kind of relationship is to be found on about 19 per cent of the farms of the United States, and it is especially prevalent in the corn belt and dairy regions. In one of two states as many as two-fifths of the tenants are related to the landowners. There are also many other landlords not related to tenants who live near their farms and exercise a wholesome influence on the system of farm management.

Nevertheless, even in the northern states a great deal of tenancy is characterized by instability of occupancy, absentee landlordism, soil exploitation, and lack of identification of the tenant with community life.

It seems to me that it will be virtually impossible for America to develop a rural civilization which affords security, opportunity and a fully abundant life for our rural people unless she acts to convert tenants of this sort into owner farmers. It is extremely unlikely that a satisfactory and stable rural civilization can be developed in communities where the land is owned by absentee landlords interested primarily in profit and farmed by tenants who are willing, if not encouraged, to mine the soil and allow the buildings to decay, with the thought that they can move on to a different farm every two or three years.

Owner Operators

If I understand correctly—the general philosophy underlying the bill introduced by Senator Bankhead to create the Farm Tenant Homes Corporation, it is aimed at going back to the old principles, intended but not realized in our early land policy, of trying to get the good farm land of America into the hands of owner operators who live on family sized farms, but with proper safeguards to prevent the land from again becoming a football of speculation. I am confident that the provisions of this bill, if it is enacted into law, can be administered in such a way as to bring greater individual opportunity to hundreds of thousands of our tenant operators; check the growth of rural tenancy in this country;

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The Mutual Mortgage Plan

BY MARCH 15, representative banks in each of the forty-eight states, the District of Columbia, Alaska; and building and loan societies in the Territory of Hawaii had been approved as mortgagees under the Mutual Mortgage Plan of the National Housing Act, according to an announcement made by Administrator James A. Moffett, of the Federal Housing Administration.

The total number of institutions receiving approval to operate under the provisions of the National Housing Act which provide for the financing of new residence construction and the refinancing of existing mortgages was stated to be 2,880. Of this total 2,304 were banks; 538 building and loan associations and societies; 26 life insurance companies (old-line); and 12 other miscellaneous institutions.

In twenty-five states amendments to banking laws had been passed permitting institutions to make mortgage loans up to 80 per cent of the appraised valuation of a property, thus affording the institutions opportunity to cooperate fully with the Mutual Mortgage Plan.

Only three states will not have such legislation acted upon this year, Virginia, Kentucky and Mississippi, the legislatures of which meet biennially and will not convene until next year. All others have either now in committee, in the process of being drafted or will have presented when their legislatures meet, some

form of amendment that will liberalize the present mortgage laws for banks and other lending institutions within their borders so that full cooperation may be enjoyed, by all institutions qualifying for mortgage agencies under the rulings, and qualifying for insurance by the Federal Housing Administration.

The following is a list of those states that have passed liberalization amendments: Arkansas, Alabama, California, Idaho, Indiana, Louisiana, Montana, New Mexico, New York, New Jersey, Ohio, Oklahoma, Rhode Island, South Dakota, Texas, Maine, Michigan, Wyoming, Kansas, Arizona, Washington, Utah, Oregon, West Virginia and South Carolina.

In every section of the country there are now representative banks and institutions eligible to make these loans. Some of the more widely known are: New York, Guaranty Trust Co., Chase National Bank, Continental Trust Company and National City Bank; Washington, D. C., Riggs National Bank; Boston, National Shawmut Bank of Boston; Chicago, Continental Illinois National Bank and Trust Company; Cleveland, Cleveland Trust Company; Cincinnati, Fifth-Third Union Trust Company; Denver, First National Bank of Denver; New Orleans, Hibernia National, and Whitney National Bank of New Orleans; Texas, First National Bank of Fort Worth and the National Bank of Commerce, Galveston.

Radio Program

Presented by The CENTRAL WESTERN BANKER, Omaha

"The Value of Your Checking Account"

Presented here is the twelfth of a series of weekly broadcasts sponsored by the De Puy Insurance and Banking Publications, put on the air at 6:45 to 7:00 p. m. every Saturday evening over station WHO, Des Moines. In this program of March 2d, Ralph W. Moorhead, associate publisher of The Northwestern Banker, Des Moines, and The Central Western Banker, Omaha, is interviewed by Francis Robinson, of Station WHO. Featured in this broadcast is a discussion by Fred C. Atkins, assistant cashier of the Bankers Trust Company, Des Moines, on "The Value of Your Checking Account".

ROBINSON: Do you think the average customer appreciates the value of his checking account?

Moorhead: Unfortunately, no. Most of us take the checking privilege more or less for granted. But actually it's of great value to the depositor and one of the broadest services your bank renders.

Robinson: Well, can you tell me something about the advantages of a checking account?

Moorhead: There are many advantages in having a checking account. I believe our audience would like to have them explained by a competent banker. So, we've asked Fred C. Atkins, assistant cashier of the Bankers Trust Company, Des Moines, to discuss this subject with you tonight. May I introduce you to Mr. Atkins, who will be very glad to answer your questions as to "The Value of Your Checking Account."

Robinson: Thanks, Ralph—and good evening, Mr. Atkins.

Atkins: Good evening, Mr. Robinson. Now what do you want to know about your checking account?

Robinson: Well, first of all, what is the real value of a checking account?

Atkins: A checking account offers five advantages. First, it's easier and safer to write checks than to carry large sums of money. Second, you understand that your cancelled check acts as a receipt, don't you?

Robinson: Yes—it's a good receipt.

Atkins: In the third place, your check stubs help you keep an accurate record of your expenditures. Fourth, a well managed checking account improves your credit standing among people with whom

you do business. Finally, your regular deposits in your checking account, build up your bank's deposits and help the bank serve your community.

Robinson: I had never thought of that angle. Now, here are some other questions: Just what is a bank check?

Atkins: A check is an order drawn by a bank depositor directing his bank to pay a certain amount of money to a person named as payee, and charging the amount against the depositor's account.

Robinson: What is the difference between an ordinary check and a counter check?

Atkins: A counter check is usually payable to self for cash. It's for use only over the bank counter. You cash such a check by just filling out the amount and writing your signature.

Robinson: Didn't banks change the form of their counter checks a few years ago?

Atkins: Yes, they did, to exempt the customer from paying the two-cent federal bank check tax. Such checks were issued in receipt form and were non-negotiable. The check tax, by the way, was discontinued January 1st of this year.

Robinson: Yes, so I understand. Now, Mr. Atkins, supposing I wish to issue a check but have mislaid my check book. Can I draw up any other form which will answer the purpose of a check?

Atkins: Any order to pay, written in proper form, binds your bank to disburse that amount according to your wishes. A lumber dealer once wrote a check on a shingle. The shingle was negotiated for cash.

Robinson: It's a good thing he wasn't

a monument dealer.

Atkins: Well, in any event, you should stick to your regular check form to avoid any difficulties.

Robinson: Here's my next question: How do you define a certified check?

Atkins: A certified check is a customer's check guaranteed by the bank.

Robinson: Is it possible to stop payment on a certified check?

Atkins: No, it's impossible. When a bank certifies a check, it assumes legal responsibility for its payment and the maker's account is charged immediately just as though it had been cashed.

Robinson: Tell me, please, what is the difference between a cashier's check and a bank draft?

Atkins: A cashier's check is the bank's own order to pay, no matter where the item is to be collected. On the other hand, a bank draft is a bank's check payable against the issuing bank's account in another bank. It is, therefore, payable at the correspondent bank, usually located in another town or state.

Robinson: What about the cost of handling checks? Is this a large item of expense to a bank?

Atkins: Yes, it's an expensive item. In the larger banks that handle thousands of checks daily, you'll find several departments with many skilled employes who do nothing but handle checks. They must be equipped, also, with costly machinery to clear your checks promptly and efficiently.

Robinson: Does a bank keep a record of all checks deposited?

Atkins: Oh, yes. Our records are so

(Continued on Page 13)

Nebraska Bank Directory

(As of March 15, 1935)

While the following list of banks operating in Nebraska has been obtained from reliable sources, and is thought to be correct as of the above date, the reader should keep in mind that such lists are subject to change daily, and make proper allowance for any errors or omissions which might appear when published.

