

# NORTHWESTERN Banker

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## Reveal Public Opinion Survey Results

*Clifford C. Sommer, vice president of the ABA and president, Security Bank & Trust Company, Owatonna, Minnesota, made the following comments at the recent convention of the Louisiana Bankers Association in New Orleans:*

The explosive growth of retail banking has placed the banking industry in a unique position. On the one hand, banking is still a closely regulated industry which creates credit and transmits government economic policy to the public. On the other hand, the banking system, made up of almost 14,000 banking institutions, is a major financial industry dealing directly with broad segments of the public.

The complexity of our role is reflected in the public's opinion of banking brought out through the recently-completed Louis Harris survey commissioned by the Foundation for Full Service Banks.

The survey actually consisted of two polls: One was a poll of the general public consisting of 3,086 interviews. There were interviews with residents of 200 cities in 10 states. The states were chosen to give a representation of various types of banking structures and consisted of Mas-

sachusetts, New York, Pennsylvania, Ohio, North Carolina, Florida, Illinois, Minnesota, Texas and California.



*Clifford C. Sommer*

In addition, there were interviews with a sample of leaders from a list which includes voluntary organizations, businesses, public official and political figures, ethnic minorities and dissidents, educational institutions, labor, religion and communications.

According to the survey, only 6% of the public would single out banks as a major cause of inflation. This compares with 64% placing the blame on the Federal Government, 57% on big business and 55% on labor unions. By the same token, 41% of the public blame the Federal Government for high interest rates; 26% blame the Federal Reserve Board; and only 2% hold banks

responsible for high rates.

The survey shows that there are two problem areas:

The first concerns our effectiveness in dealing with various levels of government. The answers to a number of questions in the survey provide evidence of a general agreement on the part of the public that banks should be allowed to broaden and expand their services. Because of the regulated nature of banking, however, this must presuppose that those in government share this view. Yet the public doesn't seem to feel that banking has done a very good job in persuading these important people that this is the proper course.

Only 53% of the public felt that their Governor had a positive view of banking. Only 51% believed that their Congressman held a positive feeling and only 48% felt that their U. S. Senator has a positive outlook. Remember, this is the general public; the opinion leaders had an even more pessimistic view of our effectiveness. It would seem, gentlemen, that at least half of the American people feel that we are ineffectual in communicating our point of view to our public officials.

The second problem area in which communication plays a

(Continued on back page)

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## IOWA NEWS

**BOONE:** Subscribers to the 1970 Bank Directory should correct the phone number for The Citizens National Bank. It is 515/432-7611.

**FAIRFIELD:** The Fairfield banks will host the annual Group 11 Golf Day on June 10 (Wednesday) at the Fairfield Golf and Country Club. Fees will be \$10 for golfers and \$7 for non-golfers. Early arrivals will be welcome. Reservations should be made through either Terry Lowenberg at the Iowa State Bank & Trust Co., or Carl Berg at the First National Bank.

**FONTANELLE:** The State Savings Bank has changed its name, as of May 4, to First National Bank.

**KEOTA:** Funeral services were held April 27 for Walter R. Stoutner, president, Farmers Savings Bank. He was 75.

**MARSHALLTOWN:** Lee Brintnall, manager of Graham's Department Store, Ottumwa, has purchased an interest in the Commercial State Bank and will join the staff of the Bank June 1. He was formerly manager of Younkers in Marshalltown.

**TERRIL:** Gaylord Olson, one of the original organizers of the State



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Bank, Spirit Lake, died April 27. He was a director and vice president. His son, Roy Olson, is a director and his grandson, Larry Olson, is president of the Home State Bank, Royal, Iowa.

## ILLINOIS NEWS

**ALTON:** An application for a permit to organize has been filed by a group to establish a new Illinois state bank to be known as the Metropolitan Bank and Trust Co. of Alton. Total capitalization will be \$750,000, consisting of \$375,000 capital, \$280,000 surplus, and \$95,000 reserve for operating expense. Organizers include Norman Backues, Charles L. Dailey, Max Goldenberg, James McRoberts, all of Belleville, Robert Howe of Wood River, and Marshall Smith of Moro.

