

The Historical Society of PENNSYLVANIA
LEGACIES

NOVEMBER 2012

VOLUME 12, NUMBER 2

THE
Value
OF
Thrift



Recognizing Our Supporters

The Historical Society of Pennsylvania would like to thank John and Josephine Templeton as well as the Templeton Press for making this issue of *Pennsylvania Legacies* possible. Their support will also help bring this issue of *Legacies* to hundreds of educators across Pennsylvania and encourage them to incorporate the concept of thrift into their classrooms through participation in a curriculum development contest.

We would also like to thank the Institute for American Values and Sally Flaherty of the Pennsylvania Department of Education for their partnership in developing and managing the contest. Also, through the support of the Templeton Foundation and the Institute for American Values, the Historical Society recently learned that it will be hosting the second annual Thrift Teacher Institute next summer. Look for a more detailed announcement to be made during "Thrift Week" this January.

HSP would also like to recognize Wells Fargo for its continuing generosity. As the lead sponsor of our 2012 Founder's Award, it played a critical role in putting together one of the most successful Founder's Award celebrations to date. We hosted 350 guests and were able to raise more than \$250,000 for the society's programs and services. Further, Wells Fargo has provided a three-year grant to HSP that is supporting the conservation of the Bank of North America collection. The Bank of North America was our nation's first bank, and its lineage traces to today's Wells Fargo. The collection is one of the richest

and most valuable collections that HSP cares for, but access to it has been hampered due to its physical condition. For more details about this multiyear preservation project, please check HSP's website and blogs. We applaud Wells Fargo for its valuable philanthropic work here in Philadelphia and beyond.



(TOP) From left to right: David McCullough, Founder's Award honoree; Kim Sajet, HSP president and CEO; and Collin F. McNeil, Heritage Award honoree. (BOTTOM) Participants in the Historical Society's Thrift Teacher Institute, summer 2012.



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The Historical Society of PENNSYLVANIA LEGACIES

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World War I poster promoting canning as a means of saving resources and to assist the war effort, 1918. Historical Society of Pennsylvania Collection of World War I Posters.

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ISSN 1544-6360 (print); ISSN 2169-687X (online)

The Evolution of an American Value?

Thrift has many meanings. *The Oxford English Dictionary* defines “thrift” first as “the fact or condition of thriving or prospering.” Not until definition number 3 does it designate thrift as “Economical management, economy; sparing use or careful expenditure of means; frugality, saving.” Yet it is that third definition that comes most readily to mind today when one hears the term. We think of Philadelphia’s own Benjamin Franklin and Poor Richard’s maxims about saving pennies and not wasting time. We think of thrift shops, stores that sell used clothing and goods for a charitable cause. Rarely do we think of prosperity or thriving.

Yet, while it has taken on different connotations over time, thrift has always meant something greater than spending less and saving more. It has encompassed frugality, but also industry and, perhaps most importantly, stewardship. Thrift is using resources—whether tangible or intangible, and whether financial, temporal, or natural—wisely. Ben Franklin did not advocate scrimping for the sake of scrimping. In fact, he led a rather comfortable life, and he contributed both his time and money to several philanthropic causes. Thrift furthered not only personal but also societal well-being.

And so has it done throughout our history, as this seemingly quaint value has evolved to retain its relevancy. The articles in this issue of *Legacies* illuminate some of the historical trends in this ongoing evolution. In the early 19th century, the notion of thrift and the prosperity it promised led to the establishment of the first savings banks for small savers, starting here in Pennsylvania. By encouraging savings, these banks hoped to provide ordinary citizens with the means to care for themselves during difficult times and, not incidentally, to reduce

public spending on poor relief. By the early 20th century, the values of thrift could be seen in the new emphasis in business and government, and even in private homes and public forests, on efficiency. Progressive reformers, industrial engineers such as Philadelphia’s Frederick Taylor, and conservationists such as Gifford Pinchot all focused on optimizing resource use—from taxpayer dollars to industrial workers’ labor to the earth’s bounty.



To be sure, Americans have not always eagerly embraced thrift. Indeed, they have often been downright profligate. Inheriting—or appropriating—a vast continent with a seemingly unlimited wealth of resources and opportunities, Americans had little incentive to conserve. They depleted lands, leveled forests, and polluted streams.

As the economy expanded and both disposable incomes and opportunities (and encouragement) for spending grew, Americans equated thriving with consumption rather than thrift. By the early 20th century, the meaning of thrift was contested. Members of the Woman’s Christian Temperance Union and YMCA, among other organizations, championed savings, especially among young people, through new school savings banks in an effort to temper intemperance in all its forms. Americans such as Philadelphia’s Edward Bok, editor of the *Ladies’ Home Journal*, worked to reconcile thrift with the new consumerism by promoting consumption as a form of savings of time and energy that could then be used for higher purposes. By the late 20th century, however, that formula had led more and more people to adopt new forms of consumer credit and to all but give up saving for a rainy day.

So does thrift have any value or relevance in the 21st century? The articles in this issue, especially the educator pages and Food for Thought essay, suggest that it does—though it will look different than

it did in the 19th and 20th centuries. As we are increasingly confronted with the reality of life in a world with limits, people are beginning to reassess what it takes to lead a good life, what it means to thrive. Should prosperity be quantified in dollars earned or goods consumed, or might it be measured by the richness of community ties or the wealth of natural resources available to future generations? Does thriving require massive personal and public debt, or can we thrive by, as Jeremy Nowak suggests in his Food for Thought essay, finding ways to give back to and engage meaningfully with our communities and larger world? What is the relationship between public and private thrift, and how do we define those? Is public thrift merely the cutting of spending, or does it include investment in infrastructure such as schools and healthcare as well as roads and bridges that benefit all and make private saving more feasible? Is private thrift primarily defined as frugality, or is it more about stewardship and caring for our neighborhoods, community institutions, and planet?

The values of thrift are still alive and well—and, perhaps, gaining traction. They can be seen in the environmental movement, in widespread adoption of the mantra “reduce, reuse, recycle,” in increased interest in locally produced goods, in craigslist and eBay, in the popularity of knitting and gardening. It remains to be seen what thrift will really look like in the 21st century. What we can safely predict, though, is that its meaning, uses, and practical applications will continue to be debated and to evolve.

One final note, not on thrift, but on *Legacies*. Our next issue will be a special joint issue in partnership with *Pennsylvania Heritage* and *Western Pennsylvania History* on the Civil War in Pennsylvania. It will be published in June 2013, in time for the Gettysburg sesquicentennial. It will also, as a longer issue, be our only issue for 2013. In 2014 we will begin a new publication schedule to better match the academic calendar, with issues published in March and September.

TAMARA GASKELL
Historian and Director of
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Saving for Victory!

BY RACHEL MOLOSHOK

Thrift, when thought of at all, is often envisioned as a virtue practiced by, and for the benefit of, the individual. Americans have long remained leery of any sense of collectivism in their economic endeavors. In the first half of the 20th century, in comparison with other powerful developed nations, the United States had a relatively decentralized political structure, and certainly no national

savings movement of the ilk seen in Britain, Germany, or Japan. Yet America's involvement in two world wars prompted the federal government to concern itself with its citizens' habits of saving money and conserving resources to an unprecedented degree, and the people of the United States wholeheartedly embraced collective saving, sacrifice, and conservation in the service of a national—even global—cause.