- ADAMS—Adams State Bank
 AINSWORTH—Commercial National Bank
 National Bank of Ainsworth
 ALBION—Albion National Bank
 First National Bank
 ALEXANDRIA—State Bank of Alexandria
 ALLIANCE—Alliance National Bank
 Guardian State Bank
 Nebraska National Bank
 ALMA—Harlan County Bank
 ALVO—Farmers & Merchants Bank
 AMHERST—First National Bank
 ANSLEY—Security State Bank
 ARAPAHOE—Arapahoe State Bank
 Citizens State Bank
 ARCADIA—Arcadia State Bank
 First National Bank
 ARCHER—Citizens State Bank
 ARLINGTON—Arlington State Bank
 ARNOLD—Arnold State Bank
 ASHBY—Grant Co. State Bank
 ASHLAND—Citizens National Bank
 Farmers & Merchants National Bank
 ASHTON—Ashton State Bank
 ATKINSON—First National Bank
 AUBURN—Auburn State Bank
 Carsons National Bank
 AURORA—Farmers State Bank
 First National Bank in Aurora
 First Trust Company
 AVOCA—Farmers State Bank
 AXTELL—Farmers & Merchants Bank
 BANCROFT—Citizens State Bank
 First National Bank
 BARTLETT—Bartlett State Bank
 BARTLEY—State Bank of Bartley
 BASSETT—Commercial Bank
 BAYARD—First National Bank
 BEATRICE—Beatrice National Bank
 Beatrice State Bank
 First National Bank
 BEAVER CITY—First State Bank
 BENEDICT—First National Bank
 BELDEN—First National Bank
 BEEEMER—First National Bank
 BENKELMAN—State Bank
 BENNETT—Citizens Bank
 BENNINGTON—Bank of Bennington
 BERWYN—Farmers State Bank
 BIG SPRINGS—Farmers State Bank
 BINGHAM—Bank of Bingham
 BLAIR—Washington County Bank
 BLOOMFIELD—Farmers & Merchants
 State Bank
 BLOOMINGTON—Bloomington State Bank
 BLUE HILL—Commercial Bank
 BLUE SPRINGS—Blue Springs State Bank
 BOELUS—Boelus State Bank
 BRADSHAW—First National Bank
 BRADY—Bank of Brady
 BRAINARD—Bank of Brainard
 BRIDGEPORT—The Bridgeport State
 Bank
 BRISTOW—Nebraska State Bank
 BROADWATER—Union State Bank
 BROCK—Bank of Brock
 BROKEN BOW—Broken Bow State Bank
 Nebraska State Bank
 Security State Bank
 BRULE—Bank of Brule
 BRUNING—Bruning State Bank
 BRUNSWICK—Brunswick State Bank
- BURCHARD—State Bank of Burchard
 BURR—American Bank
 BURWELL—Bank of Burwell
 BUTTE—First National Bank
 CAIRO—State Bank of Cairo
 CALLAWAY—Seven Valleys State Bank
 CAMBRIDGE—Cambridge State Bank
 First National Bank
 CAMPBELL—Farmers State Bank
 CARLETON—Citizens State Bank
 CENTER—Center State Bank
 CENTRAL CITY—Farmers National Bank
 CERESCO—Farmers & Merchants Bank
 CHADRON—First National Bank
 CHAMBERS—Chambers State Bank
 CHAPPELL—Deuel County State Bank
 CLARKS—Farmers State Bank
 CLARKSON—Clarkson Bank
 CLATONIA—Farmers Bank
 CLAY CENTER—Commercial State Bank
 CLEARWATER—Citizens State Bank
 CODY—Bank of Cody
 COLERIDGE—Coleridge National Bank
 COLON—State Bank of Colon
 COLUMBUS—Central National Bank
 Columbus Bank
 COMSTOCK—Farmers & Merchants Bank
 COOK—Farmers Bank
 COZAD—Cozad State Bank
 First National Bank
 CRAWFORD—Crawford State Bank
 CREIGHTON—American National Bank
 CRETE—City National Bank
 Crete State Bank
 CULBERTSON—The Culbertson Bank
 CURTIS—Curtis State Bank
 CUSHING—Cushing State Bank
 DALTON—Dalton State Bank
 DANNEBROG—State Bank of Dannebrog
 DAVENPORT—Jennings State Bank
 DAVEY—Farmers State Bank
 DAVID CITY—Central Nebraska National
 City National Bank
 First National Bank
 DAWSON—Dawson Bank
 DAYKIN—Jefferson County Bank
 BECATUR—Citizens State Bank
 DESHLER—Nebraska Security Bank
 DEWITT—Dewitt State Bank
 DILLER—Diller State Bank
 DODGE—Farmers State Bank
 DORCHESTER—Citizens State Bank
 DOUGLAS—Farmers State Bank
 DU BOIS—State Bank of Du Bois
 EAGLE—Bank of Eagle
 EDDYVILLE—Eddyville State Bank
 EDISON—Farmers & Merchants Bank
 ELBA—Elba State Bank
 ELK CREEK—State Bank
 ELKHORN—Farmers State Bank
 ELLIS—Ellis State Bank
 ELMWOOD—American Exchange Bank
 ELSIE—Commercial State Bank
 ELWOOD—First National Bank
 Home Bank
 ELYRIA—Elyria State Bank
 EMERSON—Farmers State Bank
 First National Bank
 EMMETT—Emmett State Bank
 ENDERS—First State Bank
- EUSTIS—Farmers State Bank
 Pioneer Bank
 EWING—Farmers State Bank
 EXETER—First National Bank in Exeter
 FAIRBURY—First National Bank
 FAIRFIELD—Fairfield State Bank
 FAIRMONT—Farmers State Bank
 FALLS CITY—Falls City State Bank
 First National Bank
 Nebraska State Bank
 Richardson County Bank
 FARNAM—The Farnam Bank
 FRANKLIN—Franklin State Bank
 FREMONT—Fremont National Bank
 Stephens National Bank
 FRIEND—First National Bank
 Southwick Loan Trust Co.
 FULLERTON—First National Bank
 Fullerton National Bank
 FUNK—Funk State Bank
 GENEVA—Geneva State Bank
 GENOA—First National Bank
 Genoa National Bank
 GERING—Gering National Bank
 GIBBON—Exchange Bank
 GOEHNER—Goehner State Bank
 GORDON—First National Bank
 Gordon State Bank
 GOTHENBURG—Farmers State Bank
 First State Bank
 Gothenburg State Bank
 GRAPTON—Grafton State Bank
 GRAND ISLAND—Commercial Bank
 First National Bank
 Grand Island Trust Co.
 Nebraska Loan & Trust Co.
 Overland National Bank
 GRANT—Farmers National Bank
 GREBLEY—City National Bank
 GRESHAM—Gresham State Bank
 GUIDE ROCK—Guide Rock State Bank
 HALLAM—Hallam Bank
 HAMPTON—First National Bank
 HARDY—Farmers State Bank
 HARRISON—Sioux National Bank
 HARTINGTON—Bank of Hartington
 HARVARD—Harvard State Bank
 HASTINGS—Hastings National Bank
 City National Bank
 HAVELOCK—Havelock National Bank
 HAYES CENTER—First National Bank
 HAY SPRINGS—First National Bank
 Northwestern State Bank
 HEARTWELL—Heartwell State Bank
 HEBRON—Thayer County Bank
 HENDLEY—Farmers State Bank
 HERMAN—Herman State Bank
 HICKMAN—First State Bank
 HILDRETH—State Bank of Hildreth
 HOLBROOK—Security State Bank
 HOLDREGE—First National Bank
 HOMER—Home State Bank
 HOOPER—First National Bank
 HORDVILLE—First State Bank
 HOWELL—Howell State Bank
 HUBBELL—Hubbell Bank
 HUMBOLDT—Home State Bank
 HUMPHREY—Farmers State Bank
 HYANNIS—Bank of Hyannis
 IMPERIAL—Farmers & Merchants Bank
 First National Bank
 ITHACA—Farmers State Bank
 JANSEN—State Bank of Jansen

Every Banking Service

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KILGORE—Farmers State Bank
KIMBALL—American National Bank
KRAMER—Farmers State Bank
LAUREL—Security National Bank
LAWRENCE—Security State Bank
LEBANON—State Bank of Lebanon
LESHARA—Leshara State Bank
LEWELLEN—First National Bank
LEXINGTON—Farmers State Bank
Lexington State Bank
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Union Bank
LINWOOD—Farmers & Merchants Bank
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LOUISVILLE—Home State Bank
LOUP CITY—First National Bank
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LYONS—First National Bank
MADISON—Farmers National Bank
MADRID—State Bank of Madrid
MALMO—Security Home Bank
MANLEY—Manley State Bank
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MARTELL—Martell State Bank
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MAYWOOD—Farmers Security Bank
McCOOK—First National Bank
First Trust Company
McCook National Bank
McCOOL JUNCTION—Blue River Bank
Farmers & Merchants Bank
MEAD—Bank of Mead
MERNA—Farmers Bank
MERRIMAN—Anchor Bank
MILFORD—Farmers & Merchants Bank
MILLARD—Farmers State Bank
MILLIGAN—Farmers & Merchants Bank
MINATARE—First National Bank
MINDEN—First National Bank
Minden Exchange National Bank
Nebraska National Bank
MITCHELL—First National Bank
MONROE—Bank of Monroe
MORRILL—First National Bank
MURRAY—Murray State Bank
NEBRASKA CITY—Farmers Bank
First Trust Company
Nebraska City National Bank
Otoe County National
NEHAWKA—Nehawka Bank
NELIGH—National Bank of Neligh
NELSON—Commercial Bank
NEWCASTLE—American State Bank
NEMAHA—Bank of Nemaha
NEWMAN GROVE—First National Bank
NIOBRARA—Bank of Niobrara
NORFOLK—Delay National Bank of Norfolk
Durland Trust Company
Security State Bank
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McDonald State Bank
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OAKDALE—First National Bank
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ODELL—State Bank of Odell
OGALLALA—Citizens Bank
OHIOVA—Home Bank
OMAHA—Bank of Florence
Douglas County Bank
First National Bank of Omaha
Live Stock National Bank
Omaha National Bank
Packers National Bank
South Omaha Savings Bank
Stockyards National Bank
United States National Bank
O'NEILL—First National Bank
O'Neill National Bank
ORD—First National Bank
Nebraska State Bank
OSCEOLA—First National Bank
OSHKOSH—Nebraska State Bank

