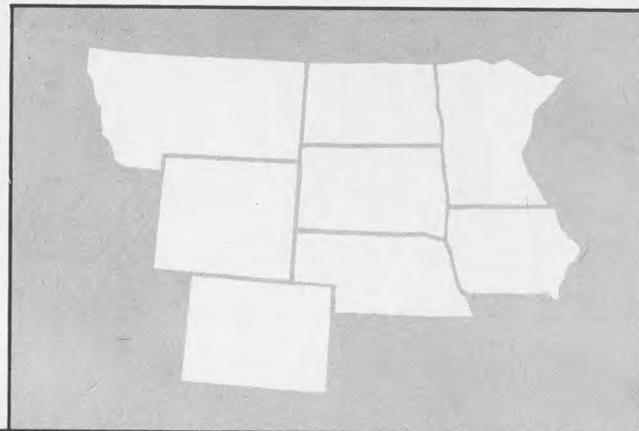


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11,000 Bankers At ABA In New York

By **MALCOLM FREELAND**
Publisher

NEW YORK -- Registration at the 93rd annual convention of the American Bankers Association was expected to total out near the 11,000 mark. At the election of officers during the first general business session on Tuesday, September 26, J. Howard Laeri was advanced to the presidency of ABA. Mr. Laeri is vice chairman of the First National City Bank, New York. He succeeds Jack T. Conn, president and chairman, Fidelity National Bank & Trust Co., Oklahoma City, Okla.

Newly elected vice president of the ABA is Willis W. Alexander, Jr., president of the Trenton Trust Company, Trenton, Mo.

One of the principal speakers at the state bank division meeting on Monday was the Hon. Norbert T. Tiemann, Governor of Nebraska and former president of the Nebraska Bankers Association. His provocative talk was being discussed long after the division meeting concluded and will be reported in detail in the convention report in the October issue. The other principal speaker was The Hon. Wallace Bennett, U. S. Senator from

Utah. Sen. Bennett likened the third of a century of "government welfare" programs to Charles Dickens' description in a "Tale of Two Cities" -- when Dickens wrote "it was the age of foolishness."

Sen. Bennett noted that the persons receiving government welfare payments has increased from just over 3,000,000 to over 12,000,000 and this spending has been accompanied by "a tragic increase in crime, divorce, bankruptcy, illegitimacy, slum housing, alcoholism and drug usage." He stated "we are beginning to accept the fact that there is a definite correlation between unemployment, lack of education, slum housing and crime... the recent rioting has been largely by those who are not participating in production and ownership in our system." As those who are now outcasts "are made to feel part of the system," he said, "all of us will reap the benefits through civil peace as well as a greater level of prosperity, not to mention the obvious increases in economic rewards."

In his address before the first general convention session, Comptroller of the Currency William B. Camp stated: "If we are to respect our traditional reliance on private

initiative and freely competitive markets, banks should be entirely free to compete in the performance of any financial function which does not impair their solvency or liquidity... The broad interest of the public is in making certain that all banking needs are efficiently served as they arise, and that the fullest and most effective use is made of all banking facilities... The manner in which banks draw upon and utilize the resources at their command -- more than any other single factor -- will set the pace and direction of industrial and commercial development throughout the nation."

A call for an immediate tax increase was sounded by Paul W. McCracken in his address to the Savings Division on Monday. Dr. McCracken is professor of business administration at the University of Michigan and a respected economist. He said in part: "The time has come for a National Commission on Expenditure Policies and Procedures. Its charge should be to review thoroughly the whole expenditure process from the shaping of the President's Budget Message through the Congressional appropriations process to the Administration's decisions that determine how rapidly those appropriations

ABA Convention...

(Continued to back page)



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IOWA NEWS

CEDAR RAPIDS: Approval was granted last week by the Iowa Banking Board to Peoples Bank & Trust Co. for a second parking lot office. The new facility will be located in northeast Cedar Rapids on 1st Avenue East between 35th and 36th Streets northeast. The bank's other parking lot office is in the southwest portion of the city.

COUNCIL BLUFFS: Jack R. Eakin, president of the State Savings Bank, has announced that the name of that bank has been changed to the State Bank and Trust.

DES MOINES: The Iowa Banking Board last week denied the application for a state bank charter in the Roosevelt Shopping Center that had been filed by a group of 13 businessmen. Principal of the group was Harry Pomerantz.

HUMESTON: Application has been filed with the State Superintendent of Banking by The Citizens State Bank to consolidate with the Lineville State Bank and the Security State Bank of Allerton. The sur-

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viving bank would be the Citizens State Bank with headquarters and bank to be located in Corydon.

HUMESTON: The board of directors of The Citizens State Bank recently announced the appointment, effective November 1, of Ardys Jennison of Humeston as cashier to replace Tom Henderson who resigned. Mrs. Georgia Smith, who has been employed at the bank for eight years, has resigned. Mrs. Phyllis Moser of Humeston has accepted the position as assistant cashier.

RUTHVEN: Jennie M. Keeline has been named chairman of the board of Ruthven State Bank. She has been a vice president of the bank for a number of years and as chairman succeeds her husband, John B. Keeline, who continues as president of the family's principal bank, Central Trust & Savings Bank at Cherokee.

SIOUX CITY: Rushmore Credit Corporation of Rapid City, S.D., a major stockholder of the First National Bank in Sioux City, has been merged into Life Investors of Nebraska, Inc. of Omaha. Announcement was made by M. M. Meyers, president of Life Investors in Omaha. Mr. Meyers and Joe T. Grant, president of First National, said no change would be made in the present officers or management of the bank, which has \$68 million in assets. Rushmore Credit also owns the Minnesota Small Loan Co., Minneapolis, and its building in Rapid City.

