

AMERICAN THRIFT: A READER

*Edited by David Blankenhorn
and Andrew F. Kline*



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1. WHAT THRIFT IS

David Blankenhorn

Thrift is a particular way of seeing the world—a set of principles and ethical guidelines intended to orient us toward certain goals. Thrift concerns not only the material world—the world of material goods and the money to buy them—but also the natural, spiritual, and aesthetic worlds.

Put most simply, thrift is the moral discipline of wisest use. The root of “thrift” is “thrive.” Thrift says: Use all that you have in the wisest way, to promote thriving.

To understand thrift’s scope, think in terms of “three.” Specifically, three groups of three.

Substantively, thrift is made up of three traits or norms: industry, frugality, and trusteeship. These are its pillars, its overarching principles.

Industry: hard work; the great value and necessity of persistent, diligent, careful, productive labor. (A thrift maxim: the reward for good work is more work.)

Frugality: being sparing as regards using or spending for myself; the worth of conserving and reusing; and the importance of eliminating waste and avoiding extravagance.

Trusteeship: what is mine, I hold in trust; my wealth (my thrift) is ultimately for the purpose of helping others and contributing to the common good.

Operationally, thrift comes in three main forms, corresponding to three life domains: individual and household, commercial, and public.

Individual and household thrift is close to home and largely private; it is reflected mainly in individual character traits and in household norms and practices. Examples of such thrift include mending torn clothing, recycling waste products, and allocating a fixed proportion of personal or household earnings to savings.

Commercial thrift concerns the operation of businesses and the production side of the marketplace. Examples of this form of thrift include changing the workplace to reduce waste or increase quality, forming a food co-op, or making sure that you have a deserved reputation for honest dealing.

Public thrift is, well, public—it involves collective decision-making and social and public institutions aimed at thrift. Examples of this form of thrift include building a public library, mobilizing for sacrifice in times of war or national emergency, or instituting reforms or passing laws to promote conservation.

Finally, thrift contains within it three main beliefs or assumptions about the human person.

The first is that productive work is good. A thrifty person is anything but passive or idle. (One of the Scandinavian roots of the word means “to seize.”) Thrift openly embraces material prosperity, in the sense that thrift strongly values productivity and fruitfulness stemming from steady and good work. Thrift grows things. Where one blade of grass is now growing, thrift works to make two grow. Then three.

The second is that what we have is not ours. The Christian doctrine of stewardship teaches us that everything we have, including our own lives, is a gift from God, and must be used for his purposes, not ours

alone. Thrift secularizes this powerful idea, urging us to view ourselves not as owners, but as trustees, who are obliged (entrusted) to use what we have not for ourselves alone, but for the common good and to help those in need.

The third is that giving people things is not as good as helping them to help themselves. Typically, thrift is deeply suspicious of handouts, or acts of charity that require little or nothing from the recipient. From top to bottom, thrift is a virtue tailor-made by, and for, those who want to lift themselves up, and for those who want to help others to do the same.

2. WHY THRIFT MATTERS

Amber Lapp, Charles E. Stokes, and Barbara Dafoe Whitehead, in *Why Thrift Matters: 20 Propositions* (New York: Institute for American Values, 2012), 3–13.

For several decades we Americans have lived in a debt culture. This debt culture was never sustainable. Today nearly everyone realizes that it has failed. Now the question is: What should replace it?

We come together to answer this question. Now is the time to replace the debt culture with a culture of thrift.

THE PATH BEHIND: A FAILED DEBT CULTURE

For too long, Americans bought into the big lie of the debt culture: Namely, that as a nation and as individuals we no longer needed to save for a rainy day; that we could spend money we did not have; that we could build prosperity on a mountain of debt, waste, and excess; and that we could burn through resources at a furious pace without a thought for tomorrow.

For too long, influential institutions of commerce, government, and finance embraced the values of a debt culture. They put convenience, speed, and the pursuit of short-term gains over prudence, diligence, and long-term rewards. They contended that the nation was getting more prosperous and powerful as Americans borrowed more, bought bigger houses, drove bigger cars, and wolfed down more fast food.

They worshipped the American Consumer as the great savior of the economy and of the nation.

We now live amid the rubble of this failed way of life. A debt crisis is weighing down the economic recovery. An energy crisis threatens our independence. A jobs crisis leaves many American workers without income, purpose, or hope. Meanwhile, our leaders engage in backward thinking, finger-pointing, and endless debate about what went wrong and who is to blame.

THE PATH AHEAD: A RENEWED THRIFT CULTURE

Now is the time to think anew. This is America. We are an optimistic, hard-working, entrepreneurial people. We have always responded to adversity with fresh ideas and a can-do spirit. We have always summoned ourselves to face new challenges, master new circumstances, and embrace needed reform.

We can do so again.

Moreover, we do not need to invent a new philosophy to move in a better direction. We already have an intellectually serious and ethically robust alternative to the failed nostrums of the debt culture.

It is thrift.

Thrift is the ethic of wise use. The root of “thrift” is “thrive.” Thrift says: Use all you have in the wisest way, to promote thriving.

Thrift is a complex idea, bringing together the public and the private and combining three core traits, or overarching principles:

Industry: work hard and honestly

Frugality: use material and natural resources sparingly, with care for the future

Stewardship: share generously what you have with others

Now is the time to recover thrift as an ethic and revive it as a practice.

We have been here before. Indeed, for much of our history, thrift has provided a way forward for aspiring Americans of every rank and description. It has pointed the way to saving and security for new immigrants, African Americans, and working women. It has urged us all to conserve, repurpose, save, act as good stewards of small amounts and sums, and protect our natural environment. It has built fortunes and inspired American reformers and philanthropists of every stripe. It has occupied chapters in our textbooks and shaped the character and habits of generations of school children. It has led to the creation of cooperative institutions that have helped millions of Americans achieve wealth and independence. For generations, thrift was a core value in creating a wiser citizenry and a more broadly shared prosperity.

We seek to create a twenty-first century movement that brings together Americans of all backgrounds, ages, and life circumstances to work toward the goal of building a broadly shared thrift culture.

We seek to enlist the leaders and membership of institutions at the forefront of the thrift movement in the twentieth century to commit their talents, ideas, and energy to a twenty-first century thrift movement.

We seek to bring together in common purpose the broad thrift community of environmentalists, thrift stores, cyclers and recyclers, gardeners and green energy advocates, savers and sharers, and community organizations and cooperative institutions that work every day to achieve the goal of a sustainable future.

This report sets forth twenty propositions on why thrift matters, more so today than probably ever before. These propositions paint a picture of what a new thrift culture can do for us and for our families, our neighborhoods, our economy, and our planet.

FOR YOU AND YOUR FAMILY

1. Thrift helps families to achieve financial peace of mind.
2. Having a financial plan is linked to overall happiness and greater self-esteem.
3. Thrift teaches habits associated with higher academic achievement and success later in life.
4. Thrift provides a route to greater self-sufficiency during uncertain times.
5. Thrift plans for the future.

FOR YOUR NEIGHBORHOOD

6. Thrift inspires neighborly cooperation and social trust.
7. Thrift promotes wise stewardship of property.
8. Thrift cultivates generosity.
9. Thrift institutions offer alternatives to high-interest lenders that hurt neighborhoods and the people living in them.
10. Thrift stores embody the thrift ethic and benefit their local communities by providing affordable prices, funds for charity, and jobs.

FOR THE ECONOMY

11. Savings spur economic growth.
12. Positive household savings rates are good for the nation.
13. Thrift encourages an ethic of hard work, which contributes to economic growth and productivity.

14. Thrift fosters broad economic opportunity.
15. Thrift creates new savings institutions and ideas.

FOR THE PLANET

16. Thrift reduces waste.
17. Thrift inspires creative reuse.
18. Thrift encourages recycling.
19. Thrift conserves natural resources.
20. Thrift generates green growth.

3. FRANKLIN'S WAY TO WEALTH

Barbara Dafoe Whitehead, "Franklin's Way to Wealth," in *Franklin's Thrift: The Lost History of an American Virtue*, ed. David Blankenhorn, Barbara Dafoe Whitehead, and Sorcha Brophy-Warren (West Conshohocken, PA: Templeton Press, 2011), 3–26.

The tricentennial celebration of Benjamin Franklin's birth brought forth a fresh crop of scholarly articles, popular biographies, and museum exhibits. For the most part, however, the tributes to Franklin's life and work focused on his contributions as a scientist, statesman, and international superstar. Almost entirely neglected was the one contribution for which Franklin has been most widely known: his thought and writing on thrift.

Franklin did not invent the value of thrift, but he made it an American value. For at least two centuries, he stood as the emblem and exponent of thrift. He personified it, practiced it, promoted it, and, through his writings, exported it to the rest of the world. He produced two hugely popular works: *Poor Richard's Almanack* (1732–57) and *The Way to Wealth* (1757). Both were filled with sayings on thrift. Both were reprinted, excerpted, anthologized, and translated into many languages. Both were taught to schoolchildren throughout the world. Indeed, it is fair to say that few Americans—living or dead—have done more to promote the value and practice of thrift than Benjamin Franklin.

Franklin also produced a record of his life. Published first in Europe and then posthumously in the United States, the *Autobiography* (1817) was the classic American self-help book. In it, Franklin offered moral instruction and how-to advice for practicing thrift and achieving wealth. He also revealed dispositions that reflected not just his own character but the American character itself: the passion for freedom, the aspiration for self-improvement, the pragmatic approach to problems, the desire to do good, and the confident outlook on the future.

Franklin's thrift became the cornerstone of a new kind of secular faith in the individual's capacity to shape his or her own lot and fortune in life. For Franklin's Calvinist forebears, it was God who had the power to elect those who would gain worldly fortune. For Franklin, it was the common man and woman who had the potential to gain worldly fortune through his or her own efforts. No longer would the distribution of material blessings be subject to the mysterious workings of God's grace nor to the mere accidents of fortunate birth. The way to wealth rested in the cultivation of habits of "industry and frugality." "All Men are not equally qualified for getting Money," he wrote as Poor Richard, "but it is in the Power of every one alike to practise [Thrift]." ¹

A fresh appraisal of Franklin's thrift is especially timely today. In the aftermath of the boom years of the late 1990s, twenty-first-century Americans face a sobering reality. The personal savings rate has dipped below zero in recent years. Consumer debt is sky-high. Home ownership has dropped, and foreclosures have shot up as a result of the subprime mortgage debacle. Retirement savings are falling short. The natural wealth of the planet is being consumed at an unsustainable rate.

In his own day, Franklin confronted similar problems: a nation drowning in debt; a society living on credit; and a people burdened by bankruptcies, over indebtedness, and real estate deals gone bust. Like Americans today, he also worried about the trade-offs between helping one's adult children and saving enough for one's own old age.² Franklin's proposed solutions sound familiar as well. He believed that

Americans should save more and spend less; conserve rather than consume; and sacrifice for the common good rather than accumulate more luxury goods for oneself— notions that echo today’s public calls for reducing consumer debt, curbing hyper consumerism, encouraging public service, and promoting good stewardship of the nation’s natural and human resources.

That said, it is not easy to retrieve the meaning of Franklin’s thrift for the twenty-first-century American reader. For some people today, the word *thrift* connotes stinginess; for others, it conjures images of grinding privation and joyless self-denial; for still others, it simply sounds musty and old school. This negative response is not new. It has roots in a long intellectual tradition. In the nineteenth century, even as Franklin became the workingman’s hero and the schoolchild’s role model, his image and reputation inspired a backlash among some of the literary luminaries of the day. Herman Melville called him a “maxim-monger,” a “professor of housewifery,” and an “herb-doctor.” Mark Twain wrote that Franklin inflicted suffering on generations of boys who had to live by his maxims. Twentieth-century writers continued the tradition. D. H. Lawrence called Franklin a “snuff-colored little man” who corralled all the unruly passions of humankind into a narrow moral accounting system of credits and debits. Most famously, the German sociologist Max Weber attacked Franklin as a “colourless Deist” who preached the gospel of “earning of more and more money” as an end in itself and who promoted a secular philosophy of avarice and crude utilitarianism. Even Carl Van Doren, Franklin’s eminent twentieth-century biographer, explained that his mission was to rescue Franklin from the “dry, prim people” who revered him for his ideas on thrift.³

This essay takes issue with Franklin’s critics and their characterization of his idea of thrift. Specifically, it rejects the claim that Franklin promoted an outmoded, crabbed, and narrowly economic vision of human purpose and possibility. Instead, it offers an alternative claim: namely, that Franklin’s thought and writings on “industry and frugality” set forth a social philosophy of human flourishing and freedom rooted in social mobility, economic opportunity, and generosity

to others. Indeed, Franklin's ideas about economic independence remain as central to American identity as the ideas of political independence inscribed in the founding documents. If Jefferson wrote the Declaration of Independence and Madison crafted the Constitution, then Benjamin Franklin, it might truly be said, invented the American Dream.

FRANKLIN'S THRIFT: A WAY OF LIFE

Franklin is, as one historian has noted, "one of the most massively symbolic figures" in American history.⁴ His life and work have been used to exemplify larger themes and ideologies. Over the years, he has been variously portrayed as a noble savage; canny self-promoter; homespun humorist; scientific genius; cracker-barrel philosopher; bourgeois moralist; secular rationalist; and—yes—a small-minded, penny-pinching protocapitalist. Franklin himself contributed to this symbolizing impulse. He was a subtle, many-sided, shape-shifting figure. As a writer, he adopted many personas, identities, and voices. He had serious things to say, but he often said them in a playful way—favoring the lampoon, the spoof, and the hoax as ways to make his point.

Yet beneath Franklin's changing masks and literary guises are the plain facts of his life. Here, we can begin to see the consistent core of his ideas of thrift—or "industry and frugality," as he more commonly called it.⁵ Franklin earned his reputation for thrift the old-fashioned way. He lived it.

Franklin's life can be divided into two parts. Before he became a philosopher-king, he was a colonial tradesman. From his teens to his early forties, he worked as a provincial printer—first as an apprentice in Boston and then as the owner of a printing shop and dry-goods store run out of his house in Philadelphia. During these years, he worked hard and lived simply. Two years after he set up his own business, he was able to pay off all his debts—a remarkable achievement at a time when colonists were beset by chronic currency shortages,

over indebtedness, and bankruptcies. He became a substantial creditor, landholder, and land speculator. He was also something of a paper baron. He established eighteen paper mills at one time or another and may have been the largest paper dealer in the English-speaking world.⁶

By the time Franklin was forty-two, he had become a wealthy man. He was able to retire from business for good. In the second half of his life, he left the management of his affairs in the hands of his wife and son-in-law and spent much of the next four decades abroad, pursuing scientific interests, transatlantic friendships, and international diplomacy.

Franklin gave much of the credit for his early business success to his wife, Deborah. Though she brought no dowry into the marriage, she enriched the family in other ways. She proved a highly competent manager of the Franklin enterprises. She ran the general store connected to the printing shop. She kept accounts, dealt with suppliers, and expanded the inventory. She helped with the printing business as well, folding and stitching pamphlets and buying “old Linen rags for the Papermakers.” She sold a homemade “itch cream.” She managed the Post Office. In addition, she ran the household, kept house without servants, and lived within the family’s means. For her contributions, Franklin remained deeply grateful: “Frugality is an enriching Virtue, a Virtue I could never acquire in myself,” he later admitted, “but I was lucky enough to find it in a Wife who thereby became a fortune to me.”⁷

Another source of Franklin’s success was his ability to win the support of powerful patrons. In the eighteenth century, ambitious but obscure young men needed sponsors and patrons to help them get ahead in the world. Franklin got such help from colonial governors and influential public officials who paved the way to profitable government printing contracts. In 1737, he became the postmaster for Pennsylvania. This office gave him free use of the mails, and as a consequence he was able to boost the circulation of his newspaper, the *Pennsylvania Gazette*. Later on, he was appointed the official

government printer for Pennsylvania, New Jersey, and Delaware, which gave him the steady business of printing paper money, state documents, laws, and treaties.

Finally, Franklin produced an international best seller. He published *Poor Richard's Almanack* for the twenty-five years between 1732–1757. This annual compendium of useful information and moral instruction sold ten thousand copies a year or the equivalent of fifteen million copies today—an astonishing record for a publication produced in a colonial backwater. Even more impressively, *The Way to Wealth*, his collection of more than one hundred of Poor Richard's sayings on “industry and frugality,” was a hit in France. It first appeared in a Parisian edition in 1777 as *The Science of Good Richard, or The Easy Way to Pay Taxes*, and the luxury-loving French scooped it up for the thrifty price of four sous.⁸

Once relieved of the necessity of making money, Franklin was happy to be done with “the little cares and fatigues of business.” He could have made a second or third fortune if he had taken out patents on his inventions. But he chose to keep these inventions in the public domain. He paid for public projects out of his own fortune.⁹ He was generous to friends, family, and even strangers. He gave money to grandchildren, nieces, nephews, and especially to his perpetually straitened sister, Jane Mecom, to help them start businesses of their own. He left much of his fortune to philanthropic causes, including an endowment to provide start-up loans for worthy young married tradesmen.

If Franklin was not obsessed with making money, neither was he intent on hoarding it. He enjoyed spending what he had made. He built a big house. He bought a farm in New Jersey. He drove around in a fancy carriage. He boasted a well-stocked wine cellar. He sent his wife “crate upon crate of quality goods from London.” He ate well. He relaxed his work regimen. Once lean, he grew fat. Once an early riser, he took to getting up at ten or eleven. Once a believer in vigorous daily exercise, he later found it hard to move a muscle.

His indolent habits drove the famously industrious John Adams absolutely crazy. During their mutual diplomatic service in France, Adams complained that Franklin rarely did any work. The man who, as Poor Richard, urged “Up, sluggard,” was becoming a sluggard himself! He breakfasted late, spent his day entertaining visitors, never turned down an invitation to “dine abroad,” and, after dinner, went to plays and then on to play chess with the ladies. In such “Agreeable and important Occupations and Amusements,” Adams fumed, he “spent his afternoons and evenings and came home at all hours from Nine to twelve O’clock at night.”¹⁰ (To be fair, Franklin was in his seventies, suffering from gout and kidney stones—and could be forgiven for taking it easy.)

Perhaps Adams did not fully appreciate, as Franklin did, that tardiness was an art form in France.¹¹ Or perhaps Adams, who admired Franklin for his public advocacy of “industry and frugality,” was disappointed by the elder statesman’s easy abandonment of these republican disciplines. Perhaps Adams, like many of Franklin’s later critics, saw his lapse into laziness as hypocrisy. If so, he misread Franklin’s notions of “industry and frugality.” Franklin never thought of these linked practices as ends in themselves. Rather, he saw them as a means to an end. For Franklin, the practice of “industry and frugality” was the simple, natural road to freedom.

A PATHWAY TO ECONOMIC FREEDOM

Like other founders, Franklin was committed to the struggle for American independence. But his vision of freedom did not begin with political independence. It began with economic independence. Long before he joined the revolutionary cause, he was charting the path to economic independence for the vast population of “middling” Americans who were not born to wealth or privilege.

Franklin himself came from the middling ranks. He had none of the traditional advantages of aristocratic birth, upscale marriage, or inherited wealth as steppingstones to future distinction or success. His

family was of modest means. His father made candles for a living. His parents could not afford to send him to school for more than two years. Like his fourteen older siblings, he had to learn a trade and make his own way in the world.¹²

Although Franklin's genius clearly accounted for much of his greatness, he never attributed his success to his natural gifts and talents. Indeed, he did not see himself as a special case. He believed that anyone who came from middling ranks could gain wealth by working hard, living simply, saving more than they spend, and diligently pursuing useful knowledge.

Franklin saw economic freedom as freedom from the servitude of debt. In eighteenth-century America, indebtedness was a widespread fact of life. Nearly everyone had to borrow money in order to make a living. Farmers needed credit in order to plant their crops. Merchants needed credit from wholesalers to stock their shelves. And, of course, consumers needed credit to buy merchants' goods. Merchants in New England, Pennsylvania, and Chesapeake colonies often sold as much as 80–90 percent of their goods on credit.¹³

Moreover, the colonies were locked into a highly interdependent system of commercial relationships that depended on credit. The upside was the expanding opportunities to trade and buy. The downside was greater exposure to the risks and penalties of over indebtedness. And in colonial America, the penalties for over indebtedness were incredibly harsh. Bankruptcy laws at the time allowed impatient creditors to demand instant payment in cash—a near impossibility in a cash-poor economy. Debtors who could not cough up the money on demand often went to prison, where they were thrown in with common criminals.

Even worse, insolvents were treated more severely than convicted felons. The state paid for the upkeep of convicts but not of insolvents. Debtors or their families had to pay for their own food, clothing, and rent. Oftentimes, mothers or wives had to beg or borrow money to provide for even the most minimal comforts for an imprisoned

family member. In addition, a debtor's term of imprisonment was not fixed. Even the post-Revolutionary reform of the criminal codes did not deal with insolvents. They were the "only prisoners who did not know when or how or even if they would be freed."¹⁴

Franklin was not against the borrowing or lending of money. On the contrary, he firmly believed in the "prolific, generating" nature of money. As he often noted in *Advice to a Young Tradesman*, money put out in loans would yield more money in return: "Five shillings turned is six, turned again is seven and three-pence, and so on till it becomes an hundred pounds."¹⁵ Nonetheless, he saw chronic indebtedness as a form of enslavement. Franklin, it should be remembered, had a deep, almost instinctive, hatred of servitude. As a young man, he rebelled against the stern strictures of Calvinism. He defied his father. He broke his apprenticeship to his brother. He challenged the Boston establishment. He fled his family in Boston for a life among strangers in Philadelphia.

For him, owing money was yet another limitation on human freedom. Indebtedness was like serving a term of indenture—it bound one over to another person for years. "When you run into debt," he wrote in *The Way to Wealth*, "you give another power over your liberty." And again: "Your creditor has authority to deprive you of your liberty by confining you in gaol for life, or to sell you for a servant if you should not be able to pay him." And yet again: "The Borrower is a Slave to the Lender, and the Debtor to the Creditor."¹⁶

He saw over indebtedness as morally debilitating as well as personally constraining. It could lead to lies, cheating, and fraud: "If you cannot pay at the Time, you will be ashamed to see your Creditor; you will be in Fear when you speak to him; you will make poor pitiful sneaking Excuses, and by Degrees come to lose your Veracity, and sink into base downright lying." Engaging in such behavior, the chronically insolvent also risked losing the respect of others, and loss of reputation could be irreparable. As Poor Richard said, "Glass, China, and Reputation are easily crack'd and never well-mended" (1750).

Reputation mattered in colonial society. In England, some four hundred titled and wealthy families made up the landed aristocracy. In colonial America, such strict class divisions did not exist. Nor did colonists have an ancient system of social rules that established one's place and rank in the society. There was no hereditary aristocracy, no titles, no peerage. Nor was it easy to know who could be trusted in an immigrant society where strangers arrived every day. In America, therefore, one's reputation, like one's livelihood, was not a fixed or inherited status. It had to be earned.

How, then, could one gain a reputation for trust and honesty? For Franklin, it required behaving in ways that inspired social confidence and public trust. People had to see evidence of trustworthiness in one's conduct. In commerce, that meant exhibiting a work ethic of "visible diligence"—getting up early, spending time productively, and avoiding the temptations of the alehouse. Such industrious behavior would give observers reason to believe that your business would not fold overnight, that you would pay your suppliers, and that you would be honest in your business dealings. "In order to secure my Credit and Character of A Tradesman," Franklin wrote in the *Autobiography*, "I took care not only to be in Reality Industrious and frugal, but to avoid all Appearances to the Contrary. I drest plainly; I was seen at no places of idle diversion; . . . and to show that I was not above my business, I sometimes brought home the paper I purchas'd at the stores thro' the streets on a wheelbarrow."¹⁷

Too, creditors would be more willing to extend loans to a hard worker than to a drinker or sluggard. As the historian T. H. Breen notes, in an insecure commercial environment, "appearances could determine a merchant's solvency. The kinds of values most often associated with the Protestant ethic—thrift, diligence, honesty and modesty—were forced on the colonial shopkeeper as a condition of doing business."¹⁸

In *Advice to a Young Tradesman*, Franklin also underscored the importance of appearances in securing credit: "The sound of your Hammer at Five in the Morning or Nine at Night, heard by a Creditor, makes

him easy six months longer. But if he sees you at a Billiard Table, or hears your Voice at a Tavern, when you should be at Work, he sends for his Money the next Day. . . . It shews, besides that you are mindful of what you owe; it makes you appear a careful as well as an honest Man; and that still encreases your Credit.”¹⁹

If Franklin saw “industry and frugality” as a commercial value, he believed equally that it was a household—and especially a wifely—virtue. Raised in the Puritan tradition, Franklin seldom thought of individuals as freestanding social or economic actors. He envisioned the household as the primary unit of society and marriage as the fundamental economic partnership. Thus, he focused on the role of wives as promoting industry and frugality in domestic life: “I and thousands more know very well that we could never thrive ‘til we were married. What we get, the Women save.”²⁰ And to his sister Jane on his son’s choice of a bride, he commented, “If she does not bring a fortune, she will help to make one. Industry, frugality and prudent economy in a wife are . . . in their effects a fortune.”²¹

Franklin did not leave the practice of thrift entirely up to wives, however. In many of his letters and essays, he addressed himself to husbands and fathers. In eighteenth-century America, apprentices were not allowed to marry because they were not yet prepared to become productive workers and independent householders. For men, therefore, marriage carried with it the responsibility for supporting a household. Franklin had stern advice for any young man who wanted to marry before he had the means to “undertake the expense of a family.” This included his future son-in-law, Richard Bache. Franklin had heard rumors that Bache was a fortune hunter; worse, Bache had gotten deeply into debt, due to an early business failure. In a letter to Bache, Franklin made his disapproval abundantly clear: “I am obliged to you for the regard and preference you express for my child and wish you all prosperity; but unless you can convince her friends of the probability of your being able to maintain her properly, I hope you will not persist in a proceeding that may be attended with ruinous consequences to you both.”²² (Sally Franklin married Bache a month later.)

However, Franklin's notion of economic independence was not merely the negative freedom from overindebtedness. Economic independence gave one the freedom to do good and to serve others. For Franklin, the ultimate reward for industry and frugality was not more work or more money but more free time. This was the side of Franklin's thrift that John Adams failed to understand. Franklin believed that leisure and pleasure were the rewards for hard work and frugal living. If a man worked like a dog, he might eventually live like a gentleman.

At the same time, Franklin's conception of the life of a gentleman was dramatically different from the life of the eighteenth-century English gentleman. Born into wealth and property, the prototypical English gentleman had no real work to do and lots of time to waste. So he cultivated a life of idleness, spending time in fox hunting, card playing, dancing, womanizing, and traipsing around his estates. As Henry Fielding observed, "to the upper part of mankind, time is an enemy, and (as they themselves often confess) their chief labour is to kill it." Indeed, it was their social duty to do so.²³

This kind of gentlemanly existence was entirely alien to Franklin. Much as he enjoyed a good time, he never espoused killing time. For Franklin, time, like money, was a resource. If the definition of a gentleman meant having leisure time, he thought, then that leisure time should be put to useful purposes. As Poor Richard put it, "A life of leisure and a life of laziness are two things" (1746).

THE PROPER USE OF WEALTH

Upon his retirement as a printer, Franklin looked forward to a life of leisure spent in "philosophical studies and amusements." But, as he recounted in the *Autobiography*, "The publick, now considering me a man of leisure, laid hold of me for their purposes, every part of our civil government, and almost at the same time, imposing some duty on me." Though the call to public service meant sacrifice of his own plan for retirement, there is no evidence that Franklin took on this

duty begrudgingly or used it for self-serving ends. For gentlemen like him who were called to public service, he cheerfully proposed one simple rule: “Never ask, never refuse, nor ever resign.”

Public service was just one way to put one’s good fortune to use. A second way was to give away the fortune itself. Franklin did not believe in inherited wealth. As he saw it, riches passed on through the generations bred habits of idleness, wastefulness, and self-destructiveness. Consequently, he contended that those who gained wealth should use their fortunes for the good of others rather than for themselves or their offspring. Moreover, he thought that “liberality,” or what we might call “generosity,” offered rewards to the giver as well: according to Poor Richard, “The Liberal are secure alone/For what they frankly give for ever is their own” (1750). And: “When you are good to others, you are best to yourself” (1748).

In his view of the proper uses of wealth, Franklin, writing as Poor Richard, often came close to professing a theology of good works: “What is serving God?,” ‘Tis doing Good to Man” (1747). In a letter written in 1753 to Joseph Huey, a “zealous Religionist,” Franklin elaborated:

When I am employed in serving others, I do not look upon my self as conferring Favours, but as paying Debts. . . . I can only show my Gratitude for those Mercies from God by a Readiness to help his other Children and my Brethren. For I do not think that Thanks, and Compliments, tho’ repeated Weekly, can discharge our real obligations to each other, and much less those to our Creator.²⁴

He added that he wished religious faith were more productive of good works—“I mean real good Works, Works of Kindness, Charity, Mercy, and Publick Spirit; not Holiday-Keeping, Sermon-Reading or hearing, performing Church Ceremonies, or making long Prayers, fill’d with Flateries and Compliments, despis’d even by wise Men, and much less capable of pleasing the Deity.”²⁵

In practice, Franklin's good works aimed at useful ends. He was not inclined to classical Christian acts of charity for the poor and needy. Rather, he belonged to the "teach-a-man-to-fish" school of philanthropy, or, to state it more precisely, he aimed to "teach future generations to fish." In his private giving, Franklin sought to create economic opportunities for worthy young householders. For example, as mentioned previously, he left a substantial fund in his will to provide loans for young, married tradesmen in Boston and Philadelphia. The recipients were required to pay back 5 percent of the principal each year, thus perpetuating the loan fund. By the mid-1820s, some two hundred and fifty Philadelphia craftsmen, from thirty different trades and profession, had taken advantage of Franklin's bequest to better themselves.²⁶

THE THRIFT CANON

Franklin began his writing career at the age of fifteen and never again put down his pen. When he died at age eighty-four, he had just published a newspaper article arguing for an end to slavery. (Characteristically, the piece took the form of a hoax and appeared under the pseudonym, *Historicus*.) Over his lifetime, he produced a huge literature—at present filling thirty-eight volumes with still more to come. Yet from this prodigious output, only three works have endured over the centuries: *Poor Richard's Almanack*, *The Way to Wealth* (1757), and the *Autobiography* (1817). These three works—his "thrift canon"—established his popular reputation as the practitioner and exemplar of industry, frugality, and generosity.

Anyone expecting to find a systematic treatment of thrift in these works, however, will be disappointed. Franklin never attempted such a treatment. In the Enlightenment world, there were hedgehogs (thinkers who knew one big thing) and foxes (thinkers who knew many things). Benjamin Franklin was a fox. In Carl Van Doren's famous characterization, Franklin was a "harmonious human multitude," and his three thrift works contain, but do not exhaust, his thought on industry and frugality.

Nor do any of Franklin's three famous works resemble what might be called a treatise on thrift. Franklin was in the marketplace. He had to sell what he wrote. Consequently, he turned to popular literary forms, not learned treatises, to communicate his ideas.

In colonial America, the reading public favored nonfiction over fiction. In part, this preference was due to the lingering influence of Puritanism. Franklin's Puritan forebears saw fiction as threatening to religious piety and the sober contemplation of God's majesty. They tended to be less critical of nonfiction, particularly if it included moral instruction. But the popular preference for nonfiction was also driven by practical concerns. Colonial America was a self-help society, and people craved useful information of all kinds. Indeed, the eighteenth century saw an outpouring of such literature—marriage manuals, tradesmen's guides, bookkeeping and accounting books, codes of commercial conduct, and so forth.

As a young journeyman printer, Franklin had mastered virtually every popular form of nonfiction—the newspaper article, broadside, report, proposal, opinion piece, satire, letter to the editor, humor piece, and “true life” account. In 1732, with the publication of *Poor Richard's Almanack*, he hit upon the ideal literary vehicle. Next to the Bible, the almanac was the most popular and commonly read household publication. Pocket-sized and paper-bound, these annual guides usually appeared in October or November for the following year and set forth a month-by-month calendar of tide and weather forecasts, astrological predictions, medical nostrums, and other useful information.

But the *Poor Richard's Almanack* was not entirely nonfiction. In the inaugural issue, Franklin introduced the fictional character, Richard Saunders, as its putative editor and compiler. An amateur astrologist who described himself as “excessive poor,” Poor Richard explains that he is going into the almanac business to appease his wife, Bridget, who wants him to quit his idle stargazing and make some money. In addition to providing useful information on weather, tides, and the sun's rising and setting, Poor Richard proposes to include “moral

hints, wise sayings, and maxims of thrift, tending to impress the Benefits arising from Honesty, Sobriety, Industry and Frugality.” After this litany, he might have added: but the greatest of these are “industry and frugality.” For as Franklin later wrote in the *Autobiography*, Poor Richard’s maxims were chiefly chosen to promote “industry and frugality as the means of procuring wealth and thereby securing virtue.”²⁷

Issue by issue, for two and a half decades, Poor Richard produced memorable sayings: “No man e’er was glorious, who was not laborious” (1734); “Eat to live, not live to eat” (1733); “Hope of gains lessens pain”; “He that waits on Fortune is never sure of Dinner”; “Look before, or you’ll find yourself behind” (1735); “Keep thy shop, and thy shop will keep thee” (1735); “He that takes a wife, takes care” (1736); “He that buys by the penny, maintains not only himself, but other people” (1736); “God helps them that help themselves” (1736); “Creditors have better memories than debtors” (1736); “He that would have a short Lent/Let him borrow Money to be repaid at Easter” (1738); “Industry pays debt, while Despair Increaseth them” (1742); “Idleness is the greatest prodigality” (1743); “Rather go to bed supperless/than run in debt for a Breakfast” (1739).

In 1757, Franklin sat down to write a preface to the final edition of *Poor Richard*. At the time, he was languishing on a ship headed for London and facing a looming deadline without any of his notebooks or reference materials. Ever resourceful, he compiled from memory more than a hundred of Poor Richard’s most popular sayings on industry and frugality and put them in the mouth of a new character, Father Abraham. The speech of Father Abraham became *The Way to Wealth*, the most widely reprinted of all Franklin’s works. By the end of the century, it would appear in at least 145 editions, translated into French, German, Italian, Dutch, Gaelic, and Swedish—and later into Catalan, Chinese, Greek, Hungarian, Welsh, and Russian.²⁸

In this famous fable, Father Abraham appears before a crowd gathered at a local auction, or *vendue*, as such sales were called at the time. *Vendues* were popular, but controversial, ways for colonial merchants

to get rid of damaged or unsold stock. Consumers liked them because they could get luxury goods at bargain basement prices, but many merchants objected to them as unfair competition. Other critics saw *vendues* as a source of corrupting consumerism, creating appetites for frivolous luxury goods. Father Abraham belonged to this latter school. His speech is an appeal to the crowd to restrain their desire for things they do not need.

*Here you are all got together at this vendue of Fineries and Knicknacks. You call the Goods, but if you do not take Care, they will prove Evils to some of you. . . . Many a one, for the Sake of Finery on the Back, have gone with a hungry Belly, and half starved their Families; Silks and Sattins, Scarlet and Velvets, as Poor Richard says, put out the Kitchen Fire. These are not the Necessaries of Life; they can scarcely be called Conveniencies, and yet only because they look pretty, how many want to have them.*²⁹

Father Abraham sputters on: “What Madness must it be to run into Debt for these Superfluities!”³⁰

When Franklin put Poor Richard’s sayings in the mouth of a biblical Abraham, he had his tongue firmly in his cheek. The patriarch’s wise advice goes completely unheeded by the crowd. They listened, “approved the Doctrine, and immediately practiced the contrary, as if it were a common sermon.” His satirical intent was even plainer when he called Father Abraham’s speech a “sermon.” Franklin hated sermonizing and other religious speechifying.

Yet Franklin was indebted to the sermon. In *Poor Richard* and *The Way to Wealth*, he borrowed from the pulpit tradition of parables, paradoxes, and cautionary stories. At the same time, though, he eliminated the religious message. His text was not scripture but the “world’s treasury” of folk sayings. His goal was not salvation but self-improvement. And his rhetorical strategy was not designed to provoke fear and trembling but to get a good laugh. He cloaked his moral instruction in humor of every kind, ranging from satire, spoof,

impersonation, joke, burlesque, quip, witticism, pun, and sheer nonsense. Ever the improviser and improver, Franklin added his own touches, often rewriting the sayings to make them crisper and funnier.

But behind the jokiness and even occasional impiety, Franklin had a serious purpose. He had a vision for a new kind of social order based on the virtues of the “middling” ranks. The widespread practice of Franklin’s thrift was central to realizing this vision.

THRIFT FOR A MIDDLE CLASS SOCIETY

Franklin’s long sojourn in France gave him a chance to compare American and European society from his perch on the other side of the Atlantic. Much as he savored the pleasures and refinements of Old World society, he was nonetheless disturbed by the gulf between rich and poor. (Thomas Jefferson and John Adams were similarly distressed by the sight of so many destitute people living on the streets of London and Paris.) He blamed the system of passing wealth, title, and privilege onto future generations for this division between the idle rich and the desperate poor.

Franklin saw such social divisions as vicious and demoralizing for both rich and poor. Neither class, he believed, was capable of behaving virtuously. Both lived for the pleasures of the moment—the rich because they had too much money and the poor because they had too little. “The poor have little, beggars none, the rich too much, enough not one,” in the words of *Poor Richard* (1733). Both rich and poor were given to idleness and profligacy. Both were captive to their own greedy desires. For rich and poor alike, as *Poor Richard* observed, “The restless desire of getting is added to the cruel fear of losing.” As Stacy Schiff writes, America “stood as a corrective to what Franklin described as the two most detrimental of European prejudices: the conviction that useful labor was disgraceful and that estates perpetuated families.”³¹

Thus, people in the “middling ranks” offered the best hope for a virtuous society. Tradesmen, farmers, shopkeepers, printers, bricklayers, and the like were engaged in productive work, and productive work fostered the habit of industry. In Franklin’s view, industry was not merely work in the sense of exertion in the performance of a task. Rather, industry was a particular disposition toward work. To be industrious was to manage one’s time efficiently, to demonstrate diligence and steadiness in workaday routines, and to have faith that hard work and long hours would yield material rewards commensurate with effort.

Especially important was the productive use of time. As Poor Richard explained, “The Industrious know how to employ every Piece of Time to real Advantage in their different Professions: And he that is prodigal of his Hours is, in effect, a Squanderer of Money” (1751). To waste time was, in fact, far worse than losing money. “Money lost may be found,” Poor Richard went on, “but the Treasure of Time once lost, can never be recovered” (1751). Again and again, Poor Richard insists on the advantages of conserving time by early rising: “The sleeping fox catches no Poultry, Up! Up!” (1743); “He that riseth late must trot all Day, and shall scarce overtake his Business at Night” (1742); “He would be beforehand in the World, must be beforehand with his Business” (1749). (As a young printer, Franklin was a “morning person,” and no doubt his near obsession with early rising drew upon his own experience. Indeed, Franklin may be responsible for the sense of moral superiority among “morning people” even to this day.)

With Poor Richard’s repeated injunctions on time-thrift, Franklin also drew an implicit distinction between the idleness of the leisured class and the busyness of the trading class. The highborn aristocrat slept late, dawdled over cards in the afternoon, and drank and caroused into the night. By contrast, the tradesman was up at dawn, opened his shop early, imbibed water instead of wine at lunch, and spent his evenings in the pursuit of useful knowledge.

Still, according to Franklin, the practice of industry alone was not enough to foster virtue. It had to be paired with the practice of frugality. The word comes from the Latin *fruge* for “fruit,” and Franklin

used *frugality* in the sense of careful stewardship of the fruits of one's labor. (He called his early earnings "first fruits.") Thus, if industry produced abundance, Franklin thought, frugality guided its use. As Poor Richard put it, "Industry's bounteous Hand may Plenty bring, But wanting Frugal Care, twill soon take away . . ." (1749).

By careful use and stewardship, Franklin wrote, small gains over time would accumulate and grow. "Weigh every small Expence, and nothing waste, Farthings long sav'd, amount to Pounds at last" (1749). Frugality also provided the chief means of extending wealth over time. Saving and conserving meant that one's children and grandchildren would be educated and prepared for earning their own living. Thus, riches would not be squandered in a single generation but would continue to multiply into future generations.

In short, Franklin's idea of frugality was expansive rather than constrictive. It was based on vision of abundance rather than scarcity, of fertility rather than sterility. It reflected Franklin's sense of the possibilities for a new kind of society. But, as he also made clear, this new society could only flourish in a spacious and bountiful land where one's work and savings would, in fact, bear fruit.

THE WAY TO WEALTH IN AMERICA, OR WHY SPOILED ARISTOCRATS SHOULD STAY IN EUROPE

Poor Richard's Almanack and *The Way to Wealth* were compilations of popular adages on thrift for an eighteenth-century American readership. Although both asserted the value of industry and frugality, neither work took pains to explain in detail how these linked values produced wealth. As it happens, however, Franklin did attempt such an explanation in another, less well-known, work. He wrote the piece entitled "Information to Those Who Would Remove to America" when he was in France in 1783. It was published in England and Ireland in that year and then, in the following two years, came out in French, Italian, and German translations.³²

Like much of Franklin's writing, "Information" was not a theoretical treatment of his views. It was a journalistic response to a practical problem. During his eight years in France, Franklin was continually besieged with requests for money, favors, and help from people all over Europe who wanted to immigrate to America. Many of these petitioners were dreamers, bankrupts, adventurers, and property-less younger sons of noble lineage who wanted to get rich quick in the New World. Their heads were filled with "wild imaginations" and schemes: some thought that the Congress would pay for their passage and provide them with "land gratis, negroes to work for them, utensils of husbandry, and stocks of cattle"; others believed that they would be given high government and military offices by virtue of their aristocratic birth. Still others had the idea that "Americans are so ignorant of *belle-lettres*, fine arts, etc., that they would shower riches on those who possessed such talents."³³

Such aspiring emigrants, Franklin later observed in his essay, "appear to have formed, through ignorance, mistaken ideas and expectations as to what is to be obtained through their removal to America." To dissuade the aristocratic riffraff from emigrating, or as he more tactfully put it, "to prevent inconvenient, expensive and fruitless voyages of improper persons," he set out to provide a more accurate picture of life and prospects in the New World.

In America, he explained, there are "few people as miserable as the poor in Europe and few that in Europe would be called rich . . . few great proprietors of the soil and few tenants . . . few rich enough to live idly upon their rents . . . or to pay the highest prices given in Europe for painting, statues, architecture, and other works of art that are more curious than useful." More pointedly, he continued, "Birth in Europe has value, but it is a commodity that cannot be carried to a worse market than that of America, where people do not inquire concerning a stranger: What is he? But "What can he do?"³⁴

Thus, Franklin noted, his young nation was looking for people who knew how to make things and how to grow things: farmers, "laboring men," artisans, and apprentices with useful skills and the willingness

to apply themselves to their trades. Most of all, newcomers must “work and be industrious to live.” America, he wrote, is the land of labor.

But it was not simply the presence of a large population of laboring people that accounted for the crucial difference between the Old and New World, according to Franklin. It was the fact that America’s natural wealth rewarded productive labor. His country’s advantages included “vast forests, still void of inhabitants” and “hundreds of acres of fertile soil full of wood.” Large tracts of empty land provided opportunities for young people to marry, have many children, and provide “ample fortunes” for their offspring. Indeed, in an earlier essay, *Observations Concerning the Increase of Mankind* (1751), Franklin argued that early marriages would contribute to a doubling of the population every twenty years.³⁵

Such conditions were unique to America, Franklin believed. In Europe, the trades were overcrowded, land scarce, and opportunity limited. Poor people might toil their entire life and never realize the fruits of their labor. Further, European societies consumed too many useless things, creating want and misery for those whose livelihood depended on satisfying the taste for luxuries. In America, on the other hand, poor people could get ahead: “They begin first as servants or journeymen; and if they are sober, industrious and frugal, they soon become masters, establish themselves in business, marry, raise families and become respectable citizens. Moreover, everyone is welcome, because there is room enough for them all . . . and every one will enjoy security from the profits of his industry.”³⁶

Because of such advantages, Franklin believed, fruitfulness multiplied itself many times over: in the fertile yield of the soil, in the “swift progress of population,” in the expansion of opportunities for useful work, in the accumulation of material wealth, in improved lives for offspring, and in the achievement of “cheerful leisure.” A frugal life, in short, was a fruitful life with “comfortable provision for age and for children” for those who would remove to America.

THRIFT FOR A DEMOCRATIC SOCIETY

During his own lifetime, Franklin's reputation rested mainly on the great accomplishments of the second half of his life. He was known as Dr. Franklin, international scientist, statesman, and savant. His public portraits feature a bespectacled scholar surrounded by the symbols of his intellectual pursuits—inkwells, books, globes—and with a bolt of lightning illuminating his study.

But in the early decades of the nineteenth century, Franklin's image and reputation changed. He became the national (and international) exponent and exemplar of thrift. The *Autobiography*, which began to appear in excerpts in 1794 and then in a complete American edition in 1817, helped to create this new image.³⁷ Some editions also included samplings from Poor Richard's sayings and *The Way to Wealth*.

Written episodically over many years and still unfinished at the time of his death, the *Autobiography* stopped short of a full account of Franklin's life. The central focus was on his early years as a printer and successful tradesman. As a consequence, the figure that emerged from the *Autobiography* was "Ben Franklin," the enterprising young man with the wheelbarrow. His portraiture changed accordingly. Woodcuts and illustrations portray him as a young man in a leather apron, tending his printing press, trundling his barrow through the streets of Philadelphia.

Franklin's story appealed to a democratizing nation. During the nineteenth century, as Franklin had predicted, the "middling" population of tradesmen, artisans, farmers, and mechanics increased. At the same time, those in the "middling ranks" were turning to self-improvement and self-education as the tradition of worker education through apprenticeships and craft organizations began to wane.³⁸

Aspiring young men could identify with the story of the printer who "emerged from poverty and obscurity to a state of affluence and some degree of reputation in the world." The literary form of the *Autobiography*, as well as its content, made it highly relevant to nineteenth-

century workingmen. Cast as a letter of paternal advice to a son—a literary genre earlier popularized by such figures as Daniel Defoe and Lord Chesterfield—the *Autobiography* could be read not only as the story of an eminent man’s life but also as a practical guide to everyman’s life.

The *Autobiography* remained hugely influential throughout the nineteenth and much of the twentieth century. It inspired other ambitious young men to follow Franklin’s example. Jared Sparks, the editor of Franklin’s works and president of Harvard University, read the *Autobiography* as a young man and later remembered, “It was this book that first roused my mental energies. . . . It promoted me to resolutions, and gave me strength to adhere to them. . . . It taught me that circumstances have not a sovereign control over the mind.”³⁹

Through his writings and reputation, Franklin also became the hero of a working class. As early as Independence Day, 1795, the General Society of Mechanics and Tradesmen of New York, composed of both masters and journeymen, toasted the “memory of our late brother mechanic, Benjamin Franklin: “May his bright example convince mankind that in this land of freedom and equality, talents joined to frugality and virtue may justly aspire to the first offices of government.”

Franklin’s image as a workingman was particularly cherished by printers, who claimed him as their patron saint. In 1799, a group of printers founded the Franklin Typographical Society of Journeymen Printers. In 1822, another Franklin Typographical Society was established in Boston, and in 1844, a similar organization appeared in New York.⁴⁰ Throughout the century, printers held Franklin festivals to celebrate his birthday—and to proclaim, “Once a printer, always a printer, and never ashamed of the craft.”⁴¹

Indeed, the printers’ refrain reflected Franklin’s larger influence in shaping the social identity and confidence of the “middling sort.” With his life as a model, they were able to see themselves as the producers of goods and, through their productive enterprises, as the

creators of a good life for themselves and their offspring. In their celebration of productive labor, as historian Gordon S. Wood observes, “These middling working people came to dominate nineteenth-century northern American culture and society to a degree not duplicated elsewhere in the Atlantic world.”⁴²

ENDNOTES

1. *Poor Richard: The Almanacks for the Years 1733–1758* (New York and London: Paddington Press, 1976). In this and subsequent references to Poor Richard’s sayings, I have followed the convention of indicating the year of the *Almanack* issue in parentheses in text.

2. Warning his wife against overindulging his improvident nephew, Benjamin Mecom, and his large family, he wrote, “I hope they do not hang on you; for really as we grow old and must grow helpless, we shall find nothing to spare.” *The Letters of Benjamin Franklin & Jane Mecom*, edited with introduction by Carl Van Doren (Princeton, NJ: Princeton University Press, 1950), 11.

3. Carl Van Doren, *Benjamin Franklin* (New York: Penguin Books, 1991), viii.

4. Gordon S. Wood, *Revolutionary Characters: What Made the Founders Different* (New York: Penguin Press, 2006), 74.

5. Franklin rarely used the word *thrift*. More often, he wrote of “industry and frugality,” a commonplace phrase in the eighteenth century. Other founders—including John Adams, George Washington, Benjamin Rush, and the famously unfrugal Thomas Jefferson—frequently called for “industry and frugality.” But none of the founders did as much as Franklin, the oldest among them, to promote “industry and frugality” as a way to wealth for the vast population of Americans who were not born to it.

6. Wood, *Revolutionary Characters*, 76.

7. Claude-Anne Lopez and Eugenia W. Herbert, *The Private Franklin: The Man and His Family* (New York: W.W. Norton & Company, Inc., 1975), 32.

8. Stacy Schiff, *A Great Improvisation: Franklin, France, and the Birth of America* (New York: Henry Holt and Company, 2005), 85.

9. He pledged his own money to secure hundreds of horses and drivers for the western campaign in the French and Indian War; he pledged every penny he had to compensate the East India Company for losses sustained in the Boston Tea Party if Parliament would repeal the tax; he loaned Congress several thousand pounds and promised more if the Revolution needed it. Michael Zuckerman, "Doing Good While Doing Well: Benevolence and Self-Interest in Franklin's Autobiography," in *Reappraising Benjamin Franklin: A Bicentennial Perspective*, ed. J.A. Leo Lemay (Newark, DE: University of Delaware Press, 1993), 446.

10. Cited in Claude-Anne Lopez, *Mon Cher Papa: Franklin and the Ladies of Paris* (New Haven: Yale University Press, 1990), 9.

11. Schiff, *A Great Improvisation*, 161. Schiff further notes, "There was no word for 'industry' in 18th century France. ('*Assidue*' was the closest equivalent Franklin could locate . . .)."

12. Abiah Folger, Franklin's mother, married Josiah Franklin, a widower with five surviving children. Franklin was the eighth of ten children born to Abiah and Josiah.

13. T. H. Breen, *The Marketplace of Revolution: How Consumer Politics Shaped American Independence* (New York: Oxford University Press, 2005), 136–37.

14. Bruce H. Mann, *Republic of Debtors: Bankruptcy in the Age of American Independence* (Cambridge, MA: Harvard University Press, 2002), 104.

15. Benjamin Franklin, *Benjamin Franklin's Autobiography and Selections from His Other Writings* (New York: Random House, 1950), 232.

16. *Ibid.*, 223–24.

17. *Ibid.*, 75.

18. Breen, *Marketplace of Revolution*, 137.

19. Franklin, *Autobiography and Selections*, 233.

20. Lopez and Herbert, *The Private Franklin*, 32.

21. Interestingly, Franklin's notion of the wifely virtue of thrift undercut the importance of a dowry. As he saw it, a prospective wife who had the habit of living simply and saving could contribute more wealth to a household than a prospective wife who simply brought family money into a marriage. This view was consistent with his belief that money earned through work and savings was more productive than money gained through inheritance.

22. Lopez and Herbert, *The Private Franklin*, 140–41.

23. Henry Fielding and Arthur Murphy, *The Works of Henry Fielding: With an Essay on His Life and Genius*, vol. 10 (London: J. Johnson, 1806), 357.

24. Franklin did not completely embrace good works as a means to salvation. In the same letter, he clarified his position: "You will see in this my Notion of Good Works, that I am far from expecting (as you suppose) that I shall merit Heaven by them. By Heaven we understand, a State of Happiness, infinite in Degree, and eternal in Duration: I can do nothing to deserve such Reward."

25. Van Doren, *Benjamin Franklin*, 428–29.

26. Nian-Sheng Huang, *Benjamin Franklin in American Thought and Culture, 1790–1990* (Darby, PA: Diane Publishing, 1994), 47.

27. Franklin, *Autobiography and Selections*, 108.

28. Lopez and Herbert, *The Private Franklin*, 86.

29. *Poor Richard*, 281–82.

30. *Ibid.*, 283.

31. Schiff, *A Great Improvisation*, 363.

32. John Bigelow, ed., *The Works of Benjamin Franklin*, vol. 9 (New York and London: G.P. Putnam's Sons, 1904), 432–44. Published under Franklin's own name in England, this essay appeared anonymously in France and Germany so as not to damage the affectionate reputation he enjoyed among Europeans.