OVERTON—Overton National Bank
OXFORD—Security State Bank
PALISADE—Frenchman Valley Bank
PALMER—Palmer State Bank
PALMYRA—Bank of Palmyra
PANAMA—Bank of Panama
PAPILLION—Banking House of A. W. Clarke
PAWNEE CITY—Farmers State Bank
Citizens State Bank
PAXTON—Bank of Paxton
PENDER—First National Bank
Pender State Bank
PERU—Bank of Peru
PETERSBURG—Petersburg State Bank
PHILLIPS—Bank of Phillips
PICKRELL—Farmers State Bank
PIERCE—Cones State Bank
PILGER—Farmers National Bank
PLAINVIEW—Plainview State Bank
PLATTSMOUTH—Plattsmouth State Bank
PLYMOUTH—Farmers State Bank
POLK—Citizens State Bank
PONCA—Bank of Dixon County
POTTER—Potter State Bank
PRAGUE—Bank of Prague
PRAIRIE HOME—Farmers Bank
PRIMROSE—First National Bank
PURDUM—Purdum State Bank
RANDOLPH—First National Bank
RAVENNA—Ravenna Bank
RED CLOUD—Peoples Webster County Bank
REPUBLICAN CITY—Commercial State Bank
RISING CITY—Farmers State Bank
RIVERDALE—State Bank of Riverdale
ROCA—Bank of Roca
ROCKFORD—Rockford State Bank
ROCKVILLE—Farmers State Bank
ROSELAND—Roseland State Bank
RUSHVILLE—Stockmens National Bank
Union Bank
SALEM—Bank of Salem
SARGENT—Farmers State Bank
SARONVILLE—Farmers State Bank
SCHUYLER—Schuyler State Bank
SCOTIA—State Bank of Scotia
SCOTTSBLUFF—Scottsbluff National Bank
SCRIBNER—Farmers State Bank
First National Bank
SENECA—Stockmans Bank
SEWARD—Cattle National Bank
First Trust Company
Jones National Bank
SHELBY—First National Bank
SHELTON—First State Bank
SHUCKLEY—Shickley State Bank
SHUBERT—Citizens Bank
SIDNEY—The American National Bank of Sidney
SILVER CREEK—Farmers State Bank
SMITHFIELD—Farmers State Bank
SOUTH SIOUX CITY—Nebraska State Bank
SPALDING—Spalding City Bank
SPENCER—Spencer State Bank
SPRINGVIEW—First National Bank
Stockmans Bank
STAMFORD—Stamford Bank
STANTON—First National Bank
Stanton National Bank
STAPLETON—Bank of Stapleton
STEEL CITY—Farmers State Bank
STEINAUER—Bank of Steinauer
STELLA—State Bank
ST. MARY—Citizens State Bank
ST. PAUL—Citizens National Bank
St. Paul National Bank
STRATTON—Commercial Banking Co.
STROMSBURG—First National Bank
Stromsburg Bank
STUART—First National Bank
SUMNER—Security State Bank
SUPERIOR—Farmers State Bank
Security National Bank
SURPRISE—State Bank of Surprise
SUTTON—Sutton State Bank
City State Bank
SWANTON—Bank of Swanton
SYRACUSE—First National Bank
TABLE ROCK—State Bank of Table Rock
TALMAGE—Farmers State Bank
Bank of Talmage
TARNOV—Bank of Tarnov
TAYLOR—Bank of Taylor
TECUMSEH—Johnson County Bank
TEKAMAH—Burt County State Bank
First National Bank
THAYER—Thayer Bank
THEDFORD—Citizens State Bank

TILDEN—Tilden National Bank
TOBIAS—Citizens National Bank
TRENTON—Citizens State Bank
State Bank of Trenton
TRYON—Tryon State Bank
ULYSSES—Ulysses State Bank
UNADILLA—First National Bank
UTICA—First National Bank
VALENTINE—First National Bank
Nebraska State Bank
VALLEY—Bank of Valley
VALPARAISO—Oak Creek Valley Bank
VIRGINIA—Citizens State Bank
WACO—Farmers & Traders Bank
WAHOO—First National Bank
Wahoo State Bank
WAKEFIELD—Wakefield National Bank
WALLACE—Citizens Security Bank
Farmers State Bank
WALTHILL—First National Bank
WATERBURY—Waterbury State Bank
WAUNETA—Wauneta Falls Bank
WAUSA—Commercial State Bank
WAVERLY—Lancaster County Bank
WAYNE—First National Bank
State National Bank of Wayne
WEEPING WATER—First National Bank
Nebraska State Bank
WELLFLEET—Bank of Wellfleet
WEST POINT—First National Bank
Farmers & Merchants National Bank
WHITMAN—First State Bank
WILBER—Bank of Wilber
Saline State Bank
Wilber State Bank
WILCOX—First National Bank
WILSONVILLE—Wilsonville State Bank
WISNER—Citizens National Bank
First National Bank
WOLBACH—Peoples State Bank
YORK—American Trust Company
First National Bank
First State Savings Bank
First Trust Company
YUTAN—Bank of Yutan

Group Meetings

The Spring group meetings of the Nebraska Bankers Association have been arranged as follows:

Group

- 1—At Lincoln May 24
- 2—At Columbus April 22
(Arbor Day)
- 3—At Norfolk April 22
(Arbor Day)
- 4—At Holdrege May 23
- 5—At Ord May 22
- 6—Alliance May 20
- 7—At Ogallala May 21

Special cars will be provided for the trip to make the meetings at Alliance, Ogallala, Ord, Holdrege and Lincoln on five successive days. Reservations for this trip can be made with Mr. William B. Hughes, 420 Farnam Building, Omaha, Nebraska.

BONDS AND INVESTMENTS

THE BUSINESS OUTLOOK

GENERAL business activity has neither made important gains nor suffered serious setbacks during the first quarter of the year. The most important sustaining influence has been the continuing vigorous production of the automobile industry which is now well on its way toward turning out a million cars in the first quarter. The deterring influence has been the continuing doubts about the conditions under which business is to be conducted.

THESE disquieting elements have been numerous and varied. They include the gold decision and its uncertain implications, the long series of decisions in federal courts denying the constitutionality of important parts of the new federal business legislation now in effect, and the resulting clear prospect that these matters cannot be settled until the highest court rules on them. The uncertainties include moreover the rapidly shifting values in the international exchanges which hamper all foreign trade. They include the prospect that we may have new and radical banking legislation. Finally a major element of uncertainty is inherent in the fact that the Congress has continued discussing a large number of exceptionally important measures without deciding practically any of them.

IT HAS been long and truly observed that business can adapt itself to almost any set of conditions, and can go forward more or less successfully, once the new rules are made definite and constant. It does not, however, readily adapt its methods and procedures in an atmosphere of diverse changes. We now have a new dollar and a new banking system, new rules of competition and new taxes, new forms of government subsidy, and new methods for originating and trading in securities, and there is more than a

By COL. LEONARD P. AYRES
Vice President
The Cleveland Trust Company

possibility that any or all of them may be altered by this new Congress.

UNDER the circumstances that prevail business has done well so far this year, for these are not conditions that are favorable to vigorous trade and industrial revival. There seems to be good prospect that the automobile industry will continue to produce on a large scale for several months to come, and retail trade is holding up relatively well. The prospects for other forms of business would be greatly improved if they could include a large measure of prudent political tranquility.

AGRICULTURAL products represent about 13 per cent of the car loadings other than those in less than carload lots, and the evidence is not clear whether or not the railroads are holding their own as carriers of them. It is evident that they have lost seriously as carriers of livestock which makes up about six per cent of the loadings. In the large class of manufactured and miscellaneous products they have not seriously lost ground, nor have they in the carrying of mine products and lumber.

IT IS not possible to match production indexes against loadings of less than carload lots, but we know that those loadings have held up better than any of the other great classes. If trucks had been taking over any large proportion of railroad freight their numbers would have greatly increased during the depression instead of decreasing. The real trouble lies in the shrinkage of the output of the goods railroads carry. In the great

classes of manufactured articles, mine products and lumber combined, the output in terms of rail freight in 1934 was only about 62 per cent as great as in 1923-1925 despite the index of the Federal Reserve Board which shows the volume of factory production and mining to have been about 80 per cent as great last year as in 1923-1925.

EVER since the beginning of the industrial revolution almost 200 years ago people have feared that progressive improvements in labor-saving machinery would result in permanent increases in unemployment. Each new labor-saving device has displaced workers, and so caused temporary unemployment, but in the longer run the result has always been to increase the demand for workers, and to lift the general average of wages. In recent years in this country many people have believed that technological unemployment would be one of our permanent problems, and that it might well be a principal cause of the depression and a leading factor in protracting it.