Life Investors' principal hold-

ing has been Investors Life Insurance Co. of Omaha, which was founded six years ago and now has \$125 million of life insurance in force.

WEST UNION: Carl Schori, 54, vice president and cashier of the First National Bank died suddenly Monday, September 25. He had no record of previous illness.

WHITTEMORE: Directors of the Farmers State Bank met recently to hold a contract letting for construction of a new bank building. The new building will be twice as large as the present building and is expected to be completed by late spring.

NEBRASKA NEWS

BEATRICE: William W. Cook, president and chairman of Beatrice National Bank and Trust Company, has been named Nebraska chairman for the Foundation for Commercial Banks.

ELM CREEK: Donald E. Harms has been appointed president of the Elm Creek State Bank, but will also continue as active vice president of the Exchange Bank, Gibbon. Donald Kearney has been appointed executive vice president, and Gorden Larsen will take over the duties as cashier.

KEARNEY: Elmer W. Divan, an incorporator of Crossroads Bank, has filed an application with the Nebraska Department of Banking for a state bank charter. A hearing



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will be held by C. R. Haines, director of banking, on December 14 at 9:00 a.m. in room 2026 of the State Capitol.

LINCOLN: Richard L. Davenport, convicted three years ago of embezzling \$3 million from a Valentine bank which he headed, will not be considered for parole until next year. The State Parole Board Classification Committee has deferred his case to August, 1968.

MINNESOTA NEWS

DULUTH: Emmons W. Collins, president of the First American National Bank, has announced the promotion of Bruce W. Potter to assistant trust officer.

MINNEAPOLIS: Stanley J. Peterson has been named an assistant vice president of Midland National Bank. He was formerly assistant cashier.

MINNEAPOLIS: Some 600 persons are expected to attend the Minnesota Bankers Association's 18th annual Junior Bank Officers and Staff Conference in Minneapolis, October 11-12. The meeting will be held at the Leamington Hotel.

MOORHEAD: The board of directors of the American State Bank has elected Fred M. Scheel chairman. Elected to succeed Mr. Scheel as president is P. J. Canton, who has served as executive vice president for the past 11 years. E. O. Nelson, who has been with the bank for 26 years, was elected to the board of directors to fill the unexpired term of Leo Johnson. He was also named vice president.

OTISCO: An amendment authorizing the increase of the amount of capital stock from \$25,000 to \$35,000 by the sale of new stock has been

passed by the Otisco State Bank.

ROCHESTER: Roy Reifsnider, an assistant vice president and manager of real estate department at the First National Bank, has taken early retirement as of October 1, because of health reasons. Paul Glass, former officer at the First Edina National Bank has joined the bank as assistant vice president.

NORTH DAKOTA NEWS

The North Dakota Bankers Association will hold its group meetings beginning October 9. Dates, locations and group presidents are as follows: Northeast Group -- Monday, Oct. 9, American Legion Club, Grafton; President D. N. LaRocque, vice president Walhalla State Bank. Northwest Group -- Tuesday, Oct. 10, Elks Club, Williston; President L. Donald Thorson, vice president 1st National Bank, Minot. Southwest Group -- Wednesday, Oct. 11, Liberty National Bank Hospitality Room (meeting), 1st National Bank Crown Room (dinner), Dickinson; President K. A. Meier, executive vice president 1st National Bank, Linton. Southeast Group -- Thursday, Oct. 12, Elks Club, Valley City; President S. D. Jacobsen, president 1st State Bank, Sharon.

Registration will be held at 3:00, with the meeting beginning at 4:00. The program will include an AIB study of banking, a report on the Tri-State Rural Banking School at Morris, Minn., a discussion of bankers area-wide advertising program and a report on financial institutions' regulations.

Election of officers, followed by a social hour at 6:00 and dinner at 6:45, will conclude the program.

COLORADO NEWS

COLORADO SPRINGS: Controlling stock in the Northern National Bank has been sold by J. Carter Culley and associates to Norman M. Postles of Milwaukee. The sale was negotiated by Bankers Service Corporation of Des Moines. Mr. Postles has been elected president, and Mr. Culley has been named chairman and will continue to be active in the bank.

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ABA Convention ...

(Continued from page one)

will be activated and spent. There are reasons for believing that the present process does give us a volume of outlays in excess of the proportion of their incomes that people prefer to allocate to the public sector. The present fiscal problem will not be entirely a misfortune if we now get this long-needed basic review under way.

"We need at once, however, a substantial tax increase if the nation's fiscal affairs are to be conducted in an orderly way during the months ahead...members of the financial community should be under no illusions about the alternatives we now confront...a deficit for this fiscal year of at least \$24 billion, and the figure could be as high as \$30 billion... the only way to narrow this deficit is through a substantial tax increase. The consequences of inaction are well understood by bankers."

A complete on-the-spot report of the convention, with pictures, will be published in the October *Northwestern Banker*.

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NATIONAL NEWS

NEW YORK: First National City Bank is introducing five-year savings certificates that offer a guaranteed annual interest rate of 5%. The new certificates became available September 25 in denominations \$100 to \$25,000, and are redeemable without prior notice at six-months intervals from date of purchase.

ST. LOUIS: Emil E. Schuster has been elected assistant vice president of First National Bank. He will be manager of the new credit card department. He has been with Continental Illinois National of Chicago.

WASHINGTON, D.C.: The Treasury is expected to publish soon its long-awaited ruling on commercial bank loans that may be included in a bank's loan base for purposes of computing tax free additions to its bad debt reserve. If all or part of the items being questioned by the Treasury were eliminated from the loan base, the effect would be to reduce the 2.4% bad debt reserve formula to approximately 1.9%. The questioning does not imply the items will be excluded.

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