

# Residents of Prospering Industrial Town in Iowa Show Few Signs of 'General Malaise'

By WILLIAM ROBBINS

Special to The New York Times

WATERLOO, Iowa, Sept. 15 — Harry Olson, a tall, soft-spoken man, leaned forward at his desk, frowning as if he were trying to find a flaw in his personal situation. But it was hard.

"Maybe I should worry, but I don't," he said. Not about himself, his children, his community or his country.

"We do take an awful lot for granted in this country," said the 39-year-old owner of Waterloo Implement Inc., a farm-equipment dealer. "A lot of people could

Waterloo is not insular, not an island out of time. World and national news and effects of problems troubling many elsewhere also reach here. And the people of Waterloo grumble about rising prices and the energy crisis along with other Americans — but not obsessively. Some, like William Kerbey, an investment counselor, express concern about United States prestige in the world, though local concerns seem to take precedence — taxes, the fact that Waterloo is the largest city without an Interstate Highway link, shrinking airline service under deregulation.

But the prevailing attitude expressed here was capsuled in this comment from Don Schatzberg, the 48-year-old foreman of a concrete-pipe plant:

"If you had a chance to pick your country, where else would you go? Where else can a working man own his own house and two cars and take a vacation trip every year? I'd say I'm a happy man, not a bit unhappy with my life style."

He also put into words a general air of confidence that the country remains strong and that its problems, such as inflation and the energy crisis, "can't go on forever."

Impressions of the mood of Waterloo, absorbed unscientifically, came primarily from talks with employes for two companies as well as with numerous business and professional people. Workers for the town's major employer, Deere & Company, the country's largest manufacturer of farm machinery, came to their union headquarters to discuss their concerns, and employes of a smaller

company, Zeidler Inc., maker of concrete pipes as well as pipe-production equipment, were allowed by their president — who also sat for an interview — to take time off to talk.

To what extent attitudes here are colored by the success of Waterloo's principal industries, farming and farm equipment, no one can say. But while the rest of the country slips deeper into recession, Deere, energized by healthy farm revenues, continues to expand sales and profits, to pursue a \$500-million expansion program at its big tractor plants here and to add to its local work force of 16,100. Many of its workers earn \$27,000 a year including overtime pay on the production line and can look forward to early retirement with enviable pensions under United Auto Workers contracts.

Service and supply industries also thrive on contracts with Deere, and wages at other companies are influenced by its pay scales, which also benefit retail merchants.

## Farmers Prosper on Exports

They also benefit because Waterloo serves a region of large and successful corn farmers, who continue to spend freely on supplies and bigger and bigger machinery, as booming grain exports generate rising revenues from a series of bumper crops.

While unemployment in the rest of the country rose last month, the labor market in Waterloo, a city of 75,000 in a metropolitan area of nearly 130,000, continued to tighten. It has had an employment increase of 2,000 this year. Total

unemployment here was about 3.7 percent, compared with a countrywide rate of 6 percent. Waterloo is a city of homeowners, with about 70 percent of its dwellings owned by their occupants.

Waterloo long ago accepted trade with Communist countries as a fact of economic life. But its citizens do more than accept it, they embrace it. For the Soviet Union and China are important outlets for the excess grain this country produces, and that means that Iowans can grow more corn for higher prices. And that in turn also means higher sales of Deere farm equipment — to American farmers and now also to China — and a rising number of jobs.

"What's wrong with selling the Communists tractors and food or anything that's not going to come back to haunt us?" asked Merlyn Schmidt, a vice president at the United Auto Workers local and a Deere employee. "As long as we don't short our own people, as long as we're not selling them weaponry or giving them something that's going to put us out of business, it's going to help us more than it will them."

"I'd love to sell to them," said Robert C. Olson, president of Zeidler, Mr. Schatzberg's employer.

## Need Seen for 'Stern' Response

While trade was welcomed, no one encountered seemed to fear Communists as a military threat. But Mr. Kerbey, the investment counselor, expressing regret at what he saw as a decline in United States prestige abroad, said that Communist moves, such as the Soviet Union's troops

in Cuba, would require in the future a "more disciplined" and "sterner" response from this country.

Like Mr. Schatzberg and many other Americans elsewhere, workers here often seemed to equate success with ownership of homes, cars, campers, boats and the like.

"I work a lot of hours," said James Dirkes, teamsters union shop steward at Zeidler, "but I've got a car, a truck, a boat and a camper to show for it."

And La Vone Feldpouch, a 36-year-old wife and mother who works as a clerk for Deere, where her husband is also employed, said: "I feel my life is on an upward curve." She noted that she and her husband had accumulated three houses and added "we're not going to stop there." They also own two cars, a truck, a boat and a motorcycle and take two vacation trips a year, one with their children and one without.

## Confidence in Her Situation

But those are not the most important things to Mrs. Feldpouch, she said. Like most other workers encountered here, she felt confidence in her personal situation and eager anticipation of whatever may come.

"I'm really looking forward to the future," she said. "Women now are playing a mixed role in our society, and I really enjoy mine. I love my home, and I love my husband, but I would not be satisfied to stay home. I enjoy my job."

"I don't worry about the future," said Douglas Pashby, 57, who sat with her at a table at union headquarters. He said that

he had earned enough credits for retirement within two years and was not concerned that inflation might erode the value of his retirement pay. "I've got 43 acres of good ash timber," he said. "I'm going to take my retirement while I can still enjoy it."

Mr. Olson of the Zeidler Company, from the perspective of a relative newcomer, with less than two years in the area, called Waterloo "a city that flies the American flag," and he praised its "work ethic." John Schang, personnel director at Deere, agrees. "The work ethic is alive and well here," said Mr. Schang.

## Absenteeism Is Very Low

Unexcused absenteeism among production workers at Deere, Mr. Schang said, is only about 1.5 percent, "a very low figure for industry." And under an incentive plan, he said, about half of those workers qualify through extra output for up to 12 hours of wages within an eight-hour day.

One reason for their dedication may be that such benefits have made them the envy of the town, and a long list of applicants are eager to replace them.

"I'm pretty negative about my job," said a young laborer at Zeidler. "I'm just waiting to get on at Deere." He too, however, said that he felt sure that, with expected skills from spare-time vocational training, he would be doing well and enjoying his work in the not-too-distant future.

But he was a rarity in Waterloo. For here there seem to be few who are very uncomfortable with the present.

## Report From America: A Question of Confidence

This is the sixth of a series of occasional articles on Americans' attitudes about issues that affect their lives.

live off our scraps. But this is a good town to do business in, in good farming country. I guess I'm fairly successful, and I'm happy at what I'm doing. I guess I don't worry too much about the future."

Mr. Olson is not alone. For Waterloo, straddling the Cedar River in northeastern Iowa, is a city where people generally seem to feel comfortable about themselves, their community and their country. And notably missing, to all outward appearances, in this industrial city where employers take pride in their employes' work ethic, is what President Carter and others have described as a general malaise among Americans.

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