WILL ECONOMIC SECURITY LEGISLATION AFFECT BANK SAVINGS?

(Continued from Page 4)

The tendency to do otherwise is naturally as prevalent in this country as abroad. After walking a block with the actuaries, the layman begins to walk faster and attempts to cross the street, not at the marked intersection, but between blocks and against the red light. In the eyes of the layman the actuary walks too slowly. He will not take a chance. You can't make a jaywalker out of an actuary, and so he is left behind. His estimates are "too high." If we would have the American economic security system make a real contribution towards Ameri-

can thrift, I say "watch your step" and don't leave the actuary walking alone. Stick with him. If you don't he will be alive when you are dead.

Some among us seem to see in social insurance the outlines of a new American social order. Such men glorify, to a point which does not seem to me rational in the light of Europe's experiences, the results which they feel are bound to follow once we launch a plan. In my judgment, a soundly conceived and efficiently administered system of social insurance can help in maintaining morale and the general level of well-being. It is not at all clear to me that it will bring the kingdom of heaven on earth. There are others in our midst who quiver lest the program proposed at Washington means

utter ruin, lest it be the straw that will ultimately break the back of American industry and commerce, lest it so corrode the character of our citizenry, that those stalwart characteristics on which we have prided ourselves since George Washington will be dumped in the discard. I do not belong to this school of thought. I am not inclined to the belief that a system of economic security grounded on the multiplication table, administered as scientifically as we can administer it, a system which is gone into with eyes wide open in the light of Europe's experiences, will have seriously harmful effects upon the thrift habits of the American people. I have a feeling that that is the correct answer to the question.

The Problem of Farm Tenancy

(Continued from Page 6)

and bring much greater stability and security to thousands of farm communities. Moreover, it would be of substantial aid in dealing with our problem of surplus cash crops. Our recent experiences have shown that a reduction of acreage in a tenant community tends to create agricultural unemployment, with some of the evils characteristic of urban unemployment. However, in communities where practically all farms are operated by owners, the acreage reduction programs have brought about a greater diversification of farming with a resulting higher standard of living, and have aided in increasing soil fertility.

If the provisions of a law similar to those incorporated in the bill which we are considering are administered as intended by the author of this measure, it should be a substantial aid to the broad national recovery program, reduce materially the relief burden in rural areas and bring great benefits to thousands of tenant farmers who are in pitiful economic condition and in serious need of rehabilitation, and check the deterioration of our rural civilization. No better method of aiding our tenant farmers can be undertaken than to give them a secure form of tenure on a family size farm; aid them in carrying out a farm and home management program that will yield a reasonable cash income; and, at the same time, create a farm and home unit as a permanent, desirable and secure place to live and rear their children.

No Confiscation

As I read the proposed bill, there is no intention to take land from an unwilling seller. The provisions made for condemnation proceedings are merely to clear title after the terms of purchase are agreed upon between the buyer and seller. There is absolutely no intention, as I understand the measure, to take lands from persons who don't want to sell. I am certain that this was Senator Bankhead's intent. But if there is any doubt, it is probable that appropriate language could be incorporated in the bill to cover this point. As a matter of fact, there should be no occasion for the proposed corporation to want land which the private owner does not want to sell. The National Resources Board reports that, as a result of the depression, a more than usual proportion of our land is in the hands of creditor or government agencies which have been compelled to take over the property. In the West North Central States nearly 30 per cent of the total value of farm lands was thus owned and in the East North Central States nearly 20 per cent, the National Resources Board reported. Thus it would be possible for this proposed corporation to acquire considerable areas of lands without having purchased it outright.

It is imperative that the administration of the provisions in a bill so far-sighted and socially desirable as this one be carried out in accordance with sound principles of farming and in the light of

the best experience in dealing with rural problems. I take it that the main purpose of this bill is not to make available a large sum of liberal credit to be promiscuously used in aiding tenants to purchase farms, without any thoughts as to the resulting consequences of their newly acquired ownership. To transfer some of our inexperienced and undesirable rural tenants into immediate owners, by the simple expedient of loaning them substantial amounts of money on very liberal terms, might create more social problems than it solves. On the other hand, by following a sane and conservative program for aiding desirable tenants in becoming owners; and by helping the inexperienced ones to follow sound farm management practices we shall be able to aid them in buying a farm which they can retain as a permanent home. I can assure you that the Department will mobilize its extensive technical resources and devote the best experience of its scientific and extension forces toward accomplishing these objectives, because we believe thoroughly in them.

Higher Standard

It may be argued by many people in this country, that to aid a tenant in becoming an owner on a shoe-string of credit is socially undesirable and economically unsound. Such hasty conclusions are likely to develop when there has not been a mature and considerate analysis of the provisions embodied in the bill proposed by Senator Bankhead. It is often extremely difficult for tenants to obtain holdings of the proper size to fit their ability and family labor supply. Moreover, it has been virtually impossible for more than a decade for many of our energetic and ambitious farm boys to acquire capital sufficient for the customary down-payment on a good farm. Many tenants with years of farm experience have been earning such a small margin, after they paid their rent to the landlord, that they were virtually forced to continue through life as tenant operators. The percentage of tenants who are more than 55 years old has been increasing in this country for several decades. Now we have about 375,000 who are over 55 years of age. Many of these people have struggled toward ownership for years, and yet in their old age have no home of their own and no more security than when they started as farm laborers.

An active government program aimed at making owners out of desirable ten-

ants, through a system of long term loans which can be repaid by taking the ordinary rent as payments toward the ownership of a farm, is a thoroughly sound and justifiable procedure for creating greater security and more desirable homes for our rural tenant population. During the period when the purchasers are slowly creating an equity in the farms they operate they will have all the security of an owner and should develop a real and lasting interest in maintaining their homes and permanently participating in the social life of their communities.

In short, I am happy to support a measure which has as its aim the creation of a substantial group of farm owners out of our present tenant class. I know of no better means of re-constructing our agriculture on a thoroughly sound and permanently desirable basis than to make as its foundation the family-sized, owner-operated farm. I believe that the provisions of this bill can be put into effective operation in such manner as to bring greater individual opportunity and security to thousands of tenants. At the same time, they should be of substantial aid in our crop adjusting programs, and in our attempts to conserve soil fertility and prevent erosion. Moreover, these provisions will aid materially in bringing about the development of a rural civilization embodying a higher standard of living and a better developed and more stable community life than has been possible under a system characterized by land speculation, absentee landlords and migratory tenants.

"THE VALUE OF YOUR CHECKING ACCOUNT"

(Continued from Page 7)

complete we can trace back to its source, any check we receive, even though the check may be lost.

Robinson: I understand that in the larger cities, banks clear their checks through clearing houses. Can you tell me, what is a clearing house?

Atkins: A clearing house is an organization of several banks in any city or locality to simplify the collection of checks drawn on each other.

Robinson: Well, how is this done through a clearing house?

Atkins: In a city with several banks and no clearing house, each bank must send a messenger to every other bank in the city to present checks for payment. In the larger towns, this would be a long

and expensive process. Where you have a clearing house, messengers from each bank meet at a specified hour, exchanging their checks and settling their differences by clearing house receipts.

Robinson: I can see where this would save a lot of time and effort. Now, how did the clearing house idea originate?

Atkins: Entirely by accident. Back in 1680, two messengers of banks in opposite ends of London met in a tavern one day for a cup of coffee. They found the totals of their clearings were identical, so traded clearings and arranged to meet the following day. Other bank messengers took up this idea, meeting in the same tavern at the same time, to exchange clearings. That's the origin of the clearing house plan.

Robinson: Does a bank on an average day, receive many checks that cannot be paid?

Atkins: Unfortunately, yes. Many people either purposely or otherwise abuse the checking privilege.

Robinson: What is the principal reason for turning down a check?

Atkins: Insufficient funds is the most common cause. Many customers are careless in keeping a record of their balances. On the other hand, some depositors just shut their eyes and write checks, fully aware that they have insufficient funds to cover them. This, of course, is in violation of the law.

Robinson: Can you explain, please, what's meant by an "overdraft"?

Atkins: An overdraft occurs when a

bank pays a check against insufficient funds, either by mistake or by previous agreement.

Robinson: How do you handle overdrafts?

Atkins: The maker of the check is notified at once. This is always an unpleasant task for the bank. Invariably, the writer of the overdraft believes special attention should be given his case. The bank, however, must treat all depositors alike.

Robinson: Mr. Atkins, how can payment be stopped on a check?

Atkins: Notify the bank on which it is drawn that you wish payment stopped and it will be returned, marked "payment stopped."

Robinson: Do you have many "stop payment" requests?

Atkins: Yes. The number of such requests is almost unbelievable.

Robinson: What is the usual cause for such requests?

Atkins: Ordinarily it's the loss of a check, either misplaced, lost in the mail or accidentally destroyed before it's paid.

Robinson: What should I do if I want to stop payment on a check?

Atkins: First, call at your bank and find out whether the check has been paid against your account. If it hasn't been paid, then issue a stop payment order in writing. You should then issue a duplicate check.

Robinson: Suppose the original check is found and returned to me. What should I do then?

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OFFICES IN PRINCIPAL CITIES

Atkins: Notify your bank that the check has been located, so they can release your stop payment request. Then destroy the original check.