**ARLINGTON HEIGHTS:** A permit to organize has been issued to establish the North Point State Bank at Rand Road in the North Point Shopping Center. Total capitalization will be \$1,000,000. Organizers are: Fred Griffiths, Park Ridge; G. T. Mitchell, Western Springs, Charles Kimball, Chicago; George Bugbee, Hinsdale, and Donald Brown of Northbrook.

**CHICAGO:** A permit to organize has been issued for the Peoples Bank, 8033 South Ashland. Total capitalization is \$625,000. Organizers are Thomas Markle and associates of Chicago.

**CHICAGO:** A permit to organize a state bank has been issued for the Highland Community Bank, 7919 South Ashland Avenue. Total capitalization is \$1,000,000. Organizers are Harold L. Mozwez of Oak Lawn and associates.

**OAK BROOK:** Controlling interest in the First National Bank of Oak Brook was purchased by the Oak Brook Corp. on May 1, Thomas Markle, president of the investment company, announced. Oak Brook Corp. holds over 85% of the stock in the \$25 million bank, which will become a client of the Beverly Bancorporation. John Adams is president of the bank.

## MINNESOTA NEWS

**AUSTIN:** Clarence E. Smith has retired as vice president of the Northwestern State Bank after 43 years of service, 20 of them in Austin.

**BLOOMINGTON:** C. Addison Dahl has retired as chairman of Northwestern National Bank, Bloomington-Richfield after 44 years of service.

**CLOQUET:** Richard C. Timmerman has been named president of the First National Bank. He was formerly vice president of First National Bank & Trust Co., Helena.

**DEER RIVER:** R. B. Cameron and Louise A. Cameron have purchased 232 shares out of a total of 500 in The First National Bank from Ella E. Adams.



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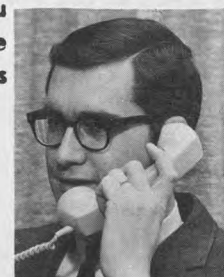
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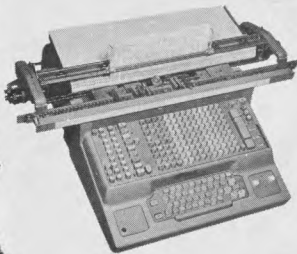
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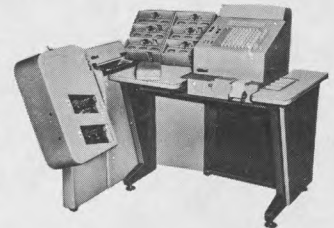
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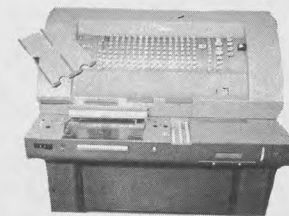
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# COMMERCE BANK of Kansas City

**DULUTH:** Funeral services were held recently for Joseph Nowak, 42, vice president, Northern City National Bank.

**HIBBING:** Alexander M. Castle has been named president and managing officer of the First National Bank. He was formerly president of the First National, Cloquet. He succeeds Henry Nosek, who has been named vice president and director of First System Agencies.

**MINNEAPOLIS:** Work has started on the new quarters for the Federal Reserve Bank. The project is to be completed by the Fall of 1972. The 12-story structure will be located on the Nicollet Mall between Washington Avenue and Third Street in Minneapolis.

**MINNEAPOLIS:** First Bank System has named Carroll W. Holden, Robert G. Neal and Allen J. Volkenant as assistant vice presidents. Kenneth Lewis is a new assistant secretary.

**MINNEAPOLIS:** Micheal L. Lillehaugen was elected vice president of Fidelity Bank and Trust Co., and Charles H. Cornell, Jr., replaced him as cashier.