In both conflicts, the US government mobilized, encouraged, and informed the

public through propaganda campaigns, often helmed by commercial advertisers. The top producers of popular culture were instrumental in selling the war—and the means by which ordinary Americans could contribute to the effort—to the public. In World War I, Charles Dana Gibson, the illustrator of the iconic “Gibson Girls,” headed the Division of Pictorial Publicity, and during World War II, Irving Berlin's composition “Any Bonds Today?” was played repeatedly. Calls for sacrifice came in a variety of media, but the most ubiquitous form was the poster. Bursting onto the scene as a mass medium in the late decades of the 19th century, posters had primarily served to advertise goods, but became powerful tools by which to advertise collective thrift

Even schoolchildren could “Save for Victory” by buying war savings stamps.
Historical Society of Pennsylvania Collection of World War I Posters.

BOYS! - GIRLS!

SAVE for VICTORY
Buy Stamps
WITH YOUR DIMES



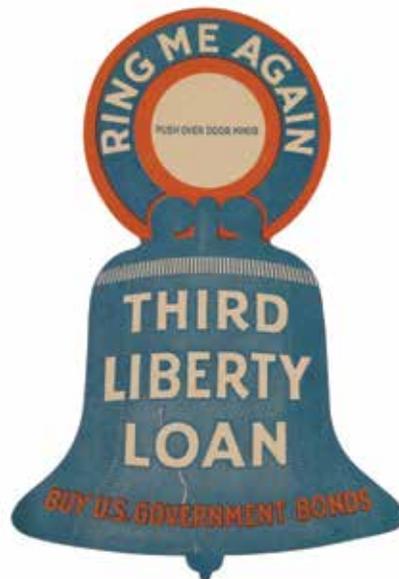
to the American people during both world wars. The posters in the Historical Society of Pennsylvania Collection of World War I Posters and the Historical Society of Pennsylvania World War II Propaganda Collection, in particular, help to illustrate how Americans were encouraged to join together to save, conserve, and sacrifice during times of global conflict.

During World War I, the US Treasury financed the war with a combination of taxes—which accounted for about one-third of war spending—and borrowing through bonds. As a result, selling war bonds, or “Liberty Loans,” was of paramount importance. Those who could make larger loans to the government by purchasing bonds of up to \$100,000 were the most valuable targets of wartime drives, but Americans from all walks of life—including, in particular, immigrants and women—were called upon to support the war effort by buying bonds. For the Third and Fourth Liberty Loan drives, both of 1918, over 19 million posters were printed, haranguing Americans to support their allies—and prove their patriotism—by contributing to the cause. Liberty Loan campaigns could be coercive; communities often set quotas for Liberty Loan purchases and publicly shamed those who did not, or could not, contribute enough money. This often proved difficult for working- and middle-class buyers; in Philadelphia, for instance, most workers subscribed to just one \$50 bond, often paying in installments—and often failing to complete their payments. Furthermore, many small investors ended up losing money when they attempted to sell their bonds.

There were other ways to save, however. War savings stamps, offered in denominations of 10 and 25 cents, were targeted primarily to children and the poor. A poster distributed by Lockheed exhorted boys and girls to help “Save for Victory” by buying war stamps with their dimes. The posters were accompanied by detachable books, which children could fill with 10-cent war savings stamps; when filled out, the value of the books amounted to five dollars. War savings stamps garnered interest and, in some cases, completed booklets of stamps could be redeemed for war bonds. Although savings stamps raised very little money in comparison with Liberty Loans—\$1

billion compared with \$17 billion—even the smallest of savers were encouraged by wartime propaganda to help “Crush ‘Kaiserism’” with their contributions.

It was not just cash that needed to be conserved and redirected toward the war effort, but goods and services as well. Convincing ordinary Americans to decrease consumption of valuable resources—food, fuel, labor, and equipment—would not



“Ring Me Again” door hanger for Third Liberty Loan campaign (1918). Most small savers bought bonds during the Third and Fourth Liberty Loan campaigns; during the latter, the most successful of the war, nearly half the subscribers were immigrants or children of immigrants.

Historical Society of Pennsylvania
Collection of World War I Posters.

only free these resources for the war effort but would lessen inflation by reducing demand. In August 1917, Congress passed the Food and Fuel Control Act, also called the Lever Act, and created the US Food Administration, headed by Herbert Hoover. The government encouraged the American people to conserve food staples by embracing wheatless Mondays, meatless Tuesdays, and porkless Thursdays or Saturdays and by reducing their intake of precious sugar. Thus, almost a century before Mayor Bloomberg banned the sale of large sugary beverages in New York City, Americans were warned that “The Consumption of

Sugar Sweetened Drinks Must be Reduced.” Exclaiming “Sugar Means Ships,” and explaining that “For your beverages 400 million lbs. of sugar were imported in *Ships* last year. Every *Ship* is needed to carry soldiers and supplies *now*,” one US Food Administration poster depicted a woman carelessly sucking up warships through her soda straw. As the assumed managers of household resources, women were often the targets of advertisements that encouraged wartime conservation. One US Food Administration poster, taken from a 1917 illustration from *Life* magazine, showed a woman with “House Manager” written on her apron marching proudly alongside male soldiers. Another poster featuring a woman draped in stars and stripes and surrounded by a cornucopia of fruits and vegetables demanded, “Are YOU a Victory Canner?” Put out by the National War Garden Commission, this poster (see cover illustration) was part of a larger effort to encourage Americans to cultivate their own food supplies by tending home or community gardens and preserving the goods they produced.

During World War II the US government again revved up a nationwide savings and conservation campaign, and again the people of the United States pulled together to divert resources to the war effort. There were some significant differences between this national savings campaign and that of World War I. This time around, a higher percentage of the war’s costs—45 percent—was paid through taxes. Furthermore, at the outset of World War II, the United States was emerging from the Great Depression. Productivity increased as the nation geared up for war, yet although average Americans now had more money to spend, there were fewer things to buy. As in the previous world war, valuable goods and services—and the money it took to consume them—had to be directed toward the war effort. As one poster put it, “Fuel for *them*”—meaning soldiers—“means less for you!” Gas, food, raw materials, and use of certain services were rationed, and Americans were again urged to conserve goods and save money so they could put both toward a larger cause—and they did. At the same time, Americans looked forward to a day in the not too distant future when they could, after years of privation, once again spend on

themselves. The advertising professionals who “sold” rationing, conservation, and war bonds to the public understood and shared this longing. They mixed calls to sacrifice with visions of a prosperous future and sometimes combined advertisement of war bonds with advertisement of their own company’s products.