33. *Ibid.*, 433.

34. *Ibid.*, 433–35.

35. Lopez and Herbert, *The Private Franklin*, 35.

36. Bigelow, ed., *Works*, 438.

37. Franklin left his papers, including his *Autobiography*, to his grandson, William Temple Franklin, who was to have prepared them for publication. However, Temple did not hurry to the task, and the first part of the *Autobiography* appeared in French translation in 1791 and in two English translations of the French in 1793. One of the English translations appeared serially in a Philadelphia publication in May 1790, and this piece was reprinted fourteen times between 1794 and 1800.

38. Bruce Sinclair, *Philadelphia's Philosopher Mechanic: A History of the Franklin Institute, 1824–1865* (Baltimore: Johns Hopkins Press, 1974), 9.

39. Huang, *Franklin in American Thought*, 47.

40. *Ibid.*, 81–82.

41. *Ibid.*, 83.

42. Gordon S. Wood, *The Americanization of Benjamin Franklin* (New York: Penguin Press, 2004), 236.

4. ADVICE TO A YOUNG TRADESMAN

Benjamin Franklin, "Advice to a Young Tradesman," in *Writings*, ed. J.A. Leo Lemay (New York: Library of America, 1987), 320–322.

To my Friend A. B.

As you have desired it of me, I write the following Hints, which have been of Service to me, and may, if observed, be so to you.

Remember that Time is Money. He that can earn Ten Shillings a Day by his Labour, and goes abroad, or sits idle one half of that Day, tho' he spends but Sixpence during his Diversion or Idleness, ought not to reckon That the only Expence; he has really spent or rather thrown away Five Shillings besides.

Remember that Credit is Money. If a Man lets his Money lie in my Hands after it is due, he gives me the Interest, or so much as I can make of it during that Time. This amounts to a considerable Sum where a Man has good and large Credit, and makes good Use of it.

Remember that Money is of a prolific generating Nature. Money can beget Money, and its Offspring can beget more; and so on Five Shillings turn'd, is Six: Turn'd again, 'tis Seven and Three Pence; and so on 'til it becomes an Hundred Pound. The more there is of it, the more it produces every Turning, so that the Profits rise quicker and

quicker. He that kills a breeding Sow, destroys all her Offspring to the thousandth Generation. He that murders a Crown, destroys all it might have produc'd, even Scores of Pounds.

Remember that Six Pounds a Year is but a Groat a Day. For this little Sum (which may be daily wasted either in Time or Expence unperceiv'd) a Man of Credit may on his own Security have the constant Possession and Use of an Hundred Pounds. So much in Stock briskly turn'd by an industrious Man, produces great Advantage.

Remember this Saying, *That the good Paymaster is Lord of another Man's Purse*. He that is known to pay punctually and exactly to the Time he promises, may at any Time, and on any Occasion, raise all the Money his Friends can spare. This is sometimes of great Use: Therefore never keep borrow'd Money an Hour beyond the Time you promis'd, lest a Disappointment shuts up your Friends Purse forever.

The most trifling Actions that affect a Man's Credit, are to be regarded. The Sound of your Hammer at Five in the Morning or Nine at Night, heard by a Creditor, makes him easy Six Months longer. But if he sees you at a Billiard Table, or hears your Voice in a Tavern, when you should be at Work, he sends for his Money the next Day. Finer Cloaths than he or his Wife wears, or greater Expence in any particular than he affords himself, shocks his Pride, and he duns you to humble you. Creditors are a kind of People, that have the sharpest Eyes and Ears, as well as the best Memories of any in the World.

Good-natur'd Creditors (and such one would always chuse to deal with if one could) feel Pain when they are oblig'd to ask for Money. Spare 'em that Pain, and they will love you. When you receive a Sum of Money, divide it among 'em in Proportion to your Debts. Don't be asham'd of paying a small Sum because you owe a greater. Money, more or less, is always welcome; and your Creditor had rather be at the Trouble of receiving Ten Pounds voluntarily brought him, tho' at ten different Times or Payments, than be oblig'd to go ten Times to demand it before he can receive it in a Lump. It shews, besides, that

you are mindful of what you owe; it makes you appear a careful as well as an honest Man; and that still encreases your Credit.

Beware of thinking all your own that you possess, and of living accordingly. 'Tis a mistake that many People who have Credit fall into. To prevent this, keep an exact Account for some Time of both your Expences and your Incomes. If you take the Pains at first to mention Particulars, it will have this good Effect; you will discover how wonderfully small trifling Expences mount up to large Sums, and will discern what might have been, and may for the future be saved, without occasioning any great Inconvenience.

In short, the Way to Wealth, if you desire it, is as plain as the Way to Market. It depends chiefly on two Words, Industry and Frugality; i.e. Waste neither Time nor Money, but make the best Use of both. He that gets all he can honestly, and saves all he gets (necessary Expences excepted) will certainly become Rich; If that Being who governs the World, to whom all should look for a Blessing on their Honest Endeavours, doth not in his wise Providence otherwise determine.

5. THE WHISTLE

Benjamin Franklin, "The Whistle," in *Writings*, ed. J.A. Leo Lemay (New York: Library of America, 1987), 931–933.

I received my dear Friend's two Letters, one for Wednesday & one for Saturday. This is again Wednesday. I do not deserve one for to day, because I have not answered the former. But indolent as I am, and averse to Writing, the Fear of having no more of your pleasing Episodes, if I do not contribute to the Correspondence, obliges me to take up my Pen: And as M. B. has kindly sent me Word, that he sets out tomorrow to see you; instead of spending this Wednesday Evening as I have long done its Name-sakes, in your delightful Company, I sit down to spend it in thinking of you, in writing to you, & in reading over & over again your Letters.

I am charm'd with your Description of Paradise, & with your Plan of living there. And I approve much of your Conclusion, that in the mean time we should draw all the Good we can from this World. In my Opinion we might all draw more Good, from it than we do, & suffer less Evil, if we would but take care *not to give too much for our Whistles*. For to me it seems that most of the unhappy People we meet with, are become so by Neglect of that Caution.

You ask what I mean?—You love Stories, and will excuse my telling you one of my self. When I was a Child of seven Years old, my Friends on a Holiday fill'd my little Pocket with Halfpence. I went directly to a Shop where they sold Toys for Children; and being charm'd with the Sound of a Whistle that I met by the way, in the hands of another Boy, I voluntarily offer'd and gave all my Money for it. When I came home, whistling all over the House, much pleas'd with my Whistle,

but disturbing all the Family, my Brothers, Sisters & Cousins, understanding the Bargain I had made, told me I had given four times as much for it as it was worth, put me in mind what good Things I might have bought with the rest of the Money, & laugh at me so much for my Folly that I cry'd with Vexation; and the Reflection gave me more Chagrin than the Whistle gave me Pleasure.

This however was afterwards of use to me, the Impression continuing on my Mind; so that often when I was tempted to buy some unnecessary thing, I said to my self, *Do not give too much for the Whistle*; and I sav'd my Money.

As I grew up, came into the World, and observed the Actions of Men, I thought I met many *who gave too much for the Whistle*.—When I saw one ambitious of Court Favour, sacrificing his Time in Attendance at Levees, his Repose, his Liberty, his Virtue and perhaps his Friend, to obtain it; I have said to my self, *This Man gives too much for his Whistle*.—When I saw another fond of Popularity, constantly employing himself in political Bustles, neglecting his own Affairs, and ruining them by that Neglect, *He pays*, says I, *too much for his Whistle*.—If I knew a Miser, who gave up every kind of comfortable Living, all the Pleasure of doing Good to others, all the Esteem of his Fellow Citizens, & the Joys of benevolent Friendship, for the sake of Accumulating Wealth, *Poor Man*, says I, *you pay too much for your Whistle*.—When I met with a Man of Pleasure, sacrificing every laudable Improvement of his Mind or of his Fortune, to mere corporeal Satisfaction, & ruining his Health in their Pursuit, *Mistaken Man*, says I, *you are providing Pain for your self instead of Pleasure, you pay too much for your Whistle*.—If I see one fond of Appearance, of fine Gloaths, fine Houses, fine Furniture, fine Equipages, all above his Fortune, for which he contracts Debts, and ends his Career in a Prison; *Alas*, says I, *he has paid too much for his Whistle*.—When I saw a beautiful sweet-temper'd Girl, marry'd to an ill-natured Brute of a Husband; *What a Pity*, says I, *that she should pay so much for a Whistle!*—In short, I conceiv'd that great Part of the Miseries of Mankind, were brought upon them by the false Estimates they had made of the Value of Things, and by their *giving too much for the Whistle*.

Yet I ought to have Charity for these unhappy People, when I consider that with all this Wisdom of which I am boasting, there are certain things in the World so tempting; for Example the Apples of King John, which happily are not to be bought, for if they were put to sale by Auction, I might very easily be led to ruin my self in the Purchase, and find that I had once more *given too much for the Whistle*.

Adieu, my dearest Friend, and believe me ever yours very sincerely and with unalterable Affection.

Passy, November 10, 1779.

6. INFORMATION TO THOSE WHO WOULD REMOVE TO AMERICA

Benjamin Franklin, "Information To Those Who Would Remove To America," in *Writings*, ed. J.A. Leo Lemay (New York: Library of America, 1987), 975–983.

Many Persons in Europe having directly or by Letters, express'd to the Writer of this, who is well acquainted with North-America, their Desire of transporting and establishing themselves in that Country; but who appear to him to have formed thro' Ignorance, mistaken Ideas & Expectations of what is to be obtained there; he thinks it may be useful, and prevent inconvenient, expensive & fruitless Removals and Voyages of improper Persons, if he gives some clearer & truer Notions of that Part of the World than appear to have hitherto prevailed.

He finds it is imagined by Numbers that the Inhabitants of North-America are rich, capable of rewarding, and dispos'd to reward all sorts of Ingenuity; that they are at the same time ignorant of all the Sciences; & consequently that strangers possessing Talents in the Belles-Letters, fine Arts, &c. must be highly esteemed, and so well paid as to become easily rich themselves; that there are also abundance of profitable Offices to be disposed of, which the Natives are not qualified to fill; and that having few Persons of Family among them, Strangers of Birth must be greatly respected, and of course easily obtain the best of those Offices, which will make all their

Fortunes: that the Governments too, to encourage Emigrations from Europe, not only pay the expence of personal Transportation, but give Lands gratis to Strangers, with Negroes to work for them, Utensils of Husbandry, & Stocks of Cattle. These are all wild Imaginations; and those who go to America with Expectations founded upon them, will surely find themselves disappointed.

The Truth is, that tho' there are in that Country few People so miserable as the Poor of Europe, there are also very few that in Europe would be called rich: it is rather a general happy Mediocrity that prevails. There are few great Proprietors of the Soil, and few Tenants; most People cultivate their own Lands, or follow some Handicraft or Merchandise; very few rich enough to live idly upon their Rents or Incomes; or to pay the high Prices given in Europe, for Paintings, Statues, Architecture and the other Works of Art that are more curious than useful. Hence the natural Geniuses that have arisen in America, with such Talents, have uniformly quitted that Country for Europe, where they can be more suitably rewarded. It is true that Letters and mathematical Knowledge are in Esteem there, but they are at the same time more common than is apprehended; there being already existing nine Colleges or Universities, viz. four in New-England, and one in each of the Provinces of New-York, New-Jersey, Pennsylvania, Maryland and Virginia, all furnish'd with learned Professors; besides a number of smaller Academies: These educate many of their Youth in the Languages and those Sciences that qualify Men for the Professions of Divinity, Law or Physick. Strangers indeed are by no means excluded from exercising those Professions, and the quick Increase of Inhabitants everywhere gives them a Chance of Employ, which they have in common with the Natives. Of civil Offices or Employments there are few; no superfluous Ones as in Europe; and it is a Rule establish'd in some of the States, that no Office should be so profitable as to make it desirable. The 36 Article of the Constitution of Pennsylvania, runs expressly in these Words: *As every Freeman, to preserve his Independence, (if he has not a sufficient Estate) ought to have some Profession, Calling, Trade or Farm, whereby he may honestly subsist, there can be no Necessity for, nor Use in, establishing Offices of Profit; the usual Effects, of which are Dependence and Servility,*

unbecoming Freeman, in the Possessor and Expectants; Faction, Contention, Corruption, and Disorder among the People. Wherefore whenever an Office, thro' Increase of Fees or otherwise, becomes so profitable as to occasion many to apply for it, the Profits ought to be lessened by the Legislature.

These Ideas prevailing more or less in all the United States, it cannot be worth any Man's while, who has a means of Living at home, to expatriate himself in hopes of obtaining a profitable civil Office in America; and as to military Offices, they are at an End with the War; the Armies being disbanded. Much less is it adviseable for a Person to go thither who has no other Quality to recommend him but his Birth. In Europe it has indeed its Value, but it is a Commodity that cannot be carried to a worse Market than to that of America, where People do not enquire concerning a Stranger, *What is he?* but *What can he DO?* If he has any useful Art, he is welcome; and if he exercises it and behaves well, he will be respected by all that know him; but a mere Man of Quality, who on that Account wants to live upon the Public, by some Office or Salary, will be despis'd and disregarded. The Husbandman is in honor there, & even the Mechanic because their Employments are useful. The People have a Saying, that God Almighty is himself a Mechanic, the greatest in the Universe; and he is respected and admired more for the Variety, Ingenuity and Utility of his Handiworks, than for the Antiquity of his Family. They are pleas'd with the Observation of a Negro, and frequently mention it, that *Boccarorra* (meaning the Whiteman) make de Blackman workee, make de Horse workee, make de Ox workee, make ebery ting workee; only de Hog. He de Hog, no workee; he eat, he drink, he walk about, he go to sleep when he please, *he libb like a Gentleman*. According to these Opinions of the Americans, one of them would think himself more oblig'd to a Genealogist, who could prove for him that his Ancestors & Relations for ten Generations had been Ploughmen, Smiths, Carpenters, Turners, Weavers, Tanners, or even Shoemakers, & consequently that they were useful Members of Society; than if he could only prove that they were Gentlemen, doing nothing of Value, but living idly on the Labour of others, mere *fruges consumere nati* [*There are a Number of us born Merely to eat up*

the Corn], and otherwise *good for nothings* till by their Death, their Estates like the Carcase of the Negro's Gentleman-Hog, come to be *cut up*.

With Regard to Encouragements for Strangers from Government, they are really only what are derived from good Laws & Liberty. Strangers are welcome because there is room enough for them all, and therefore the old Inhabitants are not jealous of them; the Laws protect them sufficiently, so that they have no need of the Patronage of great Men; and every one will enjoy securely the Profits of his Industry. But if he does not bring a Fortune with him, he must work and be industrious to live. One or two Years Residence give him all the Rights of a Citizen; but the Government does not at present, whatever it may have done in former times, hire People to become Settlers, by Paying their Passages, giving Land, Negroes, Utensils, Stock, or any other kind of Emolument whatsoever. In short America is the Land of Labour, and by no means what the English call *Lubberland*, and the French *Pays de Cocagne*, where the Streets are said to be pav'd with half-peck Loaves, the Houses til'd with Pancakes, and where the Fowls fly about ready roasted, crying, *Come eat me!*

Who then are the kind of Persons to whom an Emigration to America may be advantageous? and what are the Advantages they may reasonably expect?

Land being cheap in that Country, from the vast Forests still void of Inhabitants, and not likely to be occupied in an Age to come, in-somuch that the Propriety of an hundred Acres of fertile Soil full of Wood may be obtained near the Frontiers in many Places for eight or ten Guineas, hearty young Labouring Men, who understand the Husbandry of Corn and Cattle, which is nearly the same in that Country as in Europe, may easily establish themselves there. A little Money sav'd of the good Wages they receive there while they work for others, enables them to buy the Land and begin their Plantation, in which they are assisted by the Good Will of their Neighbours and some Credit. Multitudes of poor People from England, Ireland, Scotland and Germany, have by this means in a few Years become

wealthy Farmers, who in their own Countries, where all the Lands are fully occupied, and the Wages of Labour low, could never have emerged from the mean Condition wherein they were born.

From the Salubrity of the Air, the Healthiness of the Climate, the Plenty of good Provisions, and the Encouragement to early Marriages, by the certainty of Subsistence in cultivating the Earth, the Increase of Inhabitants by natural Generation is very rapid in America, and becomes still more so by the Accession of Strangers; hence there is a continual Demand for more Artisans of all the necessary and useful kinds, to supply those Cultivators of the Earth with Houses, and with Furniture & Utensils of the grosser Sorts which cannot so well be brought from Europe. Tolerably good Workmen in any of those mechanic Arts, are sure to find Employ, and to be well paid for their Work, there being no Restraints preventing Strangers from exercising any Art they understand, nor any Permission necessary. If they are poor, they begin first as Servants or Journeymen; and if they are sober, industrious & frugal, they soon become Masters, establish themselves in Business, marry, raise Families, and become respectable Citizens.

Also, Persons of moderate Fortunes and Capitals, who having a Number of Children to provide for, are desirous of bringing them up to Industry, and to secure Estates for their Posterity, have Opportunities of doing it in America, which Europe does not afford. There they may be taught & practice profitable mechanic Arts, without incurring Disgrace on that Account; but on the contrary acquiring Respect by such Abilities. There small Capitals laid out in Lands, which daily become more valuable by the Increase of People, afford a solid Prospect of ample Fortunes thereafter for those Children. The Writer of this has known several Instances of large Tracts of Land, bought on what was then the Frontier of Pensilvania, for ten Pounds per hundred Acres, which, after twenty Years, when the Settlements had been extended far beyond them, sold readily, without any Improvement made upon them, for three Pounds per Acre. The Acre in America is the same with the English Acre or the Acre of Normandy.

Those who desire to understand the State of Government in America, would do well to read the Constitutions of the several States, and the Articles of Confederation that bind the whole together for general Purposes under the Direction of one Assembly called the Congress. These Constitutions have been printed by Order of Congress in America; two Editions of them have also been printed in London, and a good Translation of them into French has lately been published at Paris.

Several of the Princes of Europe having of late Years, from an Opinion of Advantage to arise by producing all Commodities & Manufactures within their own Dominions, so as to diminish or render useless their Importations, have endeavoured to entice Workmen from other Countries, by high Salaries, Privileges, &c. Many Persons pretending to be skilled in various great Manufactures, imagining that America must be in Want of them, and that the Congress would probably be dispos'd to imitate the Princes above mentioned, have proposed to go over, on Condition of having their Passages paid, Lands given, Salaries appointed, exclusive Privileges for Terms of Years, &c. Such Persons on reading the Articles of Confederation will find that the Congress have no Power committed to them, or Money put into their Hands, for such purposes; and that if any such Encouragement is given, it must be by the Government of some separate State. This however has rarely been done in America; and when it has been done it has rarely succeeded, so as to establish a Manufacture which the Country was not yet so ripe for as to encourage private Persons to set, it up; Labour being generally too dear there, & Hands difficult to be kept together, every one desiring to be a Master, and the Cheapness of Land enclining many to leave Trades for Agriculture. Some indeed have met with Success, and are carried on to Advantage; but they are generally such as require only a few Hands, or wherein great Part of the Work is perform'd by Machines. Goods that are bulky, & of so small Value as not well to bear the Expence of Freight, may often be made cheaper in the Country than they can be imported; and the Manufacture of such Goods will be profitable wherever there is a sufficient Demand. The Farmers in America produce indeed a good deal of Wool & Flax; and none

is exported, it is all work'd up; but it is in the Way of Domestic Manufacture for the Use of the Family. The buying up Quantities of Wool & Flax with the Design to employ Spinners, Weavers, &c. and form great Establishments, producing Quantities of Linen and Woollen Goods for Sale, has been several times attempted in different Provinces; but those Projects have generally failed, Goods of equal Value being imported cheaper. And when the Governments have been solicited to support such Schemes by Encouragements, in Money, or by imposing Duties on Importation of such Goods, that if the Country is ripe for the Manufacture, it may be carried on by private Persons to Advantage; and if not, it is a Folly to think of forcing Nature. Great Establishments of Manufacture, require great Numbers of Poor to do the Work for small Wages; these Poor are to be found in Europe, but will not be found in America, till the Lands are all taken up and cultivated, and the excess of People who cannot get Land, want Employment. The Manufacture of Silk, they say, is natural in France, as that of Cloth in England, because each Country produces in Plenty the first Material: But if England will have a Manufacture of Silk as well as that of Cloth, and France one of Cloth as well as that of Silk, these unnatural Operations must be supported by mutual Prohibitions or high Duties on the Importation of each others Goods, by which means the Workmen are enabled to tax the home-Consumer by greater Prices, while the higher Wages they receive makes them neither happier nor richer, since they only drink more and work less. Therefore the Governments in America do nothing to encourage such Projects. The People by this Means are not impos'd on, either by the Merchant or Mechanic; if the Merchant demands too much Profit on imported Shoes, they buy of the Shoemaker: and if he asks too high a Price, they take them of the Merchant: thus the two Professions are Checks on each other. The Shoemaker however has on the whole a considerable Profit upon his Labour in America, beyond what he had in Europe, as he can add to his Price a Sum nearly equal to all the Expences of Freight & Commission, Risque or Insurance, &c. necessarily charged by the Merchant. And the Case is the same with the Workmen in every other Mechanic Art. Hence it is that Artisans generally live better and more easily in America than in Europe, and

such as are good Economists make a comfortable Provision for Age, & for their Children. Such may therefore remove with Advantage to America.

In the old long settled Countries of Europe, all Arts, Trades, Professions, Farms, &c. are so full that it is difficult for a poor Man who has Children, to place them where they may gain, or learn to gain a decent Livelihood. The Artisans, who fear creating future Rivals in Business, refuse to take Apprentices, but upon Conditions of Money, Maintenance or the like, which the Parents are unable to comply with. Hence the Youth are dragged up in Ignorance of every gainful Art, and oblig'd to become Soldiers or Servants or Thieves, for a Subsistence. In America the rapid Increase of Inhabitants takes away that Fear of Rivalship, & Artisans willingly receive Apprentices from the hope of Profit by their Labour during the Remainder of the Time stipulated after they shall be instructed. Hence it is easy for poor Families to get their Children instructed; for the Artisans are so desirous of Apprentices, that many of them will even give Money to the Parents to have Boys from ten to fifteen Years of Age bound Apprentices to them till the Age of twenty one; and many poor Parents have by that means, on their Arrival in the Country, raised Money enough to buy Land sufficient to establish themselves, and to subsist the rest of their Family by Agriculture. These Contracts for Apprentices are made before a Magistrate, who regulates the Agreement according to Reason and Justice; and having in view the Formation of a future useful Citizen, obliges the Master to engage by a written Indenture, not only that during the time of Service stipulated, the Apprentice shall be duly provided with Meat, Drink, Apparel, washing & Lodging, and at its Expiration with a compleat new suit of Clothes, but also that he shall be taught to read, write & cast Accompts, & that he shall be well instructed in the Art or Profession of his Master, or some other, by which he may afterwards gain a Livelihood, and be able in his turn to raise a Family. A Copy of this Indenture is given to the Apprentice or his Friends, & the Magistrate keeps a Record of it, to which Recourse may be had, in case of Failure by the Master in any Point of Performance. This Desire among the Masters to have more Hands employ'd in working for them, induces them to pay the

Passages of young Persons; of both Sexes, who on their Arrival agree to serve them one, two, three or four Years; those who have already learnt a Trade agreeing for a shorter Term in Proportion to their Skill and the consequent immediate Value of their Service; and those who have none, agreeing for a longer Term, in Consideration of being taught an Art their Poverty would not permit them to acquire in their own Country.

The Almost general Mediocrity of Fortune that prevails in America, obliging its People to follow some Business for Subsistence, those Vices that arise usually from Idleness are in a great Measure prevented. Industry and constant Employment are great Preservatives of the Morals and Virtue of a Nation. Hence bad Examples to Youth are more rare in America, which must be a comfortable Consideration to Parents. To this may be truly added, that serious Religion under its various Denominations, is not only tolerated but respected and practised. Atheism is unknown there, Infidelity rare & secret, so that Persons may live to a great Age in that Country without having their Piety shock'd by meeting with either an Atheist or an Infidel. And the Divine Being seems to have manifested his Approbation of the mutual Forbearance and Kindness with which the different Sects treat each other, by the remarkable Prosperity with which he has been pleased to favour the whole Country.

Passy, February, 1784.

7. POOR RICHARD IMPROVED, 1758

Benjamin Franklin, “Poor Richard Improved, 1758,” in *Benjamin Franklin, Writings*, ed. J. A. Leo Lemay (New York: Library of America, 1987), 1294–1303. An edited version of this Preface to the *Almanack* of 1758, emphasizing its maxims and omitting the link to ‘author’ Richard Saunders, began circulating in the mid 1770s as “The Way To Wealth.”

COURTEOUS READER,

I have heard that nothing gives an Author so great Pleasure, as to find his Works respectfully quoted by other learned Authors. This Pleasure I have seldom enjoyed; for tho’ I have been, if I may say it without Vanity, an *eminent Author* of Almanacks annually now a full Quarter of a Century, my Brother Authors in the same Way, for what Reason I know not, have ever been very sparing in their Applauses; and no other Author has taken the least Notice of me, so that did not my Writings produce me some solid Pudding, the great Deficiency of Praise would have quite discouraged me.

I concluded at length, that the People were the best Judges of my Merit; for they buy my Works; and besides, in my Rambles, where I am not personally known, I have frequently heard one or other of my Adages repeated, with, *as Poor Richard says*, at the End on’t; this gave me some Satisfaction, as it showed not only that my Instructions were regarded, but discovered likewise some Respect for my Authority; and I own, that to encourage the Practice of remembering and repeating those wise Sentences, I have sometimes *quoted myself* with great Gravity.

Judge then how much I must have been gratified by an Incident I am going to relate to you. I stopt my Horse lately where a great Number of People were collected at a Vendue of Merchant Goods. The Hour of Sale not being come, they were conversing on the Badness of the Times, and one of the Company call'd to a plain clean old Man, with white Locks, *Pray, Father Abraham, what think you of the Times? Won't these heavy Taxes quite ruin the Country? How shall we be ever able to pay them? What would you advise us to?*—Father Abraham stood up, and reply'd, If you'd have my Advice, I'll give it you in short, for a *Word to the Wise is enough, and many Words won't fill a Bushel, as Poor Richard says.* They join'd in desiring him to speak his Mind, and gathering round him, he proceeded as follows;

“Friends, says he, and Neighbors, the Taxes are indeed very heavy, and if those laid on by the Government were the only Ones we had to pay, we might more easily discharge them; but we have many others, and much more grievous to some of us. We are taxed twice as much by our *Idleness*, three times as much by our *Pride*, and four times as much by our *Folly*, and from these Taxes the Commissioners cannot ease or deliver us by allowing an Abatement. However let us hearken to good Advice, and something may be done for us; *God helps them that help themselves,* as *Poor Richard* says, in his Almanack of 1733.

It would be thought a hard Government that should tax its People one tenth Part of their *Time*, to be employed in its Service. But *Idleness* taxes many of us much more, if we reckon all that is spent in absolute *Sloth*, or doing of nothing, with that which is spent in idle Employments or Amusements, that amount to nothing. *Sloth*, by bringing on Diseases, absolutely shortens Life. *Sloth, like rust, consumes faster than Labour wears, while the used Key is always bright,* as *Poor Richard* says. But *dost thou love Life, then do not squander Time, for that's the Stuff Life is made of,* as *Poor Richard* says.—How much more than is necessary do we spend in Sleep! Forgetting that *The sleeping Fox catches no Poultry,* and that *there will be sleeping enough in the Grave,* as *Poor Richard* says. If Time be of all Things the most precious, *wasting Time* must be, as *Poor Richard* says, *the greatest Prodigality,* since, as he elsewhere tells us, *Lost Time is never found again,* and what we call *Time-enough,* always proves

little enough: Let us then be up and be doing, and doing to the Purpose; so by Diligence shall we do more with less Perplexity. *Sloth makes all Things difficult, but Industry all easy*, as *Poor Richard* says; and *He that riseth late, must trot all Day, and shall scarce overtake his Business at Night*. While *Laziness travels so slowly, that Poverty soon overtakes him*, as we read in *Poor Richard*, who adds, *Drive thy Business, let not that drive thee; and Early to Bed, and early to rise, makes a Man healthy, wealthy and wise*.

So what signifies *wishing* and *hoping* for better Times. We may make these Times better if we bestir ourselves. *Industry need not wish*, as *Poor Richard* says, and *He that lives upon Hope will die fasting*. *There are no Gains, without Pains*, then *Help Hands, for I have no Lands*, or if I have, they are smartly taxed. And, as *Poor Richard* likewise observes, *He that hath a Trade hath an Estate*, and *He that hath a Calling hath an Office of Profit and Honour*; but then the *Trade* must be worked at, and the *Calling* well followed, or neither the *Estate*, nor the *Office*, will enable us to pay our Taxes. —If we are industrious we shall never starve; for, as *Poor Richard* says, *at the working Man's House Hunger looks in, but dares not enter*. Nor will the Bailiff nor the Constable enter, *for Industry pays Debts, while Despair increaseth them*, says *Poor Richard*. —What though you have found no Treasure, nor has any rich Relation left you a Legacy, *Diligence is the Mother of Good luck*, as *Poor Richard* says, and *God gives all Things to Industry*. Then *plough deep, while Sluggards sleep, and you shall have Corn to sell and to keep*, says *Poor Dick*. Work while it is called To-day, for you know not how much you may be hindered To-morrow, which makes *Poor Richard* say, *One To-day is worth two To-morrows*; and farther, *Have you somewhat to do To-morrow, do it To-day*. If you were a Servant, would you not be ashamed that a good Master should catch you idle? Are you then your own Master, *be ashamed to catch yourself idle*, as *Poor Dick* says. When there is so much to be done for yourself, your Family, your Country, and your gracious King, be up by Peep of Day; *Let not the Sun look down and say, Inglorious here he lies*. Handle your Tools without Mittens; remember that *the Cat in Gloves catches no Mice*, as *Poor Richard* says. 'Tis true there is much to be done, and perhaps you are weak handed, but stick to it steadily, and you will see great Effects, for *constant Dropping wears away Stones*, and by *Diligence and Patience*

the Mouse ate in two the Cable; and little Strokes fell great Oaks, as Poor Richard says in his Almanack, the Year I cannot just now remember.

Methinks I hear some of you say, *Must a Man afford himself no Leisure?* —I will tell thee, my friend, what *Poor Richard* says, *Employ thy Time well if thou meanest to gain Leisure; and, since thou art not sure of a Minute, throw not away an Hour.* Leisure, is Time for doing something useful; this Leisure the diligent Man will obtain, but the lazy Man never; so that, as *Poor Richard* says, *a Life of Leisure and a Life of Laziness are two Things.* Do you imagine that Sloth will afford you more Comfort than Labour? No, for as *Poor Richard* says, *Trouble springs from Idleness, and grievous Toil from needless Ease. Many without Labour would live by their Wits only, but they break for want of Stock.* Whereas industry gives Comfort, and Plenty, and Respect: *Fly Pleasures, and they'll follow you. The diligent Spinner has a large Shift, and now I have a Sheep and a Cow, every Body bids me Good morrow; all which is well said by Poor Richard.*

But with our Industry, we must likewise be *steady, settled and careful,* and oversee our own Affairs *with our own Eyes,* and not trust too much to others; for, as *Poor Richard* says,

*I never saw an oft removed Tree,
Nor yet an oft removed Family,
That throve so well as those that settled be.*

And again, *Three Removes is as bad as a Fire; and again, Keep thy Shop, and thy Shop will keep thee; and again, If you would have your Business done, go; If not, send.* And again,

*He that by the Plough would thrive,
Himself must either hold or drive.*

And again, *The Eye of a Master will do more Work than both his Hands; and again, Want of Care does us more Damage than Want of Knowledge; and again, Not to oversee Workmen is to leave them your Purse open.* Trusting too much to others Care is the Ruin of many; for, as the

Almanack says, *In the Affairs of this World Men are saved, not by Faith, but by the Want of it;* but a Man's own Care is profitable; for, saith *Poor Dick*, *Learning is to the Studious, and Riches to the Careful, as well as Power to the Bold, and Heaven to the Virtuous.* And farther, *If you would have a faithful Servant, and one that you like, serve yourself.* And again, he adviseth to Circumspection and Care, even in the smallest Matters, because sometimes *a little Neglect may breed great Mischief;* adding, *For want of a Nail the Shoe was lost; for want of a Shoe the Horse was lost, and for want of a Horse the Rider was lost,* being overtaken and slain by the Enemy, all for want of Care about a Horse-Shoe Nail.

So much for Industry, my Friends, and Attention to one's own Business; but to these we must add Frugality, if we would make our Industry more certainly successful. A Man may, if he knows not how to save as he gets, *keep his Nose all his Life to the Grindstone,* and die not worth a *Groat* at last. *A fat Kitchen makes a lean Will,* as *Poor Richard* says; and,

*Many Estates are spent in the Getting,
Since Women for Tea forsook Spinning and Knitting,
And Men for Punch forsook Hewing and Splitting.*

If you would be wealthy, says he, in another *Almanack*, *think of Saving as well as of Getting: the Indies have not made Spain rich, because her Outgoes are greater than her Incomes.* Away then with your expensive Follies, and you will not have so much Cause to complain of hard Times, heavy Taxes, and chargeable Families; for, as *Poor Dick* says,

*Women and Wine, Game and Deceit,
Make the Wealth small, and the Wants great.*

And farther, *What maintains one Vice, would bring up two Children.* You may think perhaps, That a *little* Tea, or a *little* Punch now and then, Diet a *little* more costly, Clothes a *little* finer, and a *little* Entertainment now and then, can be no great Matter; but remember what *Poor Richard* says, *Many a Little makes a Mickle,* and farther, *Beware of little Expenses; a small Leak will sink a great Ship,* and again, *Who Dainties love, shall Beggars prove;* and moreover, *Fools make Feasts, and wise Men eat them.*

Here you are all got together at this Vendue of *Fineries* and *Knicknacks*. You call them *Goods*, but if you do not take Care, they will prove *Evils* to some of you. You expect they will be sold *cheap*, and perhaps they may for less than they cost; but if you have no Occasion for them, they must be *dear* to you. Remember what *Poor Richard* says, *Buy what thou hast no Need of, and ere long thou shalt sell thy Necessaries*. And again, *At a great Pennyworth pause a while*: He means, that perhaps the Cheapness is *apparent* only, and not *real*; or the Bargain, by straitning thee in thy Business, may do thee more Harm than Good. For in another Place he says, *Many have been ruined by buying good Pennyworths*. Again, *Poor Richard* says, *'tis foolish to lay out Money in a Purchase of Repentance*; and yet this Folly is practised every Day at Vendues, for want of minding the Almanack. *Wise Men*, as *Poor Dick* says, *learn by others Harms, Fools scarcely by their own*, but, *Felix quem faciunt aliena Pericula cautum*. Many a one, for the Sake of Finery on the Back, have gone with a hungry Belly, and half starved their Families; *Silks and Sattins, Scarlet and Velvets*, as *Poor Richard* says, *put out the Kitchen Fire*. These are not the *Necessaries* of Life; they can scarcely be called the *Conveniencies*, and yet only because they look pretty, how many *want to have* them. The *artificial* Wants of Mankind thus become more numerous than the *natural*; and, as *Poor Dick* says, *For one poor Person, there are an hundred indigent*. By these, and other Extravagancies, the Genteel are reduced to Poverty, and forced to borrow of those whom they formerly despised, but who through *Industry* and *Frugality* have maintained their Standing; in which Case it appears plainly, that a *Ploughman on his Legs is higher than a Gentleman on his Knees*, as *Poor Richard* says. Perhaps they have had a small Estate left them, which they knew not the Getting of; they think *'tis Day, and will never be Night*; that a little to be spent out of *so much*, is not worth minding; (*a Child and a Fool*, as *Poor Richard* says, *imagine Twenty Shillings and Twenty Years can never be spent*) but, *always taking out of the Meal-tub, and never putting in, soon comes to the Bottom*; then, as *Poor Dick* says, *When the Well's dry, they know the Worth of Water*. But this they might have known before, if they had taken his Advice; *If you would know the Value of Money, go and try to borrow some; for, he that goes a borrowing goes a sorrowing; and indeed so does he that lends to such People, when he goes to get it in again*. —*Poor Dick* farther advises, and says,

*Fond Pride of Dress, is sure a very Curse;
E'er Fancy you consult, consult your Purse.*

And again, *Pride is as loud a Beggar as Want, and a great deal more saucy.* When you have bought one fine Thing you must buy ten more, that your Appearance maybe all of a Piece; but *Poor Dick* says, *'Tis easier to suppress the first Desire, than to satisfy all that follow it.* And 'tis as truly Folly for the Poor to ape the Rich, as for the Frog to swell, in order to equal the Ox.

*Great Estates may venture more,
But little Boats should keep near Shore.*

'Tis however a Folly soon punished; for *Pride that dines on Vanity sups on Contempt,* as *Poor Richard* says. And in another Place, *Pride breakfasted with Plenty, dined with Poverty, and supped with Infamy.* And after all, of what Use is this *Pride of Appearance,* for which so much is risked, so much is suffered? It cannot promote Health; or ease Pain; it makes no Increase of Merit in the Person, it creates Envy, it hastens Misfortune.

*What is a Butterfly? At best
He's but a Caterpillar drest.
The gaudy Fop's his Picture just,*

as *Poor Richard* says.

But what Madness must it be to *run in Debt* for these Superfluities! We are offered, by the Terms of this Vendue, *Six Months Credit;* and that perhaps has induced some of us to attend it, because we cannot spare the ready Money, and hope now to be fine without it. But, ah, think what you do when you run in Debt; *You give to another Power over your Liberty.* If you cannot pay at the Time, you will be ashamed to see your Creditor; you will be in Fear when you speak to him; you will make poor pitiful sneaking Excuses, and by Degrees come to lose you Veracity, and sink into base downright lying; for, as *Poor Richard* says, *The second Vice is Lying, the first is running in Debt.* And again

to the same Purpose, *Lying rides upon Debt's Back*. Whereas a freeborn *Englishman* ought not to be ashamed or afraid to see or speak to any Man living. But Poverty often deprives a Man of all Spirit and Virtue: 'Tis hard for an empty Bag to stand upright, as *Poor Richard* truly says. What would you think of that Prince, or that Government, who should issue an Edict forbidding you to dress like a Gentleman or a Gentlewoman, on Pain of Imprisonment or Servitude? Would you not say, that you are free, have a Right to dress as you please, and that such an Edict would be a Breach of your Privileges, and such a Government tyrannical? And yet you are about to put yourself under that Tyranny when you run in Debt for such Dress! Your Creditor has Authority at his Pleasure to deprive you of your Liberty, by confining you in Goal for Life, or to sell you for a Servant, if you should not be able to pay him! When you have got your Bargain, you may, perhaps, think little of Payment; but *Creditors*, *Poor Richard* tells us, *have better Memories than Debtors*; and in another Place says, *Creditors are a superstitious Sect, great Observers of set Days and Times*. The Day comes round before you are aware, and the Demand is made before you are prepared to satisfy it. Or if you bear your Debt in Mind, the Term which at first seemed so long, will, as it lessens, appear extremely short. *Time* will seem to have added Wings to his Heels as well as Shoulders. *Those have a short Lent*, saith *Poor Richard*, *who owe Money to be paid at Easter*. Then since, as he says, *The Borrower is a Slave to the Lender, and the Debtor to the Creditor*, disdain the Chain, preserve your Freedom; and maintain your Independency: Be *industrious* and *free*; be *frugal* and *free*. At present, perhaps, you may think yourself in thriving Circumstances, and that you can bear a little Extravagance without injury; but,

*For Age and Want, save while you may;
No Morning Sun lasts a whole Day,*

as *Poor Richard* says. —Gain may be temporary and uncertain, but ever while you live, Expense is constant and certain; and 'tis easier to build two Chimnies than to keep one in Fuel, as *Poor Richard* says. So rather go to Bed supperless than rise in Debt.

*Get what you can, and what you get hold;
'Tis the Stone that will turn all your Lead into Gold,*

as *Poor Richard* says. And when you have got the Philosopher's Stone, sure you will no longer complain of bad Times, or the Difficulty of paying Taxes.

This Doctrine, my Friends, is *Reason* and *Wisdom*; but after all, do not depend too much upon your own *Industry*, and *Frugality*, and *Prudence*, though excellent Things, for they may all be blasted without the Blessing of Heaven; and therefore ask that Blessing humbly, and be not uncharitable to those that at present seem to want it, but comfort and help them. Remember *Job* suffered, and was afterwards prosperous.

And now to conclude, *Experience keeps a dear School, but Fools will learn in no other, and scarce in that*; for it is true, *we may give Advice, but we cannot give Conduct*, as *Poor Richard* says: However, remember this, *They that won't be counselled, can't be helped*, as *Poor Richard* says: And farther, *That if you will not hear Reason, she'll surely rap your Knuckles.*"

Thus the old Gentleman ended his Harangue. The People heard it, and approved the Doctrine, and immediately practised the contrary, just as if it had been a common Sermon; for the Vendue opened, and they began to buy extravagantly, notwithstanding all his Cautions, and their own Fear of Taxes. —I found the good Man had thoroughly studied my Almanacks, and digested all I had dropt on those Topicks during the Course of Five-and- twenty Years. The frequent Mention he made of me must have tired any one else, but my Vanity was wonderfully delighted with it, though I was conscious that not a tenth Part of the Wisdom was my own which he ascribed to me, but rather the *Gleanings* I had made of the sense of all Ages and Nations. However, I resolved to be the better for the Echo of it; and though I had at first determined to buy Stuff for a new Coat, I went away resolved to wear my old One a little longer. *Reader*, if thou wilt do the same, thy Profit will be as great as mine.

*I am, as ever,
Thine to serve thee,*

Richard Saunders.
July 7, 1757.

8. EARLY RISING

Catharine E. Beecher and Harriet Beecher Stowe, *The American Woman's Home: Or, Principles of Domestic Science* (New York: J.B. Ford and Company, 1872), 191–192, 194–196.

There is no practice which has been more extensively eulogized in all ages than early rising; and this universal impression is an indication that it is founded on true philosophy. For it is rarely the case that the common sense of mankind fastens on a practice as really beneficial, especially one that demands self-denial, without some substantial reason.

This practice, which may justly be called a domestic virtue, is one which has a peculiar claim to be styled American and democratic. The distinctive mark of aristocratic nations is a disregard of the great mass, and a disproportionate regard for the interests of certain privileged orders. All the customs and habits of such a nation are, to a greater or less extent, regulated by this principle. Now the mass of any nation must always consist of persons who labor at occupations which demand the light of day. But in aristocratic countries, especially in England, labor is regarded as the mark of the lower classes, and indolence is considered as one mark of a gentleman. This impression has gradually and imperceptibly, to a great extent, regulated their customs, so that, even in their hours of meals and repose, the higher orders aim at being different and distinct from those who, by laborious pursuits, are placed below them. From this circumstance, while the lower orders labor by day and sleep at night, the rich, the noble, and the honored sleep by day, and follow their pursuits and pleasures by night.

It will be found that the aristocracy of London breakfast near midday, dine after dark, visit and go to parliament between ten and twelve at night, and retire to sleep toward morning. In consequence of this, the subordinate classes who aim at gentility gradually fall into the same practice. The influence of this custom extends across the ocean, and here, in this democratic land, we find many who measure their grade of gentility by the late hour at which they arrive at a party. And this aristocratic folly is growing upon us, so that, throughout the nation, the hours for visiting and retiring are constantly becoming later, while the hours for rising correspond in lateness.

The question, then, is one which appeal to American women as a matter of patriotism and as having a bearing on those great principles of democracy which we conceive to be equally the principles of Christianity. Shall we form our customs on the assumption that labor is degrading and indolence genteel? Shall we assume, by our practice, that the interests of the great mass are to be sacrificed for the pleasures and honors of a privileged few? Shall we ape the customs of aristocratic lands, in those very practices which result from principles and institutions that we condemn? Shall we not rather take the place to which we are entitled, as the leaders, rather than the followers, in the customs of society, turn back the tide of aristocratic inroads, and carry through the whole, not only of civil and political but of social and domestic life, the true principles of democratic freedom and equality? . . .

To this we must add the great neglect of economy as well as health in substituting unhealthful gaslight, poisonous, anthracite warmth, for the life-giving light and warmth of the sun. Millions and millions would be saved to this nation in fuel and light, as well as in health, by returning to the good old ways of our forefathers, to rise with the sun, and retire to rest "when the bell rings for nine o'clock" . . .

Another reason for early rising is, that it is indispensable to a systematic and well-regulated family. At whatever hour the parents retire, children and domestics, wearied by play or labor, must retire early. Children usually awake with the dawn of light, and commence their

play, while domestics usually prefer the freshness of morning for their labors. If, then, the parents rise at a late hour, they either induce a habit of protracting sleep in their children and domestics, or else the family are up, and at their pursuits, while their supervisors are in bed.

Any woman who asserts that her children and domestics, in the first hours of day, when their spirits are freshest, will be as well regulated without her presence as with it, confesses that which surely is little for her credit. It is believed that any candid woman, whatever may be her excuse for late rising, will concede that if she could rise early it would be for the advantage of her family. A late breakfast puts back the work, through the whole day, for every member of a family; and if the parents thus occasion the loss of an hour or two to each individual who, but for their delay in the morning, would be usefully employed, they alone are responsible for all this waste of time.

But the practice of early rising has a relation to the general interests of the social community, as well as to that of each distinct family. All that great portion of the community who are employed in business and labor find it needful to rise early; and all their hours of meals, and their appointments for business or pleasure, must be accommodated to these arrangements. Now, if a small portion of the community establish very different hours, it makes a kind of jostling in all the concerns and interests of society. The various appointments for the public, such as meetings, schools, and business hours, must be accommodated to the mass, and not to individuals. The few, then, who establish domestic habits at variance with the majority, are either constantly interrupted in their own arrangements, or else are interfering with the rights and interests of others. This is exemplified in the case of schools. In families where late rising is practiced, either hurry, irregularity, and neglect are engendered in the family, or else the interests of the school, and thus of the community, are sacrificed. In this, and many other matters, it can be shown that the well-being of the bulk of the people is, to a greater or less extent, impaired by this self-indulgent practice. Let any teacher select the unpunctual scholars—a class who most seriously interfere with the interests of the school—and let men of business select those who cause them

most waste of time and vexation, by unpunctuality; and it will be found that they are generally among the late risers, and rarely among those who rise early. Thus, late rising not only injures the person and family which indulge in it, but interferes with the rights and convenience of the community; while early rising imparts corresponding benefits of health, promptitude, vigor of action, economy of time, and general effectiveness both to the individuals who practice it and to the families and community of which they are a part.

9. A CAREFUL TREASURER IN THE SERVICE OF BENEVOLENCE

Lydia Maria Child, *The American Frugal Housewife: Dedicated to Those Who Are Not Ashamed of Economy*, 12th ed., (Boston, MA: Carter, Hendece, and Co., 1832), 3–7.

The true economy of housekeeping is simply the art of gathering up all the fragments, so that nothing be lost. I mean fragments of *time*, as well as *materials*. Nothing should be thrown away so long as it is possible to make any use of it, however trifling that use may be; and whatever be the size of a family, every member should be employed either in earning or saving money.

‘Time is money.’ For this reason, cheap as stockings are, it is good economy to knit them. Cotton and woollen yarn are both cheap; hose that are knit wear twice as long as woven ones; and they can be done at odd minutes of time, which would not be otherwise employed. Where there are children, or aged people, it is sufficient to recommend knitting, that it is an *employment*.

In this point of view, patchwork is good economy. It is indeed a foolish waste of time to tear cloth into bits for the sake of arranging it anew in fantastic figures; but a large family may be kept out of idleness, and a few shillings saved, by thus using scraps of gowns, curtains, &c.

In the country, where grain is raised, it is a good plan to teach children to prepare and braid straw for their own bonnets, and their brothers' hats.

Where turkeys and geese are kept, handsome feather fans may as well be made by the younger members of a family, as to be bought. The sooner children are taught to turn their faculties to some account, the better them and for their parents.

In this country, we are apt to let children romp away their existence, till they get to be thirteen or fourteen. This is not well. It is not well for the purses and patience of parents; and it has a still worse effect on the morals and habits of the children. *Begin early* is the great maxim for everything in education. A child of six years old can be made useful; and should be taught to consider every day lost in which some little thing has not been done to assist others.

Children can very early be taught to take all the care of their own clothes.

They can knit garters, suspenders, and stockings; they can make patchwork and braid straw; they can make mats for the table, and mats for the floor; they can weed the garden, and pick cranberries from the meadow, to be carried to market.

Provided brothers and sisters go together, and are not allowed to go with bad children, it is a great deal better for the boys and girls on a farm to be picking blackberries at six cents a quart, than to be wearing out their clothes in useless play. They enjoy themselves just as well; and they are earning something to buy clothes, at the same time they are tearing them.

It is wise to keep an exact account of all you expend—even of a paper of pins. This answers two purposes; it makes you more careful in spending money, and it enables your husband to judge precisely whether his family live within his income. No false pride, or foolish ambition to appear as well as others, should ever induce a person to

live one cent beyond the income of which he is certain. If you have two dollars a day, let nothing but sickness induce you to spend more than nine shillings; if you have one dollar a day, do not spend but seventy-five cents; if you have half a dollar a day, be satisfied to spend forty cents.

To associate with influential and genteel people with an appearance of equality, unquestionably has its advantages; particularly where there is a family of sons and daughters just coming upon the theatre of life; but, like all other external advantages, these have their proper price, and may be bought too dearly. They who never reserve a cent of their income, with which to meet any unforeseen calamity, 'pay too dear for the whistle,' whatever temporary benefits they may derive from society. Self-denial, in proportion to the narrowness of your income, will eventually be the happiest and most respectable course for you and yours. If you are prosperous, perseverance and industry will not fail to place you in such a situation as your ambition covets; and if you are not prosperous, it will be well for your children that they have not been educated to higher hopes than they will ever realize.

If you are about to furnish a house, do not spend all your money, be it much or little. Do not let the beauty of this thing, and the cheapness of that, tempt you to buy unnecessary articles. Doctor Franklin's maxim was a wise one, 'Nothing is cheap that we do not want.' Buy merely enough to get along with at first. It is only by experience that you can tell what will be the wants of your family. If you spend all your money, you will find you have purchased many things you do not want, and have no means left to get many things which you do want. If you have enough, and more than enough, to get everything suitable to your situation, do not think you must spend it all, merely because you happen to have it. Begin humbly. As riches increase, it is easy and pleasant to increase in hospitality and splendour; but it is always painful and inconvenient to decrease. After all, these things are viewed in their proper light by the truly judicious and respectable. Neatness, tastefulness, and good sense, may be shown in the management of a small household, and the arrangement of a little furniture, as well as upon a larger scale; and

these qualities are always praised, and always treated with respect and attention. The consideration which many purchase by living beyond their income, and of course living upon others, is not worth the trouble it costs. The glare there is about this false and wicked parade is deceptive; it does not in fact procure a man valuable friends, or extensive influence. More than that, it is wrong—morally wrong, so far as the individual is concerned; and injurious beyond calculation to the interests of our country! To what are the increasing beggary and discouraged exertions of the present period owing? A multitude of causes have no doubt tended to increase the evil; but the root of the whole matter is the extravagance of all classes of people. We never shall be prosperous till we make pride and vanity yield to the dictates of honesty and prudence! We never shall be free from embarrassment until we cease to be ashamed of industry and economy. Let women do their share towards reformation—Let their fathers and husbands see them happy without finery; and if their husbands and fathers have (as is often the case) a foolish pride in seeing them decorated, let them gently and gradually check this feeling, by showing that they have better and surer means of commanding respect—Let them prove, by the exertion of ingenuity and economy, that neatness, good taste, and gentility, are attainable without great expense.

The writer has no apology to offer for this cheap little book of economical hints, except her deep conviction that such a book is needed. In this case renown is out of the question, and ridicule is a matter of indifference.

The information conveyed is of a common kind; but it is such as the majority of young housekeepers do not possess, and such as they cannot obtain from cookery books. Books of this kind have usually been written for the wealthy: I have written for the poor. I have said nothing about *rich* cooking; those who can afford to be epicures will find the best of information in the ‘Seventy-five Receipts.’ I have attempted to teach how money can be *saved*, not how it can be *enjoyed*. If any persons think some of the maxims too rigidly economical, let them inquire how the largest fortunes among us have been made.

They will find thousands and millions have been accumulated by a scrupulous attention to sums ‘infinitely more minute than sixty cents.’

In early childhood, you lay the foundation of poverty or riches, in the habits you give your children. Teach them to save everything,—not for their *own* use, for that would make them selfish—but for *some* use. Teach them to *share* everything with their playmates; but never allow them to *destroy* anything.