**SOUTH ST. PAUL:** Frank T. Grassy, vice president, Great Northern Oil is a new director of Northwestern National Bank, South St. Paul. Harold G. Steffen has been named vice president, and Robert C. Thompson, Jr., to assistant vice president.

## NEBRASKA NEWS

**BRAINARD:** Mrs. E. T. Smith, 98, died Friday, May 1. Her husband was



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founder of Bank of Brainard. He was president until he sold the bank to Charlie and Louis Novak, and she had been a director until the Novaks sold the bank two years ago.

**OMAHA:** Omaha National Bank has appealed a ruling by State Banking Director Edwin Langley which denied the bank permission to build another drive-in in downtown Omaha.

**OMAHA:** Directors of the Federal Reserve Bank of Kansas City will meet in Omaha on Thursday (May 14).

**OMAHA:** Nebraska Investment Bankers will meet May 14 at the Prom Town House at 5:30 P.M. for cocktails and dinner. The golf party will be at the Omaha Country Club on May 15.

**SOUTH OMAHA:** Stockyards National Bank has increased its capital from \$900,000 to \$1.2 million. Surplus remains at \$1.2 million.

**WAUSA:** G. E. Gunderson, executive vice president of the Commercial State Bank, reports that he and his associates have purchased control in the bank from Nebraska Governor N. T. Tiemann.

## SOUTH DAKOTA NEWS

**ABERDEEN:** The Fed has approved two acquisitions for Dacotah Bank Holding Co. They are the purchase of control of the Bank of Lemmon, and acquisition of five insurance agencies and ag credit corporations.

## NORTH DAKOTA NEWS

**BOWBELLS:** John Norgaard has been named president of First National Bank to succeed Lauits Skjelset, resigned. Mr. Norgaard was executive vice president.

**MINOT:** The North Dakota State Bankers Convention starts Wednesday, May 13 at the Clarence Parker Hotel and runs through Friday noon, May 15.



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### Public Opinion...

(Continued from Page 1)

vital part is banking's leadership role in the community. Traditionally, this is something in which bankers have always taken great pride. Up to a point, the public appears to agree with us.

A sizable majority — 73% of opinion leaders and 57% of the public — felt that bankers should take leadership in solving community problems. The leaders went a step further, with 80% flatly rejecting the old argument that bankers should stick to banking and not get involved in community problems. A 68% said that banks had a duty to help solve community problems, and 62% said that banks were in a financial position to take a leadership role in solving social problems.

So the public agrees that bankers should be leaders in the community.

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The problem is that few people think we have been as effective as we might in exercising this leadership. In building the local economy — an area where most of us feel we contribute substantial leadership — only 40% of the opinion leaders felt we were very effective. Those same opinion leaders rated our effectiveness even lower in other areas: only 26% in helping young people to go to college; only 18% in helping to maintain law and order; only 18% in helping to improve the caliber of local government; only 15% in improving public education; 10% in helping to ease racial tension; 6% in helping the needy; and a whopping 4% in helping to control air and water pollution. The general public seemed to agree. Only 38% felt that bankers have a "high concern" in helping the community.

From these percentages, one would assume either that the public has broadened the definition of community leadership or that it is not aware of our contributions in this area. There may well be a great deal of substance to the view that bankers are not providing the necessary community leadership at present. Indeed, it has always been my position that bankers should be playing a stronger leadership role. Even granting this, however, it is apparent that not enough people are aware of how much leadership we are now providing. Consider that only 26% of the opinion leaders — theoretically, the most informed members of the public — felt that bankers

were effective in helping young people to go to college, in spite of the fact that banks have provided over 87% of all the loans granted under the Guaranteed Student Loan program, one of the most ambitious student aid efforts in the history of our country.

Everyone in this room would probably admit that he should be doing more in his community. At the same time, it seems that we haven't been too effective in communicating how much bankers are doing today.

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### CONVENTION GREETINGS

LaSalle National Bank's top management and correspondent bank team will be on hand at the 79th annual convention of the Illinois Bankers Association in Peoria, May 17-19. Make a point to meet them there.

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