Once again, war bonds were a key source of funding for the war and an encouragement

for ordinary citizens to save, and again, Americans saved and contributed at record rates—\$185.7 billion was invested in war bonds, 28 percent of which came from individuals. Having learned from the drawbacks of the World War I-era bonds, the government offered war bonds at friendlier terms to small investors. The government also again offered war savings stamps, allowing even schoolchildren to

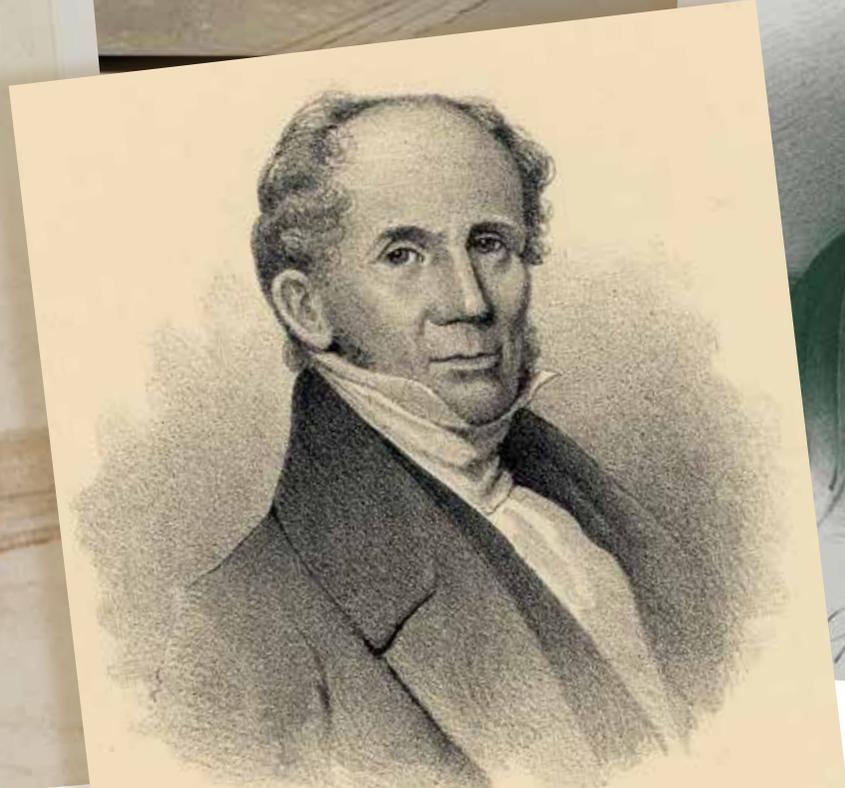
scrape up contributions to the cause.

Kids could also “get in the scrap” by collecting and donating scrap metal, rubber, rags, rope, and other salvage materials to war production factories. The Conservation Division of the War Production Board, in cooperation with the US Office of Education, distributed materials encouraging school communities to join statewide “Junior Armies”—with principals as majors, teachers as captains, and pupils as lieutenants, sergeants, corporals, and privates—that would organize large-scale salvage drives. In addition to producing “a huge tonnage of the vital scrap iron and steel, rubber and other materials that must be had *at once* for war production,” the division’s director urged, “it will give to every school boy and girl a desired opportunity for patriotic participation in backing up their fathers and brothers at the fighting fronts.” Nor were children the only ones asked to save scrap—the admonishment to “Keep Your Waste Line Down” applied to men and women of all ages, occupations, and income levels. Citizens were reminded not only to repurpose used or salvage materials but to reduce waste overall by making fewer mistakes and taking fewer days off at work, to conserve energy in their homes by weatherproofing and keeping the heat down, and to lessen gasoline consumption.

World War II was often called a “people’s war,” the idea being that it was not just armies, but the whole of the American citizenry, who were fighting for the cause of global democracy. As in the previous “Great War,” victory would require a collective effort—one in which every individual contributed to the best of his or her ability. The two world wars represented unique epochs in American history, in American thrift, and in American culture; although the United States has fought—and financed—numerous wars since the 1940s, never since has the government called for or promoted such collective sacrifice, nor have the American people been as united in service of a common goal. ■

To aid the war effort, Americans were warned to keep their “Waste Lines” down. Historical Society of Pennsylvania World War II Propaganda Collection.





Roberts Vaux

The Philadelphia **SAVING FUND** *Society*

and the Culture of Thrift in 19th-Century Pennsylvania

BY R. DANIEL WADHWANI

On November 25, 1816, a group of Philadelphians gathered to establish the Philadelphia Saving Fund Society (PSFS), the first savings bank in the United States. The founders included prominent philanthropists, businessmen, and political leaders such as diplomat and political economist Condé Raguét and Philadelphia public school originator Roberts Vaux. An announcement in the *Freeman's Journal & Philadelphia Mercantile Advertiser* explained that the new institution was established “to promote economy and the practice of saving amongst the poor and laboring classes of the community—to assist them in the accumulation of property that they may possess the means of support during old age and sickness—and to render them in a great degree independent of the bounty of others.” Though many of the founders had separately been involved in establishing or leading some of the city’s other benevolent institutions, they considered this venture particularly promising, for “of the charitable Institutions that have had for their object the amelioration of the human condition, none perhaps deserve higher commendation than those which, under the title of *Provident Societies* or *Savings Banks*, have lately been established throughout the kingdom of Great Britain.”

To Americans today, a savings bank is simply another financial institution, indistinguishable from commercial banks, S&Ls, and a host of other intermediaries that populate the economic landscape. But to Americans in the 19th century, the mutual savings bank embodied something entirely unique and distinct—a set of ideas that PSFS and similar institutions helped forge. Mutual savings banks were institutions established for the sole benefit of depositors. They offered ordinary Americans a respectable and safe place to build a nest egg for periods of unemployment, illness, and old age, and in so doing represented an alternative to the stigma of pauperism and the poor house. As an institution, the savings bank sharpened and reinforced the distinction between citizens who saved and strove for economic independence and the socially and politically marginal who fell into economic dependence—a distinction that ran through much of 19th-century American social and political discourse. Young and old, Americans understood the symbolic importance of the savings bank, as when they read that Ragged Dick, at a pivotal moment in Horatio Alger’s classic rags-to-respectability story, “called on a savings bank” in “pursuance of his new resolutions for the future.” It was, indeed, the symbolic

(OPPOSITE) Philadelphia Saving Fund Society, southwest corner of Walnut and Seventh Streets, 1931. Boies Penrose Collection. (FAR LEFT) Philadelphia Saving Fund Society’s first office at 22 South Sixth Street. *A History of the Philadelphia Saving Fund Society, 1816–1916* (Philadelphia, 1916). (LEFT PORTRAIT) Condé Raguét, engraving. HSP Portrait Collection. (RIGHT PORTRAIT) Roberts Vaux, engraving by Albert Newsom. Albert Newsom Print Collection.

PSFS became both a symbol of thrift in the city and an institution central to the economic lives of its citizens. By 1830, approximately 1 in 10 Philadelphians held an account at PSFS.

distinction that savings banks embodied that lay behind the often breathless descriptions of them, as when Emerson Keyes explained in his 1876 history of the institution, savings banks were not merely “an independent isolated fact,” but a “law of the social state, not only declarative of, but *enforcing*, public order, temperance, virtue, sobriety, industry, thrift, and prosperity.”