I once visited a family where the most exact economy was observed; yet nothing was mean or uncomfortable. It is the character of true economy to be as comfortable and genteel with a little, as others can be with much. In this family, when the father brought home a package, the older children would, of their own accord, put away the paper and twine neatly, instead of throwing them in the fire, or tearing them to pieces. If the little ones wanted a piece of twine to play scratch-cradle, or spin a top, there it was, in readiness; and when they threw it upon the floor, the older children had no need to be told to put it again in its place.

The other day, I heard a mechanic say, ‘I have a wife and two little children; we live in a very small house; but, to save my life, I cannot spend less than twelve hundred a year.’ Another replied, ‘You are not economical; I spend but eight hundred.’ I thought to myself—‘Neither of you pick up your twine and paper.’ A third one, who was present, was silent; but after they were gone, he said, ‘I keep house, and comfortably too, with a wife and children, for six hundred a year; but I suppose they would have thought me mean, if I had told them so.’ I did not think him mean; it merely occurred to me that his wife and children were in the habit of picking up paper and twine.

Economy is generally despised as a low virtue, tending to make people ungenerous and selfish. This is true of avarice; but it is not so of economy. The man who is economical, is laying up for himself the permanent power of being useful and generous. He who thoughtlessly gives away ten dollars, when he owes a hundred more than he

can pay, deserves no praise,—he obeys a sudden impulse, more like instinct than reason: it would be real charity to check this feeling; because the good he does may be doubtful, while the injury he does his family and creditors is certain. True economy is a careful treasurer in the service of benevolence; and where they are united respectability, prosperity and peace will follow.

10. THRIFT AS A DUTY

Andrew Carnegie, "Thrift as a Duty," in *The Empire of Business* (Garden City, NY: Doubleday, Page, and Company, 1902), 45–52.

The importance of the subject is suggested by the fact that the habit of thrift constitutes one of the greatest differences between the savage and the civilized man. One of the fundamental differences between savage and civilized life is the absence of thrift in the one and the presence of it in the other. When millions of men each save a little of their daily earnings, these petty sums combined make an enormous amount, which is called capital, about which so much is written. If men consumed each day of each week all they earned, as does the savage, of course there would be no capital—that is, no savings laid up for future use.

Now, let us see what capital does in the world. We will consider what the shipbuilders do when they have to build great ships. These enterprising companies offer to build an ocean greyhound for, let us say, £500,000, to be paid only when the ship is delivered after satisfactory trial trips. Where or how do the shipbuilders get this sum of money to pay the workmen, the wood merchant, the steel manufacturer, and all the people who furnish material for the building of the ship? They get it from the savings of civilized men. It is part of the money saved for investment by the millions of industrious people. Each man, by thrift, saves a little, puts the money in a bank, and the bank lends it to the shipbuilders, who pay interest for the use of it. It is the same with the building of a manufactory, a railroad, a canal, or anything costly. We could not have had anything more than the savage had, except for thrift.

THRIFT THE FIRST DUTY

Hence, thrift is mainly at the bottom of all improvement. Without it no railroads, no canals, no ships, no telegraphs, no churches, no universities, no schools, no newspapers, nothing great or costly could we have. Man must exercise thrift and save before he can produce anything material of great value. There was nothing built, no great progress made, as long as man remained a thriftless savage. The civilized man has no clearer duty than from early life to keep steadily in view the necessity of providing for the future of himself and those dependent upon him. There are few rules more salutary than that which has been followed by most wise and good men, namely, "that expenses should always be less than income." In other words, one should be a civilized man, saving something, and not a savage, consuming every day all that which he has earned.

The great poet, Burns, in his advice to a young man, says:

*To catch Dame Fortune's golden smile,
Assiduous wait upon her:
And gather gear by every wile
That's justified by honour.
Not for to hide it in a hedge,
Not for a train attendant;
But for the glorious privilege
Of being independent.*

That is sound advice, so far as it goes, and I hope the reader will take it to heart and adopt it. No proud, self-respecting person can ever be happy, or even satisfied, who has to be dependent upon others for his necessary wants. He who is dependent has not reached the full measure of manhood and can be counted among the worthy citizens of the republic. The safety and progress of our country depend not upon the highly educated men, nor the few millionaires, nor upon the greater number of the extreme poor, but upon the mass of sober, intelligent, industrious and saving workers, who are neither very rich nor very poor.

THRIFT DUTY HAS ITS LIMITS

As a rule, you will find the saving man is a temperate man, a good husband and father, a peaceful, law-abiding citizen. Nor need the saving be great. It is surprising how little it takes to provide for the real necessities of life. A little home paid for and a few hundred pounds—a very few—make all the difference. These are more easily acquired by frugal people than you might suppose. Great wealth is quite another and a far less desirable matter. It is not the aim of thrift, nor the duty of men to acquire millions. It is in no respect a virtue to set this before us as an end. Duty to save ends when just money enough has been put aside to provide comfortably for those dependent upon us. Hoarding millions is avarice, not thrift.

Of course, under our industrial conditions, it is inevitable that a few, a very few men, will find money coming to them beyond their wants. The accumulation of millions is usually the result of enterprise and judgment, and some exceptional ability for organization. It does not come from savings in the ordinary sense of that word. Men who in old age strive only to increase their already great hoards are usually slaves of the habit of hoarding formed their youth. At first they own the money they have made and saved. Later in life the money owns them, and they cannot help themselves, so overpowering is the force of habit, either for good or evil. It is the abuse of the civilized saving instinct, and not its use, that produces this class of men.

No one need be afraid of falling a victim to this abuse of the habit if he always bears in mind that whatever surplus wealth may come to him is to be regarded as a sacred trust, which he is bound to administer for the good of his fellows. The man should always be master. He should keep money in the position of a useful servant. He must never let it master and make a miser of him.

A man's first duty is to make a competence and be independent. But his whole duty does not end here. It is his duty to do something for his needy neighbours who are less favoured than himself. It is his duty to contribute to the general good of the community in he lives.

He has been protected by its laws. Because he has been protected his various enterprises he has been able to make money sufficient his needs and those of his family. All beyond this belongs in justice to the protecting power that has fostered him and enabled him to win pecuniary success. To try to make the world in some way better than you found it is to have a noble motive in life. Your surplus wealth should contribute to the development of your own character and place you in the ranks of nature's noblemen.

It is no less than a duty for you to understand how important it is, and how clear your duty is, to form the habit of thrift. When you begin to earn, always save some part of your earnings, like a civilized man, instead of spending all, like the poor savage.

11. THRIFT

Andrew Carnegie, "Thrift," in *Problems of To-Day: Wealth, Labor, Socialism* (New York: Doubleday, Page & Company, 1909), 95–100.

The Socialistic system, as we shall see, does not harmonise with our present home and family relations, which many of us treasure, for their holy and ennobling influence upon human life, as the most precious of all institutions.

We find it also attacks or belittles one of the virtues which, as we believe, lie at the root of the progress of our race, that of Thrift.

Most men and women are born to poverty. Comparatively few are provided for and free to spend lives of ease. The vast majority must work to live. Fortunately for himself, in all probability Keir Hardie is no exception. If he had been one of the few born to competence, he might never have attained eminence through service to his fellows. In his booklet in the "Labor Ideal" series (p. 38) after writing that the Sermon on the Mount is full of the spirit of pure Socialism, he continues, "Nay, in its lofty contempt for thrift and forethought, it goes far in advance of anything ever put forward by any Communist, ancient or modern."

Thrift cannot commend itself to the true Socialist, who forbids private capital, but the story of the talent hid in the ground inculcates the duty of man not only to guard his capital but to increase it, and we are told that "he that provides not for those of his own house hath denied the faith and is worse than an infidel."

Proper provision certainly requires a reserve fund for contingencies.

If we were to divide the vast army of workers of mature age into two classes, the savers and the spendthrifts, we should practically separate the creditable from the discreditable, the exemplary from the pitiable, the progressive from the backsliders, the sober from the intemperate. A visit to their respective homes would confirm this classification. The thrifty would be found not only the best workmen, and foremost in the shop, but the best citizens and the best husbands and fathers, the leaders and exemplars of their fellows. Many are those who have risen from the ranks of manual labor and achieved reputation for useful work performed for the community, and been held in general esteem as model citizens. Much good have they accomplished for their fellows. That they were thrifty, thoughtful men goes without saying. They could not otherwise have risen. If the workmen depositors in savings banks, members of friendly and of building societies, cooperative stores, and similar organisations were to march in procession, preceded by the workmen who are not, spectators would take heart again after their depression from seeing the first. If the workmen who own their homes were to march and be followed by those who do not, the contrast in appearance would be striking.

Apply to the masses of men any of the tests that indicate success or failure in life, progress or stagnation, valuable or worthless citizenship and none will more clearly than that of thrift separate the well-behaved, respected and useful from the unsatisfactory members of society.

The writer lived his early years among workmen and his later years as an employer of labor, and it is incomprehensible to him how any informed man, having at heart the elevation of manual laboring men, could fail to place upon the habit of thrift the highest value, second only to that of temperance, without which no honorable career is possible, for against intemperance no combination of good qualities can prevail. Temperance and thrift are virtues which act and react upon each other, strengthening both, and are seldom found apart.

The pure, elevating, happy home with wife and children is the product of both. When some part of the weekly earnings is not saved all is not as well with that home as could be wished.

12. SAVINGS CLUBS

Theodore Douglas MacGregor, “Savings Clubs,” in *Talks On Thrift: A Protest Against Reckless Extravagance, A Plea for Commonsense Saving* (New York: The Bankers Publishing Co., 1913), 23–25.

In all things extravagance is to be deprecated. Nowhere will system be found of greater service than in consistently apportioning the income to the various demands made upon it, and holding steadfastly to this division.

—Alice L. James.

Man is a gregarious animal, and he is prone to follow a leader—do what others do. This is the fundamental principle underlying the Christmas and Vacation Savings Clubs and other similar schemes to stimulate a community of interest in the systematic building up of a surplus. The idea of cooperation enters into this plan, and a friendly competition in saving takes the place of a foolish vying with one another in the race of extravagance.

Many persons are so constituted that they need to put themselves into the machinery of some such scheme as this which will force them to save automatically, as it were.

Perhaps the best known of these methods is the Christmas Savings Club, which aims to make people begin early in the year to save money, ostensibly for Christmas presents, but really for any purpose desired.

There are several classes in the “Christmas Savings Club.” If you join “Class 5” you pay 5 cents the first week, 10 cents the second week,

15 cents the third week, 20 cents the fourth, and so on for fifty weeks. Then two weeks before Christmas the Santa Claus bank of your choice mails you a check for \$63.75, usually with interest. Or if you still are fairly opulent after Christmas you may start in this class by paying \$2.50 the first week, and reducing the payments 5 cents a week. Then there are two-cent and one-cent classes, which return \$25.50 and \$12.75, respectively, to the member just before Christmas.

Over eight hundred banks conducted Christmas Savings Clubs in 1912, and the clubs were scattered through many States. The Union Trust Company of Harrisburg, Pa., distributed \$350,000 to club members at Christmas time.

The working people of England are great patrons of savings clubs, all sorts of agencies being created to enable them to save money that they may have it to spend during the festive season of the year. There are clubs of all kinds, ranging from the shop club, to which the workmen contribute, to the little clubs run for the purpose of letting school children have a shilling's worth of sweets for a Christmas treat. There is hardly a workshop of any importance in London without its workmen's savings club, besides which there are many dividing clubs carried on at public houses, and the deposits amount in the aggregate to a very large sum. The withdrawals begin in the early days of December, and it is not uncommon for the banks to pay out \$1,460 to a single club.

Working girls in this country have found the Vacation Savings Fund very helpful. Miss Anne Morgan, daughter of the late J. Pierpont Morgan, is at the head of the executive committee of this fund, which started with the idea of pointing out wholesome, economical boarding places for summer outings. The next step was to take care of the savings of the girls throughout the year, so that the outings could be had without any slips between the pay envelope and the two weeks' needed vacation. The work has expanded so that it now teaches the girls thrift in other directions.

Similar cooperative effort is manifested by members of the Society for the Prevention of Useless Giving, the “Spugs,” as they are popularly called. The idea back of this organization is that there is too much senseless giving at Christmas time, especially by those who can least afford it, and that this waste can be prevented if a united stand is made against the abuse of Christmas giving.

But, if you are not so situated that you can join a savings club of any kind, do not give up the idea of saving. Do it on your own account. Just stop wasting, stop indulging in things you cannot afford, have an object for which to work, save some of your daily earnings in the savings bank, until, accumulating little by little, you have enough to invest, then consult some good banker, or other business man, and put it into a mortgage, real estate, bonds, or some other safe security, so that by-and-by an income for old age may be assured you, and dread of want, in case of sickness or accident, be banished from your mind forever.

13. LET THRIFT BE YOUR RULING HABIT

Elbert Hubbard, *Let Thrift Be Your Ruling Habit* (East Aurora, NY: The Roycrofters, 1917), 3–14.

Thrift is a habit. A habit is a thing you do unconsciously or automatically, without thought. We are ruled by our habits. When habits are young they are like lion-cubs, soft, fluffy, funny, frolicsome little animals. They grow day by day. Eventually they rule you.

Choose ye this day the habit ye would have to rule over you. The habit of thrift is simply the habit which dictates that you shall earn more than you spend. In other words, thrift is the habit that provides that you shall spend less than you earn. Take your choice.

If you are a thrifty person you are happy. When you are earning more than you spend, when you produce more than you consume, your life is a success, and you are filled with courage, animation, ambition, good-will. Then the world is beautiful, for the world is your view of the world, and when you are right with yourself, all's right with the world.

The habit of thrift proves your power to rule your own psychic self. You are captain of your soul. You are able to take care of yourself, and then out of the excess of your strength you produce a surplus.

Thus you are not only able to take care of yourself, but you are able to take care of some one else—of wife, child, father and mother, to

lend a hand to sick people, old people, unfortunate people. This is to live.

The man who cannot earn a living for himself is something less than a man. The man who can barely get a living and no more is little better than a barbarian or a savage.

“All wealth comes from labor applied to land,” said Adam Smith, who wrote a wonderful book on the subject of thrift. This book, *The Wealth of Nations*, was published in the same year that America’s Declaration of Independence was signed. Buckle calls it, “the greatest book ever written in its influence for good, save none.”

In this book is the statement, “All wealth comes from labor applied to land.” Nowadays we say, “All wealth comes from intelligent labor applied to land.” Let us say, “All wealth comes from loving labor applied to land.” The successful labor is loving labor.

Loving labor and thrift go hand in hand. He who is not thrifty is a slave to circumstance. Fate says, “Do this or starve,” and if you have no surplus saved up you are the plaything of chance, the pawn of circumstance, the slave of some one’s caprice, a leaf in a storm.

The surplus gives you the power to dictate terms, but most of all it gives you an inward consciousness that you are sufficient unto yourself.

Therefore, cultivate the habit of thrift, and the earlier you begin, the better. And no matter how old you are, or how long you have lived, begin this day to save something, no matter how little, out of your earnings.

Off the beaten track of travel there is a country school, the typical little red schoolhouse.

The teacher is a hunchback. Once he wrote: “I know nothing about the science of education. I just love my children, and we study together

and work together.” And so, out to one side of the school, in summer-time, there is a school-garden where every child has a little flowerbed or vegetable-garden of its own.

The pupil plants the seed he wishes to plant, digs it up sometimes to see how it is coming along, waters it, hoes it, watches it sprout through the surface, wooed with the kisses of the summer sun.

He sees it grow and evolve into a beautiful plant, that produces a flower, perhaps, at the top, and an edible beneath the surface.

So last May in this garden the children were growing corn, potatoes, marigolds, sweet-williams, violets, and through this working out of doors instead of playing games all the time, the children were learning to economize time, to be saving of time, for time rightly used is the thing which, when it co-operates with love and labor, produces wealth and all the things necessary to life and well-being.

But on a last trip to that little red schoolhouse, the teacher told of another innovation. It was this: A Savings and Loan Association account for each child in the school, a pass-book for each child who can deposit one cent or five cents!

Here was a lesson in economics. And economics is simply the science of business, and business is the science of human service.

Some day business is going to be regarded as the greatest science in the world, for it includes the science of making a living. And my little hunchback teacher recognized this fact, so he is teaching his children the science of saving, and thrift will become, indeed, a habit with those children.

The thrift habit is a sister to a good many other beautiful habits. Thrift implies industry, and of course thrift is economy, and economy means the care of things and their proper use. You do not waste anything that can be used. You save it, care for it, reserve it. In the country when we get more apples than we can store in the cellar, we

peel them, slice them, dry them in the sun or in pans on the stove, and then the children string them with a thread and needle, and we hang them in a dry place in the garret where they can be used when we need them. Children in the country sometimes will preserve many pounds of apples this way and sell them, and buy clothing or books or a gramophone or slates or shoes.

There is a factory in a country town where there are two hundred fifty employees, and every employee in that factory has a Savings and Loan Association account.

Thus this factory is a school run on a principle somewhat like that of the little red schoolhouse, where the little hunch-back teacher, with no children of his own, is yet the father and big brother to all of his pupils.

Children should early be taught the savings-bank habit. Such children will grow up—at least, most of them will—able, courageous, helpful, willing, and a few of them will evolve into strong and able people, leaders in any kind of undertaking which they may select or which Fate may send.

Thrifty people, other things considered, have good health. Thrift implies that you do not overeat, that you sleep at least eight hours, that you go to bed early and get up early. Benjamin Franklin was right: “Time is money.” Time is surely money when it is rightly used.

The habit of thrift tends to give clear eyes, good digestion, efficient muscles. People on moderate salaries have no business to patronize taxicabs. Leave that to elderly people who can not easily board the street-car; also leave it to the people who have pride plus and who wear clothes they are afraid will get soiled.

Young people, especially, should economize, always remembering that we should have every thing we really need. It is folly to skimp in eating for the sake of saving, or to wear dowdy raiment. Have what you need, but do not buy things you do not need.

But there is a joy in going without things—a fine tang in eliminating the superfluous. Old Walt Whitman knew of this when he said: “Henceforth I will complain no more. Done with indoor repinings, strong and content I will take to the open road.”

It’s lovely to be able to walk, to run, to carry your own grip, to get along without flunkies, to eat moderately, sleep hard, breathe deeply, and look everybody in the eye with a look which says you can take care of yourself.

In the beating of the heart there is a secondary movement. We call these two movements systole and diastole. Every worthy action has this secondary effect, which is also good.

We know this secondary by the name of “survival value,” and survival value is the thing that endures after the act itself is complete.

There is a survival value in the habit of thrift. Besides the money you save you are adding strength to your character, you are digging trenches, building fortifications, laying in ammunition, and providing yourself against any attack from enemies, such as poverty, disease, melancholy, distrust, jealousy, insanity.

Ben Franklin is our greatest example of thrift; He wrote more on it and wrote better than any other man we know. He began practising thrift when he was twelve years of age, and he practised it and wrote on it all his life.

He became the richest man in America in his day, richest not only in money but in health, brains, sanity, good-cheer, influence. He was a scientist, a businessman, a linguist, a diplomat and a philosopher: He always paid his way. He founded the University of Pennsylvania, founded the first public library in America, organized an insurance-company, pretty nearly captured the lightnings, invented spectacles, manufactured the first cook-stove, went to France and borrowed money on which Washington fought the War of the Revolution; and the basis of all the strength and excellence of Benjamin

Franklin lay in the fact that very early in life he acquired the habit of thrift.

Shakespeare above all writers we know knew the value of thrift, not only thrift in the matter of money but in the matter of ideas, of working his thoughts up into good coin. He wrote out his thoughts, and thus got the habit of expressing them, and while he was a businessman and would not consider himself anything else, he yet lives for us as the greatest writer of all time.

Thrift in thought will lead to the habit of writing, and any good man who writes a little every day will become a good writer. We grow by doing.

Well did Shakespeare say, “Thrift, Horatio, thrift!” implying that the young man Horatio should acquire the habit of thrift first, and then all else in the way of good things would follow.

The girl or boy who acquires the habit of thrift early in life will be a power for good in any community. Thrift! It is the basis of all the other virtues. To spend less than you earn—this way lies happiness. Thrift!

14. HOW TO PLAN A THRIFT TALK

“How to Plan a Thrift Talk,” in *Textbook for Speakers on Thrift Stamps and War-Savings Stamps* (Washington, D.C.: Government Printing Office, August 1918), 23–25.

I. FIVE POINTS FOR SPEAKERS

What are the first requisites to a successful Thrift Talk?

The National War-Savings Committee put this question to a distinguished public speaker. His answer follows.

1. Be Specific.

Vague generalities extolling thrift are not so compelling or so interesting as specific instances of what thrift has done and can do—specific illustrations of the lasting benefits of thrift to the individual, and hence to the nation; specific suggestions as to how to practice thrift; specific reasons why thrift is needed to win the war.

2. Be Informed.

A visiting Frenchman recently remarked that all Americans, so far as he could see, hailed from one State. In rating us as Missourians he did us no injustice. Your audiences can be persuaded to save if you will take the pains to show them the reason why saving is necessary. Familiarize yourself with the figures and facts of the war.

3. *Be Consecutive.*

If possible, plan your speech beforehand. Let one point follow another with indisputable logic and clearness. *Nothing* is more tiresome than repetition. Know when you have made a point so that you will not overmake it. Avoid the text-book method of speaking. A talk, however logical, whose structure “shows through” is likely to suggest the pedagogue. Conceal the heads and subheads; let their presence be felt, but not heard.

4. *Be Adaptable.*

Let your speech *fit* your audience. Relate your points as far as possible to the intimate daily lives and practices of your hearers. Draw your analogies and illustrations from the things they think about and talk about and care about. People are never quite so much interested in others as they are in themselves.

5. *Be Enthusiastic.*

Enthusiasm is born of conviction—it is earnestness, not noise. No one knows quicker than an American audience when a speaker means what he says. The orator who orates to his audience is not likely to be so convincing as the simple, direct American who talks straight from the shoulder. Nothing is more contagious than enthusiasm that’s real.

II. CONSTRUCTING A TALK ON THRIFT

The presentation of the subject of thrift before any audience affords the widest play for the speaker’s powers of observation and logic. There is no subject more interesting or more replete with human interest, for thrift concerns all we do, or have, or hope to get. It manifests itself in how we acquire, how we spend, how we withhold from spending, how we save, how we invest, and how we lose.

To give a good thrift talk requires study and thought. And before you attempt to preach thrift you had better practice it, for there will be a genuine ring to your message that might otherwise be lacking.

Consider what would appeal to *you* and guide yourself accordingly. You know that if a speaker were simply to pound the desk and say: “Save your money, you’ll need it,” it would be idle talk and useless. You want to be shown why you should save your money and how to save it. It’s all very well to tell a strong, husky man that he might be sick or that he might die, but he knows this already, and you must teach him thrift in another way. Show him that money is power, opportunity, privilege, profit, pleasure as well as an anchor to the windward. Show him that money in the bank is reserve energy—not merely an umbrella for the rainy day. Remember always that thrift is not merely the saving of money, which is but one of the many manifestations of thrift—*a result and not a cause*.

Thrift vs. Waste

You can often see a virtue in the light of a vice. You can easily glorify thrift by talking of its opposite, waste. Waste is costly and useless and needless. It is the problem of the business world today. Frightful examples of it are on every hand; look for them yourself. We are all guilty of waste in some form; There is waste in business in the loss of time and material; waste in the home in food, clothing, and money; waste in the individual in personal extravagances, needless luxuries, pleasures, and indulgences, all of which topics are opportune, interesting and full of living force.

After dwelling on waste as a vice, talk of thrift as a virtue. Explain what it is, how it can be acquired, and how it manifests itself, from the using of the leftovers at the table to the banking of money.

When you have made thrift plain so that the illusion that thrift is merely visiting the savings bank is dissipated, show that proper training, environment, incentive, and ambition develop thrift traits; show that the saving of money naturally results and the logical end is a

bank account. Warn them against unwise investments, get-rich-quick schemes, and stock speculation. Show them that after thrift has acquired, thrift should hold on, and that once having saved it is a pity to lose, when it meant so much to get and means so much to keep.

Talking Thrift To Men

Men are most interested perhaps in their jobs, their family, and their future. In talking thrift to wage earners, show them that their jobs depend upon the profitableness of the business and the efficiency of the workers. If the concern makes money, they hold their jobs; if not, the blue envelope; if they are inefficient the boss will soon find it out and idleness results. Show them that success in business depends upon every man doing his part and doing it well. Full value for the pay envelope means a full dinner pail.

Find out how the concern saves in little things and use this as an illustration, and show them how they can aid in eliminating waste and saving both time and material. Show how big business cuts out waste and uses up the by-products. Your man is but one of many. If all waste a little the loss is great, and if all save a little the saving is likewise great.

Show the men that the best start they can give their boys is to teach them thrift. First a good constitution, then good habits. Show them how to cultivate saving habits in the boy, paying him a definite amount for certain work, allowing him spending money, but developing the restraining instinct by rendering account of what he does with it, and having a bank account and doing his own banking. Do not talk in platitudes. Be terse and to the point. Be practical and not ethereal. Be suggestive and talk with a punch. Men like “ginger talks.”

Talking Thrift to Women

Women are interested in the home life, the children, the care of a house. They spend the money and are either the saving or the

wasting element in the home. Here your knowledge of food and food values will be opportune. Show them how costly it is to shop through the children, and why. Tell them how to judge meats and how to get the good cuts, and the nourishment out of cheap ones. Show them the results of wasteful habits in the child, and how to train children in thrift.

Show the woman the value of keeping account of her expenses, to know where her money goes. Show her the value of knowing how and when to buy clothes, and why bargain sales are sometimes expensive. Show her how the tradesmen can cheat and how to check them up. Thrift in the home affords endless opportunity to be practical and suggestive.

15. THRIFT IN HAPPINESS

Bolton Hall, "Thrift in Happiness," in *Thrift*, 3rd ed. (New York, B. W. Huebsch, 1923), 235–247.

Thrift in money matters, thrift in the use of time, thrift in the expenditure of energy. With all these we are familiar at least in theory. Most of us divide up the labor by preaching thrift and making others do the practicing.

But money and time and energy are no good in themselves. Goldsmith's "Vicar of Wakefield" gave each of his children a gold piece for pocket money—but they were never allowed to spend it. We can imagine how much good the money did them. Time hangs heavy on the hands of the selfish man. The energy of the purposeless man merely makes him restless.

No one but a miser wants money for its own sake. Money is only good for what it can buy, which is goods or consideration. The thrifty multi-millionaires of the Russell Sage type use their money only to buy consideration, mostly in bank parlors and board rooms, where they get the consideration without separating themselves from their bank rolls. That is cheaper than giving money in exchange for deference.

Such men resent inquiry as to their benefactions: as one of them said, "What I give is nothing to anybody." They do not appear to get happiness in return. Money can buy nearly everything except happiness. Mr. "Charley" Schwab at least is candid enough, having tried it, to tell us so.

Money is worth to each man only as much as he can get for it of things that he wants, that is to say, it is only a means for buying pleasure or avoiding pains. If you can cut down your wants to nothing without starving your mind or your soul in doing it, you have riches without the troubles of riches. We need far less than we suppose and when we can't get what we very much want we are surprised that we got on very well without it.

It is a boy's dream that he must have the girl he loves: it is the end of a girl's romance that she marries the man she wants. The true lover is one who loves without requiring possession, as one loves the blue of the sky or the quieting clouds or as we love the mother of men, the sea; of all material loves the love of the sea is the best—and the cheapest.

Time is money they say; it isn't unless you turn it into money. Once a small paper was publishing some figures and I showed the busy editor how he could get for ten dollars what took him four days to figure out. He said, "Yes, but I can find the time to get it and I can't find the money to pay for it." To do the work was a better use for his time than to use it to earn the money.

Said the Chinaman, "If you are not going anywhere particular, what are you in such a hurry for? "You burn a perfectly good tree to keep you warm—what do you do while you are warm? If you did nothing worth doing while you are warmed, you might better have gone to bed and saved fuel. There, at least, you would be out of the way. Tremendously energetic people are general nuisances, not letting other people go their own way.

The greatest of truths is hidden behind the pagan beliefs in the Fates, the belief in Karma and in Destiny which decided the course of life, in the Furies, and in Nemesis, that decided the course of all men's lives; that reward us for the virtue of our brothers and visit the iniquities of us Fathers upon our children.

*The fixed arithmic of the Universe
Which meeteth good for good and ill for ill*

*Measure for measure unto deeds, words, thoughts:
Watchful, aware, implacable, unmoved
Making all futures fruits of all the pasts.*

Later teaching has added to that only this important fact, that every man is himself a part of the guiding force of the world; not a puppet moved by strings, but a soldier in the grand army of the Universe whose every loss or gain is also his; prophetic because he dimly sees what he himself may do; inspired because he is a part of the common law.

It is practical work-a-day truth that no man liveth to himself. Our lives are so closely woven together that the killing of a petty princeling in a country thousands of miles away makes or breaks the fortunes and the lives of millions of men and women who had never even heard of him. It is equally true that each one of us lives for himself. Some live in a little narrow way which degrades them; some in so big, generous a way that they become noble. But each one aims "to enjoy himself" and each is successful in just the degree that he is able to suit himself to circumstances or to suit circumstances to himself.

The day that we do not enjoy is as nearly wasted as a day can be: the day that leaves us exhausted has been mis-spent.

"Success" generally means getting ahead of others and profiting at their expense; it need not be so, for all of us profit by the good that any one does: all in the long run suffer for the wrongs of any one else. Clearly, to be successful and to have a full and happy life depends both upon ourselves and upon all other individuals and communities. So happiness is within reach of all who understand themselves and who thereby learn to understand and to cooperate with others.

Happiness is natural, it is worth getting, and it involves others. If we are miserable failures, we make others who are dependent on us also fail miserably. If we are successful we can hardly help sharing our success with others. Any one who wants to improve social conditions must get such efficiency and such leisure as will save him from the

sordid grind to eke out a mere living and which will enable him to use his powers for his own and the general good.

The personal effectiveness which enables us to do this must begin by knowing what we want and how to get it, not by working hard, but by thinking hard, so as to work easily. We shall find that there is much in society and in things as they are that we cannot cure; we cannot give reform like a dose of medicine to any one, nor to society. We must direct our powers so as to make others help us, for our good and for theirs.

If thrift makes home rich but miserable, it has not improved the home. If efficiency produces more goods and less happiness than before, its products are not goods but evils. What is the use of doing anything or of preaching it, which is much easier, unless it makes somebody happier? We want our happiness for ourselves and for our friends in the world, where we live. Also we know how to get it; only narrow selfishness holds us back from it. That selfishness makes us think and act as though the little that we can see were the whole of the order of things, as though there were no interests to be regarded but those that at the moment seem to us good for us and for ours.

It is hard for us to realize, none of us can realize perfectly, that what seem to us disorders and wrongs and miseries are really only order as yet uncompleted, but going on, all too slowly we think, to the highest development of things and of persons.

Consider the grass of the fields with a tangle of timothy mixed with weeds and flowers; but it gives us the sweet and fragrant hay. Look at the confusion of the woods with blasted tree trunks and fallen boughs strewn the forest floor; yet such as these Nature must have to produce the giant towers of trees.

Everywhere chaos slowly brings the cosmos in. It is ours to help the ordering—order is man's first law, not Heaven's.

Both personal and collective peace is attained by various nations at various times who have succeeded in accommodating themselves to their environment; as, for instance, the Aztecs, the South Sea Islanders, and the Japanese before their recent upheaval.

Changing conditions—“new men, strange faces, other minds”—upset that peace, at least for the thinking, reflecting part of the community. But those individuals in any community who can understand that there is one Spirit, which in itself is the source of harmony, secure for themselves that same happiness in their own minds, through their attitude to things, instead of through the attitude of things to them.

It does not seem that we are either incomplete or that we will ever be complete; for to-day, we are just what, in order to get our experience, we need to be to-day; for to-morrow, we shall be different, which will be right also; and it doth not yet appear what we shall be.

In the tiny space of time that each race and each person passes through the world-school of experience, we should not expect that every one should have learned as much as ever can be learned, or even as much as we have learned, or should have put into practice what we merely know.

Neither is it necessary to have unfulfilled longings or to think that we have unsubdued realms in ourselves which we must master. To have peace within ourselves, we need only to do that which seems to us to be loving.

We fail to see that the reason we are dissatisfied with men and with the existing state of society is that we are unwilling that all should learn in the only way that we can learn, which is by experience. We forget that all men are but children, with the vigor, self-will, selfishness, and ignorance of childhood, and because we have got on far enough in the high school course to see the value of good conduct, we blame the great common school and even the kindergarten class that they are so ignorant and violent. If we were not ourselves still ignorant and violent we should not be angry with them nor try to

punish them. If they truly, in their hearts, as a part of themselves, knew better, they would do better; the same as we do ourselves. Out of the millions of ages that the world has existed it is probably but a few thousands of years ago since we were living in the trees. Yet we are impatient because all our ideals are not realized in our little time.

To examine the nature of the water of the boundless seas a single drop will be sufficient. Mankind is one, as water is one, made up of particles; some salt, some fresh, some clean, some dirty, but always tending to find its level, to unite and to purify itself. We are all pretty much of one kind.

A child is incapable and full of faults, reckless, can't spell (small blame to it for that, neither can I), nor figure, nor reason. We don't despair of it on that account, nor think that it was badly made. We think we know that "Men are but children of a larger growth"—but we not only despair of them and of their institutions; we call them miserable worms of the dust and even think they are bad—worse than we are, in fact.

Our nation was drafted and is recruited from the independent, the adventurous, who left home, and friends, and country, religion, music and beer and everything else of their accustomed lives, in order to get money. The marvel is not that our people are so reckless and impatient and dishonest, but that they are so good. A prudent race would live like the Chinese. The woman quarrels with her husband? She would not if she were a sheep. The man is a "beat." He would like to be more honest, but he feels that he must meet competitors and try to skin those who skin him.

These new adventurers are cut off from habits, from the public opinion of those upon whom they depended, unknown in a strange land—well, you know how our young college men behave in Paris, yet we expect our crude buccaneers to grow into sugar lambs, to cooperate, to vote for high-class people (meaning us) and to keep our twenty-one thousand laws that we have made but have never read.

Some prosper in spite of unjust conditions; most persons are kept poor by injustice; some get rich through the same injustice for which all are responsible; for the poor are the many and have the strength, the rich are the few and use it. Only through using the selfishness of the masses can the privileged persons keep them divided and exploited.

These privileged people are not wicked any more than we are. They are like the man who put a bad quarter in the missionary box, saying, "The heathen will never know the difference." They take what popular stupidity gives them and they give what people will accept.

Altogether and each for himself we made the conditions of which we complain. We say we can't control conditions any more than we can control the weather—then we get inside four layers of clothes in summer and say it is awful hot—we mean that we are awful hot; dressed as we are in summer, we should consult a doctor if we were not too hot. We don't suffer from the circumstance of heat, we suffer from the circumstance of unsuitable clothes.

We are not the puppets of chance. Circumstances and conditions determine the course of men only in the same way that the rudder determines the Captain's course. He makes it steer him, and others too. If a driver is skillful, he may hardly pull the reins and the horses seem to be going their own way—they are not. Life is your horse, drive it.

Keep control of yourself, do not let circumstances master you. I knew a fellow in college who sprained his knee; the knee got well, but he had sprained his mind too, and though he could play football just as before, he limped when he walked slowly—he supposed he had to.

The world is so constructed as to give to all of us the teaching that we need, for our hearts and minds and bodies. That cannot be done without both pain and pleasure, the father and mother of thought. The world might have been so made that there would be no alternate day and night, only a continuous dull glow. We might have been left in our tropical Eden, fed on bread fruit, ourselves unfruitful—and

secure, to live in eternal summer the lives of sheep. You, your fathers and your children, would have none of that. Adventurous, combative, resourceful, learning foresight and thrift, you came to strange lands to fight your way—and to get more knowledge. Life, in order to be life, not stagnation, must be made of change, dawn to dark, hot to cold, leaf spring to leaf fall, storm to calm, war to peace. Only so can we get the experience that brings the knowledge that makes us superior to circumstances.

Unthinking man looked upon darkness, cold, winter, storm, contest, as evils, as works of the devil. We see that they are but the other side of the golden shield, that they are what must be. We cannot conceive of a shield with only one side, nor could infinite power make it. Neither is it possible that without darkness, we should see the scarlet canopy of dawn. The sense of heat implies cold. The cheek that glows with the frost must wither if it touches flame. Each is part of the whole necessary world. “Life as a whole,” says Schopenhauer, “is thoroughly good and especially is always amusing.” Pleasure is expensive, happiness costs nothing. The real thrift consists in giving and thereby getting as much happiness as possible. In so far as we rid ourselves of selfish care and think, not of others, but think of ourselves as a part of all others—happiness comes to us unsought.

Thrift, economy, saving! unless it is done at the expense of our nobler things or of our fellow men, it is never mean, never contemptible: but we can make it great by making its object grand. Little people as we may think we are, each one of us is a candle lit by the fire of the Spirit and such taper so lighted can start as huge a blaze as the fiery torch. “How great a matter a little fire kindleth!”

Let us save; save each little thing if we will, but only that we may save the greatest. The greatest to each is not even his own life. Like Him who saved others, but himself He would not save, let our saving be the salvation of the world.

We are troubled about petty possessions while children cry for bread: their cry is to us and it is to you and to me that they lift up

tiny helpless hands. Our answer has been trifling devices of cautious charity and devotional exercises, with which we have set that love to distributing alms that might have redeemed the world.

Find the greatest thing in the world, the most fundamental, the most divinely radical, the thing that goes nearest to the root; do the most “radical” thing you know now, though it be but to send a tract or to broaden the mind of a child.

Who can longer shut his eyes to social conditions, the misery, the hate, the destitution of body and mind that have driven millions from sly commercial war into open military war! Not revolution nor Anarchy, nor red radicalism, but law, business, respectability and “patriotism” have forced our ignorant and our educated brethren alike into the shambles of battle as, if unchecked, they will force us. Instead of making sofa cushions of “Reform” against the day of Judgment let us arise and while there is yet time save, save, save the love of men for the love of God.

16. KEEPING UP WITH THE JONESES

Pop Momand, "A Great Help to Pa," *Keeping Up with the Joneses*, vol. 1 (New York: Cupples, Leon & Company, 1920).

A Great Help to Pa



17. A PURITAN IN BABYLON

William Allen White, *A Puritan In Babylon* (New York: Macmillan Company, 1938), 17, 20–21, 28.

They were frugal people, these Vermonters. In the seventies their land was on a decline. It had fewer people at the last quarter of the nineteenth century than it nurtured in the eighteenth century. The boy Calvin [Coolidge] saw pock marks on the hills—the cellars of abandoned homes, of little factories and of farm buildings. The last of the forges was passing. The workshops that made wagons, buckets, barrels, tubs and clothespins, the little foundries that made stoves, were gradually going down under the competition of the larger factories and foundries and forges in Pennsylvania, Ohio and New York. Capital was consolidating in corporations. The individual owner in industry was passing in bewildered defeat. Land in the Vermont hills often went for taxes, and a farm improved with the house and barns sometimes went without bidders at tax sales for a debt of ten dollars an acre. The struggle was hard. If the Vermonters were parsimonious, if they bit every penny that came into the village to mark it and hold it, they must not be blamed. George Harvey is author of a story that when Calvin was eight years old his father gave him a silver three cent piece, the wealth of Croesus, with which to buy a ticket of admission to some local entertainment. But the day before the entertainment the father came to the boy and said:

“Now son, we are liable to need all the cash we can get and I may need that three cent piece. We must save every penny. If

the election goes wrong and General Hancock wins we are going to have hard times.”

The boy gave up the silver-piece. The election passed. General Garfield won. The father appeared the day after election, returned the three cent piece, admonishing: “Now don’t spend it foolishly!” . . .

In this same teacher’s book is another significant entry. It is a report of the expenses of Plymouth Town for 1884. The total expenses of the whole town, or as Westerners would say, township, including three or four villages, half a dozen schools, and the mountain roads in a rather large wild area, the police, and the care of the poor for the year 1884 were \$3,182.82. Here are these items:

Paid John C. Coolidge for superintending the schools for year 1884	\$11.40
A. N. Earle for recording 17 births and 11 deaths for year 1884	1.40

Expenses of Selectmen

Paid for one day dividing school money	1.00
Paid for three days making highway taxes	3.00
Paid for one day to see Bidgood road	1.00
Paid for one day labor near A. W. Brown’s place	1.00
Paid for one-half day fixing winter road	.50

Plymouth Expenses for Town’s Poor, 1884

Paid May A. Sawyer for keeping C. J. one year	104.00
Paid Geo. Chamberlain for keeping H. H. one year	50.00
Paid for one pair of shoes for child	1.00
Paid L. J. Green for coffin, robe and funeral services	16.00
Paid for two cords of wood fitted to stove length	6.00
Paid L. J. Green for coffin, robe and services	15.50
Paid A. F. Sanders for digging grave	2.00

The significance of these entries is their parsimony. Not a penny is wasted beyond decencies, possibly not up to the decencies. The school teacher had \$3.85 a week wages and his board cost him from a dollar to a dollar and a half a week. Now these people were not poor, neither were they stingy according to their lights. They were just close—tight. They called it “near.” Whatever prosperity they had, and they were well-to-do after their fashion, was bred of thrift. To a bragging Iowan who returned to Plymouth and the Notch, telling about the wide acres of Iowa, its twenty foot soil, its six foot corn, its fat herds, and ended his eulogy by asking:

“How in the world do you people manage to get along here on these barren hillsides?”

The classic Plymouth reply was: “Waal, you’re right. Twould be a hard life if ‘twa’n’t for our Iowa six per cent mortgages which help some!”

But it was a civilization based on thrift, hard thrift, but not ever to the point of penury, in speech, in emotion, in money, in comforts and in delights; not hard, not mean, adequate—no more.

Now this civilization, peculiar almost to Vermont, certainly to Vermont and New Hampshire, rural Maine, and western Massachusetts, persisted through the sixties, seventies and eighties and into the nineties when all the world outside those areas was running amuck; squandering, bragging, scattering taxes, voting bonds, carousing spiritually in revivals, and sousing in saloons, dreaming nightmares and realizing them by day in vast schemes to populate a continent and build a new land in its own exultant image: Corruption in politics, vulgarity in popular art, vainglory in business, cruel contrasts between the rich and the poor, the industrialists and the exploited immigrants, all the opium dreams of the age of steam hardening in stone and steel and lumber were waiting beyond the hills of Plymouth for this boy. And the boy, entirely unconscious of his destiny, was begetting the man who should go out into that bedlam to fight with it to the end of his life.

And what did he bring from childhood? Largely what every child brings into his teens as his inheritance: habits and morals. He brought the habits which were inevitable in a meager but happy civilization: thrift, energy, punctuality, self-reliance, honesty and caution. These marked the man to the end . . .

. . . the fact is that Calvin also often worked as a piece-worker many Saturdays in Ludlow in a toy factory where they made wagons for other boys. And this boy himself remembered through a generation that he put his earned money in a savings bank and declared that his father advised it “because he wished me to be informed of the value of money at interest. He thought money invested in that way led to self-respecting independence that was one of the foundations of good character.”

That lesson stayed with him all his life. He remembered that he painted and repaired around the farm during one vacation. Work and savings and the high morality of accumulated savings in property he cherished as the lesson he learned as a boy on the farm. That was his chief preparation for statesmanship when he met the farm problem in a generation that was to come. Work and save was all that he was ever sure about!

18. RIDING THE CREDIT- UNION CIRCUIT

Roy F. Bergengren, "Riding the Credit-Union Circuit," *The Survey*, November 1, 1930, 137–41, 176.

AHUSH falls on the almost empty benches. The State Senate is about to convene with benefit of clergy.
The gavel falls.

The few members present stand. The venerable chaplain invokes the aid of the Almighty on the deliberations about to commence.

He prays for the State.

He prays for the Nation—not overlooking the President.

He prays for the Legislature.

He has been praying that prayer, lo, these many years.

The State Senate is in official session.

I sink back into my gallery seat and wonder whether or not certain business, which has absorbed two thirds of the session already, will be this day completed, leaving enough time for the credit-union bill and a thousand or so other pending measures to be heard. We have been forty days, so far, trying to decide by statute whether or not Darwin

was right. In a democracy the power vests, as it should, in the people. Why shouldn't we, therefore, decide officially and legally and constitutionally and in every other binding way known to men, that we're not descended from monkeys, if we want to? I have no complaint to offer, but those of us who have been hovering around those forty legislative days are beginning to side with Darwin!

We, the people of the United States, are many nations—forty-eight to be exact—each nation independent, with its own parliament, meeting ever so much too often to pass laws. I would not want to be a legislator. There are far too many folks coming to him with very dull axes which he is supposed to grind. For one, as “Man Friday” of the credit-union movement, my errands have taken me to fifty-odd legislative sessions in the last ten years.

Credit-union laws must, from their very nature, be enacted without ulterior motive. The fact that during the past nine years twenty-four general state enactments have been passed in as many states and four or five other credit-union laws have been brought into conformity with good practice by progressive amendments, is both a tribute and an answer; a tribute to the quality of legislatures which have taken an affirmative interest in the credit union as a disinterested public service, and an answer to the misinformed critic who so often, thoughtlessly or ignorantly, maintains that they operate primarily as they are swayed this way or that by selfish motives.

For there is, of course, opposition to our credit-union program, and much of my circuit riding has to do with overcoming it. Credit unions interrupt a lucrative business. Usury has been a major industry almost ever since there was money. Tacitus wrote of it in uncomplimentary terms and the Bible finds no virtue in the usurer. Furthermore the credit union is relatively a new device—and the way of the pioneer has never been a bed of roses.

If I were to call you a “plagiostomus selachian, having lateral gill openings,” you'd resent it. “Them sounds like fightin' words!” That's what my dictionary-maker calls a “shark”—the plain or garden

variety. When he came to define “loan shark” his words gave out, particularly the dirty ones, and his imagination went dead on him. Take, for example, Johnny White who works regularly for a railroad in Chicago; he borrowed \$30 from a plagiostomus, paid back \$1080 in interest in less than four years, and was then sued for the \$30. That sounds like a lie but is the gospel truth!

I thought Johnny’s case was the extreme limit of modern face-grinding until a grammar school principal came into my office from a city not very far from Boston. He deposited a roll of receipts which, if devoted to that altogether unpleasant purpose, would have choked a horse.

“I’ve been making payments on a loan,” he told me.

“I’m glad to note that you have it all paid up,” I told him.

“I’ve paid nothing on it yet,” he came back at me. “That’s all interest.”

We personally conducted the receipts through the adding machine. His payments of interest totalled fourteen times the principal sum.

Now you know what usury is.

It’s so bad that half of the states have enacted laws authorizing the lender who complies therewith to charge a maximum rate on small loans which varies from thirty-six to forty-two per cent! Incidentally, they are good laws in that they partially relieve the distress of the small borrower who would otherwise go to a loan shark, the unlicensed lender or genus plagiostomus, who charges whatever the traffic will bear so long as it bears plenty.

As Cicero, I think it was, remarked, “O temporal O mores!” —Oh, what a time and, double oh, what a state of affairs.

The credit union, however, cuts to the heart of the problem with

its principle of cooperation. It is a union of folks for credit; a sort of bank, organized within a group of people, limited in its operation to the members of that group; self-managed, functioning under the supervision of some state department (generally the department of banks), and supplying its members with an excellent system for saving money, and enabling them thereby to take care of their own short-term credit problems at legitimate rates of interest, the earnings reverting to the members as dividends on their savings.

In connection with credit-union organization it has been my good fortune to meet all sorts of folks in all sorts of places and to find this a pretty good world. I have had to do, directly and indirectly, with the organization of over a thousand credit unions, and their variety is so great that we recently listed sixty-seven, no two of which were alike as regards type of organization, thereby seeing the fifty-seven varieties of the eminent pickle maker and raising him ten! Some of our credit unions have been organized in smoke-filled lodge rooms, some in lofts of great factories, some in stores, and some in synagogues; many of them in factories and in church parish groups.

The 230 credit unions of postal employes average the advanced age of three years. A credit union three years old is like any baby that age— tottering about from chair to chair, with no real understanding as yet either above the neck or below the knees. Yet over forty thousand postal employes already have credit union membership, with two million dollars saved up. Already they have been able to make nearly a hundred thousand loans, aggregating more than eleven million dollars—with their own money, and, what is vastly more important and significant, under their own management. That's a bit of business the loan sharks didn't get! But to get the picture you must translate those dollars into babies eased into the world and operations paid for and funerals financed and new homes and education and evicted loan sharks and the nearly hundred thousand other purposes for which the loans were made to their members.

I remember one credit-union meeting in a Kentucky post office. From the front steps you could see across the street a great yellow

and red sign painted on a brick wall. It advertised the business of a local small-loans company—just where every employe every time he went into or came out of the post office, had to see it whether he would or not.

The meeting didn't go any too well; possibly I was a bit tired. I know just how sick the balladist felt when he first crooned that old familiar line, "All up and down the whole creation, sadly I roam." I wondered whether or not anyone got what I was driving at. When I stopped for the usual questions, a stubby little fellow, in quite the most battered uniform I ever saw on a letter carrier, piped up from the corner. He had just come in off his route and looked as weary as I felt. "I knows what y' tryin' to do," he said, "you're tryin' to fade that rotten sign for us."

He had it.

I remember another postal meeting—this time in a New England town. There was a long-legged civil servant who grinned throughout the entire meeting like a Cheshire cat. I thought there must be something wrong with my make-up. Afterward I cornered him and asked him just why he was getting such a private kick out of what I'd had to say. "I'll tell you, mister," he informed me, "you've been describing the very thing I've wanted to do all my life and I never knew what it was before." That man is now one of our ablest credit-union managers and also a director of the Massachusetts Credit Union League.

We're lots better than we give each other credit for being, and we've all sorts of hidden capabilities craving the opportunity for expression. In credit unions successful managers get made out of folks who never before had anything to manage! Well do I remember a night when I was called out to a small hall not very far away from Boston, which was the meeting place of a racial neighborhood club. Their wives and grown-up daughters got the notion they could operate a credit union. Just how our State Banking Department came to grant them a charter was something of a mystery. So far as I could ever find out they planned to separate their husbands from the money

in various ingenious ways, expecting probably, in time of greatest emergency, to extract share payments by the time-honored method which involves making free with father's trousers when the logic of the sunset has driven him to slumber.

Now the business of organizing a credit union is a bit tricky, and when these women folks tried it they got involved and I went out. Of the eighteen present, two could talk good English. The meeting was conducted in Yiddish and I had in an interpreter who made such a bad fist of it that I longed for the device so recently tried out in Geneva which enables a Frenchman to understand an Italian who is making a speech in Chinese by the simple device of adjusting some ear phones. I decided to make the tallest English-speaking lady president; the other, treasurer. No one present had ever kept a book, which simplified matters. It took two evenings. I pounded the table when words failed me and before long I discovered that cussing is Esperanto. The ladies all understood it.

Two years later this credit union had assets of approximately five thousand dollars and did a business of nearly twice that. The examiner for the State Banking Department complained to me bitterly because, when called upon to examine the credit-union books in Clara's kitchen, he was not sufficiently cosmopolitan to appreciate what she was cooking and her kids insisted on sitting in his lap and spilling the ink.

It's quite a long reach from such a little credit union to the Emporium Employees' Credit Union of San Francisco to which six hundred employes of that great department store belong and through which, in the first four months, they saved over \$22,000.

"The credit union in this factory ain't no bank—it's a religion!" That's what a young man said to me who had contracted debts with five loan sharks aggregating \$3,200. He had borrowed in a hard battle to save the life of an only son—a battle which involved three major operations, hospital bills, nurses, and finally the funeral. "I was just going to bump myself off," he told me as we chatted in an obscure

corner of the shipping room, “when Joe got wise to my condition some way.” Joe is the credit-union treasurer in that factory.

He brought such pressure to bear on the loan sharks that they agreed to settle the entire debt for eight hundred dollars cash, which amount the credit union loaned the bereaved father, on a note endorsed by thirty-nine of his fellow employes, all who could crowd their signatures onto the back of the note.

If you’ve lost faith in people—join a credit union!

But if you are too violently an optimist try to organize one! I tried to in a large textile mill about a year ago but couldn’t. The company told me they were “about to launch a plan for employe stock participation which will take all the time of our personnel force and will make virtual partners of our employes and practically do away with the necessity for the credit union.” The stock was sold to the employes at 90 and it is now 27.

In another very much closed corporation down South, a very fine man who owns and operates it liked the credit-union idea, but “we have something much better.” I asked him to explain and this is about what he said: “We encourage our employes to save by payroll deduction and at the end of the year we make them a gift, a sort of good will offering, of 5 per cent on their savings. It costs us some money, but I tell you we get it back in good will; yes sir, in good will and improved morale.”

Being a catty sort of person, I asked how business had been the previous year (that being before the current industrial recession). He assured me “in strict confidence, sir, we had a fine year—we netted. . . .” (The strict confidence prevents the net from being a part of the story.) I then asked him how much his employes had saved. It was about \$58,000. Next—most diabolical and unfair question—I asked him what became of this money, and he said, “We put it with our other funds!” I don’t know to this minute whether he was kidding me or kidding himself about the 5 per cent gift.

