

*Online Appendix for*  
Ownership and Trust in Banks: Evidence from the First Bank in  
an American Indian Nation\*

Donna Feir<sup>†</sup>   Rachel L. Wellhausen<sup>‡</sup>   Calvin Thrall<sup>‡</sup>

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**Abstract**

This is the online appendix to “Trust in Banks, Ownership, and Community Support: Evidence from the First Bank in an American Indian Nation.” Note that there is an amendment to the main text of the paper – all specifications do not include enumerator fixed effects as stated. However, the inclusion of enumerator fixed effects changes nothing substantive except for increasing uncertainty in Figure A2 below.

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\*We thank our stakeholders and local partners in Nation A, A’s tribal college, and Nation B (redacted per Nation A’s sovereign choice to maintain privacy). We thank students in Innovations for Peace and Development at the University of Texas at Austin for excellent research assistance. We also thank the Center for Indian Country Development at the Federal Reserve Bank of Minneapolis for their support.

<sup>†</sup>Assistant Professor, University of Victoria; Center for Indian Country Development, Federal Reserve of Minneapolis.

<sup>‡</sup>Associate Professor, University of Texas at Austin, rwellhausen@utexas.edu

<sup>‡</sup>PhD Candidate, University of Texas at Austin, cthrall@utexas.edu

# 1 Relevant Survey Questions

## 1.1 Trust Questions and Support for the First Bank

1. Now we would like you ask you about your opinions about banks. How much do you trust banks, on a scale from 1 (no trust) to 10 (total trust)?

- No trust (1)
- (2)
- (3)
- (4)
- (5)
- (6)
- (7)
- (8)
- (9)
- Total trust (10)

2. Below is a list of opinions some people have about banks and bank accounts. Do you agree with any of these statements? Select all that apply.

- Bank accounts are too complicated.
- Bank fees and minimum balance requirements are too high.
- Using a bank invades my privacy.
- I have felt disrespected or mistreated at banks.
- Dealing with a bank is an unpleasant experience.
- I do not think banks have my best interests at heart.
- Bank accounts are not necessary.
- I do not think my money is safe in a bank.
- People who use banks lose control over their money.
- There is not a bank in a convenient location for me.
- I do not agree with any of these statements.

3. How much do you agree with this statement, on a scale from strongly disagree (1) to strongly agree (10)? "In general, it would be good for a bank to open on the [Nation A] Reservation."

- Strongly disagree (1)
- (2)
- (3)
- (4)
- (5)
- (6)
- (7)
- (8)
- (9)
- Strongly agree (10)

4. Do you think you would become a customer of a bank that opened on the [Nation A] Reservation?

- Definitely not
- Probably not
- Might or might not
- Probably yes
- Definitely yes

## 1.2 Ownership Questions

1. Would your support increase, decrease, or stay the same if the bank was owned by an American (United States) company?

- Decrease a lot
- Decrease a little
- Stay the same
- Increase a little

- Increase a lot
2. Would your support increase, decrease, or stay the same if the bank was owned by a Native-owned company from a tribe other than the [Nation A]?
- Decrease a lot
  - Decrease a little
  - Stay the same
  - Increase a little
  - Increase a lot
3. Would your support increase, decrease, or stay the same if the bank was owned by a [Nation A] company?
- Decrease a lot
  - Decrease a little
  - Stay the same
  - Increase a little
  - Increase a lot
4. Bank [X] is 100% owned by [Nation B]. Did you already know this?
- Yes
  - No
  - Don't know/unsure
5. Does knowing that [Bank X] is 100% owned by [Nation B] make your support of [Bank X] increase, decrease, or stay the same?
- Decrease a lot
  - Decrease a little
  - Stay the same
  - Increase a little
  - Increase a lot