The success of savings banking owed as much to the practical financial benefits these institutions provided ordinary Americans as to the cultural dividends they paid. PSFS was the first major financial institution established specifically to serve small savers. Though the early United States, and Philadelphia in particular, boasted numerous commercial banks and robust trading in securities, these financial markets and institutions were geared toward wealthier investors, businesses, and governments. PSFS, in contrast, created financial services that benefitted Philadelphians of modest means. It accepted deposits for safekeeping of as little as one dollar, offering an accessible vehicle for financial saving and investing. Moreover, because PSFS funds were placed in numerous investments and loans, the institution effectively diversified the risks small savers faced while offering reasonably attractive returns. Savings bank deposits were also more liquid than the alternative of lending out small sums or investing directly in securities or property; savers could convert their deposits back into cash on relatively short notice. And, although there were a number of high-profile fraud cases, most savings banks, particularly those established in the early years of the industry, were generally well-managed institutions.

As a result, PSFS became both a symbol of thrift in the city and an institution central to the economic lives of its citizens. By 1830, approximately 1 in 10 Philadelphians held an account at PSFS. The success of PSFS and other early savings banks soon attracted others to establish similar institutions throughout the North. Deposits in mutual savings banks increased sixfold over the 1820s as the institutions attracted a growing number of middling- and low-income earners and continued to grow exponentially after a brief period of stagnation following the Panic of 1837.

The rapid growth and success of PSFS and other mutual savings banks soon attracted the attention of a new type of savings bank founder, the enterprising sort eager to profit from the deep pool of

funds that ordinary Americans seemed capable of saving. By the 1830s, these financial entrepreneurs were establishing joint-stock savings banks. Unlike their mutual counterparts, these banks were not managed by independent trustees on behalf of depositors but were organized by shareholders for the purposes of profiting from money made on the spread between the yield on a savings bank's investments and the interest owed depositors. The Philadelphia Savings Institution, for instance, was established in 1833 by War of

1812 veteran Major Peter Fritz and a group of 50 shareholders to accept deposits from the public at 4.5 percent and use these funds to make loans and investments at 6 percent. To gain the most attractive returns for their shareholders, joint-stock savings banks often placed their money in higher risk investments and created highly leveraged funds so that small amounts of stockholder capital held the potential to return attractive profits. Though the formation of such institutions was prohibited in New York and many New England states, they became quite popular in the rest of the country. However, because of their riskier financial structure and their typically smaller size, stock savings banks were far more prone to failure; virtually all the stock savings banks in Philadelphia were wiped out by the Panic of 1837. Stock savings banks generally did not achieve the longevity that their mutual counterparts enjoyed.

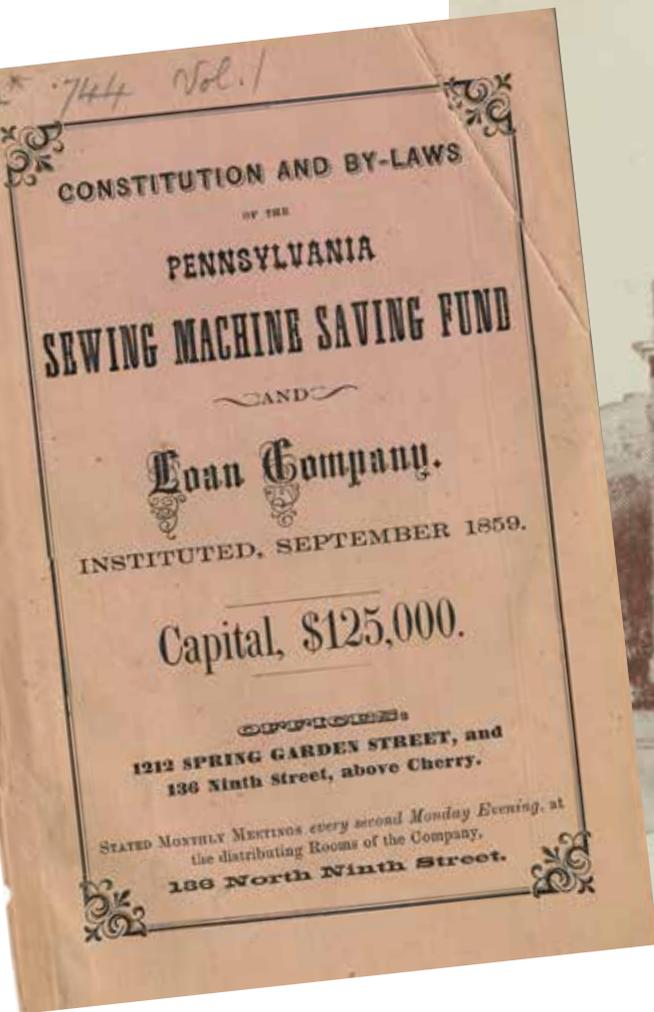
Although antebellum stock savings banks were generally short lived, their development heralded an important twist in the relationship between financial institutions and thrift that the original philanthropic founders of savings banks had never anticipated: the realization that pooling the nest eggs of small savers to

finance various economic projects in the capital-hungry nation might be surprisingly profitable. Promoting the public virtues of thrift was all well and good, but it was also a potential gold mine of a business opportunity. The failures that afflicted many antebellum stock savings banks were never seen as a serious setback to financial entrepreneurs who understood the potential of the mother lode that was thrift.

A parade of financial entrepreneurs in the middle and late 19th century sought to tap the rich vein of thrift by explaining how their services and business models represented improvements on the basic idea that savings banks had legitimized. In many cases, these ventures introduced real innovations in financial products and services for ordinary Americans. In Philadelphia, for instance,



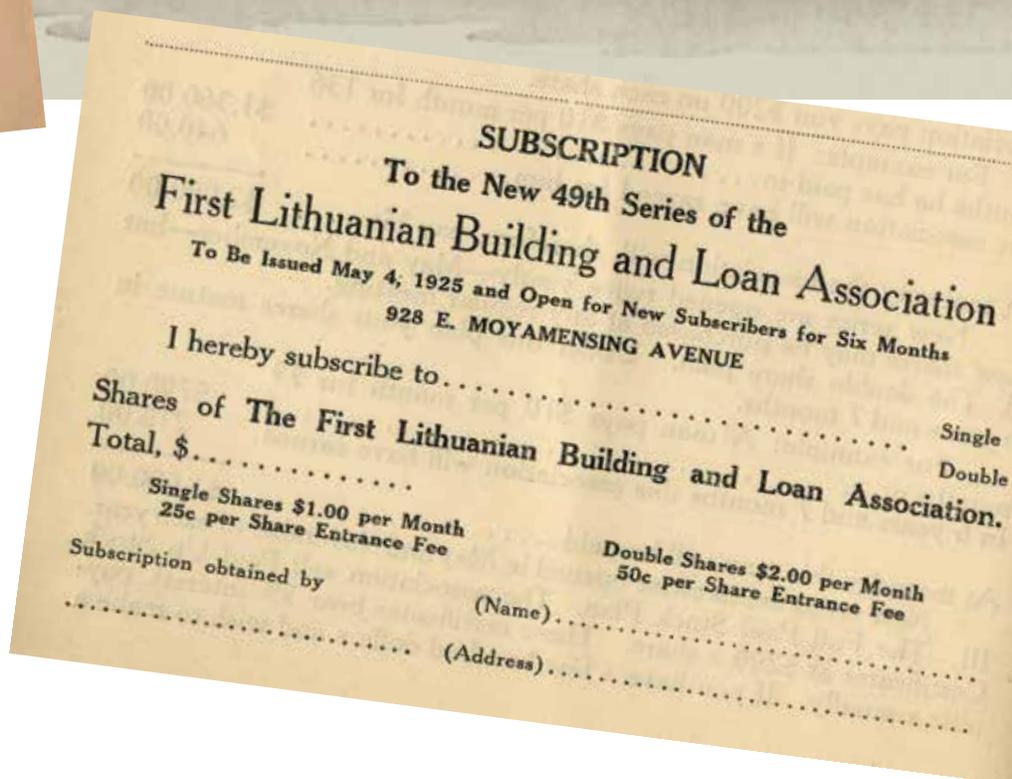
Major Peter Fritz.
HSP Portrait Collection.