We run into quite a bit of that sort of philanthropy. I know of one very large plant where everyone wants a credit union except the personnel director who has some money in an industrial bank which gets some of the loan business of the employes of that particular company, since often we can trace opposition to organization back to the boss himself who, under some benevolent name or other, is up the street a private money lender and making lots of money out of his employes' small loans.

Then there is the plant which is a subsidiary of a subsidiary of a subsidiary of a holding company and, by the time you find someone who can say "yes" the folks back home, where the inquiry started, have all died. In recent years we have encountered mass-production plants—where a man is a number and a motion. He tries to do, as perfectly as human can, the motions which no machine has yet been perfected to do; as soon as the machine is ready, he will be job-hunting. The labor turnover in these plants often prevents credit-union organization.

In spite of the long hours I have spent cooling my heels in outer offices, and despite the befuddlement so often incidental to finding a successful business man whose range of the vision is so completely limited by his glue pots and his golf bag, I can testify, as something of an expert, that business ethics improve and that the gap between capital and labor grows intelligently narrower. For each and every one of such cases as I have mentioned, there are hundreds of business enterprises conducted as well as folks in our present state of evolutionary development can conduct anything; where employes and employers alike see the advantages of credit-union organization.

But we do not have to do altogether with industrial credit unions. I remember an early rural experiment which didn't work out well, at Monteagle, a small settlement on a plateau high up in the Tennessee mountains. I was let off at a siding at night. It was snowing. There was a single light, the feeble rays of a lantern in the hands of a farmer who had come to take me to the little country schoolhouse, where the meeting was held. There were many stories crowded into that experience.

Possibly it were better to speak of the successful credit union at Brass-town, North Carolina, where folks come to get their mail on horse-back from the neighboring hills, and the post office is a rough, slab shack which you identify as such by the home made sign on the outside. At Brasstown the John C. Campbell Folk School is carrying on one of the most important and significant educational experiments in the United States. John C. Campbell gave splendid years to the service of the Southern Highlanders, and the school is a practical manifestation of his purposes, organized and developed since his death by Mrs. Campbell and her associates.

The credit union is ably managed by Fred Scroggs, the Brasstown storekeeper. It has eighty-five members with assets of \$2,017 at the last writing. Of this amount \$1,856 was out on loans. Incidentally, the largest stockholder is a young man who borrowed to buy a cow and paid for it with milk checks. The members are typical mountain folk. As a more or less logical outgrowth have come other cooperative enterprises, a creamery, farmers' association, and so forth. The fact that the credit union has contributed so substantially and visibly to these undertakings, now of demonstrated worth to the folks in Brass-town, accounts in part measure for their enthusiasm for it. And the fact that they are working out their own economic salvation through the various activities which have been developed by the school, is proof positive again of latent capabilities awaiting opportunity for expression. United, farmers can do all sorts of things for their common good; sheer force of economic necessity will bring them to an understanding of that fact sooner or later.

When it comes to city folk I know something about their inclination to organize for I have made so many speeches before so many luncheon clubs and so many chambers of commerce that I know the "Hail—Toledo" song of every city and most of the towns of the United States. I could give you a pep talk on the advantages of almost every municipal unit in America—for I've listened to them all.

We have—there can be no serious doubt about it—a chamber of commerce complex in the United States, and we were well into the

mass production of luncheon clubs when Henry Ford was still tinkering with his first model out in the woodshed. Our national indoor sport is played in a paper hat as we sing praises to ourselves during the luncheon hour after the fruit-cup, the cold ham and its inseparable soul-mate, the potato salad, the cup of not particularly good coffee, and the somewhat melted ice cream, with the little cookie alongside—alongside the ice cream, of course, I mean.

But there is a vast value in this cooperative process—which the farmer has not yet come to appreciate. When the tired business man leaves his ledgers and climbs into his yellow and green zouave pants and laces up his bright yellow leggings and cocks his betasseled fez on the top of his new haircut and entrains for Atlantic City—the very fact that he knows he would never have had the courage to do it alone helps him to understand cooperation. He appreciates that he can get away even with the ridiculous if his comrades, each in yellow and green pants to match, will march shoulder to shoulder (or possibly stomach to stomach) with him. When the band begins to play and a fellow starts to strut a bit, if he is strutting in step with some other fellows, arrayed even as he, he senses that man was not created to strut alone.

The pleasantest part of this whole circuit-riding business is the realization that comes inevitably that human nature is, after all, so very human: In credit unions we are making some happy discoveries. We find everyday folks capable of ‘handling appreciable financial business honestly and efficiently; we find that banking can be humanized; we learn that usury is not inevitable, but that by adequate diagnosis and proper remedies it may be permanently eliminated; we discover that there is something real in the parable of the Good Samaritan. Before we are through, we may make the astounding discovery that the Brotherhood of Man is good business.

19. CREDIT UNION CARTOONS





THE RESCUE

ON GUARD



20. CHILDREN, THIS IS THRIFT WEEK

Anna Kelton Wiley, personal notes for lesson taught to children during National Thrift Week (Washington, D.C., January 17, 1927).

Children this is National Thrift Week, January 17th to 23rd. Day by day throughout this week the people all over the country are thinking of the various phases of thrift for the purpose of bringing greater success and happiness into their lives and into the lives of those about them.

The observance of Thrift Week began in 1916 and the idea has grown and grown until now it has become one of the big out-standing educational campaigns of the year.

Each of the seven days of National Thrift Week are devoted to some specific thrift enterprise, as for instance on yesterday January 17th the emphasis was laid on "Why pay bills promptly?" to-day the 18th "Why share with others?"; to-morrow, the 19th "Why have a bank account?" on the 20th "Why carry life insurance?", on the 21st "Why own your own home?", on the 22nd "Why make a budget?" and on the 23rd "Why invest in safe securities?"

This week fittingly begins with January 17th because that day is the birthday of Benjamin Franklin, our great American Apostle of Thrift. The life of Franklin shows us that a man of moderate talents but with great perseverance and industry can render great service to his country and leave behind him a name which every one will remember.

Franklin was the 15th child of a candle maker in Boston, where he was born in 1706. We are therefore celebrating the 221st anniversary of his birth this week. When Benjamin Franklin was 12 years old he was apprenticed to his elder brother James, who was a printer. Franklin soon made himself proficient in this trade and even as a very young boy by his thrift managed on a mere pittance to save enough to buy books which he studied diligently. When Franklin was 26 years of age he began the publication of the *Poor Richard's Almanac* which became celebrated for the important lessons which it taught of practical right living.

In those days, you see, newspapers were not as common as they are to-day. Many people could not afford to buy a newspaper but almost every one could afford to buy an almanac once a year and the anecdotes and scraps of information and moral teachings which it contained were read and re-read everywhere.

This almanac was published for 25 years under the assumed name of Richard Saunders. Franklin says of this publication himself: "I endeavored to make it both entertaining and useful and it accordingly came to be in such demand that I reaped considerable profit from it, vending 10,000 copies every year. And observing that it was generally read, scarce any neighborhood being without it, I considered it as a proper vehicle for conveying instruction among the people who bought scarcely any other books."

Franklin, therefore, filled up all the little spaces in the publication with such homely advice as "It is difficult for a man in want to act honestly, as it is hard for an empty sack to stand upright", thereby suggesting the need of thrift. And again "Sloth like rust, consumes faster than labor wears; hence the used key is always bright." "Dost thou love life? Then do not squander time, for that is the stuff life is made of," thereby encouraging industry. *Poor Richard* says a great deal about waste of time. One quotation you children might treasure up is "lost time is never found and 'time enough' always proves little enough." Also, "He that riseth late must trot all day and shall

scarce overtake his business at night; while laziness travels so slowly that poverty soon overtakes him.” “Remember,” he says: “There are no gains without pains.” In regard to extravagance he warns that “A small leak can sink a big ship.”

Franklin spent many years abroad as representative of this country both before and after the Revolutionary War and was one of those who during the four long months during the summer of 1787 helped frame the Constitution of the United States. His life of great industry and perseverance from a childhood of great poverty is an inspiration to us all.

And now let us think a moment of what thrift really is. Thrift is not only saving it also means wise giving and wise spending. What is the world’s greatest business concern to each of us? Why the family to which we belong. On its success or failure depends our happiness.

Among other important factors, the success of this most important concern depends, as in the realms of commerce, on its ability to make a profit. An industry would not dream of operating its affairs on anything but a budget plan. The hope for profits would be slight if the business were conducted on a less efficient basis. Every conceivable modern method is employed to insure the maximum gain. The prospect of profits, surplus that can be invested for use in old age—depends in many a family on the use of up-to-date business practices in operating its financial affairs. That is all budget making is. It is simply applying good business sense to the most important business on earth.

It should be clearly understood, however, that a budget has no magic to produce sudden wealth by any short cut route. But in the experience of many families it has put the finances on a profit producing foundations so that year after year, consistent earnings, planned spending, regular savings, careful investing and liberal giving have produced happiness and prosperity, independence in old age, freedom from debt—in short happiness.

Last year the members of the Housekeepers' Alliance took part at the Thrift Booth down at the Food Show explaining how to keep a budget and distributing budget books to the homemakers who asked for them.

Now in keeping a budget the first question always is how much should we save and then how much can we give to others and then the balance is divided up. Many people give a tenth of their income in church or charity. Ordinarily about a tenth should be put aside in some sort of saving, insurance, buying a home, etc. That leaves 80 per cent for necessities and comforts. This 80 per cent is to be divided between the headings: FOOD, SHELTER, CLOTHING, SERVICE, EQUIPMENT and ADVANCEMENT. Budgeting should not be burdensome or complicated. If a few minutes are given to it each day the result is achieved with not a great deal of effort or time consumed.

Even little children should understand the principles of a budget. If a boy or girl has an allowance of a quarter a week he or she, should have a little box or bank in which to put, let us say, 2 cents a week for savings, 2 cents a week for Sunday School and the rest can go for things he or she needs.

And children can be thrifty in other ways too. Above all things be thrifty with time. Getting up late, getting late to breakfast makes it hard for mother, getting to school late makes it hard for the teacher and your loss of time makes every one else lose time.

And another thing you can be thrifty with is health. To be sick is to make it difficult for everyone, for your mothers and for your teachers and for yourselves. Be sure to wear your rubbers when rain is threatening, and wrap up on a cold day without being told. Brush your teeth and gargle when you dress in the morning and again at night and don't spend your pennies on cheap candy and cake. Eat good sensible whole wheat bread, plenty of milk, fruit and green vegetables and thus avoid illness.

The most important thing about thrift is the formation of character. Thrift means self-denial of a present pleasure to secure a future blessing. It means simplicity of living, a love of nature and not a love of artificial pleasures which cost money. Each person who earns should spend less than he or she earns, if he or she hopes for happiness. Dickens puts into the mouth of one of his famous characters, Macawber, the saying "To have an income of 20 pounds and an outgo of 19 pounds, six pence, is happiness; but to have an income of 20 pounds and an outgo of 20 pounds, six pence, that is misery."

The early inhabitants in this country were thrifty because of hardships and from them we have been endowed with a glorious country. To-day we are said to be one of the most extravagant nations on earth. \$22,000,000,000 were spent in the year 1924 on luxuries, \$1,000,000,000 on candy and \$4,000,000,000 on the movies. \$500,000,000 was spent on chewing gum.

America is a land of opportunity. In closing is there a better question to ask than what does each one of us intend to do with this opportunity? The good of the country depends on how we answer this question. Are we going to make the best of what we have or are we going to waste it? Are we going to use our strength and energies and money wisely or are we going to squander them? Let us begin to-day to follow the advice of Benjamin Franklin and believe that God giveth all things to them who love him and who practice industry in all its phases.

21. SPEND TIME AND MONEY WISELY

YMCA

Spend Time and Money Wisely

NATIONAL THRIFT WEEK

January 17th - 23rd
Benjamin Franklin's Birthday

Forge These Links of Success Into Your Character

- Work and Earn
- Make a Budget
- Have a Bank Account
- Carry Life Insurance
- Record Expenditures
- Invest in Safe Securities
- Pay Bills Promptly
- Share With Others
- Own Your Home
- Make a Will

SPEND TIME AND MONEY WISELY
YMCA

22. REAL THRIFT

The Hope of A Nation Poster Series, 1929



23. IN FRANKLIN'S FOOTSTEPS

E. A. Hungerford, "In Franklin's Footsteps," *Association Men*, January 1924.

Is it more economical to buy bread at the bakery or bake it at home? In the heat of a heavy debate on this question down in Scranton, Pa., the Young Men's Christian Association Thrift Movement may have been born. At any rate historical data confirms this activity of that Association's Literary Society, as one of the first "Y" thrift events. How the matter of baking the bread was settled was not recorded. Probably Friend Wife got the job.

This was back in 1914. About that time, Charles R. Towson came to the conclusion that the Young Men's Christian Association ought systematically to do something about helping young men to master their money matters as well as their physical, educational, social and religious problems. He had collected first-hand information indicating that, especially among industrial workers, a right conception of money had a great deal to do with a satisfactory development of character.

To carry out his idea, Mr. Towson secured the services of Raymond B. Kaighn, who surveyed the situation and introduced the first activities of the National Thrift Movement. Kaighn found that a number of other Associations had already prompted thrift activities of one kind or another. In Gloversville, New York, for instance, small amounts of money had been received from boys. When a dollar had accumulated the boy was taken to a savings bank where his account was opened.

In Cleveland a thorough system was organized whereby each boy received a savings account deposit card. At the New York City Railroad Association a Cooperative Building and Loan Association was established. This has grown so that today its resources are \$10,800,000. Cashing pay checks on Saturday has for long been a part of the Association service in many places. At Lincoln, Nebraska, in 1912, checks to the amount of \$10,000 were cashed each pay day mostly for railroad men who worked in shops five miles distant from the city.

When the Chicago and Milwaukee Railroad extended its line to the Pacific Coast, a Y. M. C. A. car was provided for the men working on the bridge being built across the Missouri River at Pontis. Arrangements were made to bring a bank representative to the camp each day. F. E. Rice, engineer in charge, later declared that he believed this service of caring for the men's money, keeping them out of nearby saloons, not only resulted in a great personal good, but had also cut the time required to build the bridge by several months.

In the same way the Y. M. C. A. in mining towns had for years furnished a service of cashing and safekeeping of money. This also had been provided American Sailors at the Navy Y. M. C. A. buildings. The Association at the Navy Yard, Brooklyn, cared for \$1,220,218.00 for sailors in the year ending April 31st, 1918.

In 1914, due to the conditions created by the war the promotion of thrift was rapidly extended to whole communities. The program consisted primarily in using a series of sixteen cartoon posters as an exhibit, which was displayed at gatherings in Association buildings, industrial plants and schools. Leaflets were produced for distribution to industrial employees, and shop speakers talked thrift.

Probably the first Thrift Week celebration took place in Bradford, Ohio, in 1915. Records indicate that in 1915 and 1916 several city-wide campaigns were held. The American Bankers' Association through its Savings Bank Section co-operated very actively in the promotion of the first thrift efforts.

One of the first Y. M. C. A. Thrift Clubs was organized in the Dayton, Ohio, Association in 1894 under the leadership of Charles D. Reade and with the active cooperation of Frank S. Gardner, the latter still being strongly interested in its activities. This club had two essential features, first, to stop the leaks in the pocketbooks of the club members through the use of budget books, and second, a frank exchange of experience and discussions of the broader principles of economics.

One of the most loveable but improvident members of this club was a newspaper reporter who was always broke. Being engaged to a charming girl who insisted that he must be out of debt before the marriage ceremony could be performed, this reporter was induced to join this club. He became an enthusiastic member, soon had money to lend, led his lady to the altar, finally entered the ministry and is now a prominent clergyman.

Another member who had evidently thoroughly digested the import of the discussions in the club contributed \$15 toward the first Dayton Y. M. C. A. building fund, \$1,500 to the second and \$15,000 to the third. He is now a liberal and consistent giver of a substantial proportion of his income.

Arthur M. East, beginning in 1916, became the first man to give full time to the National Thrift Movement and originated the annual observance of National Thrift Week. In 1917, the National Thrift Committee was organized with Adolph Lewisohn as Chairman. This committee grew out of a meeting held at the Bankers' Club on June 11th, 1917.

When America entered the war the thrift program was adapted to the work of the Y. M. C. A. in the army camps in this country and overseas. In 1917, National Thrift Day was celebrated in many cities on February 3rd, which date had already been established by A. M. Collins Company, of Philadelphia—Beginning in February 3rd, 1918, and continuing for a week, the Red Triangle Secretaries in the military camps joined with the Y. M. C. A.'s in the cities in a

“National Crusade for the Benefit of the Nation through the Thrift of Money, Muscle, Mind and Morals.”

The slogan of the crusade was “Prepare to Live.” Statistics of other expeditionary forces at that time indicated a probability that the lives of 93 per cent of the American troops would be spared. Many enlisted men, taking it for granted they would never see civilian life again, were spending recklessly. This campaign did much to correct such a demoralizing notion.

It was in November, 1917, that I became associated with Mr. East. After directing the publicity of this 1918 effort, I packed several trunks full of thrift literature and took them to England and France. It was used to supplement the soldiers’ work which developed into a big thrift movement in itself. At the time of the Armistice, enlisted men were sending money home through the Red Triangle centers at the rate of over \$3,000,000 a month.

My chief contribution to the thrift movement lies in adding the first financial commandment to nine that Mr. East had compiled and in identifying Benjamin Franklin, the great American apostle of thrift, with this program. In 1920 National Thrift Week began on January 17th, Benjamin Franklin’s birthday, which date has continued in effect.

The ten financial commandments which have formed the backbone of the National Thrift Program are: (1) Work and Earn; (2) Make a Budget; (3) Record Expenditures; (4) Have a Bank Account; (5) Carry Life Insurance; (6) Own Your Own Home; (7) Make a Will; (8) Pay Your Bills Promptly; (9) Invest in Reliable Securities; (10) Share with Others.

The 1920 Thrift Week observance, which began not only on Franklin’s birthday but also on the first day of national prohibition, was a tremendous success. Thrift dominated the thought of the nation for a week, each day of the week being set apart, as at present, to emphasize a particular phase of thrift.

During the rapid development of this movement, cities on the Pacific Coast had been unusually successful in their thrift campaigns, due largely to the leadership of John A. Goodell, then Industrial Secretary of the International Committee Y. M. C. A. for that region. After the 1920 effort Mr. East resigned, and Mr. Goodell was chosen as Executive Secretary of the National Thrift Committee. He has continued until the present time, and with the program steadily developing until it is now recognized as an important world-wide project.

During Mr. Goodell's regime the "Detroit Plan" of visitation of school children to banks, through which millions of young folks have been taught the service banks render to society, has come into general use. The "Budget League" has enrolled half a million members who operate personal or family finances on the budget plan. Special energy has been devoted to adopting the program to meet the needs of boys. Franklin's place in the movement has been greatly extended. The "Dallas Plan" of thrift slogan contests among school pupils has been developed. The active co-operation of many national agencies has been secured until forty-eight are working with the National Thrift Committee to make January preeminently a Thrift Month. The support obtained from publicity and advertising experts has been a great factor.

The National Thrift Committee has grown in strength, under the chairmanship of Adolph Lewisohn, until it now includes such leaders as Henry J. Alien, W. W. Bowman, E. C. Delafield, J. J. Eagan, B. H. Fancher, Homer L. Ferguson, Walter W. Head, Herbert S. Houston, Clarence Howard, Sam A. Lewisohn, Harry S. New, C. J. Obermeyer, John Clyde Oswald, W. C. Potter, Judson G. Rosebush, H. C. Richards, Ernest T. Trigg, Edwin Bird Wilson, A. S. Van Winkle, C. N. Wonacott and Edward A. Woods.

Probably the largest local thrift campaign occurred in January, 1921, when the New York City Y. M. C. A. spent over \$10,000 in a successful effort to bring thrift messages to its millions of population. Other outstanding efforts included those at Seattle, Wash.; Hartford,

Conn.; Dallas, Texas; Detroit, Mich.; Washington, D. C., and Honolulu. In China, Japan and South America notable thrift programs have been carried out.

The observance of National Thrift Week in January, 1924 will again help thousands of young men and boys to attain "Success and Happiness," this year's slogan, and a right conception of money matters which is so vital to best character development. Here is an endeavor of which the Y. M. C. A. can be justly proud.

24. TEACHING THRIFT TO THOUSANDS

Arthur M. East, "Teaching Thrift to Thousands," *Association Men*, 1917.

In less than two years, more than 175 thrift campaigns conducted by Associations working with other agencies reached better than a million and a half people. Savings habits of communities and shops have been changed; savings deposits have increased, as in one small Kentucky town where a single bank secured a hundred new depositors; investments in insurance and bonds have been stimulated; added impetus has been given to building and loan associations. In fact, thrift campaigns have given the needed emphasis to the economic life of communities, just as evangelistic efforts on a large scale stimulate religious life.

But larger than all this have been the moral and spiritual benefits. For the first time, many a wife has seen the color of the pay envelope and had the fun of helping to spend and save her husband's wages. Men have become landlords instead of tenants and along with it become masters of themselves. Associations have discovered that the inner man must have outer comforts; that outer comforts often do not materialize because of the weakness of the inner man. "Nothing can work me damage except myself," said St. Bernard. "The harm that I sustain I carry about in me, and never am a real sufferer except by my own fault." So to the thrift of material things, the Association adds thrift of heart and soul through its Gospel message, enabling men to free themselves of bad habits and environments.

Through a savings club promoted in a Moline factory by the local Association, a club member was helped to put aside \$50 with which he expected to build a shack on a river bank where he was going to "put in a garden." But the lumberman, the seedsman and the hardware merchant did not get that money; it was passed over a bar. A few months later, having saved a like sum he returned to the cashier of his club to again draw \$50. Tactfully, he was urged to purchase what he needed, giving an order on the club for payment. So the shack was built, the garden planted and one man was taught how to keep sober, and likewise enabled to save money to invest in the factory stock of his employers.

Two boys joined a club; saved a few dollars, and drew it out to buy building lots for which they are now industriously working hard to pay. Before becoming club members they were unable to put away a cent.

When the Moline Association placed Thrift printed matter in one small shop, many workmen cursed it for interfering with their rights. Then only one or two were savers. Today, every one has a savings account.

"Last Fall I looked at the settlement near our plant as a powder can ready to explode," says one factory manager. "Today I have no fear of that can." A thousand men have home bookkeeping accounts.

"During our Thrift campaign, 10,000 people heard talks on the subject; 20,000 pieces of literature were distributed; 350 essays were written by school children; there was a big run on the library for articles and books on thrift and there were many, enquiries about banking, building and loan associations, insurance and kindred subjects," says the general secretary.

Before the campaign, in one large factory, the Association found a very successful employees' savings club organized so simply that several others were patterned like it. Club representatives were chosen from among all the employees of each given concern. Then with a

fellow workman, each club representative made a thorough canvass of both shops and office on company time. Proceeding each pay day, a representative gives the cashier of the company a complete list of club members and the amount each wishes to save as well as the bank where he wishes to have the same deposited. Pay day the club representative is given company checks addressed to the various banks mentioned in the list and covering the amount to be credited to each depositor. Again on company time he takes a street car to the banks at the company's expense, carrying the pass books of each employee. Any club member may withdraw all or a part of his saving whenever he wishes.

Not only did the Moline Association successfully launch this plan in several factories but at regular intervals it has since then brought together these club representatives to exchange experiences and to talk over ways and means of helping each other.

Whenever a new employee arrives on company time he is sought out by the club representative and urged to join the "automatic savers." Every possible assistance in wise investments in real estate, building and loan associations, securities, etc., is given members through competent counsel, thus serving as an intelligent outlet for accumulated savings as well as an incentive to greater economy. Recently, deposits for four out of six of these clubs totaled \$30,011.80.

In Elgin, Ill., the high school and eleven grade schools, including those from the fifth grade up, or a total of about 2,600 children, heard Thrift talks. When questioned as to how these children spend their extra money, 95 per cent said they attended one picture show a week, while a third of them went twice and 15 per cent three times during that same period. In most cases, reported the teachers, those who attended three times were the children of parents unable to buy school books for them. One family had expended more than six dollars following a single serial picture. Nearly every child had an allowance, varying from ten cents to \$1.25 a week. The majority spent it all.

At Freeport, Ill., instead of organizing Thrift Clubs in the factories, the name of every employee and the home and business address was secured from employers. Each bank struck off from the list its own patrons, and each building and loan association checked off those buying homes. The revised list was then available to all interested banks and building and loan associations.

From Huntington, Ind., comes this experience of a bank: "The Tuesday following the day the exhibit was put on view, we had more new savings accounts opened than in all the history of the bank, outside of the day we first opened our savings department."

In Springfield, Mass., through schools, business houses and manufacturing plants, churches and various civic organizations and clubs, about 35 per cent of the entire population was definitely reached through with Thrift talks.

Possible programs for such campaigns are unlimited in their attractive, inspiring and unique features. In one city, merchants were pleased by a "Pay Up Day," when speakers and newspapers urged the prompt payment of all bills, indicating that credit makes bills five to 15 per cent higher than cash on the counter which enables merchants to take advantage of discounts. Mothers' meetings, a Thrift Sunday with the religious aspect emphasized by local ministers, Thrift buttons, street car and store window signs, the word Thrift in merchants' advertisements, Thrift movies and the Thrift exhibit and folders—these the Industrial Department of the International Committee has made available to all Associations. Now the animation of several of these Thrift posters is being planned so that not only will a campaign be advertised but a lesson taught.

If a man does not provide for his children—if he does not provide for all who are dependent upon him—and if he has not that vision of conditions to come, and that care for the days that have not yet dawned, which we sum up in the whole idea of thrift and savings—then he has not opened his eyes to any adequate conception of human life. We are in this world not to

provide for ourselves alone, but for others, and that is the basis of economy—so that thrift and economy, and everything which ministers to thrift and economy, supply the foundations of national life.

—PRESIDENT WOODROW WILSON



Campaigning for Thrift

ONE OF THE INTERNATIONAL EXHIBITS WHICH IS TOURING THE COUNTRY MAKING ITS APPEAL TO THE JUDGMENT THROUGH THE EYE. IT IS HELPING MEN TO SEE WASTE AS NOTHING ELSE HAS EVER DONE

IN the typical railroad town of Bradford, Ohio, of 1800 substantial people, without saloons and with strong churches and Association, the thrift campaign did a work that is equivalent to an economic revival. It reached every man, woman and child, and impressed upon them, through the pictures and pamphlets, by the movies, and the spoken word, the benefits of thrift. Thirteen citizens formed a Thrift Committee. The campaign opened Sunday with sermons and continued throughout the week in school and shop and on the street. Prominent citizens masqueraded as the sandwich men (see illustrations), and to identify them was a popular guess.

The savings depositors in both banks have increased. There has been a general readjustment in the lives of the people of this railroad community. Since the campaign, churches are receiving better financial support and are paying off old debts. People are purchasing more at home, and a number of folks have adopted the budget plan of operating their homes.

A business man said that the Thrift Exhibit had made such an impression on him that he decided to start saving, though he had not a savings account in 25 years. Another said that if he had seen the exhibit 10 years ago he could have saved \$300 each year since that time.

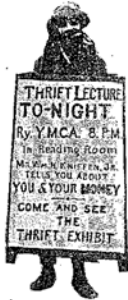
Another business man tells us

that collections are better in Bradford since the Thrift Campaign. Before the coming of the Thrift exhibit and campaign a workman bought an automobile on the installment plan. He saw the cartoon, "Don't Ape the Rich." It taught him at a glance that he was living beyond his income and not saving one cent. He made a resolution to sell it and start saving money and to get 100 per cent purchasing power out of each dollar, and he will do it.

An engineer made \$1,500 a year for the past 15 years, and at the end of that time he had saved not a cent. He heard several of the Thrift talks, and saw the Thrift exhibit in October. Since that time he has put away \$200 in the savings bank.

Two talks were given by Mr. W. H. Kniffin, Jr., of Jamaica, before the students in the High and Grammar Schools on the subjects: "The Bank or the Bread Line and Savings as a Factor in Success." Talks were given by Mr. Kniffin before the shop employees on, "You and Your Job and Giving Your Boy a Chance. Moving pictures, The Reward of Thrift, were shown before large crowds on the Association lawn.

Thrift clubs are being organized; women's organizations are taking up the subject for discussion; the School Savings Bank will be established; the community as a whole will be more thrifty and desirable because of the thoroughness of this Campaign.



THE SCHOOL TEACHERS EXPLAINED THE THRIFT EXHIBIT TO ALL THEIR PUPILS

25. THRIFT AND THE THRIFT CAMPAIGN

“Campaigning for Thrift,” *Association Men*, 1916.

In the typical railroad town of Bradford, Ohio, of 1,800 substantial people, without saloons and with strong churches and Association, the thrift campaign did a work that is equivalent to an economic revival. It reached every man, woman and child, and impressed upon them, through the pictures and pamphlets, by the movies and the spoken word, the benefits of thrift. Thirteen citizens formed a Thrift Committee. The campaign opened Sunday with sermons and continued throughout the week in school and shop and on the street. Prominent citizens masqueraded as sandwich men (see illustrations), and to identify them was a popular guess.

The savings depositors in both banks have increased. There has been a general readjustment in the lives of the people of this railroad community. Since the campaign, churches are receiving better financial support and are paying off old debts. People are purchasing more at home, and a number of folks have adopted the budget plan of operating their homes.

A businessman said that the Thrift Exhibit had made such an impression on him that he decided to start saving, though he had not a savings account in 25 years. Another said that if he had seen the exhibit 10 years ago he could have saved \$300 each year since that time. Another business man tells us that collections are better in Bradford since the Thrift Campaign. Before the coming of the Thrift exhibit and campaign a workman bought an automobile on the installment

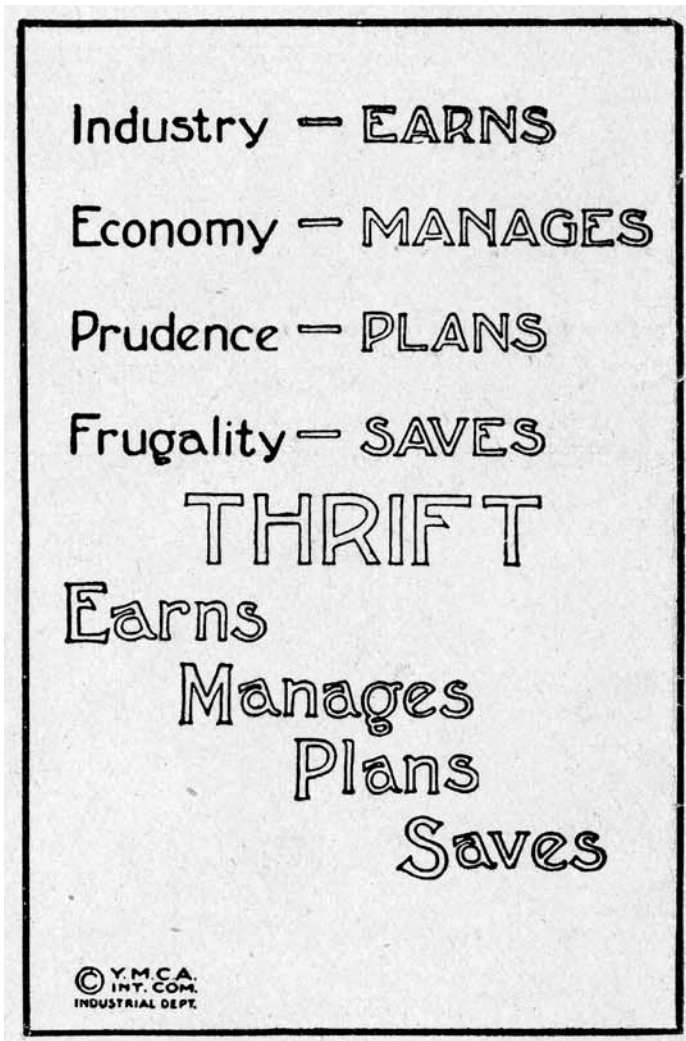
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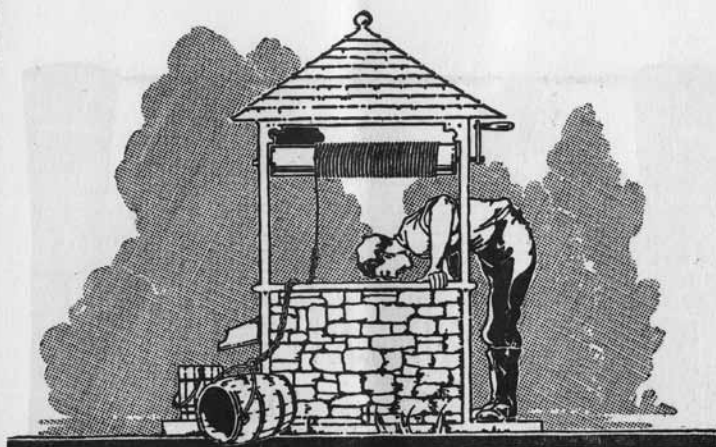
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Thrift clubs are being organized; women's organizations are taking up the subject for discussion; the School Savings Bank will be established; the community as a whole will be more thrifty and desirable because of the thoroughness of this Campaign.

26. THRIFT WEEK EXHIBITION

YMCA Industrial Department





Spend Less Than You Earn

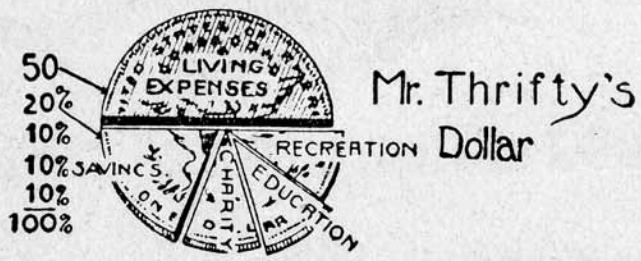
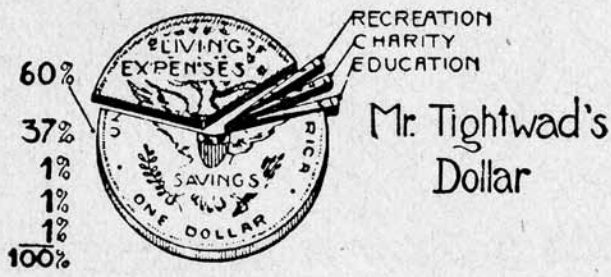


“When the well is dry we know
the worth of water.”

Benjamin Franklin

CHART NO. 9
© INT. COM. F. M. C. A.
INDUSTRIAL DEPARTMENT
ECONOMIC PROGRAM

DIVIDING THE DOLLAR



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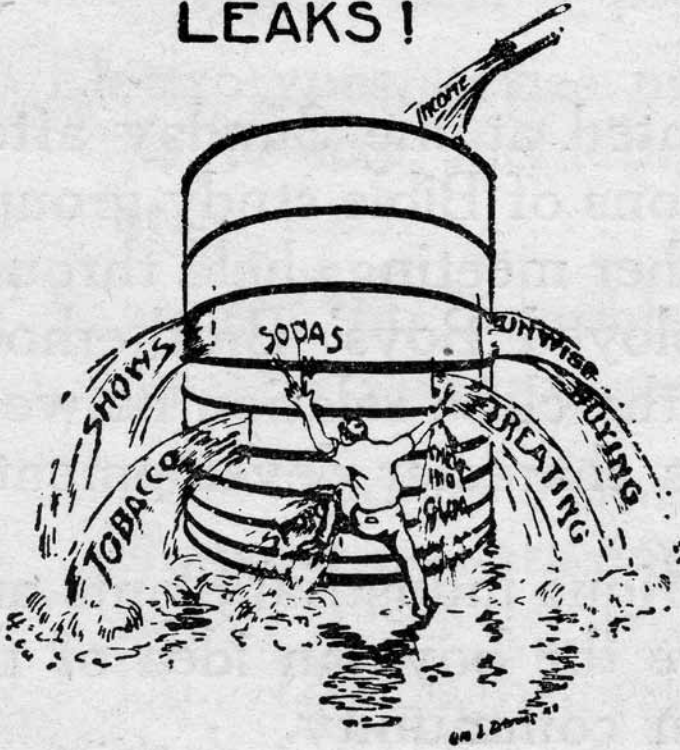


Pay your Bills Promptly
“Don't run in Debt
for Needless things”

CHART NOTE
© INT. COM. Y. M. C. A.
INDUSTRIAL DEPARTMENT
ECONOMIC PROGRAM

Benjamin Franklin—

STOP THE
LEAKS!



© Y.M.C.A.
INT. COM.
INDUSTRIAL DEPT.

THE BAR OR THE BANK



SPENT

$\$5^{00}$ A Month
12 Months
 $\$60^{00}$ A Year
10 Years
 $\$600^{00}$

LOST

DEPOSITED

$\$5^{00}$ A Month
12 Months
 $\$60^{00}$ A Year
10 Years
 $\$600^{00}$

143.⁵⁰ Interest
 $743.^{50}}$

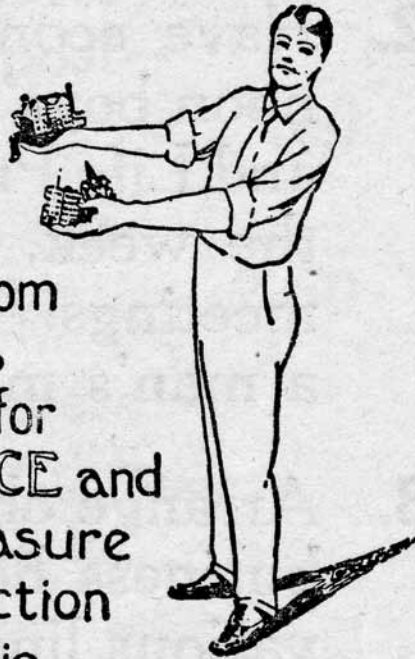
SAVED

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HELP THE OTHER FELLOW

HOSPITALS
AND WORTHY POOR

CHURCHES
AND THE Y.M.C.A.



Set aside from
your wages
something for
BENEVOLENCE and
get the pleasure
and satisfaction
of systematic
giving

© Y.M.C.A.
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INDUSTRIAL DEPT.

Share with Others



Churches
Hospitals
Schools
Welfare-
Organizations
etc.

**“Every Man should give
as he is able—”**

Moses

CHART NO. 7
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ECONOMIC PROGRAM



**"Make all you can
Save all you can
Give all you can"**

John Wesley

CHART NO. 8
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ECONOMIC PROGRAM

27. THRIFT WEEK? IT MAKES SENSE

Gerard P. Cuddy and David Lapp, “Thrift Week? It Makes Sense,” *Philadelphia Inquirer*, January 17, 2010.

As the economy pulls out of the recession, ask yourself this simple question: Should we revert back to a personal savings rate of below zero—back to the mindless consumerism and independence-killing indebtedness that helped start this recession?

It’s clear that when it comes to use of money and resources, we need a better set of guiding principles. But we don’t have to invent these principles—we can draw inspiration from one of our own great, though largely forgotten, traditions: National Thrift Week.

National Thrift Week began Jan. 17, 1916—the anniversary of the birth of Benjamin Franklin, the “American Apostle of Thrift”—and soon spread to more than 300 cities and communities across the country. Scores of civic, religious, business, and youth-serving organizations sponsored the event.

Savings banks partnered with schools to help children open their own savings accounts. Businesses set up programs for employee savings. Communities held parades. Civic leaders gave speeches. Preachers gave sermons. Beginning with Woodrow Wilson, U.S. presidents issued proclamations in praise of thrift. The movement was so popular that, in 1927, organizers reported “some hundred odd addresses” at

Kiwanis and Rotary Club meetings across the country, and the “life and work of Benjamin Franklin were featured at many of these meetings.”

National Thrift Week promoted practices that are as sound today as they were a century ago: Work hard, make a budget, stick to that budget, establish a savings account, carry life insurance, pay bills on time, and invest prudently.

But the leaders of National Thrift Week didn't limit their vision to encouraging sound financial management. They had a higher purpose in mind. They invited Americans to cultivate thrift as a virtue. They believed that thrift, instilled early in life and practiced diligently, is an “affair of character,” that helps build integrity, responsibility, stewardship of resources, and generosity to others.

In this larger sense, thrift enables and drives generosity which is why one day of National Thrift Week was “Share With Others Day.” As one thrift leader explained, people are “under obligations to treat material resources as a sacred trust and to share a definite and liberal proportion of them with others by giving to the church and to worthy individuals and causes.” Precisely because a person is thrifty because he or she wants to use resources wisely for the sake of human flourishing that person is *also* generous.

It's this broad, rich vision of thrift that all Americans bankers and environmentalists, Republicans and Democrats, Wall Street executives and Main Street small-business owners can rally around today.

A revival of National Thrift Week offers endless opportunities for civic and business engagement. Banks and credit unions could partner with local schools or youth organizations to establish savings clubs for young people and to teach about the “miracle of compound interest.” Community groups could sponsor classes in budgeting and savings. Greening of America projects could build “thrift cadres” for local conservation and recycling efforts. Organizations from various sectors could work together.

For instance, Boys' Life magazine (official magazine of Boy Scouts of America), the Institute for American Values (a think tank), and the John Templeton Foundation are already teaming up to hold a thrift quiz, in which 10 young people will win a \$500 savings bond. Businesses and foundations could similarly partner with schools and youth-serving organizations to educate young people about thrift.

What got us into the economic downturn is a corrosive culture of debt, waste, and arrogance. What will put us on the path toward sustainable, shared prosperity is a culture of thrift. Bringing back National Thrift Week would be a good start and the home of America's Apostle of Thrift is the perfect city to lead the way.

28. SCHOOL SAVINGS BANKS

Sarah Louise Oberholtzer, "School Savings Banks," in *Transactions of the National Council of Women of the United States*, ed. Rachel Foster Avery (Philadelphia: J. B. Lippincott Company, 1891), 209–212.

The subject of School Savings-Banks is one of national interest, because as we develop in thrift and individuality the wealth and strength of the nation increase. No man can live for himself alone, though we confess half the world is experimenting in that line. The roughness, flaws, or polish of each individual leave impress on the lives with which they come in contact.

Inclination and genius are inherited, but character and fortune are made. Too little thoughtful care has been given to American children, considering the expectation we accord them. If we would have pure, well-rounded, thrifty, and economic people, thought and affection must stand hand in hand by the cradle, and into the awakening intellects the best seed, according to the harvests we would reap, must be sown.

That ours is not a harvest, but a seeding-time, we have been slow to realize. The world has its epochs. Radical changes are not the work of a day, but the perfection of the efforts of a generation. The confusion of impatience with labor, the ambition to hasten an end which can be worked out only in the ripeness of time from the convergence of millions of beginnings, has been from the date of creation

the reformers' besetting sin. If we could but remember that while figuring as individuals we are still things, a part of God's eternal plan, and be simply willing to move continually forward, trusting the results—which we know must somehow, someday, be according to their deserts—wholly to him, the creative power of our advance would be greater and worthier.

Coming down to the practicability of daily life, we want our children to have more content and less contention than we have had; we want them to have more leisure for higher mental and moral achievements; to be lifted above the mere level of the bread-and-butter question, and to be familiar with the relation of money to wealth.

Simple, natural, and easy instruction tending to this end we find in the School Savings-Banks. They are in wide use in Europe, and are clearly proven to be one of the best educational factors of the age. They train the population to habits of thrift, individuality, and self-dependence before the unconcern and wastefulness which often attend the probationary years of youth develop into an emptiness which is unsatisfying and unprofitable. They are preventive to the small practices which lead to vice. They reduce visibly crime, pauperism, and intemperance.

France has twenty-three thousand three hundred and seventy-five School Savings-Banks, under patronage of the government. Belgium, Germany, Switzerland, England, Hungary, and the Netherlands have them in common use. A close estimate of the money to the credit of the pupils in Europe to-day is seven million five hundred thousand dollars. The institution of the economic system in the various countries was effected at different dates since 1834 by educators of whom it is not my present purpose to treat. Miss Agnes Lambert has done much for the work in England. Madame Carnot, wife of President Carnot, of France, exemplified her forethought and wisdom on the Christmas of 1889, by giving to four hundred of the poorest school-children of Paris ten francs and a bank-book. Philanthropists at intervals since 1876 have mentioned

the subject in the United States. Mr. T. S. Merrill introduced it into the public schools of Beloit, Wisconsin, in 1877, on a simple plan which yielded excellent results.

In the winter of 1879 and 1880, Captain R. H. Pratte, of the Indian Industrial School at Carlisle, Pennsylvania, established a savings system for the Indians, the result of his judgment, he explains, that in teaching the Indians the use of money it was necessary to have the money, and to teach them to save it and be economical. It was of prime importance to do so practically and not theoretically. Therefore he instituted a system of paying students a very small sum for their work, providing each one with a bank-book, and encouraged them to make deposits. Captain Pratte's method was far-seeing. His Indian pupils have now six thousand dollars to their credit; and those who have left, with training finished, have taken as much more in cash, trunks, and equipments to their Western homes. This knowledge of economics cannot but be of intrinsic value to the remnant of the race who owned the country before money was the one great factor of exchange.

We have no further record of School Savings-Banks until 1885, when Mr. J. H. Thiry, an Americanized Frenchman, introduced them into the schools of Long Island City, New York. As School Commissioner, Mr. Thiry has coached the system along so beautifully that it is a steady, leading light on the way to thrift. Conversant with school-savings methods in Europe, he formulated from their best features a simple and comprehensive code for the United States.

The School Savings-Banks card is copyrighted, but a grant to use it is freely given to promoters of the cause, with a proviso that statistics of the work be regularly reported. This arrangement insures harmony of action and exact record. By tabulated list of September, 1890, we have Savings-Banks in 158 schools, 20,975 PUP depositors, with \$69,957.76 to their credit. An average of one-third of the scholars are depositors. Since the compilation of this table, 62 schools have taken up the system, making the number now using it 220.

Perhaps no movement as reformatory in its trend has met more universal favor. Its advance here has been principally during the last year through the influence of a few educators and economists who noted the perfection of the system and desired to spread its benefits.

The Report of the National Bureau of Education for 1890 contains a comprehensive article on the subject by Mr. Thiry, and he has had printed, and given out generously, his excellent "Rules and Regulations." In answer to frequent demands from several States and Territories, I have recently prepared for general distribution slips entitled "School Savings-Banks" and "How to Institute School Savings-Banks."

The administration of the system occupies about fifteen minutes and interferes with no regular school duty. At roll-call on Monday morning the children report their savings, taking the amount with their Savings-Bank card to the teacher, who with a figure credits the amount opposite given date on the card and in her roll-book. The card, which is folded, has a space opposite the date of each Monday in the school year. It is always kept by the pupil as memorandum and receipt. On the face of the card is the name of the pupil, the school, and the teacher. On the back are the regulations. The money is deposited in a Savings-Bank as a General School Fund, until the individual amounts entitle the little depositors to bank-books. The bank-books are given to the children, to take to their homes monthly. Family interest is thus aroused, and in several instances parents have curtailed needless expenses and opened Savings-Banks accounts for themselves, thus learning lessons of thrift from their children.

The youthful depositors are naturally thoughtful in the growth of their individual estates. Frugality and industry are inculcated; liberality rendered possible; the boys and the girls, when they leave school, have the nucleus of fortune in acquired thrift and a snug sum of one or two hundred dollars in bank.

There is a flavor of equality in this economic education; the boy and the girl start out into a broader life with equal capital and equal

knowledge of its accumulative power, with the individuality and personal self-dependence such training necessarily engenders. Definite knowledge of money's worth insures wiser living. The bars of property and sex grow less distinct. The nation broadens correspondingly.

"Ebrybody monstrus glad tu hab a penny ob der own," said an old negro lately to me in Georgia, when he explained that he wanted for nothing during slavery time. "I nebor ask massa fur nothen but what he gib, bat, missie, ebrybody monstrus glad tu hab a penny ob der own." That is just the way with men, women, and children all over the land to-day, "dey be monstrus glad to hab a penny ob der own."

The innate desire for independence indigenous to American soil is as broad as the country; North, South, East, and West, from the palatial home to the negro cabin, comes the cry for individual development and individual possession.

The fostering of personal responsibility as an ennobling force is of great social and national value.

The general establishment of School Savings-Banks in the United States will promote many helpful humanitarian interests and conflict with none. It will bring about an equalisation of means and power, enabling our children to cope more successfully with the future and remedy some of the evils which oppress our heterogeneous people.

29. THE COLOSSAL GROWTH OF THE SAVINGS BANK

Isaac F. Marcossan, "The Colossal Growth of the Savings Bank,"
Munsey's Magazine, February 1914, 101–104.

A little over a century ago a parson named Henry Duncan presided over the Scotch parish of Ruthwell. He had been trained for trade and had literally stepped from the counting-room into the pulpit. About him was waged a grim and uncompromising struggle for bare existence. The poor-laws and the inability of the people to put by any surplus kept the community impoverished.

"We must teach these people to save," he one day said to his friend, Dr. Chalmers, an eminent Scot.

But how to do this was the problem. There was no organized agency for encouraging thrift; no machinery for conserving money that reached the mass of the population. The modest savings that sacrifice dragged from daily needs were always accessible and went at the first pinch of need or at the first impulse. Duncan felt that if one confined himself to the relief of poverty he did little but encourage it. The task, therefore, was to dry up its springs.

He realized that the first step toward systematic saving was to provide a secure and somewhat inaccessible place for the deposit of savings.

In this inspiration lay the whole crux of the savings-bank movement.

“Why not get some receptacle and make these people put their surplus in it?” he asked. “Then they will not be in such a hurry to take it out.”

Here at least was a plan to place the money out of immediate reach of temptation.

So the parson installed an iron box in his cottage and went forth to preach the gospel of saving and, what was equally important, the safeguarding of what was saved. Strange as it may seem, the idea was at first rejected in a canny Scotch district. The shrewd parishioners did not question the efficacy of the savings proposition, but they had doubts about the security of the impromptu bank.

To overcome this, Duncan had three locks made for the box. He distributed the keys among three men. Thus the coffer could not be opened save in the presence of the trio.

That iron box, set up in an obscure Scotch cottage, was the first real savings-bank, the crude corner-stone of a movement that has become a vast agency for progress. From it has grown a world-wide bulwark of the people's money.

Dr. Duncan was not the first to agitate the systematic savings plan, although he was probably the pioneer in establishing a rude sort of bank. The Germans, always prudent, had tried to put the same idea into effect toward the end of the eighteenth century by setting up an institution in Hamburg for the encouragement of thrift among seamen, servants, and day laborers. In France, old-time sanctuary of economy, had been advocated a similar plan.

Some of Duncan's English contemporaries almost stole a march on him by starting so-called “frugality banks,” which were humble fore-runners of cooperative institutions. It is interesting to note that in most of the early Anglo-Saxon savings, projects the church had large

influence. Later the state supplanted this domination. To England's credit let it be said that she first gave the savings-bank statutory recognition and regulation.

Whatever its exact origin, the fact remains that the savings-bank idea, once started, developed rapidly. To-day the sun never sets on its activity, for in every part of the world there is some definite organized medium for promoting thrift and conserving its fruit. The story of the savings-bank is one of the really inspiring chapters in human progress.

The average person does not often realize the actual enormous extent of this structure reared on the nickels, the pennies, the centimes, or the pfennigs of the people. There is no pomp or glamour of spectacular *coup* about it; none of the thrill of financial empire-making. Yet these citadels of saving are among the impregnable buttresses of world-money.

The growth of the savings-bank in the United States has been marvellous. But before we go into the big and striking facts let us first see, briefly, just what the structure of the institution is.

VARIATIONS IN THE MACHINERY

The savings-bank began in this country as a sort of philanthropic trust, founded with no idea of profit for stockholders (for there were none), but managed by trustees, whose sole purpose was to encourage the habit of saving and to provide a special security for the deposits. This is the mutual bank.

Hence it came about that the state took a hand in the regulation of the savings-bank and framed laws providing for a special supervision of its business and a definite restriction on its investments. Most of the mutual banks are in the New England and Eastern States, where the idea first took root in the United States.

Then there is the stock savings-bank, which is like any other commercial bank in that it has stockholders and conducts business with the idea of also making dividends for them. The majority of these banks are in the Western and Southern States.

The savings-bank laws vary. In some States; notably in those commonwealths where the movement began in this country, they are most drastic. The most rigid are in Massachusetts and in New York, where the legal investments for the institutions provide an admirable guide for the small investor who wants to be extremely conservative. In New York, for example, the savings-banks are limited to only three kinds of investment in the employment of their funds—government bonds and the bonds of cities, towns, counties, and States, real-estate mortgages, and railroad bonds of the very highest type. Some States have no savings-bank laws at all.