Robinson: Aside from losing a check, are there any other reasons for stopping payment on checks?

Atkins: Yes, breach of contract, misunderstanding or dissatisfaction on services or merchandise for which a check has been given, are frequent causes. Some thoughtless people even write checks to get rid of persistent salesmen, then telephone their bank to stop payment on the checks.

Robinson: Is this a safe practice for the depositor?

Atkins: Emphatically, no! If the check falls into the hands of an innocent third party the maker of the check must pay it even though the bank returns it marked "payment stopped."

Robinson: Well, what happens if a "stop payment" request is made and the bank pays the check by mistake?

Atkins: No business in the world, Mr. Robinson, keeps better or more accurate records than banking. We are custodians, not of our own money, but of the depositor's money. Our clerical errors are few, indeed. If, however, a bank by mistake pays a check on which payment was stopped, some adjustment is usually worked out with the customer.

Robinson: Can you illustrate this point for our listeners?

Atkins: Yes, here's an example. A woman customer issued a check for a rug

which was to be cleaned before delivery. It was delivered, but hadn't been cleaned as agreed. The buyer stopped payment on her check, but the bank paid it by mistake.

Robinson: Well, how was this adjusted?

Atkins: That was easy to settle. The bank had the rug cleaned at its own expense and everyone was happy.

Robinson: I issued a check recently to a man who tried to cash it at my own bank. A few minutes later he came back saying the bank had refused to cash it for him. Now, why was he turned down? I had funds to cover the check, and the bank knew my signature.

Atkins: Well, of course, the bank knew you had funds to cover the check and that your signature was genuine. However, they probably had no way of knowing that this man was the man to whom you had issued the check. He might have lost it en route, some other man might have found and presented the check.

Robinson: Would the bank have been liable if it paid the money to the wrong man?

Atkins: Yes, indeed. The bank must always make sure it's paying the amount of the check to the proper individual.

Robinson: Our time is about up. Now, here's one more question. I phoned my bank the other day to get the amount of my balance. The bank asked me a lot of questions before giving me this figure.

Now, why was this "cross-examination" necessary?

Atkins: The bank must identify you in order to protect both yourself and the bank. The amount of your balance is a confidential matter. You don't want someone else to phone your bank and find out the amount of your balance, do you?

Robinson: No, I don't want my face to be red! And I can see where you're protecting me.

Atkins: That's the idea, Mr. Robinson. Such rules and regulations are all primarily for the depositor's benefit. They improve our service to you, as a part of your checking account privilege, and increase the great value of your checking account.

Robinson: Thank you, Mr. Atkins, for this fine information.

Two Kinds of Cooperation

The farmer has learned that there are two kinds of cooperative effort.

One kind obtains cooperation through governmental fiat—through a process of regimentation, whereby the farmer's actions are dictated by a bureau in Washington.

The other kind is obtained through the work of the farmer himself—when he and his fellows join and support a farmer-controlled cooperative organization.

The first kind of cooperation may be necessary in a temporary national emergency, but if it is continued indefinitely the American farmer will undergo drastic and unhappy change. Once a free man, he will become a serf. Once an independent entity, thinking and working to advance his own interests, he will be at the mercy of politicians. Money made at the expense of freedom and independence could avail him little.

The second kind of cooperation does not destroy independence—it builds it. It makes for individualism and development of character. Farmers who band together in cooperative organizations to fight their battles and thrash out the issues affecting them, are hardly likely to become peasants, under the thumb of bureaucracy.

Which kind of cooperation does the average American farmer want?

"It's so good of you, doctor, to have come this far to see my husband."

"Not at all madam, not at all. I have a patient next door, and I thought I'd kill two birds with one stone."

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INSURANCE

Its Application to the Banking Fraternity

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MY METHOD of writing life insurance is neither new nor original. I know that everyone is curtailing expenses and that incomes have been reduced, therefore, my first step after the approach in interviewing prospective clients is to impress him or her that money deposited with a life insurance company is not an expense but a saving.

Recently, I called on a prospective client who is the head of a partnership which had been quite successful in the past; however, the business has dropped off greatly during the depression so that they have been compelled to reduce their organization, cut salaries, and effect savings in overhead wherever possible. I had arranged for an interview and had told Mr. Prospect I would not take over fifteen minutes. Immediately, upon entering his office, he started the conversation and told me all about his business, how they had been compelled to cut expenses in order to keep out of the red, even had secured a reduction in their rent. He stated that he personally had been forced to surrender \$15,000 life insurance. Finally, the fifteen minutes had passed and I had said nothing. At the expiration of the time, he gave me a fine cigar, which I accepted with a wide grin on my face. Thanking him for the smoke, I said that I hoped he saw the humor of our interview, as I had been with him fifteen minutes and had not had an opportunity to say anything. We both laughed, and then I said, "If you could increase your life insurance by spending less, would you do so?" The answer, of course, was, "Yes." I continued, "Now, isn't it a fact

By JEROME M. BREYER

*The Penn Mutual Life Insurance Company
San Francisco*

that you have reduced everything except your personal expenses? Do you realize that by spending 50 cents a day less, than you are spending now, you can increase your life insurance approximately \$6,000, and also start an organized plan of saving money?" This seemed to do the work, for I went away with an application and check for a semi-annual premium.

Another App

Not long ago, I called on an owner of a restaurant. Before making the call, I had made an appointment at which time I told him I would be with him only fifteen minutes unless our interview was of sufficient interest to him to make him to want me to stay longer. During the first fifteen minutes, he told me all about his business, the amount he was charging off for depreciation of his fixtures, when his lease expired, and even the sum of his personal expenses. I asked him what he was putting away for his own depreciation and impressed him with the fact that while he was depositing money with a life insurance company he was setting aside a sum for his own depreciation as well as providing protection for his family, accomplishing both of these fine purposes by spending less and saving more. I took his application for an endowment income contract.

Ben F. Shapro, our general agent, whom I regard as one of the greatest leaders in the life insurance business, told me early in my career, that in his opin-

ion all commercial terms, such as: buy, sell, pay, charge, cost, etc., should not be a part of the vocabulary of a Life Underwriter. Often I have heard him make the statement that, "Words are the precious jewels of our profession." I absolutely agree with Mr. Shapro. The public has not been in a buying mood, and the elimination of commercial terms from my presentation vocabulary has greatly assisted me in securing business. Ever since I have been a Life Underwriter, I have realized that the prospective client is not much interested in me personally, and is not greatly concerned whether I do business or not. Therefore, I try to put myself in the prospect's frame of mind and forget my own interest in the case. By so doing, I am better able to advise him and we meet on his side of immediate interest.

Best Method

While I use more or less all of the known methods of securing business, the one which I use the most successfully is the "Endless Chain" method. Of course, it goes without saying, that intelligent prospecting means that a Life Underwriter will obtain all possible information concerning the prospect before making his contact. After I secure an application, I try so to impress my client with the value of the contract he has selected that he is even anxious to have some friend know what he has done, and to have one present a similar plan to his friends.

I believe that any man with an income can save money by cutting down his personal, and often unnecessary expenses, and so increase his life insurance pro-

gram. I often say to a prospect, "Saving is one sure way to create capital, and it takes capital invested to secure an income in order for financial independence to be guaranteed in the sunset days of life." Often I speak to the prospect as follows, "If you will take a portion of the money you and your family are practically wasting or spending unnecessarily, you will be able to secure protection for those near and dear to you in the event of your premature death, and at the same time, build up an income for yourself later in life; and, of course, the life insurance company would expect you to live in order to benefit by the protected savings plan yourself, otherwise they would not accept you as a depositor.

Vital Statistics

Before closing this article, I wish to say that the vital statistics published in the daily newspapers are so easily accessible that most Life Underwriters leave these leads to the other fellow, probably thinking that that type of prospecting is overdone. Personally, I have found information secured from the vital statistics very valuable, and have on my books many clients whose names I originally secured from this source.

At times, I find myself sympathizing with a Life Underwriter who has been in the business for a number of years and has not been able as yet to adjust himself to new conditions and adopt new methods. Personally, I care very little about net cost and have found very few occasions where a discussion of cost would have made it easier for me to close the business.

Most men have suffered several losses in recent years, and an appeal based on what life insurance will provide for them in their own later years of life produces better results than a presentation

based on what life insurance will accomplish in the event of his passing.

To me, Life Underwriting is a high mission of human service. I have always felt that in persuading people to create an estate for the benefit of their beneficiaries by saving money for themselves, should they survive, I was a paid philanthropist. It is my sincere conviction that the only certain way a man can definitely arrange a guaranteed income for his family or himself is through LIFE INSURANCE, and being so thoroughly convinced myself, I have not found it difficult to convince others.

The Big Three

Statistics for the first eleven months of 1934, show that life insurance sales increased ten per cent over 1393, every part of the nation participating. The outlook for this form of protection and saving seems favorable for 1935.

It is apparent that a great many people are curtailing speculations based largely on their own individual judgment and leaning more toward sharing in the security and earnings afforded by diversified investments resulting from the pooling of resources under the life insurance theory.