(BUILDING) Saving Fund Society of Germantown, chartered 1854. *Saving Fund Society of Germantown and Its Vicinity: Ninety-Fifth Annual Statement, January 1950* [Philadelphia, 1950].

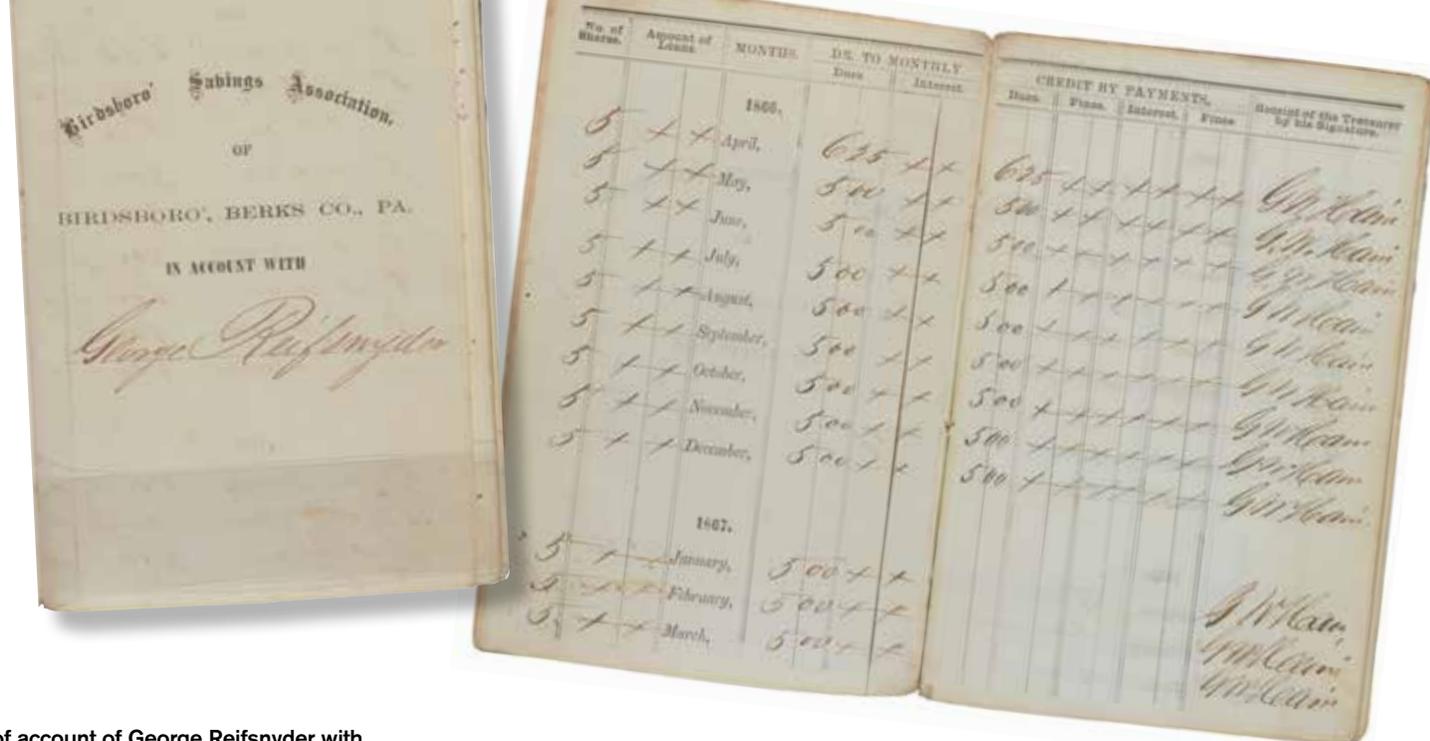
(TOP) Cover of pamphlet with constitution and by-laws of the Pennsylvania Sewing Machine Saving Fund and Loan Company, 1859, established to help people save for the specific purpose of buying a sewing machine.

(LEFT) Subscription form for the First Lithuanian Building and Loan Association, one of many such ethnic organizations in Philadelphia, in *First Banquet and Dance of the Lithuanian Building & Loan Ass'n of Philadelphia, Easter Monday, April 13th, 1925* [Philadelphia, 1925]. First Lithuanian Building and Loan Association (Phila., PA) Collection.



building and loan associations became popular in the second half of the 19th century in part by allowing working people to borrow funds from a collective pool in order to build or buy homes. In *Working Man's Way to Wealth* (1874), Edmund Wrigley described the building association as an improvement on the savings bank because it was more democratic in allowing savers to control the managers and in offering mortgage loans to savers. Similarly, life insurance companies encouraged middle-class Americans to “invest” by comparing themselves to savings banks. One appeal

noted that “an insurance office becomes a savings bank with a peculiar advantage, in which the smallest annual savings may safely be deposited for the benefit of a family.” In the smaller towns of the South and West, institutions operating essentially as commercial businesses called themselves savings banks in order to tap the funds of small savers. And commercial bankers in larger cities began to introduce “savings departments” that competed directly with savings banks but used the deposited funds as part of their general accounts.



Record of account of George Reifsnnyder with the Birdsboro' Savings Association, in *Constitution and By-Laws of the Birdsboro' Savings Association, of Birdsboro', Berks County, Pa.* (Reading, PA, 1866).

By the early 20th century, these innovative and aggressive financial institutions—insurance companies, building and loans, and commercial banks—were outpacing and outmaneuvering mutual savings banks in their efforts to serve the growing financial needs of working- and middle-class Americans. Commercial banks and building associations won over small savers in smaller communities, especially in the South and Midwest, and, after the turn of the century, in the fast-growing outlying neighborhoods of big cities. Insurance company agents called on working-class families in their homes and created partnerships with employers in the workplace. Though they continued to grow slowly, venerable savings banks like PSFS were not able to keep pace with these new rivals that were better positioned to serve the changing needs of working- and middle-class American lives. As a result, savings banks' share of the overall individual savings held by depository institutions declined from nearly 90 percent in 1880 to about 30 percent in 1929.