THE MILITANT MARCH OF THRIFT

Now let us see what the nickels and the dimes of the steady savers have done in the United States. It is the record of the militant march of thrift registered in terms of billions. The bald statistics stand out with impressive force.

In 1820 we had ten savings-banks, with 8,635 depositors, whose savings aggregated \$1,138,000. There was an average deposit of \$131.86.

To-day we have 1,978 savings-banks, including both mutual and stock banks, with 1,766,936 depositors, whose savings pile up the tremendous total of \$4,727,403,950. The average deposit is \$439.07. If this money were distributed among all the people of the country it would mean \$48.56 for each of the 95,656,000 men, women, and children in the United States.

Take these figures and make some comparisons and you begin to have a bigger respect for the savings-bank idea and for the legions

behind it. The more than ten million depositors form a host greater, than the entire fighting strength of the armies of Germany, France, Austria Hungary, and Italy. They would populate the city of New York twice over; they represent a multitude equal to the combined population of Alabama, California, Indiana, and Massachusetts, and that is more people than resided in the whole United States in 1820, the first year of definite organization of the savings-bank movement in this country.

Their hoard of more than four and a half billion dollars is four times the bonded debt of the United States; it is equal to one-fourth of all the deposits of the national and State banks; it is nearly twice the total traffic revenue of all the American railroads. At every turn you find some amazing evidence of the magnitude and power of the savings-banks.

What might be called the geography of the savings-bank presents some striking features. For example, the mutual banks are considerably outnumbered by the stock savings-banks the figures, respectively, are 623 and 1,355—yet they have about eighty per cent of the depositors and contain three-fourths of all the deposits.

New York State alone has over three million depositors, more people than reside in Indiana, and their deposits have passed the billion-and-a-half mark. Massachusetts, that very pillar of our thrift, does still better, in proportion to its population. It has more than two million savings-bank depositors, with eight hundred and twenty-four millions of deposits.

Since the bulk of our savings is in the East, it follows that the largest banks are there. The great New York savings-banks are veritable Gibraltors of steel and granite. In deposits they rival their commercial contemporaries. The biggest of all of them has more than \$128,000,000 on its pass-books. Another long ago passed the hundred million mark, and several are well on the way to this tremendous goal.

These banks touch all classes. I know of one that, by reason of its cosmopolitan clientele, is compelled to print its instructions and its books in six different languages. There was a time when the American savings-banks of the most conservative type (the old-line mutual kind) did not even advertise. Now they not only solicit patronage, but do a banking business by mail.

HOSTS OF EUROPEAN SAVERS

This estimate of our savings-banks must include a hasty survey of their neighbors abroad. Germany leads the world with her host of savers, for there are 22,349,000 depositors enrolled on the books of her public and corporate savings-banks. This means that one out of every three persons that you meet in the German empire has a savings-bank account. Yet the total deposits of these depositors is half a billion dollars less than ours, being only \$4,241,560,762. The average deposit per inhabitant is \$65.83 and per depositor, \$189.78.

The United Kingdom has 1,870,510 depositors, with total deposits of \$261,875,606 and an average deposit of only \$5.73.

In France you find an interesting situation. Here is a country with a population less than half of ours, and yet she has three million more depositors than we have. One striking fact about the French saver is that out of the total of about thirteen and a half million savings accounts in the republic more than four millions, or nearly one-third, are for twenty francs or less. The French are born investors. As soon as they get enough money in a savings-bank to buy a government bond or a first-class real-estate mortgage (both of these investments may be had in very small denominations) they put their money into one and thus increase their income.

The net result of any comparison between our savings-banks and those of foreign countries shows that while we show a minority in numbers, as compared with some countries, the average individual deposit over here is four times greater than that of any other land.

There are many big employers who hire those applicants who can produce a savings-bank pass-book. That the savings-bank idea is penetrating the consciousness of our people is shown by the encouraging fact that despite the terrific tax made on their resources by the advanced cost of living, the army of savers in the banks has increased by 756,632—a 7.5 per cent gain—during the last twelve months.

THE POST-OFFICE ADJUNCT

As in most foreign lands where saving is a tradition, various first aids to the savings-banks have cropped up in the United States. Foremost among them is the introduction of the postal-savings system. The regular savings-bank officials warmly encouraged and commended this plan from the start. Instead of regarding it as a competitor they wisely saw that it was merely a feeder to them.

First of all it is helping to keep within our own confines the money saved by foreigners which went back to their own countries because there they could get the government stamp on their savings.

Here are some significant figures from the report of the New York postmaster to June 30, 1913: Of the 30,138 depositors on that date thirty-six per cent were native whites, while 61.7 per cent were foreign born whites.

Second, it helps to encourage the thrift idea.

Third, the bankers realized that the average man or woman will not be content with the two per cent paid by the government on postal savings when he or she can get three or four per cent from a savings-bank. Many postal savers are transferring their accounts to the banks as soon as they have a little “nest-egg.”

The growth of the postal-savings banks has been little short of marvelous. Established in January, 1911, with forty-eight depositories, these banks have shown steady gains every month since that time.

From \$60,101 at the end of the first month the deposits have risen to \$33,818,870, the June, 1913, figures, which have just been tabulated. For thirteen months out of the thirty that the banks had been in operation up to that time, the deposits increased at the rate of a million dollars or more a month. For each of three months the increase in amounts Locked up in this way was more than two million dollars.

The latest figures give the number of depositors, as 330,703, an increase, of 28,546 in half a year, and put the average deposit at \$102, an increase of \$10 over the average deposit six months before, which itself had been increased by \$10 over the preceding half-year. In June 1911, six months after the banks were opened, the average deposit was \$56.82. Already, in two years, it has almost doubled.

From the original forty-eight the number of depositories has grown to 12,820, including 662 branches.

Every indication points to sustained growth for the postal-savings banks. It will be long, however, before they reach the status of those long established in Europe. In France, which has 5,542,000 depositors, the deposits amount to \$316,456,000, but the average deposit is only \$89.36. In Austria, which has 2,238,000 depositors, with deposits of \$118,461,000, the average deposit is \$52.93. In the Netherlands, with 1,510,000 depositors and \$64,436,000 deposits, the average deposit is \$42.67.

Such an admirable innovation as savings-bank insurance, which enables the wage earner to get all the benefits of protection for his family in case of his death during the life of his savings account, is just another type of the inducements now held out to the average American to join the host of the thrifty.

The lesson of thrift that the growth of the savings-bank deposits teaches is the real stimulus to personal betterment. Nothing so advances a people in permanent prosperity as the solid accumulations of savings. They form the huge and unshakable reservoirs of capital

which are immune against the inroads of panic and the shifting hazards of trade.

The wise man saves.

30. THRIFT = SUCCESS

Rollin Kirby, 1920.



THE TIME TO LEARN

31. THRIFT CURRICULA CONTEST

National Education Association. *Thrift*, ed. D.W. Springer (Ann Arbor, MI, 1917), 5, 7–15, 69–87.

In the adult contest, prizes were offered for the three best essays presented on the subject of “Thrift—with an Outline of a Method by which the Principles of Thrift may be Taught in our Public Schools.”

The first prize was \$760, the second prize \$250, and the third prize \$100.

Essays were presented from 42 states. The essays were limited to five thousand words. They were read and sorted by five preliminary sets of judges . . .

THRIFT, WITH AN OUTLINE OF A METHOD BY WHICH THE PRINCIPLES OF THRIFT MAY BE TAUGHT IN OUR PUBLIC SCHOOLS

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“Thrift is the management of one’s affairs in such a manner that the value of one’s possessions is being constantly increased.”

Our greatest problem today is how to overcome the prodigal spirit of the American people, who are so improvident of time, of energy, of income. In this age of self-indulgence, our thriftlessness is causing us to use in years that which would last another nation for centuries. According to Major Greeley, of the United States army, the Americans are the most extravagant of all nations. They have the highest wage scale and the lowest proportionate savings record of any civilized race.

And now, what are some of the reasons for American thriftlessness? To begin with, just as the saloon-keeper, who measures his success by the money he receives instead of by what he really gives in exchange; and the workman who fails to recognize the economy of thoroughness by doing inferior work that must be done over, or fails to meet the requirements; and just as the school boy who, working for "credits," neglects the wide consecutive reading that would place him above the ordinary, so we fail to recognize the larger values in life and miss the first great principle of thrift.

Another great factor in the development of our thriftlessness is the extraordinary wealth of this nation's resources. The pioneer Virginian with his favorable surroundings was less frugal than was his New England brother who, despite a rigorous climate, wrested a livelihood from rocky unproductive soil. Thus it is that the thrifty use rather than the amount of resources determines the future and the character of a nation or of an individual.

Then again, trying to keep up appearances beyond one's income or station in life is a weakness of American men and women. Irving Bacheller's book, "Keeping up with Lizzie," gives us a fine portrayal of this weakness, and reminds us of the folly of attempting to live beyond our incomes. Thoughtful people are asking, what can be done to make thrifty habits more popular and to check reckless waste in America?

The only solution of the problem is to arouse a permanent interest in the value of time, of money, of effort by instilling into our race a

proper knowledge of the principles of thrift that will enable us to use, to the best advantage, all the resources that we have at hand.

Since it is an almost hopeless task to try to change men of maturer years by attempting to teach them how and why to save, and since it is a comparatively easy task to train children in habits of thrift, because they can be made to realize the deprivations and pain caused by wanton waste, we should put into the public schools the very principles that we hope to inculcate into the life of the nation.

Children should early learn how to spend, how to save, and how to avoid waste. They should be trained in habits of order both as to time and as to place, “having a time for everything and everything on time,” as well as “a place for everything and everything in its place.” This training is the prime agent in all private economy because it ensures the saving of time and of every other resource. Children should be trained not only in the conservation of their resources but in the proper use of them; in other words they should not economize to the extent of planting seeds and then of denying them nourishment.

They should learn how to spend wisely, remembering the words of Emerson: “Every excess causes a defect.” And the man who pays out half of his income for rent must do so at the sacrifice of other needs. What is most needed is a sense of proportion in all expenditures in order that each should bear its proper ratio to every other, and to the sum total, which sum total should likewise bear a proper ratio to the entire income. Not alone this, but waste must be avoided. Many hand-to-mouth people might become independent if they would but check leaks of needless expense. “A small leak will sink a great ship.” It is an admitted fact that a French cook can feed a family on what is wasted in an average American kitchen.

Children should be taught to avoid habits that handicap—dawdling, excessive amusements, and irresponsibility in matters of personal belongings. How frequently one sees a child, whose very suit of clothes, given to him by charity, has a pin where a button had been, and where soon a rent is bound to appear. This and like habits placed

his family in the charity class, and here they will remain unless some vital force lifts them above their environment by pointing out the shortsightedness of their irresponsibility.

Definite instruction can be given in the public schools by making use of correlation rather than by introducing another subject into the already overcrowded curriculum. The impracticability of our present course of subjects has a bad influence on progress, because progress depends on proper direction of efforts, and too much time and energy are wasted on subjects that are not practical. Today less than 1 per cent of our children have technical training while 60 per cent of the German children are taught trades. This may be due to the fact that we are still making use of a curriculum that was intended for the leisure class, when only the leisure class was educated. They were supported by the labor of others, so, of course, the principles of thrift received no attention in their education. Now, we look down upon leisure; yet we still continue to educate for leisure.

Some principle of thrift should be emphasized in each subject throughout the entire school course: conservation, in geography; opportunity, in biography; foresight, in banking; cooperation, in history and civics; industry, in literature; accuracy, compensation, and investment, in arithmetic; hygiene, in physiology; thoroughness, in manual training; constructiveness, in drawing; economy of material, in cooking; economy of repairing, in sewing; making use of national and state helps in gardening; dependability in general deportment; and enthusiasm, concentration, and singleness of purpose in all subjects. The intelligence of the teacher will suggest other principles of thrift as the occasion arises.

Time and space forbid an attempt to fully elaborate the scheme by which the principles of thrift may be taught in our public schools, but enough will be said now to elucidate the method suggested by the outline that accompanies this essay. First, when in geography we are teaching the necessity for the conservation of national resources, such as soil, forests, most useful and desirable birds, etc., we should “connect-up” with life by leading the pupil to see the value of the

conservation of individual resource and the necessity for maintaining, in all things, a proper balance between the present supply and the future demand. Hence the necessity for temperance in all things, even amusements.

Our minds are depleted and our bodies exhausted with the constant strain made upon them by our modern civilization. And just as the Indian has invited tuberculosis by substituting the white man's windowpane for the opening in the wigwam, so we are inviting race-deterioration by the overtaxing of our energies with telephones, moving pictures, and automobiles. The person who draws on tomorrow's energy, by attempting too much, does so at the expense of the next day's enthusiasm, and enthusiasm is the motor power in all activity. In school, enthusiasm for study often begins to wane after the third or fourth year, because of the overtaxing of the child's energy outside of the classroom. This is due, in the poorer sections, to home labors, and, among the well-to-do, to social requirements resulting in the inertness found in the upper grammar grades. This waste of energy must be checked, or our modern civilization will be a failure, and perfect human specimens will become rare. When the child is once led to grasp this larger idea of conservation, and to realize the necessity of practising it, a great principle of thrift will have been emphasized.

Next, biography is a suitable study for instilling into the minds of children the principle that to be ready to grasp an opportunity when it comes is an important element in thrift. We should, then, study the lives of men and women whose successes were due to the fact that each was ready to take advantage of his life's opportunity when it came, and impress the fact that to be ready for opportunity when it comes is the great secret of success in life. But, unless a person has been taught to recognize the larger values in life, he may not see his opportunity; and

*“Opportunities are very sensitive things,
Slight them once and they may never appear again.”*

To grasp an opportunity, as did Thomas Jefferson in the purchase

of the Louisiana territory, is an example of a thrifty man's foresight. People are too prone to attribute a success of this kind to mere luck, when, in reality, it is but the evidence of good judgment which has been developed by a proper conception of values. Alexander Hamilton's opportunity came when, as a boy, he wrote a description of a hurricane in his native West Indies. As a result of his excellent description, he was sent to the colonies to be educated. Benjamin Franklin's opportunity came when he learned the value of money by paying "too much for his whistle."

Many an opportunity has been lost, because of the lack of necessary funds with which to take advantage of it. Hence the reason for forming, early in life, the habits of saving and foresight.

If a child is given some practical experience in real banking, before leaving school, he will have learned that to begin to save is the device, and that foresight is the secret, of thrift. He will also have acquired a knowledge of the ratio that savings should bear to income. The consciousness of having a bank account will give him poise.

"'Tis hard for an empty bag to stand upright." And poise, the regulating and balancing power in all human affairs, comes only as a result of having something in reserve. Some systems of saving in public schools have proved unsuccessful because they were not practicable. The following plan has been highly successful, both as to creating a desire for saving and as to teaching the principles of banking.

The cashier of a savings bank in a small city, together with a principal of one of the grammar schools, formulated this plan which is simplicity itself, and yet conforms in every point to "grown-up" banking. The school was supplied with regulation deposit and withdrawal slips, with passbooks exactly similar to those used in regular savings banks, with the exception that the word "fund" was substituted for the word "bank" in every case. The office of the principal, on the two banking days of each week, was made to appear, as much as possible, like a miniature bank, as the high school was conveniently near. The commercial students of banking, in turn, attended to all receiving

and paying out of money and to the necessary bookkeeping. This could have been done as well by eighth-grade pupils, thus relieving the teacher from extra work. As soon as an account exceeded five dollars the child was given a deposit slip which he exchanged for a passbook in the regular bank. The five-dollar deposit began at once to draw interest, and acted as a stimulus to further saving. This system had three points in its favor: First, the children saved money by real banking methods; second, the teachers were not burdened with extra work; and third, no expenses were incurred, because the interest on the money, before it was redeposited, more than covered the running expenses.

If we want pupils to save, we must arouse an interest in saving by presenting worthy motives, such as a desire for independence, the most valued asset that a person can have. If young people could be made to realize the glorious privilege of being independent later in life, they would gladly endure hardships and deprivations on the way to this goal. Another worthy motive that will arouse interest in saving is the desire to be able to help other people; the greatest savers have been the greatest givers.

Teachers should not forget to motivate the daily lessons and connect them up with life. Problems in school should be related to and similar to life's problems, and this relation should be made apparent to the pupils. An assignment of a lesson in arithmetic should mean to the children a clearing-up of a principle rather than the clearing-up of a page. The study of spelling should mean the preparing of the way for communication with friends by letter-writing. Furthermore, when once a pupil sees the underlying motive for his tasks, the wheel of evolution is started, and he begins at once to assume responsibility, the lack of which is the bane of the American youth of today in his physical, ethical, and economic life.

Responsibility should be thrown on children all along the line by providing something they can do, if they have the disposition to do it. As we have shown that they will have the disposition to do if we instill into their minds the proper motives, it follows that we should

not only have cooperative responsibility but individual responsibility as well. A very young child can take the responsibility of the care of his own room, of his toys, or of an animal.

Better care of things, and wise, careful use will raise anyone far above his present level in both comfort and abundance. Responsibility should cover everything, even pin money. It should guide us in our choice of goods, helping us always to remember to demand the best rather than the good. Labor, when put into cheap articles, produces the disinterested employee, who watches the clock, and whose labor and whose life are reduced to mere routine. On the other hand, a finished product that sells for real value of material, tools, and efforts gives dignity to labor and pleasure to the workman. Who can measure the joy and the satisfaction which filled the hearts of the builders of the Gothic cathedrals when they wrought in stone and wood and glass with a fervor that has produced those lasting monuments? As Louise de la Ramee says, in her little classic, "The Nurmberg Stove:" "The masters of ancient days wrought at their works with zeal, with piety, with integrity, with faith, not to win fortunes nor to glut a market, but to do nobly an honest thing and to create for the honor of art and God." If the lasting qualities and the thoroughness of such work could be impressed upon the minds of young Americans, our question of thrift would be well nigh solved, and responsibility would come with this aim to do one's best work.

History and civics each gives a superior chance to show the value of cooperation. For instance, General Burgoyne might have won had he had the cooperation of General Howe and St. Leger. It was the cooperation of the great men during the period of reconstruction of our nation that made the Union possible. And so, today, in municipal affairs, if the departments had the cooperation of the people, expenses would be very much reduced. If we train the children to feel that they have a duty to perform by assisting in curtailing the expenses of any of the departments, such as the street-cleaning department, we are instilling into the future generation principles of thrift. Every portion of the city is traversed each day by the children. With them, rests to a certain extent the amount of waste paper and debris that

must be cleaned up at the city's expense. It would be well to impress upon the children that this money comes from their parents and that they should endeavor to keep down the expenses of the city. In like manner, the children can cooperate with the health department. Much money is spent in trying to eliminate the mosquito and the fly, and to prevent the spread of diseases. If children would see to it that no breeding places for mosquitoes and flies are to be found in the back yards, the problem of fighting these pests would be made easy. Lessons on how to prevent fires should be given and fewer calls for the fire-department would be made, again reducing expenses.

In the teaching of drawing, stress should be placed upon constructiveness, another principle of thrift. The child should study color in order that she may use the best possible taste in her dress and in the home-decorations. Not the money spent, but the taste used in the home, makes it attractive and pleasant. The constructing, in cardboard, of a simple, artistic little house or of a room, such as a kitchen, will make a lasting and effective impression upon the little girl. The exterior of the house could also be decorated with simple drawings of vines, to teach the children to see what inexpensive things make for attractiveness. Designs and surface-decorations should not end with the drawing lesson, but the children should be led to apply them at home in the making of curtains, sofa pillows, laundry bags, etc.

Gardening should be made a practical study in connection with the public schools. Our national and state governments are maintaining, at great expense, departments of agriculture, bureaus of information, and experimental farms and orchards that are little used. If, for no other reason than to make use of these helps, and to utilize unused land near schools and homes, we should teach gardening. Because you cannot draw out of the soil an element that is not in it, children should be taught the value of sending samples to these centers to be tested by experts.

In this way, children will learn what crop will be most profitable for a certain grade of soil. Not only rotation of crops should be taught, but the economy of using the soil for the entire season. When an

early crop is harvested, another short-season crop should be planted in the same space.

Attention should be given to the proper disposal of the garden products which should be used to supply the domestic department, or marketed profitably, or stored for future use. Prizes should be offered for the best application, in the home garden, of the knowledge acquired at school.

Economy of material for cooking, and thrifty marketing should also be taught. Children should be taken to the markets, and, under proper supervision, allowed to buy either for their own homes or for the domestic-science department. Occasionally parents should be invited to accompany the class. In this way the wise choice of simple but nourishing foods and the values of balanced meals can be emphasized, as well as the wisdom of selecting your own food, of buying in large quantities and for cash. When people become more familiar with the cost of raw materials, fewer delicatessen shops will flourish.

What applies to marketing, applies likewise to shopping. The following rules are safe guides: Buy what you need instead of what you want; buy necessities instead of luxuries; buy real things instead of shams. Do not drift aimlessly into stores. Thrifty nations have few bargain counters and fewer bargain-hunters.

Much is possible where money is spent with a purpose, and the same is true of those other human agencies, time and energy. After all, it is purposeless living; that produces life's failures. And every attempt to economize furnishes a purpose, develops self-denial, and gives mastery over self-indulgence. This adds strength to character and imparts dignity to life. It follows, then, that purposeful living produces life's successes.

Our future depends, not so much on the amount of our resources, as upon the habits we form of making the best use of them—habits of conservation, of reservation, and of preservation: conservation,

which implies using without waste; reservation, which implies a balance on hand; and preservation, which implies a storing away for future use.

Thrift is, after all, only the best way of doing things, and our great aim in teaching its principles in our public schools should be to inculcate by instruction, by practice, and by example, the one idea that the key to the whole situation is to make the best possible use of all the resources that we have at hand.

OUTLINE OF METHOD

Introduction

Since courses of study vary in different localities, it is impossible to make a definite outline. The following, however, is elastic enough to fit practically any school whether urban or rural. The word “thrift” is fast becoming one of the catch words of the times, so it will be comparatively easy to interest teachers, children, and parents in all that pertains to it. This makes a workable outline, because, in school, thrift really means connecting things with real life. A little thought will make this matter clear. In moral education, for instance (and most teachers give some time to ethics these days), many of the topics discussed are of necessity elements of thrift. This is also true of many of our other subjects.

The following plan, then, is merely suggestive.

Moral Education

Many teachers present each month a thought on ethics, by means of quotations, stories, and poems. Most of these topics are directly or indirectly associated with thrift as:

Courtesy; kindness; obedience; truthfulness; generosity; dependability; concentration; self-control; self-denial, which is

the foundation of generosity; punctuality; honesty; earnestness; loyalty; courage; prudence.

Good habits are as easily formed as bad, and pupils should learn to live for the highest purposes and with the highest aims in view.

Arithmetic

Principles of thrift to be emphasized are: In grades three and four, accuracy, which implies truthfulness; in grades five and six, accuracy and compensation; in grades seven and eight, accuracy, compensation, and investment. The topics of arithmetic that will develop thrift are:

All fundamental operations and combinations; store-keeping; bills, receipts, checks, etc.; how to keep home accounts; materials bought for real and imaginary class parties; recipes for lemonade, candy, etc.; cost and price as regulated by supply and demand; estimates on house and lot values; also on vacant lots and the building of houses; wage scales—skilled and unskilled labor. Wages of expert mechanics, machinists, or even of expert janitors compared with salaries of clerks and salesmen; early choice of occupation should be encouraged; interest, wages earned by one's savings; profit and loss, figured to cover rent, transportation of goods, interest on investment, risk taken, wages, etc.; trade discounts, and reasons therefor. Percentages off for cash. Real catalogs with list prices; comparison of investments, which is better, etc.? Why government or city bonds, or first mortgages are safer investments than even preferred stock; insurance—property and life. Men with families should protect them by insurance; local taxes—problems supplied by local tax department; banking—thru earlier grades, this means merely the learning of the how and why of depositing, withdrawing, etc. In the upper grammar grades, the simple elements of banking, and compound interest as computed in savings-banks should be taught.

If the city's computation of expenses, taxes, etc., could only be done in the schoolroom, it would save, not only salaries of employees, but the teacher's time, looking for less practical problems.

English

This is the broadest of all subjects, and is perhaps richest in its opportunities for teaching thrift. Many principles of thrift will be suggested, from time to time, but the simple one of industry should be emphasized throughout the course. The study of English subdivides itself into spelling; literature, which includes reading of all kinds; memory poems, and quotations; composition, which includes story-telling and dramatization in the lower grades, and both oral and written composition, and letter-writing in all grades; and grammar, which includes corrective drills in lower grades, and technical grammar, in the upper grades. Each of these branches lends itself to the teaching of thrift, if only to supply motive, as is the case with spelling and grammar. Many a good position might have been secured but for a mistake in spelling or grammar.

Reading material is full of suggestions to bring out the idea of industry and other thrifty habits. Memory poems and quotations, suitable for children of any age, are easily available, and only lack of space prevents the recording here of a long list. In story-telling and composition are endless opportunities. Such fables as "The Crow and the Pitcher;" "The Farmer and the Wheat;" "The Ant and the Grasshopper," and many others may be used. Stories and compositions on the life and work of the birds, the bees, the ants, the spider, the beaver, and many other animals furnish excellent examples, both of cooperative and individual industry. Letter-writing may bring out this and other desirable qualities. Letters ordering supplies for the school, or acknowledging receipt of goods, books, etc., could and should be written by the pupils, and one of the best chosen and actually sent. The joy of signing a real letter and adding "for the principal" is often a true and lasting incentive.

Geography

The main thought that is connected with thrift, in this subject, is, of course, conservation, and this point should be emphasized all along the line, and frequently connected with home and even individual conservation. Unused lands should suggest the use of vacant lots, or of vacant spaces in and near the home. This brings in gardening, and suggests the thrifty plan of beautifying a back yard with a combination vegetable and flower garden, instead of using it as a repository for tin cans and other rubbish. Conservation in forestry suggests the observation of Arbor Day. Similar plans may be carried out in regard to streams, animals, birds, and mines. The topography of a locality suggests the comparative value of industries and occupations. Growth of cities depends on occupation. Domestic and foreign commerce, as well as transportation and trade routes, are rich in suggestions of the principles of thrift.

History and Civics

These subjects furnish excellent opportunities for teaching cooperation. Biography, whether taught in connection with history or with English, furnishes many concrete examples of how success is won in spite of adverse circumstances, because of cooperation, industry, concentration, and perseverance.

Hygiene

This subject is really health-conservation and it suggests cleanliness; sanitation; care of teeth; home-ventilation; proper breathing; abundant use of pure water; avoidance of tea, etc.; Babcock Test for milk; bacteria; care of the sick and of the sick room; emergencies; food values; narcotics and alcohol. These topics should bring out the double cost—the price paid in money and in depleted physical power.

Sewing

Repairing, mending, darning, renovating passé garments; selection

of fabrics; proper knowledge of materials and dyes; making new garments; use of patterns.

Cooking

Teach children how to market by actually taking them to markets. Teach also tests for fresh foods and the proper care of milk, butter, eggs, meat, fish, etc.; economy of buying cheap cuts of good meat, especially where the income is limited; (sometimes a soup bone has as much nourishment as a steak); cost of food ingredients.

Manual Training

This subject, as it is generally taught, is craft work, and corresponds in scope to the teaching to girls embroidery and the making of real lace. It is excellent as far as it goes, but might be made far more practical. Why should not the repairing of the building, the making of cupboards, and the laying of floors, etc., be done by the students? Trade schools should cooperate with local industries and the boys trained in them should be prepared for good positions when they have finished.

In schools where the above is impracticable, thrift may be taught in a more general way by emphasizing one of its principles each month, for instance:

September—Punctuality

October—Taste and economy in indoor decoration

November—Harvest

December—Charity

January—Health

February—Kindness to animals, feeding birds, etc.

March—Pride in home, and civic cleanliness

April—Economy of Mother Nature

May—Gardening

June—Dependability

The study of thrift may be continued in the high school by means of debates, essay contests, and prizes offered for reading books on the subject.

One great waste of energy in most high schools is that spent in competitive athletics. We overdevelop the “nine,” the “eleven,” and the “five” at the expense of the many. If a system of athletics could be arranged that would appeal to all, and give opportunities to all, a great advance step would be taken. “Rooting” certainly does develop school spirit, loyalty, and cooperation, but as exercise its value is, at least, questionable.

QUOTATIONS

Thrift is better than annuity

Thrift is the philosopher's stone

Thrift is a good revenue

If you would be wealthy, think of saving as well as getting.

—FRANKLIN

In all estates a mean must be observed; to live thriftily increaseth treasure, but to live wastefully causeth poverty

Penny goes after penny till Peter hasn't any

There is more art in saving than in gambling

Those who save from an honest competency eventually rise to a successful prosperity, and often to luxury and ease.

—ACTON

Thrift is too late at the bottom of the purse

Who heeds not a penny shall never have any

Penny and penny laid up will be many

Men do not realize how great a revenue thrift is

Practice thrift or else you'll drift

A penny saved is a penny earned

Beware of little extravagancies: a small leak will sink a great ship.

—FRANKLIN

Respectability is all very well for folks who can have it for ready money; but to be obliged to run into debt for it—it's enough to break the heart of an angel.

—DOUGLAS W. JERROLD

Sense can support herself handsomely in most countries on some eighteen pence a day; but for phantasy, planets, and solar systems will not suffice.

—MACAULAY

He was a subject to a kind of disease which at that time they called lack of money.

—RABELAIS

I can get no remedy against this consumption of the purse; borrowing only lingers and lingers it out; but the disease is incurable.

—SHAKESPEARE

No gain is more certain than that which proceeds from the economical use of what you have.

—LATIN PROVERB

Economy is of itself a great revenue.

—CICERO

*We sacrifice to dress, till household joys and comforts cease.
Dress drains our cellar dry and keeps our larder lean; puts out*

*our fires, and introduces hunger, frost, and woe, where peace
and hospitality might reign.*

—COOPER

Make all you can, save all you can, give all you can.

—JOHN WESLEY

*Get to live,
Then live, and use it; else, it is not true
That thou hast gotten. Surely use alone
Makes money not a contemptible stone.*

—GEORGE HERBERT

All fortunes have their foundations laid in economy.

—J. G. HOLLAND

*A penny saved is twopence clear,
A pin a day's a groat a year.*

—FRANKLIN

Poverty is in want of much, but avarice, of everything.

—PUBLIUS SYRUS

*To balance fortune by a just expense,
Join with economy, magnificence.*

—POPE

Thrift is a good income.

—CICERO

*If it were possible to inject the quality of saving into every boy,
we would have a great many more real men.*

—SIR THOMAS LIPTON

*The first thing that a man should learn to do is to save his
money.*

—ANDREW CARNEGIE

*A dollar saved is a dollar earned, and a dollar well spent is
often several dollars earned.*

*Waste not, want not
Many a little makes a mickle
Lost time is never found again
He that hath a trade, hath an estate*

When there's dime leakage, the dollars run away.
—UNCLE PHILANDER

A wise man will make more opportunities than he finds.
—FRANCIS BACON

*The hand-to-mouth man seldom gets out of speaking distance
with poverty.*
—UNCLE PHILANDER

*Never spend your money before you have it
Never buy what you do not want because it is cheap
Pride costs us more than hunger, thirst, or cold.*
—THOMAS JEFFERSON

THRIFT

Synopsis of Essays Presented in Contest

Compiled by D. Margaret Holmes, Secretary and Instructor, Department of Home Economics, Cornell University, Ithaca, NY.

“Thrift is the surest and strongest foundation of an empire—so sure, so strong, and so necessary that no great empire can long exist that disregards it.”
—ROSEBURY

Today, more than ever before, America is the world's “Land of Promise.” Travellers invariably remark on the great resources of the American continent. Vast stretches of unused land—land that would house the entire population of older countries giving to each person more than it is possible to have at home—are causes of wonderment. The Belgian commissioners who came over in 1914 could hardly believe

their eyes. "On our ride to Chicago," said one of them, "we saw hundreds of miles of fertile land lying fallow. We saw orchards and fields with ungathered products rotting on the ground. We saw miles of young trees being destroyed by fires started by engine sparks and being left to burn unnoticed. Everywhere the farms and residences were divided by wooden fences that contained enough lumber to build the homes of an empire. In the country, wasted land; in the cities, wasted men. On the trees and plants, ungathered food; in the centers of population, hungry people. These are the economic elements of American life. If any country in Europe had such bounteous wealth, such limitless land area fit for cultivation, and such unused labor energy, it would be quickly transformed into prosperity beyond dreams. Why, in Belgium even our dogs work, every city lot is cultivated, and most of our garden truck is raised on less ground than Americans waste in unused back yards." We have grown accustomed to conditions, but it is a difficult matter for a foreigner to accept our material standards or to understand our wastefulness.

Strange as it may seem, the typical American was once a model of industry and economy. Our forefathers found it necessary to practise the strictest economy in order to live. After the time of Benjamin Franklin, the sayings of Poor Richard were household maxims and thrift was everywhere in evidence. In fact, it was not until the close of the Civil War that a period of speculation began which developed into the present condition of reckless extravagance. How far we have gone in this direction is indicated by Ida Tarbell when she says, in her talk on "Give the Girl a Chance," that the average American home is conducted on business principles that would bankrupt the big business concerns in less than six months. A French village of one thousand inhabitants could be supported luxuriously on the waste of one of our large American hotels, and the entire population of France could be supported on the food that is literally thrown away in the United States. We are fond of boasting of superiority, but when the intelligent foreigner studies the situation the reasons for boasting are not always apparent.

An interesting sidelight bearing on this theme is given by Lord

Rosebury in reviewing the history of other nations. "The Roman Empire was founded on thrift. When it ceased to be thrifty, it degenerated and came to an end. Prussia began with a narrow spit of sand. It was nurtured by the thrift of Frederick the Great's father, who prepared a vast treasure and a vast army by economy which we would call sordid, but it was a weapon by which the greatness of Prussia was founded, and from which the present German Empire has arisen. Take the case of France. After the disastrous war of 1870, when France was crushed for the time by the foreign army, and by a money imposition which it seemed almost impossible that any nation could pay, what happened? The stockings of the French peasantry, in which they kept their savings of years, were emptied into the chest of the state, and that huge indemnity and that war expense were paid off in a time incredibly short. The other two nations were made by thrift, but France was saved by thrift." At the present time, France is again giving an example of endurance and abnegation for the good of the nation that has inspired and moved the world to admiration. Thrift once again has made France independent of her enemies by giving her resources with which to stand the test of war.

The United States may well begin to learn its lesson from the history of other nations and from the present World-War. If history repeats itself, our country might seem to be rapidly approaching a crisis in which the huge accumulations of money, the lowered moral tone, the irresponsible spirit of the time, all point to the culmination of its period of usefulness and to the approach of its period of decay. But we are growing older and wiser. Thinking people are realizing that only by cultivating again the sterling characteristics of our forefathers can the future of the race be safeguarded. Warnings are sounded on every hand. The state is counting up its wastage. Experts employed for the purpose are telling us what must be done in order to preserve a worthy inheritance for future generations. Much is written concerning the necessity of making great efforts to save our forests, to conserve our minerals, to utilize the water power going to waste, to restore our barren lands, to increase soil fertility, to apply the principles of scientific management to business and education, and, most important of all, to conserve our human material by eliminating the greatest and most serious of

all wastes, the waste of human life and vital force thru preventable disease and death and infant mortality. All this is national thrift, and it is well to recognize that it must play an important part in national welfare. "Let the rule be," said James J. Hill, "that every dollar spent unprofitably marks a crime against posterity just as much as does the dissipation of great material resources."

In this connection, it is interesting to note just how we rank with other countries in this matter of saving. Statistics compiled by Henry S. Williams give the number of depositors per thousand in each of the following countries as follows:

Switzerland	544
Germany	317
Denmark	442
England	302
Norway	415
Australia	300
Sweden	404
Tasmania	270
Belgium	397
Japan	270
New Zealand	360
Italy	288
France	346
United States	99
Holland	325

Again we have the average deposits of various nations per person:

United States	\$49.85
Norway	62.42
Germany	67.73
Denmark	67.85
Switzerland	86.47

It has been estimated that 66 out of every hundred people die leaving

no estate; 9 leave estates larger than \$5,000; and the average estate of the remaining 25 is less than \$1,300. At the age of sixty-five 97 out of every 100 are partly or wholly dependent on relatives, friends, or the public, and 98 per cent of the American people are living from day to day with nothing between them and pauperism except the daily wage. Such figures speak for themselves.

In approaching the study of thrift from the avenue of money-saving, it is interesting to record some characteristic opinions. Again quoting James J. Hill, whose ideas on thrift are especially valuable since his life was conspicuous in its victory over great obstacles: "If you want to know whether you are destined to a success or a failure in life, you can easily find out. The test is simple and it is infallible. Are you able to save money? If not, drop out. You will lose. You may think not, but you will lose as sure as you live. The seed of success is not in you." Theodore Roosevelt, a representative of another class of men, comes to the same conclusion when he says: "Extravagance rots character. Train youth away from it. On the other hand, the habit of saving money, while it stiffens the will, also brightens the energies. If you would be sure you are beginning right, begin to save," and John D. Wanamaker gives as his conviction that "no boy ever becomes a great man who in his youth does not save money. "If necessary, one could quote indefinitely from leaders in all countries to the effect that all true success must have an economic foundation, and that men and nations thrive in proportion as they save their capital, their material resources, their time, their vital force. This law runs throughout life. The fact that capital—financial, physical, moral—grows out of saving and confers in turn the power to repeat the process upon a larger scale seems as clear as the fact that the standing grain springs from the seed wheat saved from the mill, and, in turn, affords the means of planting a still larger acreage. With Stevenson, we may be sure that "happiness consists in earning a little and spending a little less."

There is, however, another equally important element in thrift. The thrifty person has a reason for his saving. He is not like a certain farmer who was reputed thrifty, and who rose early, worked hard, made money, and failed to squander it.

“What will you do with the money you get for your hogs?” he was asked.

“Buy more land,” he answered.

“What for?”

“Plant more corn.”

“What for?”

“Raise more hogs,”

“What for?”

“Buy more land.”

“What for?”

“Plant more corn.”

“What for?”

“Raise more hogs.”

And so it goes:

Many another person has found out that it is easier to make money than to know how to spend it. Unintelligent and mechanical accumulation is not thrift. Thrift does not expend all its energies on a material plane. Thrift is altruistic as well as practical; it has to do with wise spending and investment as well as with saving. The thrifty man conducts his life in such a way that the value of himself and of his possessions ever becomes greater. He saves for future use and future happiness. In short: Thrift is the art of making the most of everything in oneself and in one's environment. Or, thrift is the art of correlating desires and efforts in such a way that the most numerous and lasting satisfactions may be obtained under the conditions of life in which one finds himself. From a selfish standpoint, thrift has its roots in habits of character that may seem unattractive—self-denial, self-restraint, economy, doing without—but it blooms and bears fruit in spiritual characteristics that more than compensate for what has been denied.

This brings us to the consideration of the problem of meeting a vital lack in American life thru stimulating thrift-development. In seeking to make any drastic change, the reformer is soon confronted with the

fact that a people long accustomed to a certain habit or manner of doing things will be slow to accept anything new. The untried thing, though infinitely better, must prove itself. The habitual thing seems natural and right. So far as this special problem is concerned, it is certainly too late to talk thrift after the spendthrift has settled into his ways.

How, then, can the children be reached? In what manner and where can instruction in thrift be given?

In a study of ways and means to establish thrift as a national trait, one naturally thinks first of the home as the natural medium. In earlier times, the opportunity for practical instruction and training was given there, but, with changed home conditions, this is no longer possible. It is useless to try to teach children thrift unless they have a constant experience which exemplifies thrift and unthrift, showing the results of each. When the child saw his clothing made, and his food raised and prepared, and helped in the process involved, he received an invaluable object-lesson in thrift. The same was true when luxuries such as toys and sleds, balls and bats, were made at home. In these days, on the other hand, necessities and luxuries alike are usually brought to the home and paid for elsewhere, and the children have the vaguest ideas of the processes involved in obtaining the goods and of the relation of thrift thereto. Even the children of farmers who buy their flour, butter, etc., do not appreciate the connection between the fields of grain and the herds of cattle and the bread and butter that appear on the table. The child who works hard to earn a Saturday half-holiday and then walks to the fishing-place or swimming-pool has a direct experience showing the relation existing between effort and the satisfaction of desire. Under modern conditions, especially in the city, the great truth that necessities and pleasures can be obtained only by previous thought and effort is rendered obscure by the very efficiency of twentieth-century life. Unless the child receives systematic experience along practical lines, therefore, the teaching of thrift will lack solid foundation. Since this training cannot be entirely given in the present-day home, it becomes the duty of the public school to continue and supplement the work of

the home in teaching the child thrift. Is the public school able to do this piece of work? If not, how can it be made so? If so, how can the teaching of thrift be introduced into the curriculum?

Inasmuch as the introduction of thrift principles into school work cannot fail to render that work more practically efficient, and inasmuch as present world conditions emphasize the significance of such efficiency, it is important that the public school take these questions seriously. The necessary readjustments following the Great War cannot be made without an intense conflict of principles, aims, and ambitions. The various ideals of government that men have fought for in the past and are fighting for now are being subjected to a stern test, and are being called upon to justify themselves and their various institutions not only before the people of the nation concerned, but before the people of the world. From a democratic standpoint, there is a great deal of uncertainty in regard to the value of the American system of education. The criticism has been advanced by various magazines and papers that the present-day educational practise not only fails to prepare for life but has a tendency to unfit for earning a living. To a certain extent it is true that the mill, the workshop, and the farm, the basis of our economic being, are considered as belonging to an inferior order. It is also true that the energies of the school system are largely diverted from the training of efficient industrial units to training along academic lines. In other words, our schools tend to prepare for leisure rather than for work, notwithstanding the fact that 90 per cent of our citizens are employed in industries. However, in spite of these facts, it is the acknowledged purpose of public-school education in America to develop democratic ideals and to train for citizenship in a democracy. Any course of study that ignores that consideration and turns the energies of the pupils into channels from which the great majority will derive comparatively little benefit, thus educating the few at the expense of the many, is, from the American point of view, a waster of time, effort, and expense. Following the war, increased ability will be necessary to meet the deadly competition caused by changed industrial and social conditions, and, while no one would take away from the public school her work of training for the colleges, and thence for the arts

and sciences, it is also her appropriate business to train for the work that the majority of the children must do. Any other educational practice is essentially undemocratic and subjects the school system to criticism such as it is even now receiving.

Carlyle expressed the democratic attitude toward work when he said: "All true work is sacred." Indeed, there is no education like that which comes from genuine work done in a sincere spirit. A system of education, in order to be thrifty, must, first of all, ennoble work, and pave the way to practical success thereby. Experience sooner or later teaches everyone that in order to enjoy any good thing the right to that enjoyment must be earned. Labor is the price set upon everything worthwhile. Our greatest men have not been of luck or inherited wealth, but men accustomed to hardship, not afraid of honest poverty nor threadbare clothes, men who learned from experience that "though the whole wide world be full of good no kernel of nourishing corn can come to them but thru their toil bestowed on that plot of ground—given them to till." It should be the conscious aim of the teacher to instill into the minds of the children the dignity of labor and common tasks as opposed to the false ideas of culture so long prevalent. The youth of today has a tendency to feel that unless he chooses a profession he will be looked down upon as of "no account." He should be shown that there is an opportunity for distinction in every line of endeavor and that one whose talent lies along the line of mechanics will not be successful nor happy in a profession. Whereas one might easily be an authority in the one field, and respected as such, the possibility of a bare living is all that could be reasonably expected from a line of work for which one is not fitted by natural inclination. In Emerson's great essay on "Self-Reliance," in itself a complete sermon on thrift, we find the following: "We want men and women who shall renovate life and our social state, and we see that most natures are insolvent; cannot satisfy their own wants; have an ambition out of all proportion to their practical force; and so do lean and beg day and night continually. If our young merchant fails, men say he is ruined. If the finest genius studies at one of our colleges and is not installed in an office within one year afterwards in the cities or suburbs of Boston or New York, it seems to his friends

and to himself that he is right in being disheartened and in complaining the rest of his life. A sturdy lad from New Hampshire or Vermont, who, in turn, tries all the professions. who teams it, farms it, peddles, keeps a school, preaches, edits a newspaper, goes to Congress, buys a township, and so forth, in successive years, and always like a cat falls on his feet, is worth a hundred of these city dolls. He walks abreast of his days and feels no shame in not "studying a profession" for he does not postpone his life, but lives already. He has not one chance, but a hundred chances." One readily sees that adequate practical recognition of the value of all successful work is absolutely essential for the maintenance of a democracy. We admit that, theoretically, these ideas are good. In order to make them practically effective, however, equal social and financial recognition must be given to equally distinguished service in every field of endeavor.

Since all teaching that increases the ability to obtain the good things of life is good training in thrift, it is encouraging to note that much is being done to strengthen the American school system along practical lines. Industrial schools, vocational schools, trade schools, factory schools, agricultural and commercial departments in high schools and colleges, continuation, and part-time schools are all modern methods of educating boys and girls in the principles and practises of the occupations of life. The Gary school system is a still more radical departure from the beaten track in education. These schools are good examples of educational thrift. They recognize both hand and brain work as cultural and lead to practical efficiency in both. The testimony of pupils, teachers, school officers, and parents is uniform in affirming that these schools help the child to find himself. Their establishment in many countries in rapidly increasing numbers also attests their value. The vocational schools of America must compete with those of other countries if America- is to take and keep her place among the nations.

The statement is often made that industrial and manual-training courses do not bear fruit in the home and community in practical ways. One reason for this partial failure, is the lack of thrift sentiment and the lack of practical experience in those who teach. Still

another reason is the lack of cooperation between the home and the school. It is important that this cooperation be secured and there are methods for bringing about this end.

First of all, skilled mechanics and practical teachers of home economics should be employed. The problems given at school should be those that are likely to arise at home. The boys should be taught to make the ordinary repairs about the home which usually call for the skill of the carpenter, the painter, the plumber, or the electrician, and the girls should be taught mending and making their own garments, the general care of the home, and the principles of dietetics and economy in food-preparation. This work can easily be the means of drawing the home and school together.

Another effective means of securing cooperation of home and school has been adopted by agricultural departments of state colleges in cooperation with federal and state agencies. Massachusetts is a leading state in the home-project plan of vocational agricultural education. By the Massachusetts plan, profitable production is made the test of school work.

Another interesting experiment along this line are the corn, potato, and canning clubs organized by the United States Department of Agriculture. The corn-club boys, for example, are allowed full control of a tract of land with full responsibility for expenses and unrestricted use of profits. Instruction as to marketing is given. These clubs are doing much to convince the parents of the advantages of scientific farming. When a son doubles or quadruples the crop-yield of his father, as often happens, an effective lesson is taught. Scientific farming is thrift applied where it is much needed.

It is not necessary, however, to farm on a large scale in order to carry on work of this kind. United States Commissioner Claxton says that "in every school and community there should be at least one teacher who understands gardening, both theoretically and practically. This teacher should teach the elementary sciences during school hours and should, out of school hours, direct the home gardening of the

children between the ages of seven and eight or fourteen and fifteen. If possible, the teacher should have the assistance of an expert gardener, so that the work may be done in the most practical and profitable way. The teacher and the gardener should help the children find the plots of ground in back yards, front yards, and vacant lots near their homes best suited for gardening work, aid them by some cooperative method to have the lots properly plowed and prepared for cultivation, help them select seeds, and show them how to plant, cultivate, and harvest, so as to obtain the best results." In some European countries the laboring classes keep their tables fully supplied with vegetables from plots no larger than the average American back yard. It is evident, therefore, that any impulse we may give school children toward home gardening is likely to result in a greater thrift in the next generation so far as the expenditure for the family table is concerned.

What may be expected from these suggestions from the standpoint of national thrift, is realized when we know that, according to the estimate of the United States Bureau of Education, the labor of the school children of this country which could be directed to the cultivation of school gardens, back yards, and vacant lots, would add \$200,000,000 to the national wealth each year.

The last annual report of the Portland, Ore., public schools mentions still another cooperative home-and-school movement as follows: "This year for the first time we have given credit in the high schools for music studied outside of school under accredited teachers. Also some students in one of our commercial schools, instead of having all practise books at school, had real books for a down-town small business firm. They received pay for keeping the books and were given credit in school for work well done. In some of the grade schools, we have also given credit for home tasks, our aim being to connect the school as closely with life as is possible."

One writer suggests that by standardizing all home work, giving to each task a money value, a certificate, which would be highly prized as a souvenir, could be given at any time during the school life of a child showing the amount of his imaginary earnings to date.

All these cooperative home-and-school activities are evidences of thrift in education. Much has been accomplished also along more general cooperative lines. Physicians and nurses are employed to look after the health of children. Fifty years ago, a physical examination for a teacher would not have been considered, whereas today we have such examinations both for teachers and children, with the result that disease-carriers in both classes are being eliminated from the schools. Special classes for subnormal and anemic children have been formed. Education in the care of children is being given to mothers. This is especially significant in view of the fact that statistics show that one child out of every four dies before its fifth year, the reason being ignorance on the part of the mother as to feeding. Great credit is due the men and women who argued long and earnestly to bring boards of education, parents, and taxpayers to see economy in expenditure along these lines.

A practical example of thrift-teaching is given in the establishment of an up-to-date cafeteria in the Polytechnic High School in San Francisco. An average of three hundred lunches are served daily. Boys serve the luncheon and a student takes care of the cash register. The girls of the domestic-science department serve fully one-fifth of the food sold. They get practise in preparing: simple, well-balanced lunches which are served on various occasions. This gives them practical experience in preparing dishes in sufficient quantity for & small sized family instead of for the usual demonstration samples. One valuable feature is careful instruction in the attractive disposition of left-overs. Nothing is wasted. The lunch room is operated at a substantial profit. Although this cafeteria was not installed without much opposition, the board members became its enthusiastic supporters when tangible results were shown.

In another California school, a successful experiment was made in teaching thrift in the arithmetic classes of the seventh and eighth grades. A teacher observed the children spending money freely at the peanut stand and candy store. Knowing that many parents could not afford this, she began a reform by asking the pupils to make a record of the money spent on them by their parents exclusive of food,

shelter, and clothing. The children were surprised to find that they were getting the lion's share. Their sense of fairness and justice was appealed to very effectively to stop the waste.

It is a capital practise for young people to keep an expense account. Often the mere entering of expense items calls attention to extravagance. If parents could give their children a cash allowance, and let them plan and purchase their clothes, it would be excellent training in the right use of money. If thought wise, special honor could be conferred, or a prize given, to the one who, in the judgment of a committee of business men, saved and spent his money most efficiently. Children are interested in the financial operations of their parents or teachers, and stories with such operations as a basis bring good results.

Although school savings banks have long past the experimental stage and have demonstrated their value, there are only a few hundred of them in the United States. The American Bankers' Association will, upon request, send pamphlets describing these banks and outlining five practical plans for their application. In the November, 1915, issue of the "Journal" of that Association, there is an article by Milton W. Harrison, secretary, Savings Bank Section of the American Bankers' Association, on "Operation of the School Savings Bank," which is excellent and complete in detail.

In Chicago alone, 64 schools have banks and 17,726 children have saved \$36,389.20. In seven years of operation, children in the grade schools of Minneapolis have saved \$350,000, \$180,000 of which has been transferred to regular interest bearing accounts. In the various school savings banks, there are now 175,000 depositors with \$1,000,000 total deposits. Reports for the year ending June, 1913, give the number of depositors in schools savings banks since their establishment to be 216,806, with deposits amounting to \$4,528,068.15. It is admitted that, as a remedial agent, these schools are worth while. For example, in Minneapolis there has been a marked decrease in the tendency on the part of the children to buy things that are not necessary, thus helping them to form the habit of withholding when they do not need to spend.

Many a woman has been started in the practise of saving thru the savings clubs which are now being organized in many banks. Examples of these are the Christmas Savings Clubs and the Vacation Savings Clubs. The banks have worked out a system which enables the depositor to save a stipulated sum in a given time, utilizing small sums from their allowance for the purpose.

In this connection, it is interesting to remember that the vast sums of money necessary to carry on the great business of the nation are not derived from the deposits of capitalists but from the aggregations of millions of thrifty small depositors.

Portland, Ore., tried an interesting thrift experiment when practise stores were placed in some of the schools for the benefit of the younger children. Their last annual report gives the following account: "Our merchants have gladly given us samples of their goods and the little stores have been places of interest to the children. One pupil acts as storekeeper and others with a given amount of toy money come to buy, and the goods are taken from the shelves and put on the counter. The pupils are taught to make change and to make out bills. Lectures have been given on various commodities and how they are produced. The children write essays from memory about cocoa or flour or whatever has been described. In this way, great interest has been added to geography, language, and arithmetic. The Hawaiian Islands, with their sugar-production, has been brought very near when the story of sugar has been told and slides have been shown to let the children see how the work is actually done and the ship that brought the sugar to us has been pointed out to the children at our wharves, and they have seen it being unloaded. If a child goes to a real or imaginary shop with ten cents of real or imaginary money and spends it wisely so as to get the several things he desires, instead of getting too much of one thing and having no money for others, he is getting good financial training. The lessons in arithmetic are connected up with life. Many a child has failed in school for no other reason than lack of interest in the work offered. Illustrations of this point may be found in the lives of Thomas Edison, Benjamin Franklin, and many other successful men.

