

THE UNIVERSITY OF NORTH CAROLINA NEWS LETTER

Published Weekly by the
University of North Carolina
for the University Extension
Division.

The news in this publication is released for the press on receipt.

MAY 12, 1926

CHAPEL HILL, N. C.
THE UNIVERSITY OF NORTH CAROLINA PRESS

VOL. XII, NO. 26

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Entered as second-class matter November 14, 1914, at the Postoffice at Chapel Hill, N. C., under the act of August 24, 1912

OUR BANK RESOURCES

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The table which appears elsewhere shows how the counties of North Carolina rank in aggregate bank resources on a per inhabitant basis for the year 1925. The table is based on the June 30, 1925, Report of the State Corporation Commission, and the December 11, 1925, Report of the Comptroller of the Currency. The table covers all state banks and trust companies, industrial banks, and national banks. In North Carolina all banks, other than national, must be chartered and supervised by the State Corporation Commission. Thus the table covers every type of bank in the state. The table is derived by totaling the bank resources of all banks within the county borders and dividing the aggregate resources by the population. The parallel column gives the aggregate bank resources in thousands. In a few instances where banks operate branch banks in other counties, the resources are credited to the county in which the parent bank is located. The branch banks are not reported separately.

North Carolina's bank resources total \$488,514,207, or \$181.75 per inhabitant. The total includes the recently established industrial banks which are reported separately from our state banks and trust companies.

Mecklenburg First

Mecklenburg county now ranks first in the state both in total bank resources, \$50,790,000, and in the bank resources per inhabitant, \$590.80. New Hanover ranks second in bank resources per inhabitant, while Forsyth county ranks alongside Mecklenburg both in total and in per inhabitant bank resources. Durham is the only other county that reaches above the five hundred dollar mark in resources per inhabitant.

No banks of any sort are reported for four counties: Camden, Graham, Pamlico, and Tyrrell. A bank has recently been established in Graham county. There are twenty additional counties whose bank resources fall below fifty dollars per inhabitant. There are fifty-six counties whose bank resources fall below one hundred dollars per inhabitant. For the most part these are the remote rural counties of the Tidewater and Mountain areas and a few rural Piedmont and Coastal Plains counties. However, a few very important agricultural counties are found in the group, notably, Robeson, Johnston, Nash, Harnett, Rowan, Sampson, and Greene.

The counties that lead are of two classes mainly: (1) The urban industrial counties such as Mecklenburg, Forsyth, Durham, Guilford, etc., and (2) the great cash-crop counties of the Coastal Plains. A third group consists of a few counties like New Hanover, Pasquotank, Craven, Moore, and others which are centers of trade and banking for the surrounding rural counties. Usually these are counties with superior transportation facilities, and thus nucleating centers of population and trade. Counties lacking industries, and in which agriculture is more or less self-sufficing, make few calls on banks for loans and discounts, and consequently the bank resources of such counties are extremely small.

Recent Growth

During the last decade or so North Carolina has made large gains as a banking state, mainly due to our industrial expansion. In 1914 our bank resources amounted to \$163,114,436, or only \$64.90 per inhabitant. By 1925 resources had risen to \$488,514,207, or \$181.75 per inhabitant. We are increasing our bank resources considerably more rapidly than the nation as a whole. The large increase in bank resources is the result of North Carolina's enormously increased productive powers, and evidence that the state is finally beginning to accumulate wealth. It is evidence that we are rapidly changing from a self-sufficing rural economy, to commercial, industrial urban economy. A state whose annual farm and factory output trebles in ten years, from a half billion dollars in 1914 to a billion and a half last year, demands larger banking resources.

We Still Rank Low

Rapid as has been our progress in the accumulation of bank capital and resources, North Carolina still ranks very low among the states. In fact our

meager bank resources in contrast with our population, and value of farm and factory products, is a fact hard to explain. We rank fourteenth in population, with two and a half percent of the nation's total, and we rank fifteenth in the value of farm and factory products, but we possess less than eight-tenths of one percent of the nation's bank resources. Almost twice as many states rank ahead of us in aggregate bank resources as rank ahead of us in the annual value of primary and secondary wealth created.

