

The Future From the Past

by Dan Clark

It was very big. It seemed to be the biggest thing possible. When I walked through the huge bronze doors, I felt more tiny than usual. At the age of about six or seven, I stood perhaps a little above my Dad's waist. That was better than when, not long before, all I could see was his knees. Not because his knees were knobby, which they were, but because, as a little kid, every thing looked large. But these doors! Nothing seemed as large as these doors, until I got inside.

Inside it seemed as big as Yankee Stadium but with marble floors. The walls went straight up for what seemed forever. Curving near the top it give the appearance of a dome. These walls were beautiful, some kind of wood, probably mahogany. In the middle of this vast expanse was a circular wall just a little taller than I was. My house could fit inside this circle. Atop the wall was glass and wood. Behind the wall were people. Many people.

It was fascinating. The people behind those glass windows in the center handled money all day. It boggled my mind to think of handling all that money all day. This place was special because my dad worked there. He didn't have a job handling money but he had an office somewhere in that big place. The Bowery Savings Bank, the main office on 42nd Street, New York City.

It was impressive. I wanted to work at my dad's bank when I grew up. I learned later that the bank had a strict policy of not hiring relatives. I never thought of banking much again and aimed for something else.

At that time, the early 1950s, The Bowery weighed in at about \$500 million in assets. That is more than \$600 million in today's dollars. At the turn of the century, when there were about 12,500 commercial banks and only 600 or so savings banks in America, Bowery sported a little more than \$70 million in assets.

Businessmen in a poor part of Manhattan, in New York City, felt that the people of the community needed a place to save. Local business leaders got together to talk about it. The leader of the group, the president of the Butchers and Drovers Bank, a commercial bank, provided the place for this meeting of forty-one businessmen. About a year later, the Bowery opened in June 1834, in free office space in the Butchers and Drovers Bank, with a purpose not unlike credit unions.

The founders of the Bowery launched it with a philanthropic ideal for underprivileged "little people." We read in the book, *Out of One Small Chest* (AMACOM, 1975), that the businessmen met because, as the commercial banker put it, "Hundreds of their neighbors needed help. The majority of such neighbors were immigrants... They had been pouring into the New World as into a haven, fleeing from the cholera epidemic, the famines and the depressions that were ravaging Europe.

"For the most part they were diligent and readily found work. Yet their assets were generally too meager to merit notice of commercial banks. What were they to do with the few dollars they could save? Were would such funds be secure?"

They reasoned that many would become public charges. New York State Governor DeWitt Clinton had complained, "The fruits of industry are applied to the wants of idleness; a laborious poor man is taxed for the support of the beggar."

The founders of this savings bank wanted a better solution to pauperism and poverty. One of the charter trustees expressed his own philosophy by saying that when you help a man to save his first dollar, you have started him on a road to self-respect and self-reliance. Among the stipulations to chartering the new savings bank was that the trustees of the corporation would receive nothing for their efforts. I wanted to work at my father's bank for any reason but its high social purpose, for I knew nothing about it. In the twenty-five years of credit union work I gradually learned of the high purposes and values credit unions stand for, and I feel good about working in this field.

The average credit union can neither afford nor abide the edifices typical of centuries-old institutions. While credit unions do not generally use marble and bronze as the Bowery did, they have, at least as originally intended, very large social purposes:

People helping people.

Not for profit, not for charity, but for service

These are high ideals indeed. Are these merely platitudes or are they for real? Does our economy require such ideals today or are they passé?

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Email dan@danclark.com Web www.danclark.com Phone 850-878-1239- 850-559-7094