Sane living, medical examinations and life insurance are more or less synonymous terms. No three things are more important to human life and happiness, and yet the average individual unconsciously resists consideration of the three subjects—too often to his own great loss and suffering.

Proper recognition of these three precautions will make the greatest percentage of any people in any nation misery proof and depression proof.

It is a heartening sign that statistics show more of our own people learning from experience to reduce their problems of the future.

Is Self-Protection a Crime?

Commenting editorially on the political charge that the utilities have actively opposed government ownership of their properties, the Pomeroy, Ohio, *Tribune* says:

"It is indeed difficult for the average man who thinks with an open mind and who is not so prejudiced that he cannot give a subject fair and intelligent thought, to get excited over such charges. As a matter of fact just why should not a company or firm, whether engaged in public utilities or grocery selling, be permitted to do everything possible so long as he neither circumvents nor breaks laws, to keep from losing his business. . . .

"Is not a man entitled to the fruits of his labor? Is he to be shorn of his business without a chance to protect himself simply because it happens to be a utilities business? Such action is comparable only to the unfair procedure taken by the government when prohibition was voted in the land, when millions of dollars of property were scrapped by such action without restriction being made to those who had their money invested in legal enterprises. Regardless of one's thoughts or sympathies, such things are not right nor equitable, nor can any amount of argument make them so.

"If and when the laws now in effect are properly enforced and honest officials see that competent engineers properly fix valuations for utilities and set rates accordingly, there never will be any reason for governmental interference or ownership of utilities. And if such actions are taken, the people will receive lower rates than they will get under governmental operation with the grafting methods used in most political deals extended to the field of public utilities."

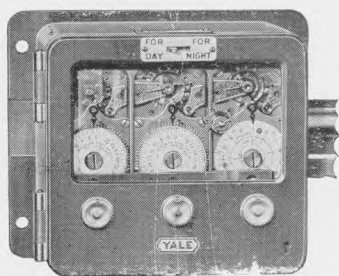
Nothing Unusual

"Did you give the man the third degree?" asked the police officer.

"Yes. We browbeat him and badgered him with every question we could think of."

"What did he do?"

"He dozed off, and merely said now and then, 'Yes, my dear, you are perfectly right'."



Protect Against An Early Morning Raid!!

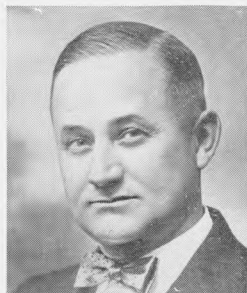
● It is essential that a longer than a 30 minutes delay period be used to discourage the Early Morning Holdups.

● The Yale Variable Delayed Period Timelock can be varied to meet each Banker's individual requirements.

● Let us explain our plan of demonstrating this modern Underwriter's Approved Holdup Equipment in your own bank on a thirty-day free trial.

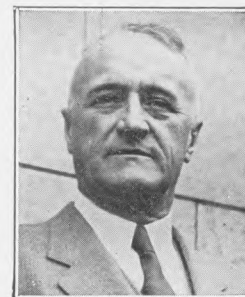
F. E. DAVENPORT & COMPANY

OFFICIAL EXPERTS FOR NEBRASKA BANKERS ASSN.
OMAHA, NEBRASKA



OTTO KOTOUĆ, President
Nebraska Bankers Association

Nebraska News



WILLIAM B. HUGHES, Secretary
Nebraska Bankers Association

Banker Dies

Charles Cook, well-known Spencer banker and resident until the last few years, passed away at the home of his son, Dean, at Beaver Dam, Wis.

He is survived by three sons and two daughters: Renard E. of Wausaw, Lucian L. of Spencer, Dean C. of Beaver Dam, Wis., Mrs. Charles C. Morgan of Omaha, and Emma V. Cook of Battle Creek, Mich. He is also survived by two brothers, Wesley of Omaha and Edwin of Beaver Dam.

Burial was made at Blair, Neb., former home of the Cook family, before moving to Spencer.

Depository

A resolution designating the First National Bank of the city of Randolph, a depository for city funds, providing for a service charge on any deposits carried therein and providing for the security of any deposits made therein was passed recently by the Randolph city council.

Paid in Full

Work of H. A. Tunnell, an officer, director and stockholder of the defunct State Bank of Logan county at Gandy, has brought depositors there one hundred cents on the dollar for funds on deposit at the time the bank failed. Tunnell turned over to the receiver a first mortgage for \$16,000, which was \$9,300 more than his stockholder's liability. This contribution of \$9,300 plus funds secured from the Reconstruction Finance Corporation made the one hundred per cent pay-out possible. The final payment of 35 per cent, amounting to \$22,500 was recently announced by the state banking department.

A.I.B. Convention

Richard W. Hill, national secretary of the American Institute of banking, in Omaha recently to arrange for the na-

tional convention, said he expected at least 1,200 delegates to attend the convention to be held June 10 to 14 inclusive.

Hill was in Omaha conferring with the local arrangements committee, consisting of Gwyer Yates, chairman, J. T. Stewart III, C. J. Flowers, E. H. Spetman and M. F. Barlow.

The two principal convention business sessions will be held in the Brandeis theater. Delegates classified as to character of their work will hold individual group meetings.

Convention delegates, elected on a membership basis, will come from the 229 chapters.

One principal speaker will be Rudolf S. Hecht, president of the American Bankers association, and chairman of the board of directors of the Hibernia National Bank of New Orleans.

Chief Counsel

Franz C. Radke was recently reappointed chief counsel for the state banking department by Governor R. L. Cochran. He will continue to receive a salary of \$3,500 per year.

Radke once served as private secretary to former Governor Charles W. Bryan.

Returns to Work

Charles E. Wood, who has been ill, returned to his duties at the Bank of Talmage. He has been suffering with an ailment to his feet and limbs, but is much improved at the present time.

Another Check-Up

The fact that about \$150,000 was appropriated from the state treasury and spent less than five years ago on an investigation of bank failures and the operations of the old guaranty fund commission was apparently forgotten by Nebraska senators as they voted over the

protest of a few of their number, to provide \$20,000 more for an audit of the banking department covering the period since 1930.

This new probe is in reality to be a checkup on the banking administration during the Bryan regime. The bill authorizing it and making the appropriation is H. R. 392, already passed by the lower chamber. Auditor Price is to have charge of the investigation, which will require employment of some extra accountants by his office.

Senators Stewart and Sullivan tried vainly to have the amount cut down to \$10,000. The bill was advanced to third reading with the larger sum included. It specifies that the finding of the auditor and his assistants shall be reported to the next legislature.

New Home

The Mason State Bank has moved into its new and permanent home, having purchased the building formerly occupied and owned by the Mason City Banking Company.

This is one of the finest and best equipped business buildings in Custer county. The building is equipped with modern and up-to-date furniture and fixtures, with all safety appliances and protective features against gangsters and robbers, and has ample room for the accommodation of patrons.

In Bank

Fritz Stevens of Hartington began his new duties as an employee at the Bank of Hartington recently. He was formerly employed at the People's Store in Hartington.

Bank Position

The resignation of Louis Murdoch as deputy county treasurer has been announced and was effective March 15. Mr. Murdoch will accept a position in

the Washington County Bank of Blair, left vacant when John Davis resigned.

Mr. Davis, who resigned his job at the Blair bank about March 18, has been a resident of Blair for about a year and a half.

Reduce Payroll

Administrative personnel in the Nebraska banking department has been reduced from 109 people at the close of 1934 to 101 in February, and the total payroll has been cut from \$17,298 per month to \$15,530 during the process of its reorganization under Governor Cochran's direction, since Ben Saunders took charge as superintendent.

Each of the four divisions in the department is being run now at less outlay for salaries than it was during the previous regime. Governor Cochran says that some further changes in personnel will be made from time to time.

Dies in Osceola

S. A. Snider, 71, president of the First National Bank of Osceola for many years, died after a long illness. He also was prominent in public life, having served as mayor of Osceola six years and once as deputy county clerk. Snider was born in Canada and lived here since shortly after the turn of the century. Surviving are his widow, three daughters and a son.

Deposits Gain

Throughout 1934 the DeLay National Bank, Norfolk, one of Nebraska's

leading financial institutions, enjoyed an increase in business and number of customers, which on January 1 showed a gain of \$622,000 in deposits alone.

Deposits on January 1, 1933, amounted to \$1,200,000, and on the same date this year they totaled \$1,822,000.

January also brought about an additional increase in the bank's business, the number of accounts and deposits, and officers of the institution are confident 1935 will be another year of progress for Norfolk and its trade territory.

This strong financial institution is operated under the personal direction of J. J. DeLay, president, who has been in the banking business more than thirty years in the middlewest.

Officers and directors of this bank are President DeLay, Paul Zutz, cashier; A. H. Steffen, O. W. Gladem and Harry Atkinson, assistant cashiers; Otto Beckenhauer, W. O. Eichelberger, W. G. Flint, Dr. A. E. Gadbois, H. F. Thenhaus, all of Norfolk, and A. R. Olson, Beresford, directors.