The bank resources of the United States are in excess of 62 billion dollars, or \$558 per inhabitant. The bank resources of North Carolina are eight-tenths of one percent of the nation's total, and \$181.75 per inhabitant. The average bank resources per inhabitant for the United States are two and a half times the average for North Carolina. Only three counties in North Carolina rank ahead of the United States in average bank resources. Only one state in the South produces more wealth than North Carolina, yet seven southern states rank ahead of ours in bank resources.

North Carolina has become a great commercial state. The world of commerce is founded on credit, and banks are credit factories. The amazing thing is not that we have developed our banking resources so rapidly of late years, but that even today they are so small in proportion to the wealth created annually within the state. It is safe to predict that the present rapid growth in bank resources will continue. We need to build up bank resources adequate to supply the main credit needs of an important and rapidly developing agricultural and industrial state.—S. H. H., Jr.

BANKS AND COMMUNITIES

On the evening of April 19, Miss Katie Lindsey, of Durham, N. C., a student in the University, discussed before the North Carolina Club the question of community programs for banks.

In the "good old days" there was an idea that the only use for a bank was a place to deposit money for safekeeping and drawing it out as needed. Changes have come into that institution as into many others, and community service is valued as one of the chief aims of many banks.

Banks are called on now to do all kinds of things. They finance customers when they start in business and advise with them as to the best means of making the business a success, and the larger banks have trust departments to look after the estates of their customers after they are gone.

Banks prosper only as the community prospers and it behooves them to be constantly on the lookout for new ways in which to be useful to the community. The banker by reason of his intimate contact with the business of his customers and the confidence he usually enjoys in his community can wield a tremendous influence on the agriculture of the country. "Live at home" is the slogan that many southern bankers are trying to get farmers to adopt and live by.

If we are to keep money at home rather than send it to the north, later to be borrowed at a high interest rate, then we must have a better understanding between banker and farmer of conditions as they exist, and cooperation will naturally follow. We must see that farm labor is paid as high as industrial labor in a competitive market, and that the farmer can afford to pay his help. Heretofore, banks have not sought out the farmer for a possible borrower because he had no financial rating. The way has been paved for better relations and no one can respond better than the farmer.

W. A. Graham, Commissioner of Agriculture, gave a few figures, quoted below, in "The Relation of the N. C. Banker to the N. C. Farmer," in the Tar Heel Banker, April, 1924.

"North Carolina requires annually 12,795,165 bushels of wheat, while production is only 6,038,000 bushels. This leaves 6,757,165 bushels to be imported. We used 330,000,000 pounds of meat, while we produce about 255,000,000 pounds and import 75,000,000

KNOW NORTH CAROLINA

The Bureau of Industrial Technology reports that the aggregate motor car bill of North Carolina for the year 1925 was approximately 240 million dollars. This includes every expenditure of every sort connected with motor cars,—investments in new and second-hand cars, gas, oil, repairs, licenses, taxes, and so on. It might easily be argued that a state, which can spend such a vast sum on motor cars in one year is a rich state, at least rich enough to afford what it wants. It is interesting to note just how much of a sum it is. It is more than the gross income from the three great crops of the state, cotton, tobacco, and corn, combined. It exceeds the bonded debt of the state government by more than a hundred million dollars. It exceeds the bonded debt of our one hundred counties and our 219 cities and towns all combined. It exceeds by a few millions the combined value of all public school property, all church property, all college property, all eleemosynary institutions, plus the entire authorized bonded debt of 85 million dollars for state highways.

In 1923 the United States imported from Europe 15,000,000 pounds of milk and milk products, and of this North Carolina took a generous share. These are only a few of our importations.

"Annually, we are sending out of North Carolina \$220,000,000 for supplies that could well be grown within our own borders. With \$220,000,000 added to our present circulating money, North Carolina would attract the attention of other states and her sons and daughters would live more comfortably within her borders than they can possibly do now. In 1923, \$293,000,000 worth of cotton and tobacco, the money crops, were raised within the state and yet we sent out for supplies nearly half the bank deposits for the year."

Miss Lindsey discussed resolutions passed by the Banker and Farmer Conference of the Fifth Federal District, which recommended:

1. Encouragement of loans by bankers to bright and deserving young men and women who wish to go to college to study agriculture and home economics.
2. Promotion in a rational and conservative way of the economic increase in the productivity of the soils so that a larger unit of crop production may be secured.
3. Encouragement of a proper system of diversified farming in which farmers will grow as far as practicable all the food and feed crops necessary for feeding the family and livestock, and keep on the farms a sufficient quantity of livestock to furnish the farm with meat, milk, and butter.
4. Securing a county agent in every county.