The use of mottoes and charts are valuable aids to thrift. It is said that the use of comparative charts has been one of the best means of impressing upon the minds of the young Chinese the inferiority of their country in regard to public education, sanitary conditions, railroad extension, etc. Such charts could be prepared and hung on schoolroom walls. For example, the following titles are suggestive:

The savings per capita of different countries.

The debt per capita of different countries.

The yield of various crops per acre in different countries.

Sums spent for education, amusements, drugs, etc., during the year.

How are our taxes spent?

Different occupations and salaries paid in them.

The average earnings of the college graduate.

The average wage of those who leave school at the end of the eighth grade.

Interest charts. (These may be found in MacGregor's book on "Talks on Thrift.")

Pictures, also, are a valuable means of education. Thrift lends itself easily to illustration. When the subject has been carefully outlined, suitable pictures can easily be found. Thrift-teaching will adapt itself to the plan of illustration that Milton Fairchild, chairman, Executive Committee, National Institution for Moral Instruction, Washington, D.C., has so well worked out for teaching morals. Thrift plays, thrift pageants, thrift tableaux, etc., also bring good results.

Thrift talks at assembly exercises and other public gatherings are effective. For example, a suggestive talk could be given on "The Value of Saving Trifles." "Munsey's Magazine" gives the following illustration: "Twenty million families, the big consolidated family of the

United States, each needlessly burning one single match each day, at the price of five cents a dozen boxes, burns down each year the equivalent of a house worth half a million dollars.” The fact that the labor of school children, if directed to the pleasurable task of gardening, would yield \$200,000,000 each year is another suggestive starting-point for a talk on thrift. In connection with school work the saving of pencils, paper, ink, books, water, coal, school property may be emphasized and made the basis of interesting thrift lessons and talks. Let the children work out the loss to the school when each child wastes one sheet of paper each day of the school year. The total will be a surprise. “It is not the cost of a single sheet of paper, a single hour of useless light, a match, a cent or two that counts, it is the cumulative totals that make the astonishing losses.”

One writer suggested that each grade have its Thrift Scrap Book, in which pupils might paste articles on the subject, cartoons ridiculing the waste in municipal affairs, etc.

Many other agencies have been organized for the special purpose of stimulating thrift. Thrift campaigns have been carried on in several cities. They are usually conducted by the Y. M. C. A. and the local banks under the direction of able men. Circulars, posters, buttons, speeches, motion pictures, sermons, are used to further the movement. Hearings are obtained in shops, clubs, and schools. Every instrument for bringing the affair to public favor is used to forward the cause.

Many communities have set aside a day to be known as “Thrift DAY.” In Philadelphia, for example, it is proposed that Thrift Day shall be devoted to bringing before the minds of the people in a definite and striking way the advantages of economy and thrift as affecting the nation and the individual. Thru newspaper articles, thru addresses, and thru the various avenues of publicity, the popular mind can be turned toward thrift and so thoroughly concentrated on it for one day that considerable interest of a permanent nature may be aroused. In many cases, action will be taken that will lead to a permanent cultivation of thrift. One writer suggests the following as a program for Thrift Day:

THRIFT DAY PROGRAM

1. Opening Hymn

2. Reading of the Scriptures

Proverbs VI—6, 7, 8, 9, 10, 11; XII—24 and 27; St. John VI—12.

3. Song by School

4. Quotations on “Thrift”

First child:

Thrift began with civilization. It began when men found it necessary to provide for tomorrow as well as for today. It began long before money was invented.

—SAMUEL SMILES

Second child:

In all conditions and circumstances, well-being is in the power of those who have power over themselves.

—J. J. GURNEY

Third child:

The most vital question in America today is individual preparedness. Not individual preparedness for war, but individual preparedness for anything that may come.

—S. W. STRAUS

Fourth child:

Temperance and thrift are virtues which act and react upon each other strengthening both and seldom found apart.

—ANDREW CARNEGIE

Fifth child:

Self-reliance and self-denial will teach a man to drink out of his own cistern, and eat his own sweet bread, and to learn

and labor truly to get his own living, and carefully to save and expend the good things committed to his trust.

Sixth child:

It is not the aim of thrift nor the duty of men to acquire millions. Hoarding millions is avarice, not thrift.

—ANDREW CARNEGIE

Thirteen children, one following the other quickly.

MAXIMS—JOHN DONOUGH

“Remember always that labor is one of the conditions of our existence.”

“Time is gold; throw not one minute away, but place each one in account.”

“Do unto all men as you would be done by.”

“Never put off till tomorrow what can be done today.”

“Never bid another do what you can do yourself.”

“Never covet what is not your own.”

“Never think any matter so trifling as not to deserve notice.”

“Never give out what does not come in.”

“Do not spend, but produce.”

“Let the greatest order regulate the actions of your life.”

“Study in your course of life to do the greatest amount of good.”

“Deprive yourself of nothing that is necessary to your comfort, but live in honorable simplicity and frugality.”

“Labor, then, to the last moment of your existence.”

5. Song

“The Cricket and the Ant”

6. *Play—Our School Bank (Written by children)*

Scene 1. Meeting of Directors.

Scene 2. A new depositor wishes to make a deposit.

Scene 3. Conversation between two children; the one who saves telling the other the advantages to be derived.

Scene 4. Several children bring to the school bank the pennies they have saved.

Scene 5. Several years later. One young man draws his savings to pay his college fee.

OR

Play—Going to Market

(Written by children after reading circulars sent by Mayor's Pure Food Commission)

Scene 1. Mrs. Berg tells Mrs. Klein how to purchase successfully. Her knowledge has been obtained from the Food Circulars brought from school by her children.

Scene 2. They visit the meat shop, fish store, push carts, etc., using their knowledge gained.

Scene 3. On arriving home they find their children ready for school. This scene illustrates the training received in the Civic League: clean shoes, hands, clothes, etc.

7. *Recitation*

“The Ladybug and the Ant,” by Lydia Huntley Sigourney (Found in Volume VI of “The Children’s Hour”—Houghton Mifflin Co.)

8. *Drill by Boys*

Showing a good daily physical exercise.

9. Thrift Resolutions (about eight) written by the children.

(These should be very short and concise.)

10. School Song

School and orchestra.

In addition to values already emphasized, there are certain less obvious values which are nevertheless no less important. Take the value of time. In regard to which Gladstone has said: "Believe me when I tell you that thrift in time will repay you in after life with a usury of profit beyond your most sanguine dreams, and that the waste of it will make you dwindle alike in intellect and moral stature beyond your darkest reckonings." Henry Ward Beecher, on being asked how he could do so much work—preaching, lecturing, editing a paper, attending councils of ministers—said: "By having a time for everything and always being on time," The Speaker of the House of Representatives knew when to call the House to order by the arrival of John Quincy Adams. He never varies a minute. "Dost thou value life? Then value time, for time is the stuff life is made of."

It is most important that children should acquire the habit of making the most of their time. By precept and example, there are many ways in which the teacher can show the children how she practises thrift in the use of her school time. For example: Material for class use can always be distributed before hours; thrift may be exemplified in the arrangement of work time, play time, and study time; care should be taken that children do not waste study periods by taking longer than is necessary for the preparation of lessons. Additional work should be given the brighter children so that they may be kept employed, and work should be systematized and presented so as to necessitate concentration in preparation. The children should be taught how to study. "Wool-gathering" should be made impossible. It must not be forgotten that certain studies are best mastered by the use of the subconscious powers. For example, when one wishes to recall a lost name or fact, one can more quickly get the information by concentrating for a time on the matter, then leaving the task to the subconscious

mind. The appeal to the subconscious is especially successful in the study of languages, mathematics, and composition. Nearly all lessons should be learned as far in advance of the recitation as possible. All students bear witness to the validity of this theory when they say that they know more about facts upon which they have slept than about data acquired only a few hours before recitation. This method of study abets the cause of thrift in that it accomplishes its purpose with less fatigue than results from using the objective mind only.

A valuable lesson in utilizing time may be learned by visits to manufacturing plants, stores, newspaper offices, and legislative assemblies. It inspires the child to see so many people straining every energy. In the high school at Ann Arbor, Mich., the principal believed that the pupils were wasting time in a prodigal way. They were asked to keep a careful record of their time for a week. Blanks were furnished showing the time from six in the morning until eleven at night divided into quarter-hour periods. The first week, the records were incorrect and unsatisfactory, but, as self-observation became more habitual, the records were more accurate. All the time unaccounted for by study, recitation, sleep, amusement, exercise, or work, was classified as wasted. The appalling grand total was the best possible object-lesson.

It may be well to emphasize, also, that very few people use their energy to the best advantage. Every thought or movement requires force. The conservation of vital energy should be encouraged and stimulated in all grades. In some children more than in others the teacher notices the scattering of nervous force. Even older people waste energy. The people who accomplish great things are those who “keep their heads” in times of stress. Here, also, the secret of thriving lies in saving or conservation—getting as much work done as is possible with the least expenditure of power, the least jar and obstruction, the least wear and tear. The foundation for this habitual conservation and wise direction of energy should be laid in the home and in the school thru kindly drill.

Most important of all, however, are certain higher values which the skillful teacher can emphasize in many ways. Emerson in his writings

clearly differentiates between the higher and lower forms of thrift in his poem on “Days,” he dramatically visualizes a few of the possibilities of life for those who practise spiritual thrift:

*Daughters of Time, the hypocritic Days,
Muffled and dumb like barefoot dervishes,
And marching single in endless file,
Bring diadems and fagots in their hands.
To each they offer gifts after his will,
Bread, kingdoms, stars, and sky that holds them all.
I, in my pleacht garden, watcht the pomp,
Forgot my morning wishes, hastily
Took a few herbs and apples, and the Day
Turned and departed silent. I, too late,
Under her solemn fillet saw the scorn.*

This idea of thrift is also expressed by Christ when he gorged at those whose thrift might gain the whole world on too self-destructive terms. Yet Christ by no means ignored the value of material thrift. When he told his disciples to gather up the fragments of the feast, that nothing might be lost, he set for all time an example of frugality on the material plane where many begin and end their practise of thrift. Nearly all the recorded acts of Christ are illustrations of spiritual thrift, as were most of the activities of Emerson, who frankly admitted that whoever saw his garden knew that he must have another garden.

Teachers of agriculture often say that it is their aim to make two blades of grass grow where only one has grown. That is the principle underlying all thrift-teaching. Think of the effect upon the human family if that attitude of mind became general in all the various activities of life! Children should be trained to look for the good and to add to all worthy values with which they come in contact. The thrifty emotions—goodwill, friendliness, kindness, honor, courtesy, faith, hope, love—should be taught and stimulated. One can never exercise a good and noble attitude of mind toward a fellow-being without being benefited thereby. Kindness to animals brings

great returns both in increased usefulness on the part of the animal and in the upbuilding effect such kindness has on the one who exercises it. For this reason, it is good for a child to have a pet to care for. On the other hand, the unthrifty emotions—anger, hate, jealousy, envy, revengefulness, selfishness, arrogance, etc.—should be weeded out in childhood and their effects explained. This can be done only by painstaking instruction and example by teacher and parent.

Since thrift is established by practise rather than theory; by example rather than precept, the success of this course more than all others, will depend upon the teachers who interpret and teach it. Efficiency in executing this course demands: (1) that every teacher understand the meaning of thrift and practise it; (2) that every teacher appreciate the aim of the course—to create the habit of thrift, to strengthen character, and to teach an appreciation of values; (3) that every teacher have an intelligent understanding of the flexibility of any course in regard to particular methods of presentation. She must know how to work out a course, grade for grade in accordance with local conditions. She must know how to make the course cumulative, sincere, practical, so that the process of development of the thrift idea may be continuous throughout school life. In each advanced stage, additional facts, more intellectual proofs, more practical work must strengthen character.

The idea is prevalent among educators that our teachers are not capable of teaching thrift. Perhaps at first the burden of thrift-teaching must fall on special teachers trained for practical work and hence for a ready appreciation of thrift values. In the meantime, courses in thrift will be established in normal schools, colleges, and universities in order to prepare teachers to meet the problem.

Several states have made the study of thrift compulsory and similar laws are pending in other states. New York City has added a remarkably interesting course. It begins with an inquiry as to the meaning of thrift and then its importance to the individual, the city, the state, and the nation, is explained. The aids to individual thrift—all kinds of banks, trust companies, insurance organizations—are studied, and

their history, organization, and management are considered. The various forms of investment are also investigated.

With our already overcrowded curriculum, it may be extremely difficult to introduce thrift as a separate subject. However, this is not necessary in order to insure the success of thrift-teaching inasmuch as the nature of the subject is such that it is as well taught in correlation with other subjects in the curriculum. There is scarcely a subject in any department of school work that would not be benefited by the introduction of the thrift idea. Thru correlation, some principle of thrift may be emphasized in almost all courses. For example: in geography, conservation; in biography, opportunity; in business courses, foresight and system; in arithmetic, accuracy; in history and civics, cooperation; in literature, industry and many other principles; in physiology, care of health; in manual training, thoroughness; in drawing, constructiveness; in cooking and sewing, economy, and so on. It cannot be disputed that psychologically this method is sound. It is in accordance with the mental law that "the more facts a fact is associated with in the mind, the better possession of it the memory retains." It also furnishes continuity of training which, according to William James, is "the great means of making the nervous system act infallibly right."

Thrift demands discrimination; discrimination results from knowledge of values; and knowledge of values calls for teaching that will stimulate in all-round growth—not the general haphazard instruction which experience is willing to bestow at some time during life, but the patient hammering of a disinterested parent or teacher until the malleable inclinations of the young are wrought into habit. Whenever any virtue, however weak in the beginning, has become a habit of self-restraint, the end desired by education has been attained. Thrift-teaching therefore, should include a minimum of theory and a maximum of practical application of the theory to all the problems that abound in the life of the student.

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32. FIFTEEN LESSONS IN THRIFT

U.S. Treasury Department, Savings Division, *Fifteen Lessons in Thrift* (Washington, D.C.: Government Printing Office, August 1919).

INTRODUCTION

The Fifteen Lessons herewith presented are designed for the teaching of thrift and savings in secondary schools or other schools containing young people ranging in ages from 14 to 20 years.

These lessons are to be presented in connection with the subject of civics in all schools in which that subject is taught, and in connection with a related subject in all schools where the subject of civics is not taught.

The lessons are designed to consume one period from 30 to 45 minutes in length, and are so constructed as to raise questions in the minds of the members of the class when presented.

To render universal and permanent the great lesson of the war—the lesson of thrift and savings—means a contribution of great value to the individual who learns the lesson, to the community, the State, and the Nation of which he forms a part.

The lessons are intended to be given at intervals about two weeks apart, and are made sufficiently flexible to be readily applied to any

local conditions arising in any State of the Union. They may be modified by addition or reduction, according to the necessity which local conditions present and without turning aside from their main purpose.

If through the inculcation of these 15 suggested lessons there shall be formed in the minds of the class the permanent habit of thrift, the civic and material gain will be great.

Save first—spend afterwards.

SUBJECTS

- I. THRIFT.**
- II. SAVINGS STAMPS.**
- III. ORGANIZATION OF THRIFT WORK.**
- IV. NECESSITY OF THRIFT.**
- V. THRIFT IN BUYING.**
- VI. PERSONAL BUDGETS.**
- VII. CONCRETE EXAMPLES OF EARNING.**
- VIII. LOCAL OPPORTUNITIES FOR WORK.**
- IX. THRIFT MEASURED IN DOLLARS AND CENTS.**
- X. FINANCIAL INDEPENDENCE THROUGH THRIFT.**
- XI. THRIFT AS A COMMUNITY ASSET.**
- XII. SAVINGS BANKS.**
- XIII. GOVERNMENT BONDS AND OTHER BONDS.**
- IV. INSURANCE AS A FACTOR OF SAFETY.**
- XV. THRIFT AS EXEMPLIFIED BY MODERN AMERICANS: ROOSEVELT, EDISON, JAMES J. HILL, ETC.**

LESSON I.

THRIFT.

I. PURPOSE.

To explain the main characteristics of thrift.

II. DISCUSSION.

1. What thrift is not:
 - a) Hoarding money—one of the most thriftless things one can do.
 - b) Self-denial—thrift is merely postponing little pleasures now for greater ones in the future.
 - c) Parsimony—excessive and unreasonable saving.

2. What money thrift is:
 - a) Earning money—
By producing goods and materials.
By rendering efficient service.
 - b) Saving money—
By earning money and spending it wisely.
By conserving food, clothing, and all useful articles.
By eliminating all waste.
 - c) Investing money wisely in—
War Savings Stamps.
Government and municipal bonds.
Savings banks.
Other sound securities.
 - d) Wise spending of money—
For durable necessities.
Avoidance of ephemeral pleasures.

3. Partners with money thrift:
 - a) Time thrift—wise use of time.
 - b) Health thrift—conservation of health.

4. Where thrift should be practiced:
 - a) In one's personal affairs.
 - b) In the home.
 - c) In one's work.
 - d) In the community.
 - e) In the nation.

III. CONCLUSIONS.

1. Thrift has four aspects—earning, saving, investing, and spending.

2. “To spend money for things which add to one's power—mental, physical, moral, or economic—is thrift. To spend it for tools of production wherewith one may increase his productive power, is thrift . . . To spend money thriftily is to add to the productive power of both the individual and the nation.”—T. N. Carver.

Thrift is a habit, not a hardship.

LESSON II.

THRIFT AND WAR SAVINGS STAMPS.

I. PURPOSE.

To acquaint pupils with the main features of Thrift and War Savings Stamps and to demonstrate the advantages which they offer for small savings.

II. DISCUSSION.

1. Thrift Stamps—what they are.
2. War Savings Stamps:
 - a) The Government's obligation to pay the investor principal and interest at 4 per cent compounded quarterly within five years.
 - b) Price of War Savings Stamps each month.
 - c) Redemption privileges.
 - d) Registration of War Savings Stamps for safety.
3. Advantages of War Savings Stamps:
 - a) Absolutely safe security—no swindling possible.
 - b) Relatively high rate of interest.
 - c) Issued in small denominations—compare with other securities (stocks, bonds, farm mortgages) in this respect.
 - d) Easily and conveniently obtained—compare with other securities in this respect.
 - e) Principal and accumulated interest easily secured if needed.
 - f) The market price does not fluctuate—compare with other securities in this respect.

III. CONCLUSIONS.

1. War Savings Stamps meet all the requirements of a sound investment in the highest degree.
2. Owners of War Savings Stamps; have a definite stake in their Nation, which makes for practical citizenship.

Save and succeed.

LESSON III.

THE ORGANIZATION OF THRIFT WORK.

I. PURPOSE.

To induce pupils to take measures for the conservation of school property and supplies and to make definite arrangements for the sale of Thrift and War Savings Stamps in the schools.

II. DISCUSSION.

1. Conservation of school property and supplies:
 - a) Build up a spirit of cooperation against injuring school buildings and furniture.
 - b) "The city pays for it," declared Ellen as she crumpled up a half-used sheet of paper and threw it into the waste basket—comment on this.
 - c) Develop the habit of saving books, pencils, and paper.
 - d) Induce pupils to use athletic and gymnasium supplies carefully.
2. The sale of Thrift and War Savings Stamps in the school:
 - a) Discuss the best methods.
 - b) Make definite arrangements concerning—
How the stamps shall be obtained.
How and when they shall be sold.
Where the stamps shall be kept.
Methods of keeping accounts.
 - c) Sale of stamps to be conducted by students—supervised by a teacher.
3. Means of developing interest in the sale of War Saving Stamps:
 - a) Interclass competition.

- b) Banners or other rewards to the class with the best sales record.
- c) School thermometers showing results of sales.
- d) Publication of weekly results in the newspapers.

III. CONCLUSIONS.

1. The conservation of school supplies enables pupils to save money for the purchase of Thrift and War Savings Stamps.
2. Each school or class is a very convenient unit for the sale of War Savings Stamps.
3. Pupils can put the principles of thrift into concrete practice by buying War Savings Stamps.
4. The sale of War Savings Stamps is a worthy, patriotic duty for high school students to engage in.
5. “No boy ever became great as a man who did not in his youth learn to save money.”—John Wanamaker.

Coin Thrift into Thrift Stamps.

LESSON IV.

THE NECESSITY FOR THRIFT.

I. PURPOSE.

To show the necessity for individual thrift during the period of readjustment in America.

II. DISCUSSION.

1. Exhaustion of some of our natural resources on account of waste in the past.
2. Effect of the war on American industry:
 - a) Drew almost 4,000,000 men from productive enterprises into the Army and Navy.
 - b) Concentrated thousands of men in industries supplying war materials.
 - c) Made it necessary to postpone building of houses, improving roads, and the keeping up of equipment.
3. Economic needs in America:
 - a) Machinery, equipment, buildings, and transportation facilities in order that production of needed goods may be maintained and increased.
 - b) Capital with which to purchase materials and equipment and to employ labor.
 - c) Labor with which to rebuild what was neglected during the war.
4. How individual thrift will help to solve our economic problems:
 - a) Personal economy will enable Americans to save money.

- b) Savings may be invested in War Savings Stamps, savings banks, and Government and municipal bonds.
- c) Savings thus invested are used to employ labor and to purchase machinery, materials, and equipment with which to produce the goods needed and desired.

III. CONCLUSIONS.

1. The money we save helps to employ labor and make “good times.”
2. The more Americans save the more easily our country will recover from the effects of the war and resume prosperity.
3. A nation rises or falls with the personal practices of the individuals composing it. Ancient Babylon and the proud Roman Empire fell on account of the thriftlessness of their people.
4. “Through thrift alone can the rebuilding come—the rebuilding of America—the rebuilding of the world.”—S. W. Straus.
5. “The thrifty nation likewise prospers while the thriftless nation remains in poverty. The thrifty nation is the nation to which men immigrate to improve their condition. The thriftless nation is the nation from which they emigrate to get away from bad conditions.”—T. N. Carver.
6. “When many people are investing in tools, many tools will be produced and industry will then be well equipped with aids to production. In short, there will be many factories well equipped with buildings, machines, and materials. That is a condition in which there is much employment.”—T. N. Carver.

Thrift is shorthand for “Waste not, want not.”

LESSON V.

THRIFT IN BUYING.

I. PURPOSE.

To demonstrate to pupils the wisdom of economical buying.

II. DISCUSSION.

1. Unwise buying:
 - a) Buying articles not needed because they are cheap—interesting experiences.
 - b) Buying clothes of inferior quality because they are cheap—they do not last well; must be replaced soon.
 - c) Buying food of inferior quality because it is cheap—often causes sickness and menaces health.
 - d) Buying high-priced articles to keep up with extreme fashions does not win the admiration of others; a very prevalent form of extravagance.
 - e) Excessive amount of sweets, whether of good or inferior quality.

2. Wise buying:
 - a) High-grade clothing, even if costly in the beginning, is often more economical in the end—wears better; lasts longer.
 - b) Plain, staple food, although expensive, may be economical if it is necessary for the health.
 - c) It is always possible to dress in good taste at moderate expense.
 - d) Buying necessary articles for future use in large quantities is wise economy.

- e) Plan with a purpose and the future in mind when you buy.
3. Is it economical to buy on the installment plan?
- a) Encourage a discussion.
 - b) Example: One store in a large city has sold fur coats to 300 young ladies “a dollar down and a dollar a week.” Comment on this.

III. CONCLUSIONS.

1. Wise buying consists in securing the best values as cheaply as possible.
2. The problem of buying is to get full value for one's money.
3. By wise economy in buying one may accumulate savings.
4. “Everyone achieves successful accomplishment who spends his income to advantage, who gets the most possible for his money.”—Charles M. Schwab.

The time to save money is before you spend it.

LESSON VI.

PERSONAL BUDGETS.

I. PURPOSE.

To acquaint pupils with the main features of a personal budget and to induce them to follow a definite plan for earning, saving, and spending money.

II. DISCUSSION.

1. Definition: A personal budget is a detailed plan of anticipated receipts and proposed savings and expenditures for a definite future period.
2. Have the pupils make a list of the things for which they spent their money during the previous week or month.
3. Ask the pupils to check off the things for which they spent money unwisely. Caution pupils against excluding all amusements or including an unreasonable number of them.
4. Using this list as a basis, request each pupil to write down in a column the amount of money which he expects to receive in earnings and allowances during the next week or month. In another column write down the things for which he expects to spend this money. Make savings to be invested in Thrift and War Savings Stamps the first item in this column. Insist that pupils endeavor to live up to their budgets so far as possible.
5. Example of a personal budget:

Month of October, 1919.

SAVINGS = \$1.00

INCOME		EXPENDITURES	
On hand	\$0.75	Books	\$3.00
Allowance	1.50	Paper	.20
Work	4.50	Pencils	.10
<i>Total</i>	<i>\$6.75</i>	Collars	.50
		Necktie	.75
		Amusements	.50
		Sundries	.20
		Balance	.50
		<i>Total</i>	<i>\$5.75</i>

III. CONCLUSIONS.

1. Accurate estimates of weekly or monthly income and expenditures can be made on the basis of past experience.
2. Savings should form the first item in every plan of using the income.
3. Living up to a budget means the formation of successful business habits.
4. “Annual income, twenty pounds; annual expenditure, nineteen, six; result happiness. Annual income, twenty pounds; annual expenditure, twenty pounds, ought and six—result misery.”—Micawber in *David Copperfield*. Charles Dickens.

Poorhouses are filled with those who failed to save.

LESSON VII.

CONCRETE EXAMPLES OF EARNING AND SAVING MONEY.

I. PURPOSE.

Through inspiring examples to induce pupils to earn and save money.

II. DISCUSSION.

1. Examples from various parts of the country:
 - a) Marie Bradfish, of St. Johns County, Fla., raised 152 chickens, valued at \$264.24. Expenses for raising the flock were \$56.95, leaving a net profit of \$207.29.
 - b) Of 195 Boys' and Girls' Club workers in Michigan, 134 have purchased War Savings Stamps, 103 have savings bank accounts, 89 have purchased Liberty bonds.
 - c) A boy in Cherokee County, Ala., was enabled to enter high school on the money he earned making brooms. He has sold 60 brooms at \$1 each and intends to make 200 more.
 - d) With a little equipment a Vermont boy in about three weeks made 60 pounds of maple sugar and 4 1/2 gallons of sirup.
 - e) Elgie Coacher, of Davison County, S. Dak., raised 52 1/2 bushels of potatoes on one-eighth acre last year.
 - f) Wilbur Barrett, of Whatcom County, Wash., made \$65 profit from one-tenth acre of beans. He spent \$16 of this money for clothes, \$7 for some rabbits, \$2 for amusement, and gave the rest to his father to help buy an auto in which to go to school.

- g) “I just about canned my garden this year,” says Seth S. Pope, of Barnstable, Mass., “that is, what we couldn’t eat fresh. Because I did, I am able now to enjoy at all seasons of the year the fruits of my labor.” How much did he can? Over 200 quarts.
 - h) Last year in the Northern and Western States 1,120,813 boys and girls were engaged in one or more garden and agricultural projects. The total reported valuation of all products grown was \$6,019,092.26, and the cost of production was \$2,447,313.54.
2. Local examples of ways in which boys and girls have earned money.

III. CONCLUSIONS.

1. There are always numerous opportunities for earning and saving money.
2. Youthful experience in earning and saving money is excellent preparation for a thrifty career in life.
3. Boys and girls who are busy earning and saving money are developing healthy minds and bodies.
4. Thrift and War Savings Stamps are ideal investments for boys and girls.
5. “Happiness consists in earning a little and spending a little less.”—Robert L. Stevenson.

You never miss the water till the well runs dry.

LESSON VIII.

LOCAL OPPORTUNITIES FOR WORK.

I. PURPOSE.

To outline a few thrift projects by means of which boys and girls can earn and save money.

II. DISCUSSION.

1. Home gardens:
 - a) Vegetables which may be grown profitably in the community.
 - b) Value of fresh vegetables to the family table.
 - c) Selling garden produce in the community.
 - d) Canning vegetables for sale or for future family use.
 - e) Keep a careful account of receipts and expenditures.
2. Salvaging projects:
 - a) Examples—collecting and selling old rubber, tinfoil, paper, iron, copper, bottles, and clothes.
 - b) Improves the looks of property.
 - c) In a single year the salvage in the United States in scrap metal, waste paper, rags, rubber, and other junk, amounted to \$1,500,000,000—more than the total governmental expenditures before the war.
3. Rural projects for boys and girls:
 - a) Character—earning money by individual enterprises.
 - b) Examples—raising poultry, pigs, calves, corn, tomatoes, and potatoes; canning fruit and vegetables; sewing.

4. Miscellaneous projects:
 - a) Carrying papers, delivering groceries, mowing lawns, digging gardens, trimming hedges, splitting kindling, carrying ashes, picking fruit, cleaning sidewalks, collecting bills, sweeping stores, distributing handbills, and washing windows.

III. CONCLUSIONS.

1. Earning money gives one a true sense of its value.
2. A careful account of receipts and expenditures shows what projects have been remunerative and helps to form excellent business habits.
3. Learning to work efficiently is a very important principle of thrift.
4. The money which pupils have enables them to undertake larger projects and to earn more money.
5. "Produce! Produce! Were it but the pitifullest infinitesimal fraction of a product, produce it, in God's name! 'Tis the utmost thou hast in thee; out with it then."—Thomas Carlyle.

The man who cannot save the first dollar cannot save the last.

LESSON IX.

THRIFT MEASURED IN DOLLARS AND CENTS.

I. PURPOSE.

To show the speed with which money accumulates when saved regularly and invested at compound interest.

II. DISCUSSION.

1. Examples of the wonders of compound interest:
 - a) If one of the Pilgrim Fathers had invested \$100 at 4 per cent compound interest, it would now amount to over \$13,000,000.
 - b) If Columbus had invested \$100 at 4 per cent compound interest, it would now amount to over \$2,000,000,000.
 - c) In 30 years the daily saving of a dime will amount to more than \$1,000.
2. Buying War Savings Stamps systematically:

STAMPS - 1919.	<i>Average cost</i>	<i>Maturity value</i>
1 War Savings Stamp a month, or \$0.96 a week	\$50.16	\$60.00
2 War Savings Stamps a month, or \$1.93 a week	100.32	120.00
3 War Savings Stamps a month, or \$2.89 a week	150.48	180.00

STAMPS - 1919.	<i>Average cost</i>	<i>Maturity value</i>
1 War Savings Stamp a week, or \$4.18 a week	\$217.36	\$260.00
2 War Savings Stamps a week, or \$8.36 a week	434.72	520.00
3 War Savings Stamps a week, or \$12.54 a week	652.08	780.00
4 War Savings Stamps a week, or \$16.72 a week	869.44	1,040.00

War Savings Stamps cost \$4.12 (January) to \$4.23 (December). The approximate average cost is \$4.18, which figure was used in compiling the above table.

- Results of systematic savings invested at 4 per cent interest compounded semi-annually:

MONTHLY SAVINGS.

	<i>1 year.</i>	<i>2 years.</i>	<i>3 years.</i>	<i>4 years.</i>	<i>5 years.</i>
\$1	\$12.24	\$24.98	\$38.24	\$52.03	\$66.39
\$2	24.48	49.96	76.48	104.06	132.77
\$3	36.73	74.94	114.71	156.10	199.16
\$4	48.97	99.93	152.95	208.13	265.55
\$5	61.21	124.91	191.19	260.16	331.94
\$10	122.42	249.81	382.38	520.32	663.87

	<i>6 years.</i>	<i>7 years.</i>	<i>8 years.</i>	<i>9 years.</i>	<i>10 years.</i>
\$1	\$81.32	\$96.87	\$113.04	\$129.83	\$147.35
\$2	162.65	193.74	226.09	259.67	294.70
\$3	243.97	290.61	339.13	389.50	442.05
\$4	325.30	387.48	452.18	519.34	589.39
\$5	406.62	484.35	565.22	649.17	736.74
\$10	813.25	968.89	1,130.45	1,298.35	1,473.48

4. Results of systematic savings:

- a) By saving \$1 every 6 months and investing it at 4 percent interest compounded semi-annually the total savings will be at the end of—

<i>Years.</i>		<i>Years.</i>		<i>Years.</i>	
1.	\$2.02	6.	\$13.412	20.	\$60.402
2.	4.122	7.	15.974	25.	84.579
3.	6.308	10.	24.297	28.	101.558
4.	8.583	15.	40.568	33.	134.749
5.	10.950	17.	48.034	35.	149.978

From this table figure out what weekly or monthly savings of from \$1 to \$25 will amount to for the years given above.

- b) Doubling your income: Suppose that you are 22 years of age and that you earn \$20 per week, or \$1,040 per year. You can double your income by the time you are 50 years of age. This is how it is done. Deposit \$5 each week in a savings bank at 4 per cent interest compounded semi-annually. Whenever \$1,000 accumulates draw it out and invest it in some sound security drawing 6 per cent interest—

In 5 years you will have saved	\$1,454.03
In 10 years you will have saved	3,888.99
In 15 years you will have saved	5,998.57
In 20 years you will have saved	9,497.13
In 25 years you will have saved	14,206.13
In 28 years you will have saved	17,779.11

\$17,779 at 6 per cent interest will yield \$1,066.92 annually, or \$20.51 per week.

5. The cost of luxuries:

- a) Money drawing interest at 4 per cent compounded semi-annually doubles in 17 1/2 years, quadruples in 35 years, and grows eightfold in 52 1/2 years.

b) Examples:

A dollar wasted when you are 12 would mean \$2 toward a home when you are 30.

Fifty cents spent on luxuries at 14 would mean a birthday present to your friend of \$2 when you are 49.

By spending \$5 in wasteful pleasure when you are 20 you will have \$20 less when you are 55.

III. CONCLUSIONS.

1. The cost of luxuries is not only what you now pay for them but what the same money invested would amount to 5, 10, 20 years later.
2. “Compound interest is the foundation upon which the majority of fortunes are built. It works silently but incessantly—Sundays, week days, holidays. It works while you sleep and while you play.” —T. D. MacGregor.

An efficient dollar is one invested in War Savings Stamps.

LESSON X.

FINANCIAL INDEPENDENCE THROUGH THRIFT.

I. PURPOSE.

To show that financial independence is the result of practicing thrift.

II. DISCUSSION.

1. The financial declaration of independence:
 - a) Earning.
 - b) Saving first and spending afterwards.
 - c) Investing savings wisely.
 - d) Result—constantly increasing savings for any use desired.

2. Savings and independence of self:
 - a) Victory over the inclination to waste money.
 - b) Habit of saving for future needs deeply ingrained and permanent.
 - c) Self-respect.
 - d) Ability to balance future needs against present ones.

3. Savings and independence of others:
 - a) Ability to meet personal or family emergencies promptly.
 - b) Ability to take advantage of financial opportunities.
 - c) Ability to borrow money; consciousness of power.
 - d) Self-confidence.

III. CONCLUSIONS.

1. Men and women are not free and independent unless they are financially independent.
2. There is no democracy without independence and there is no independence without thrift.
3. “The most important ends of economy are independence and resource—the freedom of choice in a thousand directions that a little capital gives.” —J. D. Warner.
4. “If you would know the value of money, go and try to borrow some.” —Benjamin Franklin.

Millions will be dependent in old age.

LESSON XI.

THRIFT AS A COMMUNITY ASSET.

I. PURPOSE.

To show that thrift in public affairs saves the time and money of each citizen.

II. DISCUSSION.

1. Waste in the community:
 - a) Injuries to park benches, library books, city buildings, and furniture.
 - b) Waste from preventable fires.
 - c) Waste of water and light.
 - d) Waste in garbage.

2. Cost of waste in the community:

Examples:

In one year it cost \$75,000 to repair the damage done by careless people in a New York park.

The average cost of preventable fires in New York City is \$2.15 per person annually; total, \$12,000,000 per year.

Twenty-five cities in the United State throw away in garbage \$2,400,000 worth of grease, \$1,000,000 worth of fertilizer, 8,000,000 pounds of glycerin, and 200,000,000 pounds of soap-making material.

3. The thrift of community enterprises:
 - a) Examples: Water system, gas and electric light systems, the police and fire departments, disposal of waste and garbage.

- b) Economies which they effect for each individual at low cost.
4. The thrift of the city water system:
- a) Variety of uses to which water may be put in the home.
 - b) Variety of uses to which water may be put on the streets and in factories.
 - c) Ways in which water is wasted and the cost of wasting it.
5. Thrift of health in the community:
- a) Conserving health one of the first principles of thrift.
 - b) Local measures for the conservation of health.
 - c) Examples of loss of time and money due to sickness:
 Wage earners in New York lose 20,000,000 working days a year on account of sickness.
 Each of the 30,000,000 wage earners in the United States loses on the average about nine days each year on account of sickness.
 - d) Estimate what one loses in salary and expenses by being ill a day, a week, a fortnight each year. Estimate what it means, in money to increase the average length of life.

III. CONCLUSIONS.

1. No investment pays so large a dividend as careful attention to health.
2. Each citizen saves much time and money through well-conducted community enterprises.
3. The careful conservation of public property reduces the taxes.

4. High taxes are beneficial if they are economically and judiciously expended.
5. Property is more valuable in a community governed in a thrifty manner.
6. “The injury of prodigality leads to this, that he who will not economize will have to agonize.”—Confucius.

Thrift takes you up the ladder, waste brings you down.

LESSON XII.

THE SAVINGS BANK.

I. PURPOSE.

To show the benefits which savings banks perform for the individual and the community.

II. DISCUSSION.

1. Instances of savings banks in the community.
2. Usual rules of savings banks regarding deposits:
 - a) Rate of interest.
 - b) Number of times annually when interest is compounded.
 - c) Withdrawal privileges.
3. The deposits of savings banks:
 - a) State laws governing the investment of deposits.
 - b) Invested in real estate loans and in municipal and corporation bonds.
 - c) Provides capital for new enterprises.
4. Amount of deposits in savings banks:
 - a) Before the war there were in the United States 108 savings bank depositors for every 1,000 population; in Italy, 288; in England, 302; in Germany, 317; in France, 346; in Belgium, 397, in Switzerland, 544.
 - b) Amount of money in United States savings banks, 1915, \$4,997,700,000; 1918, \$5,471,500,000.
 - c) Helpful effect of the savings movement in increasing the deposits of savings banks.

III. CONCLUSIONS.

1. Savings banks are a safe and convenient place for investing small sums of money.
2. Pay reasonable rates of interest, compounded frequently.
3. Provide a convenient method of accumulating money for investment in bonds and real estate.
4. Savings bank accounts and War Savings Stamps are excellent partners.
5. “Every child should have a bank account and be taught to make it grow gradually but surely. An intelligently managed bank account gives youth its start in life, middle age its competency, and old age its comforts and security.”—
Elbert Hubbard.

It is better to see your money grow than to watch it go.

LESSON XIII.

GOVERNMENT BONDS AND OTHER BONDS.

I. PURPOSE.

Soon after leaving school a large number of students come in contact with stocks and bonds. This may occur through participation in the purchase of Government and municipal bonds or through participation in the organization of local companies. It is wise therefore for pupils to gain a clear conception as to what these securities are and the opportunities which they offer for investment.

II. DISCUSSION.

1. Government bonds:
 - a) The promissory note of the United States Government secured by the entire resources of the country.
 - b) Pay good rates of interest considering the security.
 - c) Issued in small denominations.
 - d) Investing in Government bonds and holding on to them
a patriotic duty and of personal advantage.
2. Municipal bonds:
 - a) The promissory note of a town or city secured by their sources and property of the community.
 - b) Issued for purpose of making improvements in the community.
 - c) Pay good rates of interest.
 - d) Investing in municipal bonds a mark of a good citizen and of personal advantage.

3. Stocks and bonds of private corporations:
 - a) Nature of each.
 - b) Offer a wide field to an investor acquainted with a company's financial conditions and prospects.
 - c) Speculative character of stocks.
 - d) Stock swindlers defraud the people of the country of an amount estimated at \$300,000,000 each year. Blue-sky laws in various States against fraudulent companies.
4. Methods of accumulating money to invest in securities:
 - a) Savings banks and building and loan associations.
 - b) War Savings Stamps.

III. CONCLUSIONS.

1. Government and municipal bonds are absolutely safe and pay good rates of interest.
2. Money invested in Government and municipal bonds helps to employ labor and to pay the necessary expenses of the Government.
3. One should have trustworthy information concerning the business conditions of private corporations before investing in corporation bonds and especially in stocks.
4. "Government obligations have been and will continue to be—if there is to be any order in the world—the premier security into which investment money can go."—D. W. Morrow.

Only 1 man in 20 leaves enough to pay the undertaker.

LESSON XIV.

LIFE INSURANCE AS A FACTOR OF SAFETY.

I. PURPOSE.

To acquaint pupils with the part which life insurance should play in the individual's plan for family protection and saving money.

II. DISCUSSION.

1. Need of financial protection for the family:
 - a) The records of the surrogates' court of New York show that at death 3 men out of every 100 leave an estate of \$10,000 or more; 15 men out of every 100 leave an estate of \$2,000 to \$10,000; 82 men out of every 100 leave no income-producing estate. Result: Eighteen widows out of every 100 are in comfortable circumstances; 47 widows out of every 100 are obliged to go to work and often lack comforts; 35 widows out of every 100 are left in absolute want and must depend largely on charity to live.
 - b) There are 3,000,000 widows in America over 65 years of age, and over 32 per cent of them lack the necessities of life, and 90 per cent the comforts.
 - c) One person out of every 10 who dies in our large cities is buried in the potter's field.
2. Causes of distress of dependents:
 - a) Lack of savings.
 - b) Lack of life insurance.
3. Place of life insurance in one's plan of savings:
 - a) Maximum amount of insurance during early working

years; during period before savings have accumulated; during period when there is the largest number of dependents.

- b) Smaller amount of insurance in later life if savings have accumulated; if dependents have decreased in number.
- c) Benefits of life insurance: Removes financial worry concerning the future of one's dependents; makes it easier to concentrate attention on one's work; obligates one definitely to provide for the future.

III. CONCLUSIONS.

1. Life insurance protects a man's family while he is accumulating savings.
2. Life insurance teaches the need of providing for the future.
3. Savings and life insurance should be partners.
4. "Provision for others is a fundamental responsibility of human life." —Woodrow Wilson.
5. "Life insurance compels thrift; it puts the insured under bonds to lay up a few dollars every year to provide for the future." —Lyman Abbott.
6. "I should think ill of any man who did not leave his children a little better off materially than himself." —Theodore Roosevelt.

"Look before or you'll find yourself behind."
—Benjamin Franklin.

LESSON XV.

THRIFT AS EXEMPLIFIED BY MODERN AMERICANS.

II. PURPOSE.

To show the important part which the practice of thrift played in the successful careers of such men as Theodore Roosevelt, Thomas A. Edison, and James J. Hill.

II. DISCUSSION.

1. Thrift characteristics of their lives:
 - a) Invested in a good education in early years.
 - b) Carefully conserved their health.
 - c) Learned their business or occupation thoroughly.
 - d) Saved money as soon as they began to earn it.
 - e) Worked hard, played hard, but were never idle.
 - f) Seized opportunities—never wasted them.
 - g) Concentrated on things of importance.
 - h) Exhibited great initiative and enthusiasm for their work.
 - i) Devoted themselves to public as well as private economy.
 - j) Added greatly to the world's wealth as well as to their personal fortunes.
2. Examples of prominent thrifty men in the State or community.
3. The advice of three great thrifty men:
 - a) "If you want to know whether you are going to be a success or a failure in life, you can easily find out. The test is simple and infallible. Are you able to save

money? If not, drop out. You will lose. You may not think it, but you will lose as sure as you live. The seed of success is not in you.”—James J. Hill.

- b) ‘Waste is worse than loss. The time is coming when every man who lays claim to business ability will keep the question of waste before him constantly.’
—Thomas A. Edison.
- c) “Extravagance rots character; train youth away from it. On the other hand, the habit of saving money, while it stiffens the will, also brightens the energies. If you would be sure that you are beginning right, begin to save.”—Theodore Roosevelt.
- d) “Let the rule be that every dollar spent unprofitably marks a crime against posterity just as much as does the dissipation of great material resources.”—James J. Hill.

III. CONCLUSIONS.

1. Successful men practice thrift in all its forms.
2. Modern Americans are learning to save money first and spend afterwards.
3. Thrifty men owe much of their success to thrifty mothers and thrifty wives.
4. It has been said that 80 per cent of the successful men in this country began life poor.
5. “The man who saves will rise in his trade or profession steadily. This is inevitable.”—William E. Gladstone.

“A small leak will sink a great ship.”

33. TEACHING THRIFT IN ELEMENTARY SCHOOLS

U.S. Treasury Department, Savings Division, *Outline Suggested For Teaching Thrift in Elementary Schools* (Washington, D.C.: Government Printing Office, August 1919).

Outline Suggested For Teaching Thrift In Elementary Schools

INTRODUCTION.

No duty more urgent or necessary grows out of the great World War than that of making a serious and continuous effort through all our educational institutions to teach the lesson of thrift. The lessons which are most telling in shaping habit and character are learned in the school years, because during this period the child is more susceptible to impressions.

The lessons suggested in this pamphlet are sufficiently flexible to permit the introduction of such local material as has particular interest and value, and at the same time these lessons are designed to be given at least one period per week through each grade, so that the cumulative effect of such teaching may function in proper attitude toward thrift and savings in our national life.

THRIFT IN ELEMENTARY SCHOOLS.

Definitions.

Thrift is care and prudence in the management of one's affairs. "Thrift is the management of one's affairs in such a manner that the value of one's possessions is being constantly increased."

"Thrift means the sane administration of one's personal affairs to the end that there shall be the least amount of waste, the least amount of lost motion, and the greatest good to one's self and the nation."
—S.W. Straus.

Thrift means to get the most for one's money, the most for one's time, the most for one's strength.

"By thrift is meant simply that way of living which systematically transfers a portion of one's income to one's capital."—Shailer Matthews.

"Thrift does not consist in hoarding money, but in spending it for the more important rather than the less important things."—T.N. Carver.

"Thrift means taking care of things and saving them."

***Buy Government Securities, large or small, and hold them.
Let no persuade you to sell them.***

GRADES I AND II.

I. PURPOSE.

To demonstrate the advantages the red squirrel enjoys by being thrifty.

II. DISCUSSION.

1. How the squirrel saves:
 - a) He builds a comfortable and durable home in the hollow of a tree.
 - b) He works all summer and fall laying away nuts and acorns while they are plentiful.
2. Why the squirrel saves:
 - a) Because food is difficult to obtain in the winter when the snow covers the ground.
 - b) Because it is much more comfortable to gather food in the summer and to remain indoors when it is cold in winter.
3. The squirrel and the rabbit compared:
 - a) The squirrel lives comfortably through the cold winter on the food he saves in the summer and autumn.
 - b) The rabbit, because he never stores away anything, must hunt for food all winter long no matter how deep the snow may be. Sometimes when the snow lies deep on the ground for a long time he starves for want of something to eat.

III. CONCLUSIONS.

1. The squirrel is very much wiser than the rabbit because he saves food for coming winter.

2. As squirrels save nuts for winter so children can save little things for times when they will need them—paper, chalk, pencils, and pennies.
3. Boys and girls can save their pennies by buying Uncle Sam's Thrift Stamps.
4. "By saving nickels and dimes a thrifty person lays the foundation of a fortune."—James A. Garfield.

IV. ADDITIONAL THRIFT LESSONS.

1. The thrift of the bee family.
2. The thrift of the ant family.
3. The conservation of plants, shrubbery, and flowers in the parks and in the woods.
4. The germination of the bean—its food basket saved from the previous year.
5. The thrifty habits of the Eskimos.
6. The American Indians: Thrifty and unthrifty habits.
7. The conservation of one's health through the prevention of colds, care of the teeth, and plenty of sleep, fresh air, and plain food.
8. Problems based on combinations of numbers to 25 as a means of explaining the cost of a Thrift Stamp.
9. Thrifty use of materials in clay modeling, paper cutting, and color boxes.
10. How the camel saves water for the journey across the desert.

V. POEMS AND STORIES.

1. Jack Sprat—saving food.
2. A dillar, a dollar—wasting time.
3. Early to bed—sleep, a good investment.
4. See a pin, pick it up.
5. Apple Seed John—preparing for the future.
6. The Little Kittens—a place for everything and everything in its place.
7. Little Brown Hands—what a child can do.
8. The Bramble Bush and the Lambs—cooperation.

Sharing in Government is good citizenship—buy W.S.S.

GRADE III.

I. PURPOSE.

To demonstrate the importance of the fire department as a means of saving the lives and property of citizens.

II. DISCUSSION.

1. The fire department costs the community money in the form of taxes.
2. Losses which would occur much more frequently except for the fire department:
 - a) Valuable homes and business houses be lost.
 - b) Lives of men, women, and children be lost.
 - c) Great loss of money.
 - d) Large buildings and business blocks would be impossible unless made of fire proof materials.
 - e) Terrible conflagrations, such as the Chicago fire, would be much more frequent.
 - f) The rates of fire insurance would be materially increased.
 - g) In spite of the assistance rendered by the fire departments the annual property loss in the United States and Canada averages over \$200,000,000 each year—about \$2 per capita.
3. How children can help the fire department:
 - a) By being careful about matches, bonfires, firecrackers, and candles on Christmas trees.
 - b) Learning fire drills, the location of exits, and the use of fire escapes.

- c) Learning the location of fire-alarm boxes and how to turn in the alarm—trouble and expense of false alarms.

III. CONCLUSIONS.

1. The fire department saves many lives and much property every year.
2. The fire department, although it costs money to maintain, is an extremely thrifty arrangement for a community.
3. Everybody, including small boys and girls, can do much to help prevent fires and thus save the loss of many lives and much property.
4. “Saving is the first great principle of all successes. It creates independence; it gives a young man standing; it fills him with vigor; it stimulates him with the proper energy; in fact, it brings to him the better part of any success—happiness and contentment.”—Sir Thomas Lipton.

IV. ADDITIONAL THRIFT SUGGESTIONS.

1. Saving property and lives through the police department.
2. Harmful insects in the garden and on the farm.
3. Robinson Crusoe’s thrift.
4. The thrift of the Pilgrim Fathers.
5. John Smith and the “starving time” in Virginia.
6. The great Chicago fire.
7. The Johnstown flood.

8. Buying durable toys as opposed to temporary amusements.

V. POEMS AND STORIES.

1. I love You Mother—which loved best?
2. The Lamplighter—regularity.
3. The Squirrel's Arithmetic—saving for winter.
4. The Ant and the Grasshopper—thrift and shiftlessness compared.
5. The Bundle of Sticks—cooperation.
6. The Hare and the Tortoise—going slowly but surely.
7. The Dog and His Shadow—greed.
8. Epaminondas—using one's head.
9. Father Thrift and his Animal Friends, Sindelar—thrifty habits.
10. The Nail—importance of little things.

*To meet a rainy day and enjoy a sunny opportunity—
buy W.S.S.*

GRADE IV.

I. PURPOSE.

To show the economies effected in connection with the use of corn and the manufacture of corn products.

II. DISCUSSION.

1. Variety of purposes for which corn may be used:
 - a) Food: Corn meal, breakfast food, hominy, sirup, etc.
 - b) Feed for animals.
 - c) Other products of corn: Starch, paper, pipes, alcohol, etc.
2. Many of these economies effected as the result of quantity production and intricate machinery.
3. Importance of these economies to each individual:
 - a) Offers widespread opportunities for making money to farmers, manufacturers, and laborers.
 - b) Enables each individual to obtain a large variety of products economically.

III. CONCLUSIONS.

1. The growth of corn is of very great usefulness to the American people.
2. When corn is manufactured into its various products it is immensely more valuable.
3. "All the roads leading to the City of Success enter by one gate—Thrift."—S.W. Straus.

IV. ADDITIONAL THRIFT SUGGESTIONS.

1. Economies effected in connection with the manufacture of products made of beef, cotton, petroleum, wheat, and wool. Importance of by-products and quantity production.
2. Saving food:
 - a) By not wasting food at the table.
 - b) By refrigeration in cars and ice boxes.
3. The thrift of the Spartans and Athenians compared.
4. The thrift of the early Romans.
5. Keeping an account at the savings bank.
6. Good ways and poor ways of spending money.
7. The difference between thrift and stinginess.

V. POEMS AND STORIES.

1. The Farmer and the Lark.
2. The Goose that Laid the Golden Eggs—Aesop.
3. Paying Too Much for the Whistle—Franklin.
4. Turning the Grindstone—Franklin.
5. Robert Bruce and the Spider—Scott.
6. Lisbeth Longfrock—Aanrud.
7. Safety First for Little Folks—Waldo.
8. The Village Blacksmith—Longfellow.