## 2 Tables

Table 1: Trust in Banks and Experiences/Beliefs about Banks

	Trust in Bank Likert Scale									
	1	2	3	4	5	6	7	8	9	10
Don't have best interests at heart	35.7	40	30.4	32.6	15.9	15.2	4.8	4.7	6.3	2.7
Disrespected by banks	32.9	25	17.4	17.4	12.2	7.6	11.5	7.1	3.8	4.9
Loss control of money	22.9	5	8.7	2.2	1.8	9.1	3.8	1.6	2.5	1.3
Money not safe	24.3	25	17.4	10.9	6.1	7.6	6.7	0.8	1.3	1.3
Lose privacy	22.9	5	8.7	0	8.5	6.1	4.8	3.9	1.3	3.1
Unpleasant	28.6	10	17.4	8.7	6.1	12.1	7.7	3.9	2.5	3.6
Banks not necessary	20	15	17.4	4.3	3	4.5	1.9	3.9	0	2.2
Banks in a inconvenient location	22.9	20	8.7	19.6	17.1	12.1	19.2	17.3	15	25.3
Too complicated	15.7	5	13	10.9	9.8	7.6	8.7	4.7	1.3	5.3
Fees too High	38.6	20	30.4	41.3	31.1	33.3	22.1	19.7	22.5	11.1
n	68	18	23	46	163	65	103	127	78	219

*Notes: The cells indicate the proportion of respondents who agreed with the opinion about banks. Ten indicates total trust and one no trust.*

Table 2: Determinants of Trust in Banks .

	(1)	(2)	(3)	(4)
18 to 24	0.433 (0.492)	0.157 (0.488)	0.400 (0.466)	0.154 (0.475)
25 to 34	0.143 (0.403)	0.0435 (0.406)	0.175 (0.380)	0.0452 (0.394)
35 to 44	0.248 (0.428)	0.172 (0.427)	0.385 (0.408)	0.195 (0.420)
45 to 54	0.251 (0.438)	0.178 (0.437)	0.349 (0.415)	0.143 (0.425)
55 to 64	1.088*** (0.413)	0.994** (0.417)	1.072*** (0.392)	0.952** (0.409)
65 and over	1.478*** (0.430)	1.170*** (0.442)	1.347*** (0.410)	1.079** (0.430)
No children in hh	0.0915 (0.188)	0.0530 (0.176)	0.129 (0.183)	0.0983 (0.176)
Some college + all further	0.0282 (0.201)	0.143 (0.183)	0.0183 (0.194)	0.130 (0.183)
Female	0.323* (0.191)	0.227 (0.176)	0.278 (0.186)	0.224 (0.176)
Between \$10 to \$20,000	-0.165 (0.291)	-0.275 (0.273)	-0.150 (0.285)	-0.216 (0.274)
Between \$20 to \$30,000	0.284 (0.287)	0.216 (0.264)	0.297 (0.281)	0.286 (0.266)
Between \$30 to \$40,000	0.0358	-0.0600	0.0478	0.00484

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	(0.319)	(0.299)	(0.313)	(0.301)
Between \$40 to \$50,000	0.530	0.445	0.531	0.504
	(0.353)	(0.335)	(0.341)	(0.327)
Between \$50 to \$60,000	0.464	0.327	0.465	0.411
	(0.383)	(0.372)	(0.371)	(0.366)
Over \$60,000	0.733**	0.657**	0.662**	0.689**
	(0.321)	(0.284)	(0.306)	(0.284)
Belief banks don't have best interests		-1.902***		-1.754***
		(0.277)		(0.295)
Belief they have been disrespected in banks		-0.836***		-0.751**
		(0.302)		(0.312)
Loose control of money		-0.572		-0.506
		(0.510)		(0.509)
Belief money not safe		-1.363***		-1.252***
		(0.416)		(0.427)
Belief loose privacy		-0.548		-0.444
		(0.442)		(0.453)
Belief banks unpleasant		-0.426		-0.359
		(0.397)		(0.407)
Belief bank in bad location			0.511**	0.640***
			(0.232)	(0.221)
Bank accounts are too complicated.			-0.599*	-0.102
			(0.340)	(0.351)
Belief banks have high fees			-1.026***	-0.396*