The speaker then explained the community program of a number of banks in North Carolina and in other states. Of especial interest was the program of the First National Bank of Tarboro.

Miss Lindsey's paper will appear in full in the forthcoming North Carolina Club Year-Book, which goes free to North Carolinians who write for it in time.

THE RECKLESS DRIVER

Automobiles killed or wounded 630,000 people in the United States in 1924. In 1923 and 1924 there were four and a half times as many American casualties from automobiles as there were American casualties in 1917 and 1918 in the World War. Most of the people running automobiles are not financially able to pay for any serious damage to life or property which they may do. And those who can pay least are the least apt to take insurance. In consequence, many victims of automobile accidents have little or no recourse. This has led to an agitation for compulsory insurance in many states. But this has many drawbacks. As the insurance companies will not be able to select their risks they will have to load the costs of the reckless upon the careful drivers and the whole principle of insurance will be voided. Moreover, compulsory insurance will almost certainly result in agitation for state insurance at cheap rates.

The state of Connecticut has evolved a much better plan. It has passed a

BANK RESOURCES IN NORTH CAROLINA, 1914 TO 1925

Year	Resources Nat. Banks	Resources State Banks	Total	Aggregate Bank Res. per Inhab.
1914	\$71,331,000	\$81,783,436	\$153,114,436	\$64.90
1915	68,567,000	92,384,895	160,951,895	67.17
1916	73,104,000	120,046,244	193,150,244	79.42
1917	93,495,000	156,480,401	249,975,401	101.27
1918	116,944,000	189,632,416	306,576,416	143.96
1919	151,525,000	298,540,408	450,065,408	177.12
1920	183,810,000	271,775,749	455,585,749	176.77
1921	163,937,000	243,046,259	406,983,259	165.71
1922	179,685,000	264,623,024	444,308,024	167.66
1923	175,122,000	298,995,609	474,117,609	176.49
1924	178,798,000	280,618,841	459,416,841	170.40
1925	192,419,000	287,746,807	480,165,807*	181.75

*Includes Industrial bank resources of \$8,348,400.

law that requires every person who is caught violating the automobile laws or who causes an accident to assure the state of his or her ability to pay for damage up to \$11,000. The guilty person may give the state assurance in the form of either insurance, a bond, or collateral. A person who is notoriously a bad risk, so that no insurance company will take him, will have to provide either bond or collateral. If he can't do that he is forbidden to drive.

This law has many advantages. It puts no burden upon any one until there is reason to suspect that he may endanger life or property by his driving. Then it insists that he shall give an assurance of responsibility that will not only pay for the damage he may do but will certainly act as a deterrent against reckless driving. And if in spite of this deterrent he hurts someone he will not only have to pay but in all likelihood he will have to put up a bond or collateral at his own expense for future good behavior, for no insurance company will likely take on such a risk.

Even a temperamentally reckless person is likely to be much more careful

with \$11,000 of his own money in the hands of the state subject to forfeit for damages if he has an accident.—World's Work.

TRUE PUBLIC SERVANTS

To me the outstanding and peculiar strength of the Roman character lies in the words 'pietas' and 'gravitas.' These were the foundations of a patriotism which alone could carry the burden of empire; a patriotism innate, a motive force of incalculable power, yet something at its best so holy that it was never paraded, sought no reward, was taken for granted, and had no single word to express it. The highest gifts devoted to public service were expected; to dedicate and employ them for the sake of the republic was merely your duty. Aristides would not have been called the Just in Rome, and in what country in the ancient world but Rome would a Fabricius have refused all rewards, or a Cincinnatus have returned to his farm? Again, a character founded on pietas and gravitas had its roots in truth, and I am proud to think that the English word has been held in no less honor than the Roman.—Premier Stanley Baldwin.

BANK RESOURCES PER INHABITANT In North Carolina in 1925

In the following table the counties are ranked according to the aggregate of bank resources per inhabitant for the year 1925. The parallel column gives the aggregate of all bank resources in each county as reported by the Federal Comptroller of the Currency for April 6, 1925, and the State Corporation Commission for June 30, 1925. The study covers all national banks, all state banks, trust companies, and industrial banks, as given in the official reports.