9. Little at First but Great at Last—Mackay.

10. Little by Little All Things Grow, etc.

11. The Busy Bee—Watts.

***Buy Government securities, large or small, and hold them.
Let no one persuade you to sell them.***

GRADE V.

I. PURPOSE.

To show how Benjamin Franklin through the practice of thrift was able to rise from poverty to comfortable financial circumstances.

II. DISCUSSION.

1. Review of the adverse circumstances which he encountered in early life.
2. Studied hard in order to improve his position.
3. Was always industrious about his work.
4. Was moderate in his expenditures for food, clothes, and shelter.
5. Followed a careful plan for the use of his time.
6. Saved money regularly and carefully.
7. Was powerfully aided by a thrifty wife.

III. CONCLUSIONS.

1. Through the practice of thrift and economy Franklin built up a paying printing business.
2. Through the thrifty use of his time he was always prepared for things in the future.
3. Franklin's money thrift and time thrift are very good examples for modern Americans to follow.

4. What a thrifty man said about his experience:
 - a) "Gaining money by my industry and frugality, I lived very agreeably."
 - b) "In order to secure my credit and character as a tradesman, I took care not only to be in reality industrious and frugal, but to avoid all appearances to the contrary. I dressed plainly; I was seen at no places of idle diversion. Thus being esteemed an industrious, thriving young man, and paying duly for what I bought, the merchants who imported stationery solicited my custom."
 - c) "It was lucky for me that I had one (his wife) as much disposed to industry and frugality as myself."

IV. ADDITIONAL THRIFT SUGGESTIONS.

1. The thrift of Thomas Jefferson, Robert Morris, George Washington, Abraham Lincoln, and other historical characters.
2. The thrift of pioneers on the Western frontier.
3. The thrift of modern time and money saving devices.
4. The thrift of fighting flies and mosquitoes, and of taking other precautions for the preservation of the health.
5. Luxury as a waster of time, money, and health.
6. The waste of hoarding money.
7. Thrifty charity.
8. Learning how to work efficiently.

V. POEMS AND STORIES.

1. Woodman, Spare that Tree—Saxe.
2. Planting the Apple Tree—Bryant.
3. American Inventions and Inventors—Mowry.
4. Waste not, want not.
5. The Bible: Parables; proverbs.
6. Lost yesterday, etc.
7. The Sunken Treasure—Hawthorne.
8. The Emperor's new clothes—Andersen.

VI. PROBLEMS.

1. John has bought 14 Thrift Stamps. How much money has he saved?
2. Every child in the Andrew Jackson school bought a Thrift Stamp last Monday. There are 684 children in the building. How much money have they lent the Government?
3. Jack has bought \$3.75 worth of Thrift Stamps. Will has bought one-fifth as many. How many Thrift Stamps has Will?

Sign no armistice with extravagance. Buy W.S.S.

GRADE VI.

I. PURPOSE.

To suggest what a respectable sum of money a boy and his mother can save in a year toward the boy's college education or some other worthy purpose.

II. DISCUSSION.

1. George's mother saved an average of \$1.25 per month by going to market instead of telephoning.
 $12 \times \$1.25 = \15.00
2. George and his mother saved an average of \$2.90 per month over expenses by raising fresh vegetables for summer and by canning the remainder for winter.
 $12 \times \$2.90 = \34.80
3. George and his mother saved an average of 30 cents per month on the light bill by being careful to turn out the light when not in use.
 $12 \times \$0.30 = \3.60
4. George's mother saved 10 per cent on \$22 worth of clothes at a sale.
 $10 \text{ per cent of } \$22 = \$2.20$
5. George earned 25 cents each for mowing 15 lawns.
 $15 \times \$0.25 = \3.75
6. George's mother saved 50 cents each by making five shirts for George instead of buying them ready made.
 $5 \times \$0.50 = \2.50
7. George and his mother saved an average of \$1.80 per month over expenses by raising their own chickens.
 $12 \times \$1.80 = \21.60

8. George saved cents each by picking 406 boxes of berries.
 $406 \times \$0.01.5 = 6.09$
 Total saving for the year = \$89.54
9. At the end of the year George, who was now 12 years old, and his mother decided to invest their savings in Thrift and War Savings Stamps. How many did they buy in March?
 $\$89.54 / \$4.14 = 21$ W. S. S. and \$2.60.
 $\$2.60 / \$0.25 = 10$ Thrift Stamps and 10 cents.
10. George will be ready to go to college in five years. The W.S.S. will mature at that time. How much money will George have at that time toward his first year in college?
- | | |
|-----------------------------------|-----------------|
| 21 W. S. S. x \$5 | \$105.00 |
| \$2.60 in Thrift Stamps and money | 2.60 |
| <i>Total</i> | <i>\$107.60</i> |
11. George and his mother then decided to continue saving in the same way each year (five years in all) until George was ready to go to college. In this way George would have \$107.60 every year toward his expenses in college and the same amount to start him in business when he graduated from college. How much did George and his mother save in five years?
- $\$89.54 \times 5 = \447.70
12. How much did the \$447.70 amount to when invested in thrift and War Savings Stamps?
- $\$107.60 \times 5 = \538.00
13. How much interest had the money earned?
- $\$538 - \$447.70 = \$90.38$

III. CONCLUSIONS.

1. By saving in a variety of ways it is possible to lay aside a very respectable sum toward a college education.
2. By investing in Thrift and War Savings Stamps one's savings are very materially increased.

3. “Thrift requires that money should be used and not abused—that it should be honestly earned and economically employed.”—Samuel Smiles.

IV. ADDITIONAL THRIFT LESSONS.

1. Home gardens:
 - a) For supplying the family table.
 - b) Canning fruit and vegetables for winter.
 - c) Selling surplus of produce.
 - d) Keeping accounts of expenses and sales.
2. Thrift of hot beds in early spring.
3. Money value of an education.
4. Money value of health.
5. How leading local merchants, doctors, lawyers, and bankers made striking successes of their work.
6. The thrift of the French after the Franco-Prussian War.
7. The contribution of the great inventions to national and individual thrift.
8. A thrift campaign against rats and mice.
9. Thrift on the farm:
 - a) Fertilizing land.
 - b) Up-to-date tools.
 - c) Diversification of crops.
 - d) Raising bees.
 - e) Rotation of crops.

V. POEMS AND STORIES.

1. Little Men and Little Women.—Alcott.
2. The Bee People.—Morely.
3. The Corn Song.—Whittier.
4. How the World is Fed.—Carpenter.
5. How the World is Clothed.—Carpenter.
6. Clearing the Way.—Sutton.
7. Swiss Family Robinson.

VI. PROBLEMS.

1. A boy who sells papers earns, on an average, 12.5 cents a day. How long will it be before he earns the price of four Thrift Stamps?!
2. The population of the United States in 1918 was estimated at 105,000,000. If 25 per cent of these people bought a War Savings Stamp apiece in January, how much money did they lend to the Government?
3. The sixth grade put \$5 in War Savings Stamps during March. The fifth grade put in 75 per cent of this amount. How much did the fifth grade put in War Savings Stamps?

Thrift or drift? Save and have! Buy W.S.S.

GRADE VII.

I. PURPOSE.

To show how a personal budget may be made and the benefits that arise therefrom.

II. DISCUSSION.

1. Let each pupil make a list of the things for which he or she spent money during the previous week or month. This gives an opportunity for each one to examine the items in order to decide whether the money was spent wisely.
2. Each pupil should then make an estimate of the amount of money he or she expects to receive by earnings or allowance during the ensuing week or month.
3. On the basis of these figures request each child to make an estimate of his or her expenditures for the next week or month. Savings through Thrift and War Savings Stamps should form a moderate part of this estimate. Caution the pupils against allowing too much money for amusements or against excluding all amusements.

4. Example of a personal budget:

Month of October, 1919.

INCOME		SAVINGS	
On hand	\$0.15	Thrift Stamps	\$0.50
Allowance	.50	EXPENDITURES	
Earnings	1.00	Car Fares	.10
		Pencils	.10
		Church	.15
		Candy	.10
		Necktie	.30
		Sundries	.20
		On Hand	.20
<i>Total</i>	<i>\$1.65</i>	<i>Total</i>	<i>\$1.65</i>

III. CONCLUSIONS.

1. Estimates of ensuing expenditures, which are sufficiently accurate, can be made on the basis of past expenditures.
2. Provision for a definite amount of savings should be made before any money is expended.
3. Thrift and War Savings Stamps are the best ways to invest small savings.
4. Living up to a personal budget is an excellent way to develop strong character and good financial habits.
5. "One who will not save has little prospect of being an employer."—H. A. Blodgett.

IV. ADDITIONAL THRIFT LESSONS.

1. Salvaging clothes, paper, rubber, bottles, and other useful articles.

2. Repair of clothing, shoes, and books; cleansing and pressing clothes; dyeing cloth or garments; repair of furniture.
3. The economical use of materials in cooking and sewing.
4. Poultry and market gardening projects.
5. Earning money during vacation.
6. Thrift on the farm:
 - a) The thrift of repairing and painting houses, barns, and fences.
 - b) The thrift of good roads.
 - c) Commercial fertilizers.
 - d) Labor-saving machinery.
 - e) The thrift of a silo.
 - f) The thrift of spraying fruit trees.
 - g) The thrift of fire insurance.

V. READING.

1. Keeping up with Lizzie—Bacheller.
2. Elementary Forestry—Pinchot.
3. Town and City—Jewett.
4. Captains of Industry—Parton.
5. Community and the Citizen—Dole.
6. From Trail to Railway—Brigham.
7. Poor Richard's Almanac—Franklin.

8. Autobiography—Franklin.
9. A Message to Garcia—Hubbard.

VI. PROBLEMS.

1. In January, 1919, a man bought 200 War Saving Stamps at \$4.12 each. How much money will he gain when the stamps mature in January, 1924?
2. How much money would one save on an electric light bill of \$3.20 if 5 per cent were allowed for paying cash?
3. A canning club girl spent \$20.50 in raising and canning tomatoes. She received \$74.54 for the canned goods. What was her gain, per cent?

***Buy Government securities, large or small, and hold them.
Let no one persuade you to sell them.***

GRADE VIII.

I. PURPOSE.

To demonstrate why public property should be carefully conserved.

II. DISCUSSION.

1. Examples of public property: School buildings and furnishings; libraries and library books; parks and park furnishings; city and county buildings; streets; bridges, and public highways.
2. Public property is our property: It belongs to you and your family. The destruction or mutilation of it must be paid for by the citizens (fathers and mothers) the same as for the waste of personal property.
3. The destruction or mutilation of public property causes inconvenience and loss of time and money to citizens.
4. A disrespect for public property makes people liable to be wasteful of their personal property.

III. CONCLUSIONS.

1. Waste in public as well as private affairs is paid for by some one.
2. Waste in public as well as private affairs is not only expensive but unpatriotic and lacking in good citizenship.
3. The waste of public property makes it just that much more difficult for people in the community to live comfortably and economically.

4. Every citizen has the personal duty of helping to see that public funds are expended wisely and economically.
5. “The vital question for individuals and for nations is never ‘how much do you make?’ but ‘to what purpose do you spend?’”—Ruskin.

IV. ADDITIONAL THRIFT LESSONS.

1. Invest money wisely.
2. Government, municipal, and industrial bonds as investments.
3. Stock swindling schemes and methods.
4. The wonders of compound interest in relation to saving money.
5. Borrowing money to go to college as compared to working one’s way through.
6. Being penny-wise and pound-foolish.
7. Efficiency methods in modern business.
8. The thrift of modern conveniences in the home.
9. Conserving food during the war and now—why?
10. Thrift in the kitchen.
11. America’s bill of luxuries.
12. The thriftlessness of illiteracy.

13. A national budget—for national thrift.
14. Thrift necessary for democracy.
15. Thrift on the farm:
 - a) Corn club projects.
 - b) Pig club projects.
 - c) Canning club projects.
 - d) Potato club projects.
 - e) Poultry club projects.

V. READING.

1. Rebecca of Sunnybrook Farm—Wiggin.
2. Lives of the Hunted—Thompson.
3. Stories of Thrift for Young Americans—Pritchard and Turkington.
4. Poor Boys Who Became Famous—Bolton.
5. The Story of Tony—Catherwood.

VI. PROBLEMS.

1. The 16 stamps on a thrift card cost \$4. Samuel has saved all but 5 per cent of that amount. How much has he saved?
2. There were 28,857,000 pupils in all of the schools and colleges in the United States in 1916. If 70 per cent of them buy a Thrift Stamp apiece, how much will that amount to?
3. A War Savings Stamp in January, 1919, costs \$4.12. In January, 1924, the Government will pay you \$5 for the

stamp. What will be the rate of simple interest which you receive?

***Better than money, because they earn added money—
War Savings Stamps.***

34. THRIFT AND MARRIAGE IN THE RURAL MIDWEST, 1939

James West, "From Cradle to Grave," in *Plainville, U.S.A.* (New York: Columbia University Press, 1945), 198–202.

Marriage comes generally, for boys, at about age twenty to twenty-two; for girls, slightly earlier. In order to marry, a boy "by rights" should have a means of livelihood figured out in advance, but many marry first "and then figger out how to make a living." The economic opportunities in and about Plainville have already been described.

I must at this point go back a number of years and suggest how a young man has attained enough knowledge of property and economic procedure to undertake the hazard of starting a new family.

By the time he was fifteen, at latest, the farm boy was equipped with all the skills and techniques for making a living, except the skill of "managing." When not in school he did a man's work. In fact, one of the first important blows to his self-esteem and happiness probably came about then with his discovery that through his own early eagerness to learn he had been jockeyed into doing a man's work, without gaining any voice in planning or helping to manage the family enterprise. "As soon as he learned to do things he got to do 'em, but nobody asked him what ought to be done next or how." His parents also very early taught him frugality, "the proper respect for money,"

by telling him how scarce and valuable money is, by doling out small sums of spending money to him painfully (as if “somebody was pullin’ a tooth”), and by urging him, “Don’t spend it. Save it.” From other boys he learned the art of “swapping”: pocket knives, marbles, toys, string, broken bits of farm machinery, anything he carried in his pockets.

“Swapping,” in the boys’ world, is a duplicate of trading among men. Boys learn by swapping to be “smart traders” who make a profit, or “suckers” who get cheated, or the more average property owners who “keep what they have” without risking it on a gamble or a trade. Yet real money or property beyond small spending money—a nickel or dime at a time, begged often from his mother—were, like planning and managing, very probably outside his domain. A few girls are allowed to raise a setting of eggs, to sell as fryers; some boys are given a pig or a calf to raise. The proceeds, in either case, usually go for clothes which they would get anyway, yet children seem very proud when allowed ownership and management even to this limited degree. People often comment on how “children love to own something.” Most people agree that “they should own something,” but few own anything.

Some are allowed to “claim” a calf or pig, until it is sold or eaten, but without voice in its disposal or any share of the money it brings. Children are never paid for work they do at home. Boys, however, have the right to “work out,” when not needed at home. They are paid about half of men’s wages when they are, say, fifteen, and of average size and strength for that age; a year or two later, they get full wages (\$1.00 to \$1.50 a day in 1939–40) for the days they work.

Boys and girls both have a right (though no exclusive right) to any salable wild products. For girls this means that they can gather and sell wild blackberries and wild gooseberries beyond family needs, if they can find anyone who wants to buy them. Boys can trap and hunt. Not all boys trap and hunt—prairie boys generally live too far from the timber to set a trap line. But many a boy, in good trapping years, earns all his spending money, clothes, and sometimes school

supplies, by trapping, skinning, and selling the hides of skunks, muskrats, possums, and perhaps a few mink and raccoons. Until 1939 he also had a sale for rabbits (shipped away as meat), at ten to fifteen cents per carcass. (The upper-class contempt for “hunting and trapping” does not apply to boys; it applies only to adults who hunt and trap as an old-fashioned way of livelihood or a way to “escape honest work.”) Two girls from the hills were rather admired for having earned the money for “high school clothes” by “trapping just like boys do,” in 1937–38. Children are in general allowed to spend whatever they earn even though it may be well understood between them and their parents that they have to spend it all for necessities.

Before a youth gets married, then, he knows how to farm. He has earned some money and handled its expenditure. He may have some savings, or a head or two of livestock. He has been “outside,” on shopping trips, hauling stock to market, or visits, perhaps on “work jobs.” He is anxious to break away from his father’s economic domination, a situation which is “all work and being bossed” without ever being consulted about “where should we plow today?” or “Which field should we plant to corn next year?” He “has no opportunity, working with his father.”

He has “looked over the girl situation” and knows which girls he likes; he may be “in love” with one girl. His friends are “going away or getting married,” and “there’s getting to be nobody to have a good time with.” He may “go away too”—likely to California. If he does, he may “look for somebody to marry out there;” if he stays away he may send home for a “home girl,” or return home to marry one. If he marries a “stranger,” he is almost certain to remain living away, because a girl from away “wouldn’t be apt to like it here.” The first once-over that Plainvillers give a bride from “outside,” on her first visit to the community with her husband, is directed toward discovering whether she feels “above” or “persnickity” about the community’s clothes, living arrangements, manners, and people. If he marries a home girl, his link with home is doubly strong. The chances are now about fifty-fifty that he will decide to live near Plainville; if so, he will almost certainly marry a girl from a neighborhood or community

not far from his own. He would once have probably married within his own neighborhood, but is less likely to nowadays, because the car has widened the mobility and acquaintanceship of youth. Some prestige is attached to “going with a girl” who lives at some distance, rather than with a neighborhood girl.

The only advance indications, generally, that the community receives of a marriage are these: the boy and girl “seem to be going together mighty steady”—they “seem to be getting serious.” The boy may also be rumored to be “looking for a location” (a job or a farm to rent) or to be “saving his money.” Most engagements are short (three or four months) and are nearly always kept secret until the actual marriage, which is a “surprise” to all except usually the adult members of both families (“children would tell”) and perhaps a young confidant or two of each spouse. This seems to be the one secret few confidants will reveal. The reasons for secrecy are obscure, but a couple is gratified at “putting their surprise over on people.” They are also pleased at foiling, for as long as they can, “shivaree” plans. Another reason given for the secrecy is that engaged girls would be “embarrassed to walk up and down the street and have men look at them” if the men knew of the coming marriage.

The marriage is generally performed by a preacher, at the preacher’s house, with a minimum of witnesses. When the school superintendent married one of his teachers, he bought the license at Discovery and the couple drove directly to Reverend B’s farm. The preacher came in from a field, performed the ceremony “without being allowed time to change his clothes,” and returned to his field work. The couple then drove out of the community for a short honeymoon, which in their case was a car trip lasting a week or two. They stopped several nights in tourist cabins, visited kinfolks for two or three days, and ended their trip by spending several days with the groom’s mother on a farm thirty miles south of Plainville. Better-class people and all religious people like to be married by a preacher, but there is no “disgrace” to marriage by a justice of the peace. Church weddings are rare and are considered ostentatious.

35. THE BEST ADVICE I EVER HAD

Laurence C. Jones, "The Best Advice I Ever Had," *Reader's Digest*, December 1956.

I must have been quite young when I first heard it, for the quaint, old-fashioned phrase runs through all my childhood memories with the persistence of a familiar tune: "Willful waste makes woeful want, and you may live to see the day when you will say, 'Oh, how I wish I had the bread that once I threw away.'"

I hear the words spoken in my mother's soft voice as she worked in her quick, industrious fashion around the neat little house in St. Joseph, Mo., where my sisters and I were born. Far from being the practical realist that those words suggest, my fragile, poetry-loving mother was a dreamer. But she knew that within that phrase lay the chance for her dreams, and mine, to come true.

At first the words meant literally the piece of bread and jam in my hand which I might have tossed aside uneaten. Later they meant money, for from the age of six I always had a job of some sort, and learned to save the pennies, dimes and quarters toward the dream of a college education.

At the University of Iowa, where I tended furnace and waited table to pay my way, waste came to mean time. Since I had only a few hours each day for study, I had to make up in extra concentration what I lacked in time. Consequently my lessons burned into my memory, and they did much to shape the course of my life.

When I finished college, waste suddenly took on a new important meaning: the possible waste of opportunity.

In 1907, the year of my graduation, comparatively few Negroes had a similar chance at formal education. Although I had tempting job offers which ranged from the insurance business to a subsidized career in musical comedy, it seemed to me that if I used my education for selfish profit, that too would be a form of “willful waste.”

I decided to share my advantages with the neediest people of my race in the Black Belt of Mississippi. There was the most shocking waste of all: the waste of the human mind and soul. Men, women and children exhausted their bodies in the fields, making their living as farmers but having no knowledge of farming beyond the drudgery of chopping and picking cotton. Unable to read, write or figure, they had no way of knowing if what they were charged at the store was correct, or if their wages were paid in full. Winter diets were corn meal and dried peas, because the women had never learned how to can or preserve the summer yield from their gardens or the wild berries that grew at their doors.

My mother’s phrase came sharply to mind. My job would be to begin at the bottom and teach them, first of all, how to save what pitiful little they had. I set up a school of practical education, to teach good work habits, sanitation, diversified farming, how to cook, can and sew. The dream that lay ahead of this practical saving was better living conditions, adequate schools and churches, and ultimately instruction in trades and professions.

Then, after almost 20 years of work, as Piney Woods began to take shape as a real school, with the beginnings of an adequate plant, a steady enrollment and nearly enough teachers, my wife died, leaving a void not only in my life but in the operation of the school in which she had played a vital role. The temptation to give way to personal grief was strong. But once again my mother’s words echoed in my ears. Grief, too, was a luxury, a “willful waste,” when 500 children

were depending on me for their education, their chance to become useful citizens.

What is education, or civilization itself for that matter, but a form of saving? We harvest and keep the best of the world's ideas and inventions so that we may pass them along to the generations that follow.

My job in life has been to try to save human beings from the willful waste of ignorance and despair, and to help them take their places as competent citizens in tomorrow's world. It is a task that I would choose again, if I were young. It was motivated by these words which I share with you. I can vouch for the rewards they will bring.

36. THRIFT CHAMPIONS

Pearce School, Washington, D.C., 1925



37. A LESSON PLAN ON THRIFT AND COMMU- NITY DEVELOPMENT

Bernadette McHenry, "Thrift and Community Development,"
The Historical Society of Pennsylvania Legacies, November 2012,
32–33.

INTRODUCTION

The reform movements of the late 19th and early 20th centuries have great relevance to modern America, especially with respect to poverty and its attendant social problems. Then, as now, a growing wealth gap created pockets of severe poverty and large-scale unemployment, which endangered health and contributed to deficiencies in education and literacy. Concerns in the prewar industrial era over what many perceived to be an epidemic of alcoholism and violence echo in concerns over drugs and violence in our neighborhoods today.

One group of reform crusaders from the turn of the century begs closer inspection in applying the historical lessons of a hundred years past. The temperance movement, comprised primarily of women, sought to correct a myriad of social ills, particularly in cities, with one broad stroke. These women not only lobbied for legislation banning the sale and consumption of alcohol, but they also worked directly in the neighborhoods they felt were most negatively affected

by the evils of alcohol, setting up social relief and education programs and even taking such drastic measures as raiding bar rooms and destroying the alcohol inside. Today, we tend to think of temperance reformers as old-fashioned, uptight spinsters, even quixotic in their efforts, particularly with the hindsight of the Prohibition era. However, these women were seeking to improve American society, and their vast array of subcommittees and practical programs shows that they were extremely organized, attacking the social problems of the day on several fronts.

The temperance program highlighted by this primary source activity promoted the practice of thrift as a means not only to fight against intemperance, but to put into place a system that would teach financial education and personal responsibility. Sara Oberholtzer, a member of the Woman's Christian Temperance Union, championed a system of school savings banks. These banks were set up inside of public schools, and

children deposited very small sums on a weekly basis. The results, as described by Andrew Yarrow's article, were astounding. Throughout the 1910s, Oberholtzer annually published testimony from participating teachers, administrators, and sponsoring bankers nationwide to advertise the effectiveness of the school savings banks. The banks were credited as a great help to families in time of sickness or when the heads of the family have been thrown out of work. They contributed to the disappearance of the cheap sweets that kept the children in a state of physical ferment and caused students to give up the use of cigarettes to put the money into the savings bank. Moreover, advocates believed that they instilled students with responsible values such as self-denial, future-thinking, and thrift. This primary source activity, which could be used in a history class to explore the reform era or in a class on economics or current events, teaches students about Sara Oberholtzer and asks them to evaluate her work. Most importantly, it encourages students to use the lessons of the past to better understand the present by comparing the historical issues that informed Oberholtzer's beliefs with the issues faced in our communities today.

OBJECTIVES

Students will be able to:

Explain the three pillars of thrift

Correlate the temperance movement and the school savings bank movement

Apply the historical thrift movement to contemporary neighborhood problems

ESSENTIAL QUESTIONS

How can the story of another America, past or present, influence your life?

How does continuity and change within American history influence your community today?

PRIMARY SOURCES

Sara Louisa Oberholtzer, "School Savings Banks," in *Transactions of the National Council of Women of the United States, assembled in Washington, D.C., February 22 to 25, 1891* (Philadelphia, 1891), 206–14

Letterhead for the World's and National Woman's Christian Temperance Union, School Savings Bank Department

Excerpts from Sara Louisa Oberholtzer, *The Value of School Savings Banks: Testimony of Educators, No. 2* (n.p., n.d.)

YMCA cartoons about the value of thrift

OTHER MATERIALS

Thrift and Community Thriving Debate Outline

SUGGESTED PROCEDURE

Activate prior knowledge and opinions about thrift by asking students, what is thrift? What do they think the word means? Where have they heard it before? Are there other words or ideas they associate with this term?

Write each of the three “pillars” of thrift on the board, leaving space beneath each to fill in related ideas: “Industry: Work hard and honestly; Savings: Spend less than you earn; Stewardship: Give back to your community.” Explain the first pillar, then call on students to explain it back in their own words. Use guiding questions such as: What does industry mean? What does it mean to work hard in your life? What kinds of jobs do you have now? How does school fit in, even though it doesn’t pay? Write their ideas in the space below the first pillar. Repeat with the second and third pillars. Use guiding questions for Savings such as: What kinds of things do you spend money on? Where could you make cuts in spending? How would it be possible to spend more than you earn? Why is it important to save money now? Why will it be important when you are no longer in school? For Stewardship, ask guiding questions such as: What does stewardship mean? What does “give back” mean? How do you give back to your family community, to your school community, or to your neighborhood community? Are there other ways you could give back to your communities?

Review the YMCA images with students. Ask guiding questions such as: What do you see? What is the message of the cartoon? What symbols or words support that message? Then have students agree or disagree with the messages, using the notes about the three pillars of thrift to support their opinions. Encourage them to look at each historically as well as from a contemporary perspective.

Next, have students read Sara Oberholtzer's "School Savings Banks" to gain an understanding of the historical and practical application of the pillars of thrift. Students could read this as a class or read and summarize independently or in small groups. Next, students can be encouraged to discern Oberholtzer's motivations by interpreting the motto on her letterhead. If the class does not draw the conclusion that Oberholtzer was related to the temperance movement, state it explicitly.

Have students read excerpts from *The Value of School Savings Banks, Testimony of Educators, No. 2*. Tell them that as they read the selection they should highlight key terms, phrases, and sentences that relate to the letterhead quote. As a formative assessment, have students answer the following writing prompt: "In what ways did the school savings banks ensure wiser living and decrease pauperism, intemperance, and crime?"

Finally, have students connect the historical example with contemporary issues. Encourage students to create a list of social issues that affect the school's community. Allow this portion of this primary source activity to turn into an informal discussion, even encouraging lightly moderated argument, as the students will be more likely to connect to the material if they have some ownership and investment. Then divide the class into debate groups to formally debate the proposition: "The practice of the three pillars of thrift can help improve the problems in our neighborhoods." Have students outline their arguments using the debate outline. Use the public forum or a similar debate style to frame the debate and keep it structured. Allow a few students to act as judges to keep the activity as student-centered as possible.

EXTENDED AUTHENTIC CONNECTION

This primary source activity can be used as a launchpad for students to plan and implement a service-learning project. Many schools require a service-learning project for graduation, which could be built

from this lesson. Many also participate in the Martin Luther King Day of Service, and this activity can be used as a starting point to plan and implement a class project for that day. This activity can also be used to precede personal financial planning education.

38. A NATION IN DEBT

Barbara Dafoe Whitehead, "A Nation in Debt," *The American Interest*, (July/August 2008).

Frank Capra's 1946 film *It's a Wonderful Life* is the American Film Institute's pick for the most inspirational American movie of all time. Set in the fictional New York town of Bedford Falls, the story's grand narrative is about the wondrous gift of human life, but its less lofty plotline is hardly much less grand. It's about the travails of George Bailey and Bailey Brothers' Building & Loan, an institution that is an inseparable part of a stable, prosperous and above all virtuous community, as Capra makes clear by contrast with the evil fat-cat banker, Mr. Potter. At the film's climax, George Bailey's Bedford Falls neighbors and customers merge into a single society, grateful, generous and all pulling together in the face of adversity.

In an America just emerging from the cauldron of the Great Depression and the Second World War, no one needed to point out to viewers what a building and loan was or why it meant so much to many small and mid-sized American communities. Everyone understood that thrift was socially constructive, for through the accumulation of individual savings everyone benefited from rising prosperity, better education and hope for a brighter future. What war bonds had been for national security, thrift and home-building institutions were for family security. The social capital created through thrift institutions limited social polarization and marginalized the depredations of greed, so the real small towns of America never decayed into Pottervilles. This wasn't just sentimental bunkum from Hollywood; in 1946, this was as real as a social fact could be.

It's a Wonderful Life still makes for great entertainment, but a hint of sadness pervades viewing the film today in a way it did not sixty, or even thirty, years ago. That is because the American culture of thrift, epitomized by no less beloved a Founder than Benjamin Franklin himself, is at best on institutional life support. Somehow we as a society have managed to undermine a precious social virtue and enthrone what amounts to industrial-scale loan-sharking. In doing so we have undermined a source of America's real wealth and thus put its global leadership at risk. What has happened to America's thrift institutions? How did it happen, and what can we do to recover before it is too late?

THEN AND NOW

The United States is experiencing a sharply growing polarization in access to institutional opportunities to save and build wealth. For most of the 20th century, nearly all Americans had access to grassroots institutions that helped them build a nest egg. These institutions included local retail banks, mutual savings banks, credit unions, savers' clubs, school savings-bond programs, building and loan associations, savings and loans, and labor union-sponsored savings plans. Some institutions, such as credit unions, building and loans, and labor union plans, grew out of a cooperative, nonprofit banking tradition expressly created for the "small saver." But even local retail banks offered passbook savings accounts and children's savings programs for families of modest means. Together, these institutions constituted a broadly democratic "pro-thrift" sector of the financial service industry.

In addition to providing opportunities to save, pro-thrift institutions also limited the amount of debt consumers could carry. Banks had strict rules for consumer lending. Americans who wanted to buy a house had to accumulate savings, apply to a local bank, document their credit-worthiness, undergo the scrutiny of the lending institution and usually make a 20 percent down payment.

Lending institutions were likewise constrained by government rules. Federal and state regulations set limits on the interest and fees lenders could impose, and some forms of thriftlessness were outlawed entirely. Lotteries were illegal in all states, usury laws prohibited predatory interest rates, and casino gambling was allowed in just a few venues like Las Vegas and Atlantic City. To be sure, some Americans still borrowed from loan sharks, pawned their wedding rings or gambled away the family farm. But such behavior was disreputable and well beyond the pale of responsible institutions as far as the vast majority of Americans were concerned.

Americans under the age of forty today can only gain knowledge of this reality by reading about it in books, for it can no longer be experienced directly. A thrift sector still exists, but it has ceased to be broadly democratic in its reach. The institutions that encourage thrift have moved uptown, catering to upper-income Americans with an ever-expanding array of tax-advantaged opportunities to invest and build wealth. The potential “small saver” has been left behind as prey to new, highly profitable financial institutions: subprime credit card issuers and mortgage brokers, rent-to-own merchants, payday lenders, auto title lenders, tax refund lenders, private student-loan companies, franchise tax preparers, check cashing outlets and the state lottery. Once existing on society’s margins, these institutions now constitute a large and aggressively expanding anti-thrift sector that is dragging hundreds of thousands of American consumers into profligacy and over-indebtedness. America now has a two-tier financial institutional system—one catering to the “investor class”, the other to the “lottery class.”

The investor class, with ample access to institutions that foster wealth-building discipline, is served by a bevy of insurance agents, tax lawyers, stockbrokers, tax accountants, deferred compensation experts and investment bankers. They are likely to work in organizations with 401(k) plans, profit-sharing, Keogh plans, deferred income compensation and retirement savings programs. The lottery class, on the other hand, works in jobs that offer few pro-thrift benefits. As of 2004, seventy million of America’s 153 million wage

earners worked for employers without a retirement plan. Rather than being courted by investment firms, they are targets of modern-day, made-to-look-respectable loan sharks. Tens of millions of working Americans who might join the class of savers and investors under more favorable circumstances are being recruited into a burgeoning population of debtors and bettors.

DEBT AND ITS DISCONTENTS

The ability to borrow is a good thing—or ought to be. Credit helps consumers buy houses, get educations, start businesses and acquire goods that may boost their job prospects and future income. As economists like to point out, consumer credit helps smooth out spending over a lifetime, allowing people to borrow in their lower-earning years in order to build assets and investments for the future.

But consumer credit is a double-edged blade: It can lead to greater opportunity and freedom, but, if promoted deceptively and used recklessly, it can lead to disaster, as the subprime mortgage failure has so painfully revealed. Even before the subprime debacle, however, many Americans were struggling with a growing debt burden. According to the Federal Reserve's measure of burdensome debt, in 2004 the typical family spent more than 18 percent of its income on debt payments, the largest share since the Fed started collecting these data. Moreover, the proportion of families with debt-service payments exceeding 40 percent of their income rose to 12.2 percent in 2004. Consumer loan delinquencies also rose during this period.

Some of this debt is natural in the sense that middle-income and young families—who make up the largest share of households in the heavy debt-service category—are at the stage in life where they are rearing children and buying big-ticket items like houses, cars, major appliances and computers. Many families have also been hit hard by stagnating wages and the rising costs of health care, food and energy, leading them to rely on credit not to build assets but to make ends meet.

Some aren't making it, however. Late fees and missed payments on credit cards have risen sharply, costing American consumers \$17.1 billion in fees in 2006. About one in every seven American families reports that at some point in their lives they experienced debt problems serious enough to have caused them to file for bankruptcy or to use a credit consolidator. More than one out of three say their financial situation was "out of control" at some point in their lives. Even those able to manage high household debt are increasingly operating at the razor's edge of solvency, with little cushion to cover an unexpected expense such as a major car repair or a medical emergency.

Why are so many Americans struggling with high levels of debt? Some blame individual greed and recklessness, and certainly human frailty and irresponsible choices are part of the story. Others point to a culture of rampant, corporate-driven consumerism, buttressed by marketing techniques so sophisticated as to exceed the imagination of George Orwell himself. If you can find someone who honestly denies that this is part of the problem, sell him a bridge before it's too late. But soaring levels of household debt are also tied to another, often overlooked, source: recent changes in America's institutional and regulatory landscape.

Both statistical evidence and common sense make it clear that this is so. As to the former, many other countries in the world are similarly embedded in a corporate market economy, yet few other advanced countries confront a debt debacle comparable to that of the United States. The variable that can most readily explain the data is the different institutional/regulatory environments in different countries.

As to common sense, it is evident that in money matters, as in most things that matter, authoritative institutions play a role in guiding individual choices and in setting cultural norms. Few people understand the full range of forces affecting them, or have time to acquire the knowledge and self-discipline necessary to make informed decisions. That's where authoritative institutions come in. They establish the norms, conventions and values that vest individual decision-making

with broader social wisdom and knowledge. But not all institutional set-ups are created equal. Some inculcate norms and values that foster unwise choices or contribute to unjust outcomes. Such is the case in today's American debt culture. Newly powerful and aggressive anti-thrift institutions are promoting behaviors and attitudes that have undermined our nation's traditional culture of thrift.

THE PLASTIC TRAP

Perhaps the most pervasive of these new anti-thrifts is the credit card industry. Plastic has become an American way of life. There are now more than a *billion* cards in the hands of U.S. consumers, and more than three quarters of American households have at least one of them. The average age of credit card holders is getting younger, too. Many teenagers get their first card in high school and most college students have at least one—indeed, a whopping 56 percent of final-year college students carry four or more cards.

It is little wonder that credit cards are so popular, for they are convenient, fast and easy to use. It's not the credit card itself that's the problem; it's that in the wake of the financial deregulation of the 1980s the credit card industry was the first anti-thrift sector to discover the huge but untapped profitability of the subprime market. In so doing, it upended the conservative philosophy that had guided consumer lending in the United States for a century. Instead of limiting the small-loan market to prime customers who were likely to pay off the entire debt in thirty days, the industry went after subprime customers who were likely to pay only the low minimum balance and to incur the additional costs of late fees, over-limit fees and other penalties on a regular basis.

The credit card industry was also the first to develop practices and products that ensured long-term consumer dependency on expensive credit. Low teaser interest rates that converted to double-digit rates, extra transaction fees and penalties, the securitization of debt, and abrogated relationships between the originating lender and borrower

were not innovations of the subprime mortgage business. These practices were pioneered by the credit card industry.

During the 1990s, the credit card industry promoted its expansion into subprime markets under the banner of the “democratization” of credit. The industry was “reaching out” to the unserved and underserved, so that Americans who once had to make do with the cash in a weekly pay packet could now use plastic to make their everyday purchases. This democratization of credit, however, led to the widespread propagation of debt. Between 1989 and 2001, credit card debt almost tripled, from \$238 billion to \$692 billion. By fall of 2007, the amount of revolving consumer credit had reached \$937.5 billion, a 7 percent increase over the previous year.

In the generally flush 1990s, many families were able to manage higher credit card debt without undue distress, but in today’s more troubled times, families who once kept on top of their credit card balances—even if it meant paying only the minimum on several cards—are now toppling into delinquencies and defaults. Nearly half of all credit card holders have missed payments in the last year. With declining home values and tighter credit, fewer homeowners can draw on the equity in their homes to maintain their standard of living or to consolidate credit card debt. More households struggle simply to live from paycheck to paycheck, with no cash reserves or unused credit to keep them from economic free fall.

PAYDAY LENDERS

For families on the financial edge there is another place to turn to for “fast cash”—the local payday lender. Payday lenders serve up “fast cash” and “free money” to 15 million Americans every month. The industry solicits wage earners with incomes generally ranging between \$18,000 and \$25,000, people who mainly live from paycheck to paycheck and sometimes run out of money before their next payday. To qualify for a loan, most borrowers typically have only to produce a recent pay stub, current bank statement, blank personal check, driver’s

license or other government ID card, and proof of current address. While this is more evidence than some credit-challenged borrowers had to produce to get a \$500,000 subprime mortgage, it is hardly enough to establish genuine creditworthiness.



A payday loan center in Columbus, Missouri

According to a recent *Wall Street Journal* investigation, payday lenders are now intensively soliciting elderly and disabled recipients of government benefits. The reason is a change in the regulatory environment. For years, Social Security recipients received their government checks in the mail and cashed them at a neighborhood store or local bank. By the late 1990s, however, the Federal government began requiring electronic deposits of benefit checks into an established bank account, unless recipients chose to opt out. This saved money for the government, but it turned into an unexpected boon for the payday lenders. With the advent of direct deposit, many lenders could make predatory loans as an “advance” on the next month’s benefits check. Since Social Security, veterans and disabled-benefit checks arrive every month for as long as the recipient is living, they represent a highly secure form of collateral. Making a loan on future Social Security checks bears about as much risk to a lender as spotting Warren Buffett twenty bucks.

Storefront payday lenders are commonplace in thousands of towns throughout America, and they work hard to cultivate a reassuring image of normalcy. Their clean, well-lit shops fit comfortably into the franchise landscape, with all the amenities of a McDonald's or a Burger King. Like fast food, payday loans can be ordered up and ready to go in a matter of minutes. At a local Check 'n' Go in the typically Midwestern Muncie, Indiana, a sign on the door reads:

“Getting a loan is as easy as 1-2-3: 1. Just Write Us a Personal Check. 2. Get the Cash You Need Instantly. 3. We Hold Your Check Until Your Next Payday . . . It's Quick, Easy and Confidential.”

Unlike fast food, however, fast cash isn't cheap. It typically costs the borrower the equivalent of an annual percentage rate (APR) of 300–400 percent. Payday loans contain another financially unhealthy feature, as well: They are structured so that it is hard for the borrower to repay the loan *in full*. Instead, many consumers end up with little choice but to pay special fees to “roll over” the original loan into the next payday, a practice that can lead to chronic dependency on expensive credit. Indeed, the profitability of the payday business depends heavily on getting borrowers into multiple rollovers: About 56 percent of payday lending revenue is generated by customers who take out 13 or more loans per year.

Payday lending has been able to thrive because of lax state usury laws. In 1965, every state in the union had a usury limit on consumer loans; today, seven states have completely deregulated interest rates within their borders, and at least 35 states allow lenders to charge the equivalent of more than a 300 percent APR on a typical payday loan. There are also significant regional differences in usury caps. The Northeastern states have been the most aggressive in limiting the pricing of consumer loans, while the Rocky Mountain West (Arizona, Colorado, Idaho, Montana, New Mexico, Utah and Wyoming) has been the most permissive. It is there that the median APR of state usury limits increased from 36 percent in 1965 to 521 percent in 2007.

So far, 12 states and the District of Columbia have essentially banned payday lending by placing interest rate caps on small loans. Likewise, Congress has imposed a 36 percent cap on payday loans to young, low-income military families—a popular target for the predatory payday industry. And the FDIC has encouraged banks under its purview to market small-loan products to the general population with interest rates of 36 percent or less. Other, more narrowly focused efforts to discourage payday lending, such as limiting the number of outstanding loans per consumer, restricting the number of rollovers, or introducing extended repayment plans, have been less effective in eliminating the payday debt trap.

STATE LOTTERIES

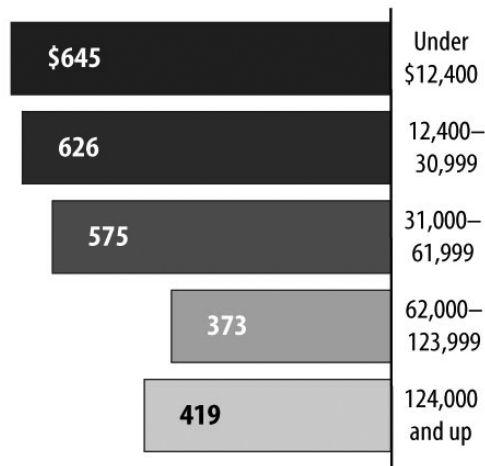
Payday lenders are not the only anti-thrift outfits to set up shop in recent decades. After being shuttered for many years in every state in the union, the lottery has now become an all-American institution. In the past year, more than half of the nation's adults have played one of the nation's 43 lotteries, and about 20 percent of all Americans are frequent players. In 2006, state lotteries raked in \$57 billion, representing a roughly 500 percent increase in per capita spending on the lottery since 1973. No other government agency makes itself such a regular presence in American daily life. Lottery tickets are sold at about 200,000 mini marts, bodegas, newsstands, bars, bus stations, check cashing outlets, mall kiosks, liquor stores, supermarkets and gas stations nationwide. Lottery ads pop up on buses, subways and billboards. Live drawings take place during the nightly news.

State lotteries don't simply make their products available: They actively seek to "grow" their market. Lotteries work hard to hold onto current players, entice new players into the game and increase the frequency of play. Their business plans set the goal of making regular betting a part of individuals' daily or weekly rituals, and their methods seek to habituate players to the game: the suspense of scraping the latex square on the instant ticket to reveal the number underneath, the excitement of watching numbered balls drop down a

chute in televised nightly drawings, the emotional rush over getting a small payout and the addictive cycle of trying to beat the lottery “house” with just one more ticket. And, of course, they avidly market the big winners, to make it seem as though winning big is vastly more frequent an occurrence than it really is.

As a source of public revenue, the lottery is highly regressive. As figure 1 shows, players with lower incomes tend to spend *more* on the lottery than those with higher incomes. Even more to the point, people with lower incomes spend a larger *share* of their incomes on the lottery. A household with an income under \$12,400 spends 5 percent of its gross income, but a household with an income of \$124,000 spends about one-third of one percent of its gross income.

Figure 1
ANNUAL LOTTERY SPENDING BY
HOUSEHOLD INCOME
2006 dollars



Graphic by Thomas Rickers

Furthermore, as an influence on the spending-versus-savings decisions of people with lower incomes, the lottery promotes spending. That is, lottery players at the lower-income range suffer a larger

anti-thrift effect: They give up the opportunity to save the proportionately larger share of dollars spent on the lottery. Presumably, if a low-income household can spend \$645 on the lottery, it can save and invest that same \$645. The Tax Foundation estimates that if that household were to invest the same amount in stocks every year for forty years, it could expect to have \$87,191 (in 2006 dollars).

Although the lottery extracts its revenues disproportionately from the less privileged, it distributes funds to causes with broad public support across all income groups, such as education. Lotteries rarely dedicate revenue to chronically underfunded programs for halfway houses, prisoner release services, homeless shelters, services to the disabled, domestic violence prevention and drug abuse treatment. In some states, lotteries have even funded projects that favor the more privileged. For example, a 1991 study of the Florida lottery found that lottery-funded expenditures for K-12 education disproportionately benefit those at higher incomes, and a University of Georgia survey showed that black respondents were significantly less likely to have someone in their household who received a HOPE scholarship, the lottery-funded program for college-bound students. In Massachusetts, where lottery revenues are distributed in local aid to the 351 cities and towns across the state, communities with the strongest lottery sales do not receive commensurate levels of local aid. Residents in the old industrial city of Lynn spend \$85 million a year on tickets and games, but the city receives just \$15 million a year in lottery-financed local aid—a net loss of \$70 million.

SHAPING A DEBT CULTURE

Few people enjoy being over their heads in debt. It is usually a stressful and unhappy experience, straining family and work relationships, leaving a blot on one's social reputation, and limiting one's freedom to achieve life goals. Under ordinary circumstances, people try to avoid what earlier generations called "financial embarrassment." In past decades, too, the social geography of the financial world reinforced psychological inhibitions against carrying too much debt.

Reputable lenders were located in the commercial heart of town, disreputable ones on the shadowy fringes. Bank architecture conveyed solidity, loan-shark architecture reflected seediness. And a moral language that unabashedly labeled usurious lenders as “loan sharks” and “payroll leeches” set these businesses apart from the respectable mainstream. This combination of personal aversion to debt, the social stigma of over-indebtedness and the grubby image of predatory money-lenders provided extralegal checks on the temptation to live beyond one’s means.

The anti-thrift industry has worked relentlessly to destroy these traditional inhibitions and stigmas. One strategy has been to improve the image of their businesses; hence the familiar franchise architecture of the suburban strip mall for payday lenders. Another approach is to treat over-indebtedness as commonplace. Payday lenders cast themselves as friendly professionals who offer “finance solutions for all situations.” Indeed, they’ve expunged the words “debt” and “loan” from their advertising. One payday lending website brazenly calls its product a “cash advance savings account.” What’s more, their marketing pitches proclaim, they have solutions for “your problems.” They pretend to care about you. Indeed, they are “there for you as often as you need them”—in other words, as often as you need to roll over your existing loan.

Whatever the specific anti-thrift business—whether payroll advances, credit card purchases or lottery tickets—they all offer instant gratification. They promise “fast cash”, “fast service” and “fast solutions” to money problems. To deliver on that promise, they structure their services in such a way as to maximally separate the time of the loan or purchase from the time of payment. This makes it easier for the consumer to get the money or goods immediately without having to think hard about the high cost of the credit—or, in the case of the lottery, the infinitesimal odds of a major payoff.

Further, to foster the trust of the borrowing public, some anti-thrift institutions link their business interests to those of highly credible institutions. The credit card industry, for example, makes deals with

colleges and universities to use their campuses to market expensive credit cards to students. College students who accept cards from on-campus marketers are likely to be more indebted than those who obtain cards through other means, yet they are also likely to believe that the card issuers are more reputable because they have been screened by the college.

Like other value-shaping institutions, the anti-thrift industry takes seriously the task of initiating the young into a debt culture. Lottery officials now see 18 to 25-year-olds as the demographic group with the greatest future potential for increasing lottery play and revenues, especially with the expansion of online gambling. The Texas Lottery, one of the few state lotteries required to provide detailed demographic breakdowns of its consumers, looks to be well on the way to cracking that youthful market. According to its 2006 report, 18 to 24-year-old players spend a median \$50 per month on lottery play, the highest level among all age groups.

The credit card industry, meanwhile, is intent on making the acquisition of a teenager's first credit card a rite of passage into a cashless consumer culture. Some card companies market their cards as money management tools, although most financial experts believe that kids are better off if they learn to save first and then use cash. Clearly, young credit card users often fail to appreciate how much things cost, fail to grasp the concept of a sales tax, and, perhaps most important, fail to experience the *tristesse* of an empty wallet following a spending spree. Nonetheless, to appeal to college students, credit card issuers often dangle the lure of prizes and points: Chase +1SM Student MasterCard offers the limited edition Facebook T-shirt plus "Karma Points" for purchases of music, movies and electronics; Citi mtvUTM Platinum Select Visa Card delivers extra "ThankYou Points" for "every dollar spent on restaurants, bookstores, record stores, movie theaters, MTV events, and airline tickets," as well as 250 to 2,000 "ThankYou Points" twice a year for maintaining a good grade-point average. Even Pavlov would be aghast.

TWO MODELS OF REFORM

This is not the first time that America has faced a tide of anti-thrift. A century ago, loan sharks reaped huge profits making small loans at usurious interest rates. The most notorious practice was salary lending, a business that offered short-term, high-interest loans to wage earners as an “advance” on future wages. Salary lenders had been around since the Civil War, but the business expanded rapidly in an urbanizing America. By the early 20th century, nearly every major American city had a cluster of salary lenders, some part of large, multi-state chains. According to an estimate made in 1911, one out of five wage earners in cities with more than 30,000 people took out a salary loan in a year.

Two conditions spurred this phenomenal growth. The first was the growing market for consumer loans. As the population of the nation’s industrial wage earners grew, so too did the need for cash to stretch their meager wages from payday to payday. Unlike farmers and small-business owners, wage earners were entirely dependent on the dollars in their pay packet to meet their family’s needs. As one contemporary writer, Robert Kelso, put it, “The wage has not the certainty of food produced on the farm. . . . [T]he workingman’s dollar has a way of depending on world finance to tell it how much food it will buy.”

Nor could strapped wage earners turn to local banks. Most commercial banks did not make small personal loans, because it took just as much paperwork and investigation to establish the creditworthiness of an individual as it did of a business. Furthermore, existing state usury laws capped the amount of interest that could be charged on a personal loan at between 4 and 12 percent annually, with 6 percent being typical. Under such restrictive caps, bankers contended that they could not cover the costs of making small consumer loans and still turn a profit.

Salary lenders, on the other hand, faced few such obstacles. They needed little capital to start their business. Once established, they earned healthy profits from high-volume lending, frequent loan roll-

overs and usurious interest rates—plus late fees, protest fees, application fees, collection fees and other add-ons. Some of the big chains integrated the lending and collection businesses, thus generating another stream of revenue.

Of course, all this was technically illegal, but the prospect of huge profits far outweighed the small risk of being caught and punished. Besides, enforcement was difficult because lenders disguised usurious rates as fees and service charges, required borrowers to sign blank or partially completed contracts, and failed to give receipts for payments. And even in those infrequent cases when a lender was convicted of usury, the penalties were generally civil and mild, ranging from forfeiting the amount of usurious interest charged to suffering the loss of the principal plus interest.

But this was the Progressive Era, and a handful of reformers set out to combat the “loan sharking evil.” They wanted to satisfy the growing need for consumer credit and shut down the loan sharks once and for all. To do so, they followed two very different strategies.

One strategy was to make the small-loan business more profitable for banks and other legal lending institutions. The reformers agreed with the bankers: Restrictive usury laws kept commercial lenders out of the consumer credit business and fed the growth of the illegal loan-sharking businesses. By raising the interest rate caps, reformers hoped to create an incentive for banks to drive the loan sharks out of the consumer lending business. The eventual legislation passed by most states by 1932, the Uniform Small Loan Law, raised the interest cap to 42 percent per year and prohibited fees or other add-on charges. It also required licensing and oversight by state agencies and provided consumer protections for the borrower (the lender was required to disclose fully the terms of loans and provide receipts for all payments).

A second strategy was to create a pro-thrift institution for working people: the credit union. Like usury law reform, the credit union sought to solve the loan-sharking problem by providing an alternative

source of consumer credit to workers. Rather than trying to provide incentives to commercial banks to increase consumer lending, however, the credit union movement sought to institutionalize cooperative savings among wage earners themselves. The credit union wasn't intended as a competitor or imitator of the commercial lenders, or even as a charitable "remedial" lender. Instead, it offered something new: a local, nonprofit, democratically run entity whose first purpose was to provide its members with the incentives and opportunities to save and then, when necessary, to borrow from each other.