Savings banks were rapidly becoming symbolically as well as economically marginal. The newer institutions were not only more convenient and offered novel services, they also provided access to crucial markers of status. The mortgage loans provided by building associations offered young families the promise of homeownership in respectable new neighborhoods. Community commercial banks facilitated affiliation with local business people and professionals. And insurance companies provided for a respectable burial and security for the bereaved after a breadwinner's death. The savings bank, and its embodied principle that such rewards needed to be deferred until financial resources could be accumulated in impersonal private accounts, seemed increasingly antiquated in this emerging social and economic world.

Few mutual savings banks were established during the 20th century. Most that continued to operate had been founded during the midcentury heyday of the institution. After a brief revival during the Great Depression, these remaining organizations slipped back into playing a modest role in the financial ecosystems of northeastern and mid-Atlantic cities until many, including PSFS,

were wiped out through demutualizations and failures following late 20th-century bank deregulation. While these older savings banks continued to operate throughout most of the 20th century, as unique institutions they had essentially disappeared—the savings bank had become one of a host of financial intermediaries indistinguishable to most Americans.

The history and legacy of savings banks offer a number of important considerations for those who seek to again promote thrift as an American virtue. Saving and scrimping, it suggests, was never an isolated value. Rather, thrift mattered both because it evoked a broader and more fundamental set of social and political values embodied in an institution like the savings bank and because it was economically essential to the security and well-being of American households. Americans saved *for* specific reasons: to achieve some economic security, to avoid the stigma of dependence, to be considered fully independent citizens of the republic. Individual independence of this sort, however, also required collective action in the building of institutions such as savings banks. It required not just the individual decision and sacrifice to save, but the organizational efforts and skills of savings bank founders and managers, the moral suasion of reformers and clergy, and the laws and protections enacted by policymakers and regulators to oversee such an institution. Paradoxically, individual thrift fundamentally hinged on collective action. Ultimately, the most important legacies of thrift lay not in its immediate moral claims but in how it stimulated real innovations in the financial sector that transformed the economic lives of Americans. Savings banks may have been marginalized in the United States by the 20th century, but efforts they inspired in competitors such as building associations, insurance companies, and commercial banks continue to shape our lives today. ■

Dan Wadhwani is Fletcher Jones Assistant Professor at the Eberhardt School of Business, University of the Pacific, and the author of "The Institutional Foundations of Personal Finance: Innovation in US Savings Banks, 1880s–1920s" (2011), which won the Harriet Larson Award from the Business History Review.

Explanation of the Principles of the Philadelphia Saving Fund Society, 1817

. . . what are the benefits to be derived from the Saving Fund Society.

The extent to which accumulations from small savings will grow, is greater than on a superficial view of the subject would be supposed. . . .

But the usual situations in which many individuals are placed, do not furnish the opportunities to preserve if they afford the means to procure such frugal savings. The continual occupations of the industrious mechanic, frequently exclude him from a knowledge of the methods by which his earnings, beyond what is required for his support, can be protected and advantageously invested. A profitable employment of these fruits of his labour and economy, is generally beyond his attainment; and all persons who like him could gather the means of future fortune from small earnings carefully managed, suffer the same inconveniences. The honest and faithful domestic, whose weekly or monthly wages exceeds by a few shillings or dollars the sums required by his necessities—the apprentice, whose early skill in his business enables him to gain by “over work,” in each month a few dollars—the day labourer, who in the busy and profitable months of spring, summer and autumn, finds himself possessed of more than his support and that of his family demands; all of these it is presumed would most willingly deposit these gains in some place of profit and safety, and they have heretofore sought in vain for such advantages.

In numberless instances, these earnings of honest industry have been confided to the management of the artful, or have been loaned to the vicious and profligate; in other, and these are also multitudinous, these frugal savings have been given to relieve the wants of the unworthy, or to assuage sufferings, which habits such as those from whose earnings relief has been undeservedly obtained, would have secured from want and suffering. . . .

It is for the interest of all such persons, to enable the industrious and economical of all descriptions to provide in youth for the increased expenses of advanced life; for the advantage of all whose profitable exertions and frugality procure for them something, however small, beyond their wants, and thus to promote industry, temperance and morality, the Saving Fund Society have been established. Their personal attention and the exercise of their best judgment in its business and concerns, the assumptions of an extensive and various responsibility, and the willing contributions of the managers for the accomplishment of its objects, and for all these they will be amply compensated by the success of their efforts.

But general encouragement, and extensive employment of the opportunities for saving which it offers, can alone secure the benefits which are calculated to result from this institution. If the interests of society will be promoted by these reforms in the manners and habits of the poor, which economy and exertions among them must produce, it becomes imperatively the duty of every member of the community to foster the design, and promote the views of this institution. . . .

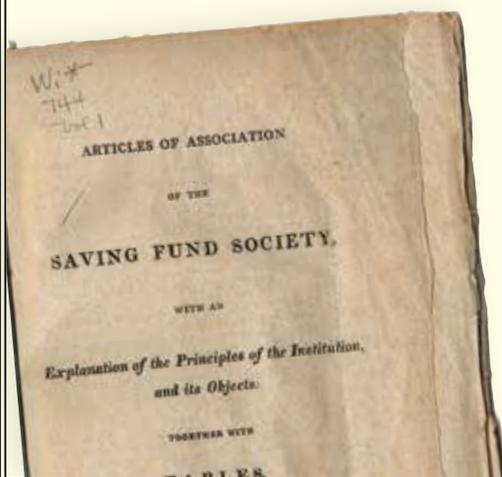
In their expectations of extensive usefulness from the Saving Fund Society, by the general employment of the means of gradual accumulation and ultimate provision for the casualties of life, and the wants of age; the managers are greatly encouraged by the known existence of numerous benefit societies in the city and county of Philadelphia. These societies and their prosperity, sufficiently indicate that the means of providing for future necessities, and the disposition to make such provision, exist among a great number of individuals. Benefit societies properly directed, have been, and will continue to be useful. . . . But without entertaining a wish to diminish the number of those societies, and with the highest consideration for the objects they have in view, it is submitted that the advantages offered by the Saving Fund Society are greater, and are of a more inviting and cheerful character, than those which can be obtained by the plans of such establishments. The payments to a benefit society . . . have nothing attractive in them. They are not deposits made for future comfort and enjoyment, but a provision against sickness, the inevitable infirmities of old age, and the expenses attendant upon death. These deposits are also subject to many accidents, and by the fraud and dishonesty of the agents of the society, or by the misconduct of its members, the whole of its treasures are sometimes wasted, or directed to improper purposes. . . .

In no country, if not ours, can such an institution as the Saving Fund Society succeed. To all, the opportunity of profitable employment is here constantly afforded, and industry and skill have among us greater rewards than in any part of the world. The means of saving are therefore within the power of every one; and after providing for his necessities, he who is industrious and frugal will always have something left, small as this residue may be, which if husbanded and added to his subsequent earnings will accumulate, and soon become considerable. . . .

But if all have opportunities to acquire property, habits of saving are not possessed by all. The waste which almost every individual commits, small as it may appear at the moment, becomes great by repetition and continuance. . . .