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			(0.214)	(0.216)
Banks not necessary			-2.125***	-0.901***
			(0.497)	(0.501)
Observations	917	917	917	917
Adjusted $R^2$	0.033	0.178	0.098	0.189

*Notes: Linear outcome model used. Enumerator fixed effects included. Heteroskedasticity robust standard errors reported, p-values: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$*



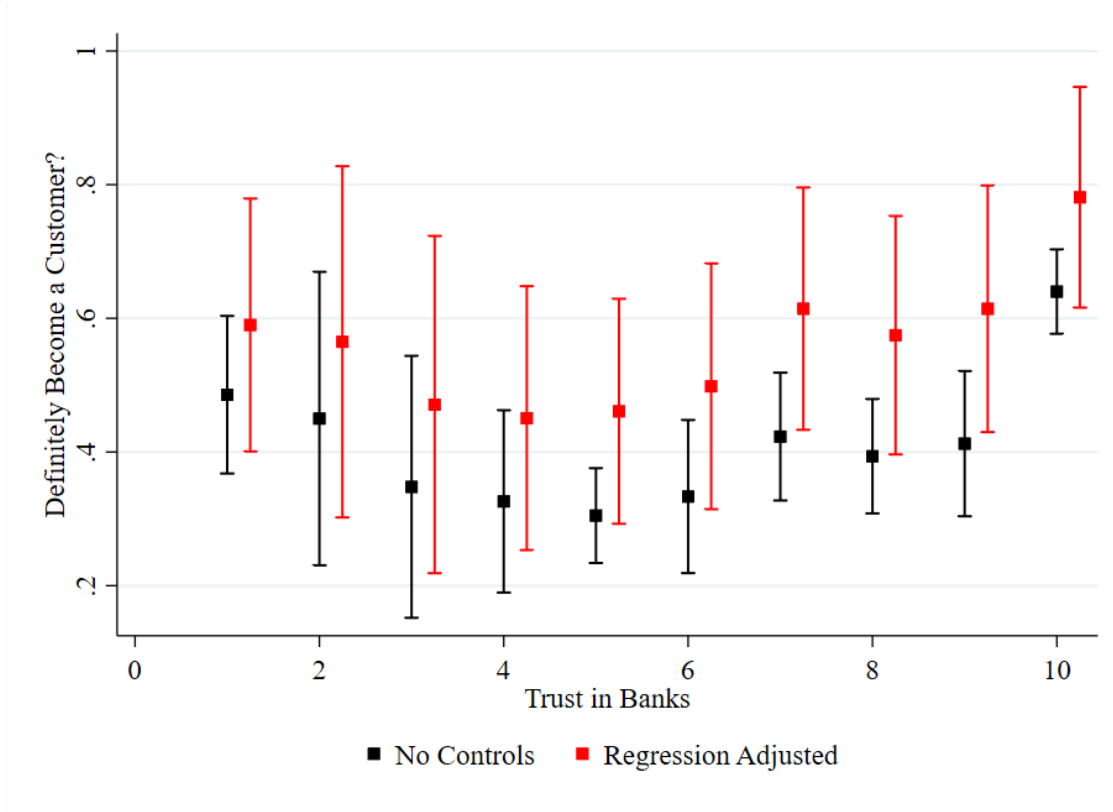
Table 3: Tests of Non-Linear Relationship with Support for A Bank Opening and Trust

<b>Tests</b>	<b>Unconditional</b>	<b>Conditional</b>
1 to 2	0.2624	0.2741
1 to 3	0.0416	0.0438
1 to 4	0.0099	0.0138
1 to 5	0.181	0.2693
1 to 10	0.0189	0.0127
10 to 2	0.0115	0.0092
10 to 3	0.0004	0.0003
10 to 4	0.0000	0.0000
10 to 5	0.0000	0.0000