Kansas News

County Meeting

The quarterly and annual meeting of the Butler County Bankers' Association was held on the evening of March 13 at the Fifth Avenue Hotel at Augusta. The meeting was opened with a dinner and followed by a program and business session at which officers for the new year were elected.

New Location

The Guaranty State Bank, Beloit, opened recently in its new location across the street, south, from the old building.

The new location with the new fixtures and department makes this perhaps the finest bank interior of this territory. Cherry wood panels and fixtures, a cherry wood mantel with gas logs in the fireplace, a new and smarter entrance, a private telephone booth, three vaults, and beautiful inlaid linoleum make the interior unusually attractive.

Quarter Century

The Citizens State Bank, Paola, recently honored its president, Thomas E. Schwartz, whose faithful service in various capacities in the institution founded by his father today culminates a quarter of a century of usefulness.

His twenty-five years as managing officer of the Citizens Bank makes him the dean of Miami county bankers in point of continuous service in the county. Nor have his activities been confined to banking interests. He has been active in Chamber of Commerce work and long been identified with the civic and social progress of Paola and Miami county.

Banks Merge

The State Bank of Logan and the First National Bank were consolidated recently. Mr. Holmes of the State Bank is in Kansas City and Bryan Dye, bookkeeper, has taken the position of city clerk. Many will regret the passing of the State Bank which has served many people in Logan for a generation. The State Bank was organized by W. A. McKrosky in 1903, assisted by a number of other substantial Logan citizens.

Protection

An "open house" and public demonstration of its new bandit barrier fixtures was held last month by the Baxter State Bank.

The bank has finished installing the most modern bullet-proof fixtures in addition to redecorating all of the walls and ceiling of the banking house.

The demonstration by the bank was supervised by representatives of the O. B. McClintock Co. of Minneapolis, under whose direction the fixtures and protective devices were installed.

Reorganized

The Cheney State Bank has undergone a re-organization, which became necessary with the resignation of Cashier Harold Pickler, Directors Grant



Direct Contact with the Live Stock
Industry enables us to give Efficient
Service to our Customers

**LIVE STOCK NATIONAL BANK
OMAHA**

This Bank Has NO Affiliated Companies

Stephenson, Charles Fearey and John Wulf, Trustees H. J. H. Koster and J. N. Bennett.

Fred Zimmerman, who owns 79 shares in the bank, is the new president and his wife, Mrs. Martha Zimmerman, vice president, and D. E. Wire, cashier.

Named President

Lucien Gray, treasurer of the Central Trust company, Topeka, has been elected president of the McPherson Citizens State Bank of McPherson, succeeding his father, the late C. M. Gray. Gray plans to remain in Topeka but will keep in close touch with the management of the bank, he said. Carl A. Grant is vice president and cashier of the bank.

Pittsburg Meeting

E. A. Sellmansberger, cashier of the First State Bank of Pittsburg, was the main speaker at a meeting of the Crawford County Bankers Association held in that city. The speech and business session followed a 6:30 o'clock dinner.

In Osage City

Forty bankers from Osage and surrounding counties met in Osage City recently. After a dinner at 6 o'clock, the group adjourned to meet in the directors' room of the Citizens State Bank. Maurice Breidenthal, president of the Security State Bank, Kansas City, Kan., and president of the Kansas Bankers association, was a guest and gave the principal address. Various other matters of interest to bankers and their customers were discussed and an invitation to hold the next meeting in Council Grove was accepted.

With New Bank

With the consolidation of the Drover's National Bank and the Inter-State National Bank at Kansas City, George Young, formerly of Republic and Belleville, goes with the new institution. Mr. Young was in the banking business many years ago at both Republic and Belleville. For a number of years he has been vice-president of the Drovers National. The combined institution will have deposits of \$22,000,000 and loans aggregating \$5,600,000.

Merged

A consolidation of the Hepler State Bank and the State Bank of Brazilton has been completed, and the combined institutions are now operating under the

name of the Hepler State Bank. G. E. Whitnah of Hepler is president and W. C. Chambers is cashier.

The merger involved the transfer of \$15,000 in assets from the Brazilton bank to the Hepler house. Combined deposits are estimated at approximately \$115,000.

Elect Officers

The Lyon County Bankers association and its associated vigilantes held a joint convention dinner in Emporia which was attended by 46 persons, including two guests, Sheriff Roy E. Davis, and Ted Newcomer, county clerk.

Following the dinner the annual election of officers of the Lyon County Bankers association was held. New officers are Harry Wayman, Emporia State bank, president; G. E. Russell, Lyon County State Bank, vice president; R. I. Anderson, Commercial National bank, secretary-treasurer.

Colorado News

Heads State Bank

J. O. Phillips, former vice president of the Farmers State bank of Calhan, has been elected president of the institution, succeeding F. R. Hartman. James W. Irick is the new vice president and A. L. Pieper has been reelected cashier.

The bank deposits have increased \$25,000 since the bank was moved from Peyton to Calhan, it was reported.

Vice-President

H. L. Hazlett, formerly associated with the United States National bank of Denver, has been named vice president of the Colorado Savings bank, of Colorado Springs.

Frank E. Evans, also a vice president of the bank, recently was granted a leave of absence of several months, owing to ill health, and Mr. Hazlett is now carrying on the vice presidential work.

He was associated with the federal bank for about 20 years, leaving the institution about a year ago. For the last seven months he was associated with the Reconstruction Finance corporation, severing his connections with that organization to assume his position with the Colorado Savings bank.

To Control Interest

Legislation to control money lenders will be pushed on the floors of the house and senate of the Colorado General Assembly.

Money-lending bills now are in the house banking committee headed by Rep. P. E. Harney and in the senate industrial relations committee, of which Curtis P. Ritchie is chairman.

Both chairmen expressed a desire to get their bills on the floor at the earliest possible moment.

Despite intensive lobbying carried on by money lenders throughout the session, the general sentiment seemed to be that measures must be enacted to curb activities of the money-lenders and to hold them to reasonably low rates of interest.


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“The Kind of Service you’ll Like”

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CONTINENTAL NATIONAL BANK

LINCOLN, NEBRASKA



Highest Deposits

Deposits in the Poudre Valley National bank on March 4 reached the highest figure since August 10, 1931, according to Claude L. Stout, vice president. On that day the deposits totaled \$2,240,800.47. This is an increase of slightly more than \$738,000 since the bank moratorium was lifted on March 14, 1933. On that date, deposits totaled \$1,502,649.55. On the same date the year previous to that, March 14, 1932, total deposits amounted to \$1,846,910.90.

New Bank

Plans for the organization of a bank for Craig are under way. A group of local businessmen met recently and discussed the various problems attendant with the organization of such an institution.

Tentative plans provide for a bank with a capital and surplus of \$30,000 to be designated as the Moffat County State bank.

Practically all the capital for the proposed bank has been subscribed and when the balance is subscribed definite announcement of the organization of the bank will be made.

It is probable that the proposed bank can be ready for opening May 1.

Deposits Doubled

With its deposits almost doubled since it opened one year ago, the reorganized First National bank of Englewood last month celebrated its first anniversary. During this 12 months' period the institution has given the Englewood district excellent banking service.

According to figures given out by President Tom Sullivan and Cashier F. E. O'Dell, the bank opened its doors on March 5, 1934, with deposits totaling \$297,903.57. At the close of business on March 5, 1935, these deposits had reached \$490,173.58 and were showing a steady increase.

Resigns Position

Miss Marie Andrews, one of Durango's best known young business women, who, for a number of years held a position in the old Durango Trust Company, and later has been employed by the First National Bank, has resigned her position in the bank and has purchased an interest in the real estate and insurance business of B. Glaser and Son.

Pueblo Clearings

Clearings of the Pueblo banks in February exceeded those for the same month in 1934 by nearly half a million dollars, according to announcement by the First National bank.

The clearings for February were \$2,105,774.38 against only \$1,643,455.27 for the corresponding month in 1934. The February clearings ran the year's total to \$4,526,628.32 against only \$3,613,153.09 for the first two months of 1934.

Attend Meeting

A large group of officials and employees of the banks in Fort Collins attended the first Regional Clearing-house association meeting held recently in Boulder. Ramon B. Handy of Loveland, president of the association, presided. The speaker of the evening was Herbert A. Alpert of Fort Collins, who discussed the Fraser-Lemke mortgage moratorium bill.

Those who attended the banquet from Fort Collins were L. B. McBride, Charles P. Warren, Frank W. Moore, James N. Clark, Miss Edith Meyer, Carl Jensen, Mrs. G. W. Suess, George Thrailkill, Claude L. Stout, H. N. Bales, John W. Walker, W. F. Neighbors, Jasper Loomis, L. R. Olson, A. F. Schroer, Miss Margaret Plummer and Mr. Alpert.

A number of Longmonters motored to Boulder. Among those who went were W. E. Letford, T. M. Callahan, L. B.

Flanders, C. L. Armstrong, A. H. McKeirman, E. T. Ludlow, J. D. Williamson, E. R. Gunther and Joe Cook.

Remodeled

The final touches have been placed on extensive interior alterations at the Security State Bank of Sterling. The bookkeepers who operate the machines have been placed in a rear room. Space at the west side of the room has been partitioned off and will be used for storage purposes. The tellers and cashier's cages have been lowered in addition to other changes.