The true art of saving, will be found to consist in the cultivation of moderate wishes, and in the avoidance of intimacy with the idle and dissipated. Motives to useless expenditure have no place among those whose desires are confined to those objects only which are necessary to their comfort and health. It is therefore by the constant employment of time, by frugality, and the cultivation of virtuous and restrained habits and dispositions, that the sure foundations of comfort and competency are laid. If these are in the power of all, and that they are, none will deny, to every individual in society is given the means of happiness. . . . ■

Title page,
*Articles of Association
of the Saving
Fund Society* . . .
(Philadelphia,
1817).



Articles of Association of the Saving Fund Society, with an Explanation of the Principles of the Institution, and its Objects: Together with Tables, Showing the Accumulations Produced by Deposits with the Society (Philadelphia, 1817), 11–15.

Redefining Thrift:

The LADIES' HOME JOURNAL

and the Modern Woman

BY JENNIFER SCANLON

When Cyrus Curtis began publication of the *Ladies' Home Journal* in 1883 in Philadelphia, he held the greatest of expectations for his magazine: "We propose to make it a household necessity—so good, so pure, so true, so brave, so full, so complete, that a young couple will no more think of going to housekeeping without it than without a cookstove."

The magazine more than met his satisfaction: by the turn of the century, the *Journal* was commonly known as "the monthly Bible of the American home," and its editor, Edward Bok, was widely considered the "father of the American women's magazine." And by 1911, when Cyrus Curtis moved the company headquarters to a building on Independence Square, with a 160-foot-long recreation room complete with dance floor and piano, the *Ladies' Home Journal* was the best-selling magazine, of any kind, in the nation.

The *Ladies' Home Journal* succeeded with a winning but sometimes confounding formula of promoting both traditional values and social change. It encouraged women to enjoy and take pride in homemaking, but it featured in its advertisements the latest in consumer goods—goods that almost necessitated that they earn some of their own independent income. The magazine promoted the simple family home, but within the first decade of the 20th century, editorial matter discussed new modes of housekeeping and new ways of defining womanhood. At the same time, advertisements came to cover more than half of the *Journal's* total pages, inviting women to purchase a myriad of goods, among them electrical appliances such as chafing dishes, coffee makers, corn poppers, doughnut bakers, baby bottle warmers, and curling irons.



The magazine encouraged women to teach their daughters to be thrifty, but it also offered mothers and daughters alike inviting images of the most up-to-date fashions. What made Edward Bok so enormously successful, then, was not that he promoted either traditional values or a new consumer ethos, but rather that he straddled both so effectively, helping the middle-class woman believe that she could maintain a simple life at the same time that she took advantage of the consumer invitations she increasingly faced.

Historians have explored the transition in American cultural values from the 19th to the 20th centuries in part as a movement from thrift to excess, from saving to spending. In and outside of the *Ladies' Home Journal*, domesticity had been understood as a thrifty enterprise through the 19th century. Women scrimped and saved not out of necessity, as they would during the Great Depression and during World War II, but rather out of a sense that such behavior was moral, just, American. But by the 1920s the *Journal* would speak about the "world grown gray with materialism," and even as the Great Depression hit John Dewey declared that the shift had been complete, that thrift was by then an "old-fashioned idea" that had been rendered obsolete by the national passion for spending. The combination of a growing middle class, an increase in leisure time, an increase in discretionary income, and an

(INSET) Edward Bok, editor of the *Ladies' Home Journal*. Curtis Publish Company Records. (OPPOSITE) Ad for washing machine that saves time and therefore gives women more time for leisure, *Ladies' Home Journal*, Apr. 1920. Courtesy of the Literature Department, Free Library of Philadelphia.



It means more than leisure

Each month thousands of women are won to the BlueBird way of washing, mainly because it absolutely does away with washday drudgery and saves time. But after they have had BlueBird a while, they realize that it means far more than leisure. For clothes washed in the BlueBird way last much longer than most women used to think that clothes could last. Scientifically made tests show that they last five times as long as when they are washed on a rub-board. BlueBird dealers everywhere are daily demonstrating how fast, safe and economical the BlueBird way is. They will be glad to demonstrate it in your home by doing your week's washing.

The BlueBird Appliance Company
St. Louis, U. S. A.
Branches: Chicago, New York, Boston

An initial payment of seven dollars puts BlueBird into your home, and the balance can be paid in convenient monthly sums



Blue Bird

ELECTRIC CLOTHES WASHER



(LEFT) Ad for Council Meat, thrifty because it contains no waste, except the empty package, *Ladies' Home Journal*, Mar. 1920.

(RIGHT) Ad for men's shaving stick that credits women as the maintainers of thrift within their households, *Ladies' Home Journal*, Oct. 1918.

Both courtesy of the Literature Department, Free Library of Philadelphia.

emerging cult of personality worked to ensure that Americans began to see themselves as a nation of consumers. While by no means did they abandon notions of thrift wholesale, Americans began to view saving in terms of saving time rather than money, and saving time increasingly necessitated they be conversant in the best uses of consumer goods and practices. And although Edward Bok objected to women's entrance into what he considered "masculine affairs," the *Journal* played a significant role in women's desires to maintain, control, and spend money. That role required of women new understandings of thrift.

On the one hand, Edward Bok admonished his readers to hold on to, and pass down to their daughters, traditional values of domesticity. In one editorial Bok harkened back to the wisdom of the grandmothers, who "carried their own loads, but they did not try to carry the loads of the other sex on their shoulders." In another he told readers that they encouraged "social evils" by allowing their daughters to wear the latest fashions, and the magazine included many such admonitions in its columns. Bok and his retinue of columnists often refused the notion that changing times required changes in parenting. "The parent is on trial," he editorialized, "not the times nor the conditions." In "The Mistake I Made with My Little Daughter," a featured columnist explained that by giving

her daughter everything, she had ruined her for the woman's role of wife, mother, and homemaker.

The *Journal* featured, for nearly 15 years, a column by "The Plain Country Woman," who often wrote about the joys of "going backward instead of forward," turning away from fashion and luxuries towards simpler pastimes. Even in educating their daughters, she wrote, women disadvantaged them, promoting in them "a lot of expensive tastes which only money can gratify." She blamed women, not men, for any sexual transgressions that resulted from these new, consumerist values. "Our boys suffer a much greater moral test by way of seductions of woman's dress and her deliberate attitude of siren," she wrote, "than our girls do from any evil designs of men, young or old." In "Danger Rocks of Married Life," another columnist related the supposedly true account of a woman who had all the advantages that made her look outward into the world: piano lessons, and education, but none of the lessons that made her look inward, toward domestic life. This unnamed young woman met "Big Boy," who was well bred and successful, and they married. Things were fine for some time, even though she bought all their food premade and ignored many of the elements of homemaking. When "Small Boy" arrived, however, and her husband lost his job and wanted to take up farming, would she be up to the task?

In another attempt to embrace change without abandoning domesticity, Edward Bok and the Ladies' Home Journal promoted scientific housekeeping, an offshoot of fellow Philadelphian Frederick Taylor's philosophy of scientific management.