*Notes: The cells indicate the p-value of a t-test of difference in the average support for a bank opening on the reservation across varying levels of trust. Ten indicates total trust and one no trust. The regression adjusted estimates condition on all variables in Table 2 except the opinion variables.*

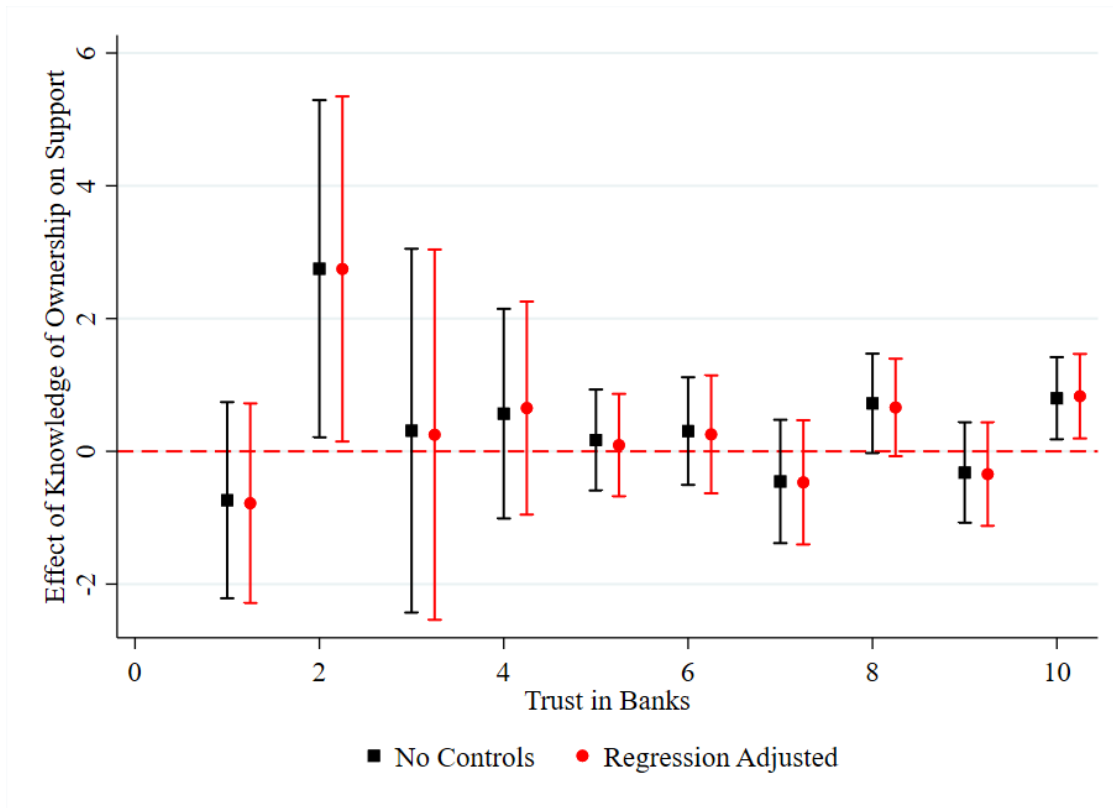
### 3 Figures

Figure 1: Trust and Belief Respondent will Definitely Become a Customer of a Bank that Opened on the Reservation.



Notes: Figure depicts the relationship between trust in banks and the belief one would definitely become a customer of a bank that opened on the reservation. 95% confidence intervals are also shown. The regression adjusted estimates condition on all variables in Table 2 except the opinion variables.

Figure 2: A mediating relationship between Knowledge the Bank Would be Native Owned, Trust, and Support for a Bank Opening?



Notes: Figure depicts the relationship between trust in banks and support for a new bank that opened on the reservation interacted with knowledge of Nation B ownership. 95% confidence intervals are also shown. The regression adjusted estimates condition on all variables in Table 2 except the opinion variables.