Ben Aley Dies

Ben B. Aley, 51, vice president of the United States National Bank, Denver, and a national figure in banking activities, died recently in a hospital where he had been confined two months, following a major operation.

He was affiliated with almost every banking organization, and was national president of the American Institute of Banking in 1931.

Born at St. James, Neb., March 24, 1884, he came to Denver in 1903, after having served as an attorney for the Chicago, Burlington & Quincy Railroad, at Lincoln, Neb.

Meet in Hugo

The Eastern Colorado Bankers Association held a meeting in Hugo recently. Banks from Limon, Simla, Kit Carson, Stratton and Hugo were represented by two or more people.

Before the meeting the bankers enjoyed a banquet at the Hotel Graymont and later went to the First National Bank building.

Officers elected include: J. N. Quinn, of Hugo, president; and C. C. McMurray, of Limon, secretary.

Wyoming News

Accounts Protected

There are over one hundred thousand accounts in the insured commercial banks of Wyoming which are fully protected by the Federal Deposit Insurance corporation, it is revealed by figures recently released.

According to the tabulations 113,105 accounts in the banks of this state come under the insurance maximum of five thousand dollars. This is 98.97 per cent of the total number in the insured commercial banks and compares with a na-

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(EST. 1903)

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tional ratio for all insured banks of 98.3 per cent.

Insured deposits in 62 Wyoming banks amount to \$31,164,000 or approximately 68 per cent of total deposits as reported to the insurance corporation. In the country at large this ratio of insured to reported total deposits of commercial banks which are members of the insurance fund is 43.5 per cent and for all insured banks amounts to almost 45 per cent.

Insured Savings

Much interest has been shown by residents of Cheyenne in the new government-insured stock in building and loan associations as investments, according to Herbert V. Towle, local representative of the Federal Building and Loan Association of Ogden, Utah.

"Many persons consider such stock as that of the Federal Building and Loan Association as one of the finest investments that they can make," declared Towle. "At the present the stock earns 4 per cent, compounded semi-annually, and with assurance that there can be no loss, because the government is behind all investments up to \$5,000 for each account, the investments are considered very attractive."

Named President

At a meeting of the directors of the Douglas National Bank, Henry J. Bolln was elected president, succeeding the late M. R. Collins. E. H. (Bud) Potter, who has been a clerk in the institution for several years, was elected to the board of directors.

Buys Bank Stock

Announcement was made in Lander recently that a large block of stock in the Lander State Bank had been purchased by Carl W. Hee, of Hastings, Neb., and

that additional stock had been released under purchase to Floyd M. Scott, Calvin Lee and Felix Wilson, well-known Lander business men. None of the former shareholders of the bank have severed their connection with the institution, but it is understood W. J. Hagans and Dr. W. Francis Smith, for many years actively associated in the official management of the bank, have disposed of a portion of their holdings to the new associates and have retired from the board. Mr. Hagans has been president of the bank for several years.

Under the new organization setup George Early becomes president of the bank and Mr. Hee is vice-president and active manager. Harold D. Del Monte is chairman of the board of directors, with the following as associate members of the board: President Earley, Floyd M. Scott, Calvin Lee and Felix Wilson. Charles Tuller, who has been connected with the bank for several years, remains as cashier.

The Opportunities Exist

The Saturday Evening Post had a fine editorial commenting on the time-worn argument of politicians that there is no more "free land" to be had from the government; hence, vast sums of money must be appropriated to provide "social services" for the people.

The Post pointed out that the "free land" story is misleading—that a man had to have courage, perseverance and great initiative to cross the deserts, mountains and forests for thousands of miles to gain the "free land." He generally paid a tremendous price in suffering, privation, endless labor and often death in order to acquire the "free land."

"Social service" schemes at public expense, do not develop the type of citizens

who crossed the plains and took up land to build a new empire in the West.

Greater opportunities are here today, but the individual is not encouraged to find them by paternalistic governmental policies which crush initiative and private enterprise.

Political Candy

We are developing a political philosophy that not only invites the people, but urges them to get their noses in the public trough on the theory that someone owes them a living.

It has become good politics to give the people a nice, red, five-cent stick of political candy for ten cents in taxes. So long as the people can be kept ignorant of the fact that they are really paying for the candy plus about 100 per cent additional for political overhead to handle it, just so long will they clap their hands and cry for more.

But a lot of good folks are getting a stomach ache from too much political candy.

They are going to ask questions when they find what their candy is costing.

Agriculture Looks Forward

There is a growing feeling on the part of unprejudiced authorities that the Federal government's farm relief program has been a relative failure, in the light of the great hopes that were held out for it when it was inaugurated.

This feeling seems to be shared, to an extent, by high government officials, who are planning changes in the program whereby the government will act less in an administrative capacity and more as an adviser to the farmer.

The upshot of this is that the farmer himself must redouble his efforts to solve

AUSTRALASIA

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(With which are amalgamated THE WESTERN AUSTRALIAN BANK
and THE AUSTRALIAN BANK OF COMMERCE Ltd.)

PAID-UP CAPITAL	£A 8,780,000
RESERVE FUND	6,150,000
RESERVE LIABILITY OF PROPRIETORS	8,780,000
	£A 23,710,000

Aggregate Assets 30th September, 1933, £ 111,512,302

AGENTS—FIRST NATIONAL BANK, OMAHA, NEBRASKA GENERAL MANAGER, ALFRED CHARLES DAVIDSON

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710 Branches and Agencies in All Australian States, Federal Territory,
New Zealand, Fiji, Papua, Mandated Territory of New Guinea and London

his own problems, and smooth his own road. It would be a poor thing indeed if American agriculture came to depend on government as a great white father to which it could turn for aid in any crisis, real or imagined. Government should obviously give all possible aid and support to agriculture, as it does to other groups, but it should take extreme care that the farmer does not become a ward of the state in the process.

Certain groups of farmers, totaling hundreds of thousands, are and have been working their way out of depression through organized, cooperative action. They have banded together in great co-operative organizations, whose purpose is to make production and distributing machinery more efficient, and to increase agriculture's bargaining power. These farmers are self-reliant, awake to conditions—in brief, they are individualists, cooperating with other individualists to achieve a common aim. That typifies the kind of "farm relief" that, in the long run, will really produce desirable and permanent results.

The Political Snails

The continued political agitation to confiscate capital under the guise of redistribution of wealth and income, to increase taxes to the breaking point, to compete with private enterprise with government business undertakings in many lines of endeavor, and to destroy holding companies and the savings of millions of helpless investors, is bearing

fruit—it is discouraging, if not actually preventing normal business recovery.

Unemployment conditions at a peak figure, according to official reports, and the number of families on relief rolls is at a record point.

How long before the great mass of American citizens will realize that their livings, their jobs and their savings come only from industrial activity, individual opportunity and private enterprise, remains to be seen.

Political doles, political jobs, political control of business and the individual, results in wholesale public charity, destruction of opportunity, exorbitant taxation.

Politics produce no wealth. Instead it absorbs the stored savings of centuries, just as a snail absorbs the leaf of the plant it finally destroys.

Public Power Plants Decline

Public Utilities Fortnightly reports that there were 3,014 municipally owned electric plants in this country in 1922; 2,198 in 1927, and 1,802 in 1932. Even though power usage has increased in most years since, the roster of municipal plants steadily declines.

Apparently a good many cities and towns have found political ownership and operation expensive, wasteful or inefficient—a fact that is of particular significance at this time, when proposals to

put units of government into the electric business are even more numerous than usual.

Everyone Would Benefit

We hear much these days of the need for solving the transportation problem, in order to stabilize railroads, busses, trucks and other carriers.

It should be constantly emphasized, in addition, that whatever is done for the transport systems will not be to their benefit alone. It will be directly in the interest of a dozen great industries, which depend largely on transportation to provide a market for their products.

The steel industry is a good example. It is one of the largest industries in the country. It represents an investment of billions. It is a great taxpayer. It normally employs a vast army of men. And railroads and other common carriers are the largest users of steel products. The motor industry alone—of which truck and bus production is an important part—consumes 17 per cent of the total steel tonnage in average years. When railroad buying power is at a normal level, the demand for rails, locomotive steel, structural steel and similar products keeps many of the great mills of the nation going.

The transportation problem affects every carrier—and it is steadily growing more important. Inequitable, confused regulatory policies are standing in the way of progress, not only of railroads, which have been the principal sufferer in the past, but of truck and bus systems, which are rapidly drifting into chaos due to cut-throat practices and wasteful competition. And, in the long run, the public must pay the bill, in the coin of inefficient service.

A forward-looking government transport policy, that would protect the interests of all carriers and treat all fairly, would give a great impetus to business at large. It would increase employment and purchasing power. The whole nation would feel the good effects.

Two Irishmen were walking down the street and Donlin said to Donovan:

"Phat makes yer face so red, Tim?"

"Sure, it's the iron in me blood."

"Pig?"

Donovan spit on his hands and rolled up his sleeves.

"No, be gorry, it's 'scrap.'"

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... decision of the judges must be accepted as final and all letters become the property of Radio Station WHO;

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