Aggregate bank resources in North Carolina in 1925 were \$488,514,207, or \$181.75 per inhabitant. The aggregate in 1914 was \$153,114,436, or \$64.90 per inhabitant.

U. S. total of bank resources \$62,275,000,000, or \$558 per inhabitant.
S. H. Hobbs, Jr.
Department of Rural Social-Economics, University of North Carolina

Rank	County	Aggregate Bank Res. (000 omitted)	Bank Resources per Inhab.	Rank	County	Aggregate Bank Res. (000 omitted)	Bank Resources per Inhab.
1	Mecklenburg	\$50,790	\$590.80	51	Robeson	\$5,224	\$90.92
2	New Hanover	25,764	589.75	52	Johnston	4,592	88.80
3	Forsyth	49,261	560.00	53	Haywood	2,153	88.18
4	Durham	23,003	510.45	54	Polk	791	85.45
5	Guilford	40,297	468.00	55	Nash	3,718	85.10
6	Pasquotank	7,543	443.50	56	Duplin	2,678	83.80
7	Moore	7,175	312.45	57	Lee	1,181	83.60
8	Gaston	16,655	293.80	58	Martin	1,779	81.17
9	Wake	23,107	290.90	59	Watauga	1,085	78.86
10	Vance	5,859	248.08	60	Harnett	2,396	78.50
11	Buncombe	16,449	237.30	61	Cherokee	1,036	76.95
12	Edgecombe	9,459	235.45	62	Northampton	1,754	74.71
13	Scotland	3,640	232.20	63	Union	2,687	72.58
14	Cleveland	8,002	222.18	64	Mitchell	819	70.90
15	Henderson	4,026	212.00	65	Onslow	1,046	70.17
16	Wilson	8,445	211.70	66	Rowan	3,229	69.57
17	Chowan	2,167	203.40	67	Madison	1,306	65.00
18	Wayne	9,266	200.40	68	Davie	879	64.42
19	Cabarrus	6,291	172.50	69	Columbus	1,851	59.95
20	Craven	5,570	167.93	70	Wilkes	1,945	58.09
21	Rutherford	5,437	167.20	71	Macon	741	56.20
22	Catawba	5,874	163.20	72	Alexander	711	55.22
23	Hertford	2,590	156.00	73	Swain	980	54.38
24	Lenoir	4,974	155.45	74	Yancey	869	53.66
25	Granville	4,012	146.00	75	Perquimans	595	53.28
26	Richmond	4,007	144.60	76	Stanly	1,602	53.17
27	Lincoln	2,586	142.55	77	Jackson	673	49.72
28	Beaufort	4,362	140.04	78	Sampson	1,856	48.65
29	Cumberland	5,099	138.37	79	Avery	490	46.33
30	Pitt	6,503	133.10	80	Warren	1,014	45.95
31	Transylvania	1,313	130.03	81	Chatham	1,086	44.60
32	Helix	5,919	128.75	82	Ashe	910	41.90
33	Anson	3,775	128.55	83	Hyde	349	41.66
34	Iredell	5,027	123.10	84	Greene	632	36.44
35	Surry	4,252	127.12	85	Hoke	427	34.64
36	Davidson	4,726	126.75	86	Bladen	661	32.44
37	Alamance	3,928	115.00	87	Dare	168	32.20
38	Rockingham	5,271	112.25	88	Pender	440	29.73
39	Person	2,193	112.10	89	Currituck	195	26.80
40	Bertie	4,362	111.53	90	Yadkin	430	25.66
41	Franklin	2,959	108.20	91	Alleghany	186	25.00
42	Orange	1,972	104.23	92	Jones	121	19.40
43	Stokes	2,127	102.55	93	Clay	91	18.53
44	Randolph	3,147	100.03	94	Washington	196	16.98
45	Montgomery	1,447	99.00	95	Brunswick	240	15.95
46	Gates	1,046	98.85	96	Caswell	207	12.92
47	McDowell	1,768	98.70	97	Camden		
48	Burke	2,322	96.90	98	Graham		
49	Carteret	1,617	96.07	99	Pamlico		
50	Caldwell	1,947	95.18	100	Tyrrell		