Although these two Progressive Era strategies grew out of very different assumptions and approaches, they complemented one another in quelling the spread of predatory lenders for most of the 20th century. The reform of usury laws, however, had a longer-term and wholly unintended consequence. As Christopher Peterson, a leading expert on usury law, has demonstrated, the higher interest allowed under the small loan laws diluted long-standing moral strictures against usurious lending. Legal principle and practice shifted from imposing strict limits on interest rates to introducing flexible and variable caps.

Once that happened, it became much more difficult to resist further deregulation. From the middle 20th century on, Peterson writes, "each state began to chart its own course", creating all kinds of exceptions and loopholes for consumer lending. Especially during the 1980s, amid deregulation and inflation, political pressure to weaken or eliminate usury laws grew. This climate in turn created a hospitable legal environment for the resurgence of a legal successor to the salary lending business—now called, of course, payday lending. The irony is hard to miss. The Progressive-era reform of usury laws, aimed at combating the first wave in the 20th century, helped open the door to the second great wave of predatory lenders in the 21st.

Compared to usury law reform, the credit union has turned out to be a more durable solution. For nearly a century, the credit union has served the small saver and investor. Today, more than 8,100 credit unions provide savings accounts, low-cost credit, financial education and investments for more than 86 million Americans.

The credit union model has been successful for at least four reasons. First, it began as a social movement and was fueled by the energy, commitment and sense of mission that is common to social movements. Second, it united two ideals: democratic economic cooperation and thrift, broadly understood as the wise use of resources for productive purposes. Third, it adopted an organizational model that applied a pro-thrift solution (cooperative savings) to a contemporary problem (predatory interest rates on consumer loans). Fourth, it was organized to fit the habits and routines of its members' daily lives. People did not come to the credit union; it came to the people.

TWO GOALS

These experiences and our current predicament recommend two goals: to renew thrift as an American value, and to create broadly democratic, pro-thrift institutions as alternatives to the current crop of anti-thrifts. Ultimately, these changes can only be achieved in the context of a social movement. We need, in sum, a National Thrift Initiative with a broad-based social sponsorship whose purpose would be to share ideas, incubate strategies and identify creative ways to promote thrift.

Based on American history and what's left of our common sense, we can identify candidate objectives.

Re-establish a public education campaign. During World War II, Americans saved at extraordinarily high rates—about 25 percent on average. This impressive display of thrift and sacrifice was driven primarily by the war, but it also had a more proximate source: The U.S. government, collaborating with civil society leaders, actively stressed the importance of saving for the war effort while also providing a specific new savings tool in the form of war bonds. Perhaps the time is right to re-establish a pro-thrift public education campaign. Similar campaigns to reduce drunk driving and smoking and to encourage seat belt use appear to have had a demonstrable impact on people's behavior in recent years. Why not thrift?

Challenge “consumer spending” as a main solution to economic problems. Whether it is a national security crisis like 9/11 or worrisome economic news, our leaders in recent years seem increasingly determined to insist on the catchall economic salve of prodigious consumer spending. Hence, for example, the 2008 tax rebate legislation. But this is, at best, partial and misleading advice in a society marked by dangerously high levels of debt and dangerously low levels of saving. Perhaps it is time to balance the message of more spending with a message of more saving and wealth building.

Create a thrift savings plan available to all Americans. Since 1986, the U.S. government’s Thrift Savings Plan (TSP) has permitted Federal employees to build wealth and save for retirement by systematically placing a portion of their earnings into diversified stock-and-bond index funds. These funds are managed by an independent board, with oversight from the public and private sectors. The expense ratios on TSP funds are low (0.06 percent), making them cheaper than similar commercially run funds. Currently, the TSP boasts 3.7 million participants, manages assets of approximately \$225 billion, and is widely viewed across the political spectrum as a major success. Federal policymakers and others should consider offering this same wealth-building opportunity to all working Americans.

Build new thrift institutions. New, community-based thrift institutions can stand as attractive alternatives to payday lenders and other anti-thrift institutions. If we are serious about confronting the debt culture, building these new institutions is our most urgent task. They must possess three core traits: Functionally, they must provide opportunities and incentives to save and offer credit at affordable costs for prudent purposes; structurally, they must be broadly democratic and organized as not-for-profit cooperative or mutual organizations; geographically, they must be accessible to low-income Americans.

Re-purpose the lottery. State lotteries are the most egregiously anti-thrift state-run institutions in America. Because lotteries typically enjoy broad support by politicians and the public, it would be hard, if not impossible, to outlaw these operations at present. But it is possible

to re-purpose the lottery, at least in part, as a thrift-promoting institution. In every state lottery outlet in the United States, a customer should be able to purchase “savings” tickets as well as lottery tickets. In this way, a comprehensive public apparatus devoted to encouraging everyone to become a bettor would simultaneously become an apparatus devoted to encouraging everyone to become a saver. It ought to be an easy sell: “Every ticket wins!” because, in fact, every single savings ticket would improve the financial well-being of the purchaser.

There are many other such ideas out there, and nearly all deserve exploration, because a society in which ever more of us are over our heads in debt—a society in which a place like Bedford Falls seems no longer to exist, except in our fading collective memory—is unlikely to remain a thriving society for very long.

There is reason for hope. After all, our forebears a century ago met head on many of the same challenges we face today, and if they could succeed, there is no reason we cannot do so as well. Their success helped reinforce the virtues that made America great, and their foresight helped make it greater still. They left America and the world a better place. We should aspire to do no less.

39. TWO EL DORADOS

David Blankenhorn

El Dorado, Kansas is a classically attractive small American town. Located along the Walnut River in the beautiful Flint Hills of east-central Kansas—the largest area of unspoiled tallgrass prairie in North America—El Dorado was the boyhood home of William Allen White, who lived there with his family in a small frame house on Main Street in the 1870s, when El Dorado was still a frontier town. White’s father was a doctor who also served as mayor and his mother helped to found the town library. As a young man White began his newspaper career working for the El Dorado *Democrat* and, a bit later, for the El Dorado *Daily Republican*.

For years El Dorado was a “cattle town” (a center for selling and shipping cattle) and today it remains a hub of the cattle trade in the Flint Hills. In the decades following the great El Dorado oil strike of 1915—one Kansas newspaper later recommended as a slogan for the El Dorado field, “Big Oil in Kansas Started Here”—El Dorado also was a boom-town center of the Kansas oil and gas industry. El Dorado is the home of the Kansas Oil Museum and today the Frontier Oil refinery remains a major employer in the area.

The current population of El Dorado is about 13,000, and the median household income is about \$33,000 (compared to about \$48,000 for the state as a whole).

El Dorado is a lovely place to visit. Think Normal Rockwell America, with many well-kept homes (more than a few displaying American

flags) along tree-lined streets with old-style sidewalks in the central parts of the town, and with the newer shopping-mall and urban-sprawl areas located farther out, especially as you drive west along Central Avenue toward the entrance to the turnpike on Highway 35.

In front of the historic Butler County Courthouse at Central and Main, there is a “Liberty for All” walkway given to the town in 1950 by the El Dorado Boy Scouts. Not far away, on Central, is the impressive old El Dorado High School, now a middle school. Not far from the school you see the First Presbyterian Church and the First Baptist Church, as well as the sparkling new Susan B. Allen Hospital.

But if we look at El Dorado from the vantage point of encouraging thrift and saving, a dramatic pattern emerges. It’s as if there are two El Dorados. We can see this pattern very clearly by driving down North Main Street and then, near the Courthouse and the “Liberty for All” walkway, turning right on Central and driving east through the town, until we get to the turnpike entrance. These are the town’s two biggest and busiest streets. Regarding thrift and saving, what do we see today on those two streets?

In the older, downtown part of El Dorado, we find the Wichita Eagle Credit Union at 202 West Central, nearly across the street from the Courthouse, and at 1407 West Central we find the Bluestem Credit Union. As far as institutions whose purpose is to encourage thrift and saving, on these two main thoroughfares, that’s it!

But as we leave old El Dorado and head out to the newer areas of town, either up North Main Street or east along West Central toward the turnpike entrance, bright, new multi-color new signs—they resemble fast-food signs—suddenly begin to appear in the shopping areas. The signs say:

“We Cash ALL Checks!”

“Bring Your Tax and RAL Checks”

“Bill Pay – Pay Your Bills Here”

“Payday Advance”

“Checks Cashed”

“Payday Loans”

“Pawn Shop”

“We Rent for Less – Always”

“Payday Advances Up to \$500”

“Loans Up to \$500”

“ALL Checks Cashed”

“Pay Day Loans/We Sold a Winning Lottery Ticket Here!”

These are the advertising slogans of El Dorado’s new debt culture, or what we might call the town’s anti-thrift culture. Unlike credit unions, mutual savings banks, savings and loans, and other pro-saving institutions—now apparently down to a mere two locations in El Dorado, both in the older part of town—these new and rapidly expanding businesses are all about encouraging the downward cycle of borrowing and debt, high interest rates, and paying more for getting it quick. The following two photographs illustrate the trend, and the table documents it.



OLD EL DORADO

Bluestem Credit Union

1407 West Central

Established 1935



NEW EL DORADO

Checks Into Cash
 2348 West Central
 Opened 2006

THRIFTS AND ANTI-THRIFTS ON CENTRAL AVENUE AND MAIN STREET IN EL DORADO, KANSAS, 2010

Thrift Institutions¹

Bluestem Credit Union
 Wichita Eagle Credit Union

Anti-Thrift Institutions²

Advance America Cash Advance
 Check Into Cash
 Check 'n Go
 Citizens Credit Co./Payday Loans
 JKL Liquor/Payday Loans
 Mike's Rent to Own
 Payday Loans
 Pawn Shop
 Rent-A-Center
 Rent 1st

This anti-thrift trend is hardly unique to El Dorado. If you take time to look, you will see the same phenomenon—the same shifts in the physical and institutional landscape—in hundreds of American towns.

Each of us is responsible for his or her own behavior, of course, but our behavior is also influenced by the institutions that surround us and beckon to us. What happens to us as a society when our institutional environment shifts in this way? What happens to the way we think? To the way our children see the world?

Is the steady displacement of thrift institutions by anti-thrift institutions a good thing for El Dorado? For the nation? Can anything be done about it?

1. A thrift institution is a depository institution—such as a savings bank, a savings and loan, or a credit union—whose core mission is to promote thrift and encourage savings.

2. An anti-thrift institution is a non-depository credit intermediary—such as a pawn shop, a rent-to-own store, or a payday lender or other provider of high-interest consumer loans—whose core mission is to gain profit through the promotion of dissaving and the expansion of debt.

40. THE POSSIBILITIES OF AMERICAN THRIFT

David Blankenhorn, “The Possibilities of American Thrift,” in *Thrift: A Cyclopedic* (West Conshohocken, PA: Templeton Foundation Press, 2008), 291–303.

Beginning in the eighteenth century, people from around the world—mostly from Europe and Africa, but soon enough from nearly everywhere—came or were taken to the North American continent, whereupon they took the land from its native people and established across that land a European-influenced, English-oriented, but ultimately distinctive civilization. From this mix, something new emerged. “What then is the American, this new man?” asked the immigrant J. Hector St. John Crevecoeur in his book, *Letters from an American Farmer*.¹ It’s a great question. With respect to thrift, let’s try to answer it.

THE INHERITANCE

The main American idea is freedom. We move west, we go where we please, we do what we will. We do not have to bend the knee. We do not have to obey our fathers. We are slow to recognize limits. Listen to Walt Whitman, the great poet of American democracy:

*From this hour I ordain myself loos’d of limits and imaginary
lines,
Going where I list, my own master total and absolute²*

Must I bend the knee? Is there something larger than individualism? For many of us, of course, still significantly shaped by biblical culture and the old ideas, the main answer to these questions is “Yes.” We bow before God. We disavow the notion that we own ourselves. We recognize, and try not to eat, the forbidden fruit. But for growing numbers of us, and in some respects now for the country as whole, the main answer is “No.” Whitman again:

*Whimpering and truckling fold with powders for invalids, conformity goes to the fourth-remov'd,
I wear my hat as I please indoors or out.
Why should I pray? why should I venerate and be ceremonious?
Having pried through the strata, analyzed to a hair, counsel'd with doctors and calculated close,
I find no sweeter fat than sticks to my own bones³*

Surveying the origins and content of core American values today, Everett C. Ladd describes “a uniquely insistent and far-reaching individualism—a view of the individual person which gives unprecedented weight to his or her choices, interests, and claims.” Ladd concludes: “The American idea of freedom is of the ‘leave me alone’ variety.”⁴ Even the ideal of equality, the other master value of American culture, is most frequently understood to mean equal opportunity, or equality of freedom.

In this sweet land of liberty, one part of our inheritance—one outgrowth of our biblical culture, one of the old ideas—is thrift. As we’ve seen, the concept of thrift in English-speaking societies is more than anything else a restatement, in secular terms, of the Judeo-Christian concept of stewardship.

Recall the three related lodestars of this thrift ideal. *Industry*: Work hard. *Frugality*: Don’t waste. *Trusteeship*: Give back. What have we Americans done to date with this ideal, this little jewel from our inheritance? What might we decide to do with it in the future?

Do you recall, from part one, the views in 1920 of Edward Bok, who as a child had emigrated to the U.S. from Holland? Bok was shocked and dismayed by American extravagance and wastefulness, and rightly called it a lack of thrift. But at the same time, he was moved and inspired by what he called “the American spirit of initiative”⁵—which of course is also an aspect of thrift.

Industry is the part of thrift at which Americans typically excel. Americans are almost always up and doing. We take lots of initiative and risks. We work very hard and, compared to the other rich countries, take few vacations and put in very long hours. Much of this work turns out to be quite creative. All of this initiative and industry, of course, has paid off for us materially. We are a fabulously rich country—a gaudy, over-the-top society in which, as Tom Wolfe puts it, the guy who cleans swimming pools in East Hampton is wearing a Rolex watch and is on his third wife. Americans are industrious!

On trusteeship—what we have is not ours alone, but is held by us in trust, for the benefit of others—Americans overall can point to much that is good. By many measures, we seem to be a generous people. Our system of private philanthropy is probably the most robust in the world. A recent British study, for example, finds that U.S. charitable donations in 2005 amounted to about 1.7 percent of the nation’s gross national product (GNP)—a significantly higher proportion than in any of the other surveyed nations.⁶

One important reason for our comparative generosity, of course, is our affluence. Giving a lot is easier for people who have a lot. Another key reason is that our tax laws encourage private giving. A third reason is that among the rich modern societies, we are the most religious, and religiosity tends in general to correlate with charitable giving. A fourth and also significant reason is that the United States is a low-tax society. In areas such as social insurance and welfare services, much of what we in the U.S. do privately and often locally, through our philanthropies, other rich countries do publicly and nationally, through their tax-supported governmental agencies. This fact can complicate our attempt to measure things fairly. To take just one

obvious example, it suggests that France, with its high taxes and low charitable giving, may be doing just as well if not better on this particular dimension of thrift than the United States, with its low taxes and high charitable giving.

Regarding the dimension of the thrift ethic that emphasizes frugality—carefulness, conservation and reuse, avoidance of waste, and the disavowal of personal extravagance—the United States by almost any measure is . . . a disaster. In almost every category, we lead the world in waste. What Americans waste every day shocked young Edward Bok a century ago, and it shocks most visitors to our country today. In the John le Carré novel, *Tinker, Tailor, Soldier, Spy*, the English school teacher in front of his class grabs a crayon and with frustration draws a globe, with Britain in the middle: “To the west, America, he said, full of greedy fools fouling up their inheritance.”⁷ It’s a point of view.

Wonderfully blessed with natural resources, it would be hard to argue that, to date, we have been anything other than poor stewards of those resources. My favorite animal has always been the American buffalo. From *Buffalo Bill’s Own Story*:

*They could afford to remunerate me well, because the meat would not cost them any- thing . . . During my engagement as hunter for the company—a period of less than eighteen months—I killed 4,280 buffaloes . . .*⁸

From Tom McHugh’s *The Time of the Buffalo*:

Indian wastefulness increased as the white man began to offer tempting goods in exchange for buffalo products. In 1832, for instance, when George Catlin first arrived at Fort Pierre, South Dakota, he was informed that a few days earlier “party of five or six hundred Sioux Indians . . . came into the Fort with fourteen hundred fresh buffalo tongues . . . for which they required but a few gallons of whiskey, which was soon demolished, indulging them in a little, and harmless, carouse.” When the traders

*became more numerous and offered more attractive barter, some Indians started to kill buffalo for their hides alone, thus degrading themselves to the level of the white hunters.*⁹

From David A. Dary's *The Buffalo Book*:

*What has often been reported to be the world's record for buffalo killing on the southern plains was set by Thomas C. Nixon during the early 1870s . . . Shortly Nixon's judges arrived and counted the dead buffalo. In forty minutes Nixon had killed 120 buffalo . . . [B]y 1884, hide hunting as a business on the northern plains had all but ended. What is believed to be the last carload of buffalo robes and hides from the northern plains was shipped from Dickinson in far western Dakota in 1884.*¹⁰

From Larry McMurtry's beautifully researched novel, *Streets of Laredo*:

*Years before, when the buffalo were being killed, a large remnant of the great southern herd had wandered south, off the plain and into the sandhills. There they were pursued by the Kiowa and Comanche, and by the most unremitting of the buffalo hunters, in a last great frenzy of killing. The skins were piled in great heaps, awaiting wagons to transport them east. But the hide market collapsed, and the wagons never came. The towering heaps of hides slowly rotted.*¹¹

I single out the buffalo for a moment not in order to delve into the particulars of that sad and difficult issue, but partly because of the buffalo's iconic importance in our national history, and mostly because our record of stewardship in this case, for good and for ill, resembles closely enough our record of stewardship regarding numerous other aspects of our inherited natural resources. What explains such a record? Surely much of the answer is that, for most of our history, we have been a rapidly growing society with a steadily westward-moving frontier. Listen to Frederick Jackson Turner, the great historian of the American frontier, speaking at a university commencement ceremony in 1910:

*To the pioneer the forest was no friendly resource for posterity, no object of careful economy . . . fired with the ideal of subduing the wilderness, the destroying pioneer fought his way across the continent, masterful and wasteful, preparing the way by seeking the immediate thing, rejoicing in rude strength and wilful achievement.*¹²

When it comes to the frugality and conservation dimensions of the thrift ethic—even after we’ve noted the important qualifications and the historical reasons why—we as a society clearly have much to confess, and much to amend—at least insofar as our criterion is that little jewel, the thrift principle.

Oh, and did I mention our national performance on frugality when it comes to our money? Let’s face it, when compared to other countries, we are a nation of spendthrifts. Especially in recent years, we have not only spent our money as fast as we have earned it, we have actually begun to spend it *faster* than we earn it! At both the governmental level, with our very large and perhaps structural budget deficits, and at the level of individual citizens and families, with our huge and growing levels of consumer debt and with our (as of 2006) negative savings rate, over-indebtedness has become an American way of life. Whether, and how long, this trend can continue unabated without producing a major financial crisis is a topic that economists today are hotly debating. But this much is clear: When it comes to money, we Americans are almost anything but frugal!

DIVISIONS AND CHALLENGES

So far we’ve been measuring Americans’ thrift overall, as a nation, but now let’s zoom in a bit closer, and observe several regional, sociopolitical, and institutional distinctions and challenges. I am a Southerner, from Mississippi, so let’s begin with region. The diffusion of the thrift ethic in the United States has been very regionally uneven, with the South lagging far behind (or far ahead, depending on your point of view). While in Britain, for example, the savings bank movement fairly

quickly reached every area of the nation, in the U.S. the savings banks never picked up much steam in the South, or even in the Sunbelt as a whole. Roughly speaking, the same is true for other cooperative thrift institutions, such as building and loans and credit unions. Regionally, ground zero for the U.S. thrift tradition is the Northeast, particularly Massachusetts. The Deep South is on the other end of the scale.

As with so much in the South, the main underlying issue is probably race. We can start with slavery, a labor system that is inimical to thrift. For me, one of the most chilling quotations in this book is Henry Adams's comment in 1857 about the poor quality of roads in the slave state of Virginia: "Bad roads meant bad morals." Or consider the observation from about the same time by the novelist Nathaniel Hawthorne, commenting disdainfully on

*the natural shabbiness, and decayed, unthrifty look of a Virginian village . . . there would be a less striking contrast between Southern and New England villages, if the former were as much in the habit of using white paint as we are.*¹³

Or this remarkable formulation, also from 1857, from George Fitzhugh, who passionately despised thrift as a cultural value and passionately supported Southern slavery:

*The only difference [between the South and the North] is, we love our slaves, and we are ready to defend, assist and protect them; you hate and fear your white servants, and never fail, as a moral duty, to screw down their wages to the lowest, and to starve their families, if possible, as evidence of your thrift, economy and management—the only English and Yankee virtues.*¹⁴

What do we make of these propositions? Amazingly, people on opposite sides of the slavery question in the nineteenth century actively shared the view that thrift—with its good roads, whitewashed fences, and wage-labor system—was mainly an "English and Yankee virtue," whereas the South, with its preindustrial codes of chivalry and gentlemanliness and its ruling elite served by slaves, was largely guided by

values quite distinct from, and even opposed to, the value of thrift.

In the twentieth century, issues linked to race and racism continued to deform and miniaturize Southern thrift. Consider the issue of building new thrift institutions. For most of the century, anyone wanting to establish or advance a thrift institution in the South faced a cruel choice—serve either whites only or blacks only, as a part of a Jim Crow system in which, under the best of circumstances, it was by definition necessary to create two networks of savings banks (or public libraries, or credit unions, or building and loans) in every locale in which, were race not an issue, only one would be necessary; or alternatively, seek to serve both races through the same networks and institutions, and be assured of strong and possibly violent resistance from whites.

The main result, not surprisingly, has been the marked and general retardation of Southern public thrift institutions, a handicap from which the South even today, especially the Deep South, has not recovered. If there is to be a new thrift movement in America in the years ahead—and that is a goal to which I am committed—it will have to be truly national in scope, and much of the hardest and most necessary work will need to take place in the South.

A second divide within American thrift concerns marriage and family life. Put simply, the thrift ethic tends to correlate, and overlap significantly, with an ethic of marriage and family life. Most of my work to date has been in the areas of marriage and families. For more than two decades, I have followed the scholarly and public debates on these issues quite closely, and as a result I believe that I know the current lines of demarcation fairly well. When I began my research on thrift, I certainly did not imagine or look for any connections between thrift and my other main field of study. They seemed like two entirely separate issues. And in many ways, of course, they are.

But in other ways, they are not. I now see linkages on several levels. First, there is a clear kinship between the values comprising the thrift ideal and the values usually associated with well-functioning

marriages and families. Both the thrift ethic and the marriage ethic, for example, depend on foresight, patience, consistent effort, taking other people's needs into account, and building good things over time, as opposed to depending on luck or being pushed and pulled by short-term considerations or the desire for instant personal gratification. For this reason, in individuals, the two ethics often tend to go together. Alternatively, someone who goes through his money too fast and too carelessly is probably also prone to go through other things, such as wives and lovers, too fast and too carelessly.

And should we really be surprised by this convergence? A family, after all, can be described as a locally based, usually small-scale cooperative organization whose members help one another economically as well as in other ways. A building and loan association can be described in pretty much the same way! I am not suggesting that the two are the same—obviously they are not. But I am suggesting that as institutions they have some interestingly similar forms, and that those similar forms tend to generate similar and overlapping values, habits, and personality traits.

Finally, and to me most revealingly, public arguments dismissing or attacking thrift tend to be virtually identical in structure to public arguments dismissing or attacking marriage and the family as institutions. For me, this was quite a discovery!

I know the Rutgers University historian Jackson Lears because he wrote a paper, and was also a lead advisor, for the scholarly conference on the history of thrift that I helped to organize in the fall of 2005. I also know the historian Stephanie Coontz.

For years, in books with titles such as *The Way We Never Were*, Coontz has essentially argued that family fragmentation has always been with us, that there was never a golden age of the family, and that people who worry about the weakening of the family are worried about the wrong thing and are therefore part of the problem. And not just Coontz. This nearly exact formulation is an easily recognizable and widely deployed rhetorical template among intellectuals who cham-

pion family diversity and criticize customary family forms, such as marriage.

Imagine my shock of recognition, then, when I learned from my erstwhile conference associate Jackson Lears, in his dismissal of thrift in the *New York Times*, that debt has always been with us, that there was never a golden age of thrift, and that people who worry about the weakening of thrift are worried about the wrong thing and are therefore part of the problem. Professor Lears, meet Dr. Coontz!

By the way, on the merits, what should we make of this repeated insistence on never a golden age? If you have perused this cyclopedia, you have seen literally hundreds of pro-thrift arguments from scores of thrift leaders across British and U.S. history. Do you recall even one of these advocates basing his or her main argument on the idea that there was once a golden age of thrift? I don't. Here are a few additional and quite typical comments on this point from some leading thrift advocates.

DANIEL DEFOE, *GIVING ALMS NO CHARITY*,
1704:

Good husbandry is no English vertue, it may have been brought over, & in some places where it has been planted it has thriven well enough, but 'tis a foreign species, it neither loves, nor is beloved by an Englishman . . .

HORACE GREELEY, *AN ADDRESS ON SUCCESS IN BUSINESS*, NOVEMBER 11, 1867:

One point wherein the American people are exceedingly deficient is that of method. We are energetic; we are audacious; we are confident in our own capacities and in our national destiny; but we are not a systematic, a frugal, economical people . . . the differences between our people and the Europeans are immense.

LORD DERBY, *ADDRESS TO THE PROVIDENT KNOWLEDGE SOCIETY*, MAY 9, 1873:

. . . possibly it is because we make our money faster than most other countries that we spend it faster also. The Americans equal us, perhaps exceed us, in both respects, and it may be that a certain absence of caution, a certain reluctance to contemplate the possibility of things going wrong, a vague confidence that the future must be even more prosperous than the present, are traits of character inherent in, and inseparable from, the nature of a progressive and energetic people.

. . . Our English people have always been, as they are now, patient of labor, anxious to raise themselves; not envious of those who succeed (and that is a great matter); willing to make great exertions in pursuit of wealth, but less able, in general, to keep it when acquired than acquire it; and rather too much inclined to consider the squandering of capital as a sign of a general disposition, and the propensity to save as evidence selfishness and meanness.

ALBERT SHAW, *THE OUTLOOK FOR THE AVERAGE MAN*, 1907:

Having worked over and exhausted our soil from one ocean to the other, we are going back and learning the business of farming all over again, under permanent conditions . . . There must now come a mature period of positive rural prosperity, following the lax and shiftless days since the first freshness of the soil was exhausted by pioneers who made the clearings.

“WHAT DO YOU DO WITH FATHER’S MONEY?”
LECTURE TO MEMBER OF THE NATIONAL
HOUSEWIFE’S LEAGUE, ABOUT 1915:

The country passed through a period of prosperity and suddenly acquired wealth, but nobody thought to teach this new generation of women the value of money or how to spend it to best advantage . . . This is unjust. Give the American woman lessons in thrift along the modern lines of income and expenditure, and she will work out her splendid salvation.

Do these people seem historically deluded? Do they need a reminder from Professor Lears not to kid themselves about a lost golden age? Of course not. In fact, far from succumbing to illusions about a golden age of thrift, the typical thrift jeremiad throughout U.S. history (and including today) has stated almost exactly the opposite! Over and over, we are warned that we Americans have never been a particularly thrifty people, but that due to current challenges, we need to change our ways. (Put me in that category of belief as well!) So this “never a golden age” trope from contemporary scholars is almost completely nonhistorical, and therefore intellectually irrelevant, except insofar as it has become in recent years a form of partisan name-calling—a way of suggesting that everyone who might favor (fill in the blank) is a naive person ready to indulge in historical make-believe.

There are other similarities between the two arguments. Both Lears and Coontz, for example, seek to reduce all arguments in favor of (fill in the blank) to the level of hypocritical finger-pointing, or what Lears in his essay terms “moralism,” which is very bad.

More generally, as examples of scholarship, both of these arguments are breathtakingly insubstantial—top-heavy with political theorizing and self-assured pronouncements, but very skimpy with the facts. From Lears, for example, *in an essay on debt in the U.S.*, there is not one word, and nary a number, on actual trends regarding savings and indebtedness in the United States. Nor is there a single mention of any of the actual institutions, from savings banks to credit unions, that thrift leaders over time have created to address problems of savings and over-indebtedness. Instead, we get sentences such as: “In fact, debt is as American as cherry pie.” Thanks for the insight!

So there are more convergences between the thrift ethic and the family ethic than I had originally assumed. Of course, I am sure that many lovers of the conventional family are thriftless, just as I am sure that many unmarried and solo-living people are committed to thrift and could be important leaders of a future thrift movement. And though I have my doubts, I concede that there may also be some

prominent public intellectuals out there who can't stand thrift, but love customary family forms.

At the same time, these multiple convergences—normative, institutional, and regarding the shape of the respective public arguments—seem to me to be too striking to ignore. They clearly suggest that, looking to the future, American thrift values are likely to rise or fall in rough tandem with American family values, and that our thrift institutions are likely to face the same types of criticism and share the same general fate as our family institutions. This fact changes some calculations. I used to assume, when considering the possibility of a thrift renewal movement in the United States, that my old friends from movements to strengthen the family would not have a dog in this new fight one way or the other. Now I believe, and hope, differently.

A third and (for us, for now) final challenge within American thrift concerns one of those topics about which Professor Lears, with his exclusive identification of thrift as “moralism,” had zero to say: the role of institutions and institutional change in shaping outcomes for individuals.

An important trend in our generation is sharply rising levels of individual and societal debt and a steady decline in savings. Debt payments now consume about 15 percent of the average American family's income. About 20 percent of low-income families spend at least 40 percent of their income in debt payments. Nearly half of all credit card holders have missed payments in the past year, and an estimated one in seven U.S. families is dealing with a debt collector. In 2005 and 2006, for the first time since the Great Depression, and in the context of historically low unemployment, Americans overall spent more than they earned, meaning that our national savings rate has now dropped to below zero. Nearly two-thirds of Americans report that they do not save enough.¹⁵ “Crisis” is an overused word, but it may be fair to say that much of America, using borrowed money to cover the costs of today's needs and wants, and without adequate savings, is now experiencing a crisis of over-indebtedness.

Why? Is it because too many Americans are making foolish choices? Is it because they lack thrift? In part, yes. But probably an even bigger part of the answer is that powerful institutions—let’s call them anti-thrift institutions—are increasingly soliciting and sponsoring those foolish choices. Consider payday lenders, those modern successors to the old salary loan companies, whose flagrantly predatory practices in the early decades of the twentieth century highlighted the need for, and in that sense helped give rise to, the modern credit union movement. These old practices have now returned with a vengeance. Today there are more payday lending operations in California than there are McDonald’s franchises.

Or consider the explosion in recent years of rent- to-own stores, especially in poorer neighborhoods. Or auto title lenders. Or check-cashing shops—an industry that more than doubled in size from 1998 to 2002.¹⁶ Or chain pawn shops. Or consider our newly aggressive credit card companies, now sending cards with buy-me-now gimmicks through the mail to nearly everyone in sight, including college students with no income.

Or consider the public sector’s very own, enormously influential anti-thrift institutions, the state lotteries and other forms of state-sponsored gambling. Until 1964, there was not one government-sponsored lottery in the United States. Today there are forty-three, all of them working 24/7, using the most sophisticated advertising that money can buy in order to extract billions of dollars of gambling revenue from the paychecks of the poor, working class, and middle-income players who are its core customer base.

Lotteries and thrift simply do not go together. I live in New York, and the main ad slogan of the New York State Lottery is, “You Never Know!” If those who hate our country wanted to come up with the single best slogan to insinuate into every American’s head in order to eviscerate the habits and character traits associated with thrift—not to mention a few other little things, like self-government and democracy—that slogan almost certainly would be, “You Never Know!”

Individuals make choices. In a pro-thrift culture, individual choices are typically guided by, as well as rewarded and at times even required by, authoritative pro-thrift institutions. But in today's increasingly pro-debt culture, people who would pursue thrift must typically rely almost *entirely* on their own individual knowledge and willpower, including the willpower to ignore the constant and seductive "money for free" messages coming at them courtesy of today's regnant anti-thrift institutions. That's why, in a debt-oriented culture such as ours, it's not just that more people are making bad choices, it's also that society's main institutions are *promoting* those bad choices, while they simultaneously ignore, downplay, and often even block realistic avenues for individual thrift.

Earlier generations of thrift visionaries build important thrift institutions that helped millions of people. They organized fraternal societies. They founded savings banks. Taught young people thrift in schools. Started food co-ops and community gardens. Organized producer cooperatives. Built libraries. Raised homes through building and loan associations. Democratized access to credit through credit unions.

Duncan of Ruthwell. Sikes of Huddersfield. Franklin. Beecher. Child. Pratt. Washington. Straus. Walker. Bergengren. In my view, these people are true heroes. What they did was so important. Do we have people like them today? Do they possess the vision and capacity to build new thrift institutions to meet the new circumstances and needs of this generation?

In this entire area, our greatest challenge in the coming years is to create powerful new thrift institutions that can provide realistic alternatives to today's anti-thrift institutions. Put more simply, our challenge is to replace today's debt culture with a thrift culture.

WHICH AMERICA?

I want to conclude by asking you to reflect briefly on this 1957

observation on successful American business leaders (“Titans”) from Max Lerner:

There is one division which cuts across most of the Titans of the earlier prewar era of America—the split between the puritan and the magnifico. J. Piermont Morgan, the greatest of all the Titans, was a magnifico in the sense that he operated on a scale of magnificence. So also were [James J.] Hill, [John W.] Gates, [Jay] Gould, several of the early Du Ponts, and [Charles Tyson] Yerkes himself. There was a lustiness and grandeur of scope in their private as in their business lives. They bet and gambled, lived conspicuously, gave parties, sailed yachts, were seen in the European capitals; there were legends of the stables of women they kept; they built palatial homes and crammed them with art treasures rifled from the museums and collections of Europe. There was native optimism in them; in business as in private life they were “bullish” . . .

There was another strain, however, represented by Daniel Drew, the Rockefellers, Henry Ford: not the strain of magnificence but of the taut Puritan qualities. These men came out of small towns and remained at home in small-town America. They were abstemious, church-going, taught Sunday-school classes. They spent little on themselves, and what they did they spent quietly. Like Rockefeller, they handed out shiny dimes; like Ford, they ploughed everything back into the business. They had the eccentricities in which men can indulge when they sit on top of a pyramid of power. They were apt to be gloomy men and presented a stern vision of the world, at once unsmiling and unrelenting. Yet they were probably closer than the magnificos to the theological roots of capitalism: the demonstration of virtue through success, the doctrine of calling, the gospel of work and thrift.
—MAX LERNER, *AMERICA AS A CIVILIZATION*, 1957

When I think of this same basic division today, I think of Donald Trump and Warren Buffet. Donald Trump, one of Max Lerner’s

magnificos if ever there was one, is a billionaire real-estate mogul and owner of gambling casinos, who has also in recent years become a best-selling author, TV and radio star, and tabloid media celebrity—the latest and possibly most shameless in a long line of out-sized American gamers who get famous by being rich and stay rich by being famous.

If we ever need a poster boy for “Thrift—Not!” we surely have one in Donald Trump. For him, everything is about high living and fast bucks, or what Trump calls “the art of the deal.” He is a caricature of egotism. Much of his money is from his gambling interests. He leaves behind him a trail of indebtedness and messy bankruptcies. He is a man whose core philosophy seems to be that bigger is always better and that more is always good. A man who cannot have his name on too many buildings or billboards, or in letters too large. A deep craving for glitz, flash, and conspicuous consumption—Donald Trump was bling before bling was a word. Quantities of bragging that, in most places, would gag a horse.

Heaven help us, we all, or at least most of us, have a bit of Donald Trump in us. After all, is it *always* wrong to want it, have it, and flaunt it? As Lerner recognized, being a magnifico in America can be quite exciting and, often enough, lots of fun! I imagine that more than a few Americans play the lottery today hoping that they’ll get lucky and become a somewhat smaller-scale version of Donald Trump, a hometown magnifico. In any case, there is a reason why so many, and growing numbers, of our signs across the country have the word “Trump” emblazoned on them. If Trump were a U.S. city, he would doubtless be Las Vegas or Atlantic City, but there is also a sense in which *all* of our cities, and our society as a whole, have been moving steadily in recent decades in a Trump-like direction.

Warren Buffet is also a famous billionaire. But any similarity to Trump ends there. Buffet lives modestly in Omaha, Nebraska. He eats lunch at the Dairy Queen. He has never borrowed money in business, and has never been in debt. Throughout his career, nearly everyone associated with him has made money, usually lots of it.

Lerner describes his American puritans as typically “gloomy men” who are “at once unsmiling and unrelenting.” But Buffet seems to be cheerful enough, and by all accounts has a great sense of humor.

He could not be less interested in “the art of the deal.” As an investor, he emphasizes the fundamentals and looks for companies that are likely to thrive over time. He filed his first tax return at age thirteen, for his paper route, and took a \$25 deduction for his bicycle. Because he does not believe that the children of rich men, including his own children, should inherit all or even most of their fathers’ estates, he recently announced plans to give most of his money away. He argues that “huge fortunes that flow in large part from society should in large part be returned to society.”¹⁷ He keeps receipts and is a stickler over small sums of money. For years—until he gave it to a charity auction—the license plate on his car read “THRIFTY.”

Most of us have a bit of Warren Buffet in us, or at least would like to. There is much to admire here. And as Lerner’s observations suggest, Buffet’s America—the America of “the demonstration of virtue through success, the doctrine of calling, the gospel of work and thrift”—runs quite deep in our history and still looms large today as an aspect of our collective identity and a shaper of our possibilities.

The question for us today is, which America? Looking ahead, in which direction do we want to go? Do we want as a society to become a bit more like Trump? Or a bit more like Buffet? To me, the answer is clear enough. Moreover, the stakes are quite high. If I had to pick the best word to describe the Trump direction, it would be “waste.” For the Buffet direction, by far the best word, and possibly the only truly adequate word, is “thrift.”

ENDNOTES

1. J. Hector St. John Crèvecoeur, *Letters from an American Farmer* (New York: Fox, Duffield & Company, 1904; first published 1782), 54.

2. Walt Whitman, "Song of the Open Road," in *Leaves of Grass* (Garden City, NY: Doubleday & Company, 1954), 125. The poem was written in 1856.
3. Whitman, "Song of Myself," *Leaves of Grass*, 41. The poem was written in 1855.
4. Everett C. Ladd, *The American Ideology: An Exploration and a Survey of the Origins, Meaning, and Role of American Values* (Washington, D.C.: American Enterprise Institute, March 1992), 2, 9.
5. Edward Bok, *The Americanization of Edward Bok* (New York: Charles Scribner's Sons, 1923; first published 1920), 15.
6. International Comparisons of Charitable Giving (West Malling, UK: Charities Aid Foundation, 2005).
7. John le Carré, *Tinker, Tailor, Soldier, Spy* (New York: Alfred A. Knopf, 1974), 12.
8. William F. Cody, *Buffalo Bill's Own Story of His Life and Deeds* (New York: John R. Stanton, 1917), 114–15.
9. Tom McHugh, *The Time of the Buffalo* (New York: Alfred A. Knopf, 1972), 283.
10. David A. Dary, *The Buffalo Book: The Full Saga of the American Animal* (Athens, OH: Swallow Press, 1989), 107, 119.
11. Larry McMurtry, *Streets of Laredo* (New York: Simon & Schuster, 1993), 86.
12. Frederick Jackson Turner, *Commencement Address at the University of Indiana*, 1910, as reprinted in Turner, *The Frontier in American History* (New York: Henry Holt and Company, 1920), 270. Turner's most famous paper, "The Significance of the Frontier in American History," originally presented to the American Historical Association in 1893, is also reprinted in this volume.
13. Nathaniel Hawthorne, "Chiefly About War Matters," *Atlantic Monthly*, July 1862, reprinted in *The Writings of Nathaniel Hawthorne*, vol. 17, *Miscellanies* (Boston: Houghton, Mifflin and Company, 1900), 396. Hawthorne also writes (p. 385) of "a normal lack of neatness in the rural life of Virginia, which puts a squalid face even upon a prosperous state of things."

14. George Fitzhugh, *Cannibals All! Or Slaves Without Masters* (Cambridge: Harvard University Press, 1960; first published in 1857), 220.

15. David Blankenhorn, Sorcha Brophy-Warren, Alex Roberts, and Barbara Dafoe Whitehead, *For a New Thrift: An Appeal to Prospective Colleagues* (New York: Institute for American Values, January 2008), 4. My discussion in the next several paragraphs of the current U.S. debt culture and the rise of anti-thrift institutions draws heavily, and in several instances verbatim, on this coauthored publication. More specifically, I want to acknowledge with gratitude that the terms “debt culture” and “anti-thrift institutions,” which I think are enormously valuable analytic concepts, came mainly from my coauthor Barbara Dafoe Whitehead.

16. Gerald Goldman and James R. Wells, Jr., *Check Cashers Are Good Bank Customers* (Hackensack, NJ: Financial Service Centers of America, 2002), 1.

17. Carol J. Loomis, “Warren Buffet Gives It Away,” *Fortune*, July 10, 2006.

41. THRIFT IS THE SOCIAL MOVEMENT FOR THE GREAT RECOVERY

Gerard P. Cuddy, “Thrift Is the Social Movement for the Great Recovery,” *Propositions 2* (New York: Institute for American Values, January 2011).

Economics columnist Daniel Gross recently argued in a *New York Times* op-ed that the Great Recovery awaits the return of the “greatest economic force known to mankind—the American consumer.” Gross called for Americans to return to consumer credit—to buy Viking stoves, jewelry, and Priuses. As he put it, the “renewed willingness and confidence to spend money we don’t have is vital to the continuing recovery.”

I beg to differ. After the consumer binge that led to the Great Recession, American families are trying to put their financial houses in order. Unlike the big banks, they can’t depend on government bailouts. Instead, they are recovering by paying down their debt, cutting back on spending, and saving more.

The Great Recession may be officially over, but the pressure in millions of household budgets is still quite real. Those Americans will not be rushing out to spend money they don’t have on \$5,000 Viking stoves. Indeed, the old consumerism may have finally run its course. In this century, a new thrift ethic emphasizing sustainability and long-term

growth could take its place. Excess and short-term gratification are out of fashion—maybe for good.

Signs of this new thrift ethic dot Philadelphia's streets like robins in springtime. Walking down Walnut, one passes the Consumer Credit Counseling Services of Delaware Valley. On the walls inside hang crayon drawings on construction paper featuring savings themes from the imaginations of local schoolchildren. In Kensington, gardens grow where old mattresses and retro floral couches once moldered. On Frankford, migrating artists—the kind who frequent thrift shops and tie their scarves into masterful knots—open galleries in abandoned storefronts. Where men in fluorescent vests and hardhats dig and drill and build new buildings, signs tout green credentials and rooftop gardens.

If these signs do indeed usher in a replacement for rampant consumerism, it would not be the first time Americans have embraced thrift. As David Blankenhorn highlights in *Thrift: A Cyclopedic*, in the early 20th century, progressive reformers launched a social movement for thrift, which they understood broadly as the wise use of resources. With a coalition of hundreds of organizations—including the Y. M. C. A., the American Library Association, the Chamber of Commerce, the Boy Scouts of America, the National Education Association—they spread the message and encouraged a host of thrift activities ranging from saving money, to gardening, to reusing household goods. They saw connections between saving, giving, cooperating, conserving, and thriving—all under the banner of thrift. This thrift ethic inspired social reformers and philanthropists to start savings banks, credit unions, building and loan associations, public libraries, gardens, national parks, and thrift shops. Each year for decades, these organizations partnered with others to put on National Thrift Week celebrations in thousands of communities.

Much of what these reformers stood for is as vital and valuable today as it was a century ago. This year Beneficial Bank is proud to co-sponsor Thrift Week in the adopted hometown of Benjamin Franklin, the American Apostle of Thrift, from January 17–23. In honor

of this celebration, here are seven ideas for a “new thrift”—ideas that are already taking root in Philadelphia.

SAVING: THE WAY TO WEALTH

If there’s one thing people think of when they hear the word “thrift,” it’s saving. What we often fail to appreciate, however, is how important saving is for creating an equitable society. In the early 19th century, when most banks were only interested in wealthy investors, savings banks started as philanthropic endeavors to allow those of modest means to save and enter the middle class. Beneficial Bank was founded in Philadelphia in 1853 by St. John Neumann, a Catholic bishop concerned about the lack of safe places for working class immigrants to deposit their savings. Today, in step with its heritage, Beneficial’s mission is to educate people about financial responsibility. Newly married couples can take free money management courses. Children can open Student Saver Accounts with a preferred rate to reward and encourage them to save. And anyone can attend free educational workshops on saving, budgeting, and financial planning.

Opportunities like these, available to all, are exactly what earlier thrift leaders envisioned.

GIVING: SCROOGE, THE “ANTI-THRIFT”

The Rev. Dr. David King said, “A man who saves from principle is likely to be the man who gives from principle.” Indeed, contrary to the popular misconception, generosity is core to the thrift ethic. Take S.W. Straus, an early 20th-century banker and realty financier of the Chrysler Building in New York City. So zealous was he about thrift that, in 1913, he founded the American Society for Thrift and in 1920, wrote *History of the Thrift Movement in America*. Under his leadership, the Society partnered with the National Education Association and the National Council on Education to produce a thrift curriculum for public schools and to host thrift essay contests

(funded by Straus). By 1917, 150,000 school children had entered the essay contest and by 1926, the *New York Times* could report that “more than 8,000,000 pupils are now studying thrift.”

Today, the John Templeton Foundation continues in what Straus called “the greater thrift.” In *Thrift and Generosity: The Joy of Giving*, President Dr. John Templeton suggests that thrift is not just about the bottom line, but about living a contented life through generosity towards others. In addition to funding millions of dollars of research, he, like Straus, funds thrift essay contests. This year, he is funding an essay contest for Philadelphia-area Boy Scouts on the question, “Why Should I Be Thrifty?” The first-place winner receives \$1,000: \$500 to the Scout and \$500 to a charity the Scout chooses. [The John Templeton Foundation generously funds much of the Institute for American Values’ thrift work.]

People like Straus and Templeton prove that thrift is not inimical to generosity—it liberates one to practice generosity.

COOPERATING: THRIFT GOES DEMOCRATIC

If thrifty people are generous, they also tend to work together in co-operatives—whether in farmers’ seed co-ops, local CSA’s in which low-income people can use food stamps to get fresh produce, or community development credit unions. Cooperatives are efficient, but they are thrifty for another reason. Thrift builds on itself and expands outward. Thrifty people want others to thrive too and seek to go public and democratic with their resources—to invite everyone to participate.

Take the People for People (PFP) Credit Union in North Central Philadelphia. Nearby, an abandoned hotel rises stories above the ground, darkness peering through its broken windows and gaping boards. Row houses with chipped paint crumble, and weeds and litter choke yards. Eighty percent of residents are unbanked. Predatory lenders abound, their red and yellow signs advertising quick money.

(What their colorful signs do not advertise are annual interest rates of up to 400 percent and large fees for cashing checks.)

But on 800 N. Broad Street in an old bank with stately stone pillars, the manager of PFP answers the questions of a woman in sweatpants who just happened to wander in. When he tells her about their services (higher savings rates, fewer service fees, a “Better Choice” payday loan for member emergencies, and financial literacy and homeownership counseling), the woman exclaims, “I need all of that!”

The credit union philosophy is one member, one vote—whether the member has a \$5 or \$50,000 account. The latest members to open up savings accounts at PFP are the men at the homeless shelter across the street. No wonder Boston merchant and philanthropist Edward Filene heralded credit unions as “a movement toward economic democracy.”

PUBLIC LIBRARIES: BOOK TEMPLES FOR ALL

Libraries are cooperatives that promote democracy of knowledge. Blankenhorn notes that “The old-fashioned aristocrat or the gentleman might want to build himself a fine private library. The progressive thrift visionary, on the other hand, wants to use his resources to build a huge book temple in the middle of town and invite everyone to join.” As Andrew Carnegie, who established more than 1,000 libraries across the United States, said at the opening of a public library in England, “I like a free library because it is free. It is the grand symbol of true genuine democracy. . . . It is great for what it does in enabling the poor citizens of Liverpool in passing through her streets to look up and say—‘Yes, I am a landlord there.’”

In fact, sometimes it seems that the down and out “own” the library more than most. Joe is the perfect example. He clunks by in his tan worker boots and smiles brightly, having just finished his morning ritual—a visit to the Free Public Library of Philadelphia. Right now he’s homeless, but he spends time in the library’s reading rooms—

with their high ceilings and ornate detail as grand as any gentleman's private collection—"to get warm, to read, and to do something right." He also takes advantage of the library's career services: one-on-one counseling, internet access for job searches, workshops, and job fairs.

GOING GREEN: THRIFT IN ACTION

One thrift movement very popular today is the movement for sustainability. Corporations advertise their products as green—whether cotton, organic blueberries, or Tropicana orange juice (with its “rescue the rainforest” rewards)—because it catches the eye of the modern eco-conscious consumer. Similarly, thrift was the trendy way to advertise in the first half of the 20th century. Advertisements for laundry soap, home canning jars, and other household goods appealed to thriftconscious housewives.

But there's a stronger connection between thrift and sustainability. Historically, the thrift movement was linked to the conservation movement. Writings like *Thrift and Conservation* (1919) deplored Americans' “extravagance, luxury, and wastefulness” (imagine men atop fallen Sequoias, or millions of buffalo slaughtered for sport) while urging Americans to guard nature “faithfully and to pass it on as little impaired by our use of it as possible.” As an old thrift saying goes, “We will be a thrifty nation, when we all learn conservation.”

Philadelphia is trailblazing for a more “thrifty nation.” In 2009, Mayor Michael Nutter launched Greenworks Philadelphia, a plan to become the greenest city in America by 2015. Its fifteen targets range from improving air quality to bringing local food within ten minutes of 75 percent of residents. Big belly solar powered trash compactors line Philadelphia streets, and residents can enroll in Recycling Rewards, which awards points based on the weight of neighborhood recycling and trash reduction. This initiative saves the city money and has tripled recycling in the last two years. Residents can also get involved in Greenworks' Unlitter Us campaign,

raking leaves “to fertilize gardens and nourish trees,” and working to turn their neighborhoods into “litter free zones.”

GARDENS: “MAKING TWO BLADES OF GRASS GROW WHERE ONLY ONE HAD GROWN BEFORE”

Gardens incarnate thrift in the earthy form of eggplants and squashes, melons and tomatoes. Thrift leaders of the early 20th century, recognizing gardens’ potential to teach the young to work hard and enjoy the results, formed the School Garden Association of America. Today, gardening is making a comeback—especially in urban areas.

Students at Philadelphia’s Martin Luther King High School learn responsibility and thrift by gardening and selling their produce at a farmer’s stand in an area with little access to fresh food. At a garden at the Cardinal Bevilacqua Center in Kensington, students use the greenhouse as a laboratory and learn to cook healthy meals through a partnership with Greensgrow, an urban farm that grows “food, flowers, and neighborhoods.” Even on a cloudy winter day, dewy heads of lettuce grow in the warmth of the greenhouse, and reddish brown hens peck alongside a strutting rooster.

THRIFT SHOPS: RETAIL FOR COMMUNITY

Whether it’s a “Share Shoppe” helping the needy in rural Iowa, or a thrift shop in Soho stocked with designer goods and vintage gowns, a thrift shop is a thrift exemplar. And they’re nonprofit charities that give back to the community and serve people in need. For instance, the circle thrift stores in Philadelphia use their proceeds to fund local projects: a playground, a kid’s club, a cultural center for youth, an urban farm, a community garden, a settlement house for the elderly, a holiday drive for the New Kensington Community Development Corporation.

CIRCLE THRIFT also provides transitional employment through a program called Pathways—bringing workers from prison to learn job skills. One court-ordered volunteer is now “the backbone” of the store. When she first arrived she sorted clothes in the backroom. Now, the manager claims that she doesn’t know where the store would be without her—“She completely changed the face of the store.”

AMERICANS AWAIT A NEW THRIFT

There’s an almost palpable longing for solidarity—seen in the thrift store clothing transformed into fashion statement by young hipsters, in the morning cup of coffee from a fair trade farmer in Rwanda, and in the hand-knit scarves sold by starving artists and idealistic graduate students on etsy.com (which has its own blog on “craftivism,” featuring ways that people are crafting for charitable ends). Americans want to use their resources wisely, to be generous, and to create closer communities and a more sustainable planet. In short, they want to be thrifty.

Thrift is both quintessentially American and surprisingly current—perhaps even *avant garde*. As we climb out of the Great Recession, I can’t think of a better American value to rally around.