At the same time that the magazine promoted domesticity for women, it also maneuvered through changes the editor and his writers could hardly ignore. By the 1920s, as historian Dorothy Brown explains, the American woman was expected to be “wife-companion, consumer-in-chief, scientific homemaker, child-bearer, and sensitive and educated child rearer in a nation excited by the ideas of Freud, Margaret Sanger, and James Watson—all while racing to keep up with the Joneses.” In the pages of the *Ladies' Home Journal*, these changes were manifest over the first decades of the century in part through generational disputes. In an editorial, “The Mother as an Enemy,” Edward Bok explained that daughters were becoming uninterested in housekeeping, but it was not entirely their fault; their mothers, “who refuse to recognize that the new and more enlightened ways of housekeeping, child care and training are aught but ‘new fangled notions,’” shared the blame. “Machinery has set us free from the spindle,” declared “Today’s Daughter,” and “given us the energy to spend on other things.” For the women who could afford it, one of the most significant “other things” was a new relationship to getting and spending.

“Many of us would gladly live the wholesome, unquestioning, rather uneventful domestic life our mothers led as girls,” one young woman declared somewhat condescendingly in the *Journal*. “What many of the older generation do not quite realize is that most of us cannot.” She went on to explain how some young women always knew they needed to work for pay; others could hardly ignore the increasing demands of the new “cost of living.” And all young women, she explained, regularly encountered, in school, in plays, or in the newspapers, the “new creatures,” consumer creatures, those independent young women whose “very personality is a challenge to us.” The force of this image, of a lively female consumer, in combination with the advances in technology that made advertisements increasingly inviting, even seductive, was often too much for young women to resist.

As editor of the *Ladies' Home Journal*, Edward Bok had, to some degree, to keep up with the social changes taking place. At times he tried to resist women’s independence by acknowledging the economic challenges women faced but arguing, for example, that the solution was simply that men share more of their money with their wives. In one characteristic editorial he argued that, “when a man is paid his wages, those wages have been earned partially by his wife. And as his partner in his earning capacity she is entitled to her share.” Over time, however, inundated with letters from readers who wanted not simply to share their husbands’ earnings but also to generate their own, he began to feature articles on women’s employment. One half-hearted column, “How I Helped My Husband to Make More Money,” provided examples such as that of the woman whose encouragement,



Advertisement for the *Ladies' Home Journal*, 1890. Curtis Publishing Company Records.

creative ideas, and hard work helped her husband open *his* own advertising agency. Bok also created the Girls' Club of the *Ladies' Home Journal*, employment that did not require girls to “change their feminine nature” but allowed over 35,000 women the opportunity to earn money by selling subscriptions to the magazine to women in their neighborhoods and social circles.

In another attempt to embrace change without abandoning domesticity, Edward Bok and the *Ladies' Home Journal* promoted scientific housekeeping, an offshoot of fellow Philadelphian Frederick Taylor's philosophy of scientific management. “Taylorism,” or scientific management, posited that industrial practices could be rendered more exact, more efficient, and hence more profitable. Factories could achieve maximum output if they standardized operations, placing workers at the right height, with the right tools, and under the best conditions of light, ventilation, and comfort. One of the contributing editors to the *Journal*,

Our Conservation Car

BY MARJORIE DAVIS

Have you an automobile in your family? If so, does it figure in your household budget as an asset or a liability? Does it earn its way, or do you have to set aside a fair sum each month for its lodging, food and upkeep? Perhaps you smile at the last phrase, but our "Lima bean," as our Reg, Jr., has dubbed it, is so much a part of the family circle that at times it does seem almost human. And when I tell you its history I am sure you will understand.

Before the World War we had a car which stood for luxury. Now we own one which stands for conservation. When my husband bought the first machine I thrilled with pride. Now I thrill with satisfaction. The first, a high-power, seven-passenger car, was bought for pleasure, and we used it for that purpose exclusively. My husband drove it splendidly, and we spent most of our weekends in it. . . .

. . . But when war brought longer hours at the office for my husband, to say nothing of gasless Sundays, we put up the car, feeling this to be our heaviest wartime deprivation.

The Wife Should Drive Too

When the armistice was declared, almost my first thought was that now we could use the car. But several things checked my enthusiasm, including the spirit of conservation which had ruled our lives for nearly two years. . . .

One day when I was discussing the general situation with a friend from the West, she said:

"Why don't you learn to drive the machine? We get a hundred per cent more use from our car since I drive it." . . .

The Advantages of a Smaller Car

Eventually we sold the big car. . . . Then we bought a snug sedan . . . and I took lessons in driving and simple repairing. . . . We have all the pleasure, if not the speed, of our old days; but best of all is the part which the new car plays in our household budget. Since December, 1918, it has paid its own way, and more, and herein are the figures and facts to prove it.

We live in one of those artistically designed suburbs of suburbs built on curving roads, up hill and down dale, with never a streetcar line to mar the charms of the landscape and architecture . . . and the family that does not boast a car is dependent upon the telephone for ordering food supplies. . . .

Cutting Out Ordering by Telephone

Twelve miles away is the real city to which our men commute and to which we women look for raiment, matinées, and occasional restaurant dinners and theater parties.

Previous to December, 1918, when we used the old car for pleasure exclusively, my husband walked to and from the railway station in pleasant weather. On stormy mornings he called up a taxi at twenty-five cents a trip. . . .

Now I take him to and from the train in bad weather or when he is tired. Otherwise he likes to walk.

Up to December, 1918, Reg, Jr., went alone to the central school in the village a mile away. . . . This year all three go to the central school. . . .

Up to December, 1918, I ordered by telephone from the village, and ran accounts. Now I buy at the "cash-and-carry" stores and run no accounts.



Ladies' Home Journal,
Sept. 1918.
Courtesy of
the Literature
Department,
Free Library of
Philadelphia.

Cheaper Than the Taxicab

We spend for gas, upkeep and repairs an average of eleven dollars a month, and I figure that my gas costs me about one and one-half cents a mile. In the old days my husband averaged seventy-five cents a week, three dollars a month, for taxicab hire. Today it would be twice as much. . . . So I charge off six dollars a month of the eleven dollars for this item alone.

Jenny's tuition at the private school was eight dollars a month. Figuring that this year both she and Rob would have gone to the school near home, I have saved sixteen dollars a month by using my little conservation car to take them to and from the public school for the maintenance of which my husband pays taxes.

In addition to saving tuition fees and getting returns on our taxes, I have found the conservation of clothing and shoe leather to be a considerable item. . . .

During the winter before I ran the car, Reg, Jr., required a new pair of shoes every twenty-eight days or so. Last winter he averaged a new pair every six or seven weeks. . . .

Exactly How Expenses Were Lowered

My savings in household supplies are extremely interesting. . . . At the chain store I can buy bread a cent a pound cheaper than at the charge stores, so you see my saving on bread alone pays for the gas which carries the children to and from school, for I market after dropping them at the schoolhouse. . . .

The Savings Pay for Gas and Upkeep

Summing it up, savings on taxicab fares and tuition in the private school pays for gasoline and upkeep. Savings on foodstuffs, clothing and railway fares pay for new tires and leave a balance which we figure as interest on our investment. The deterioration of the car . . . we charge to recreation. . . . We look upon our car as a dependable servant.

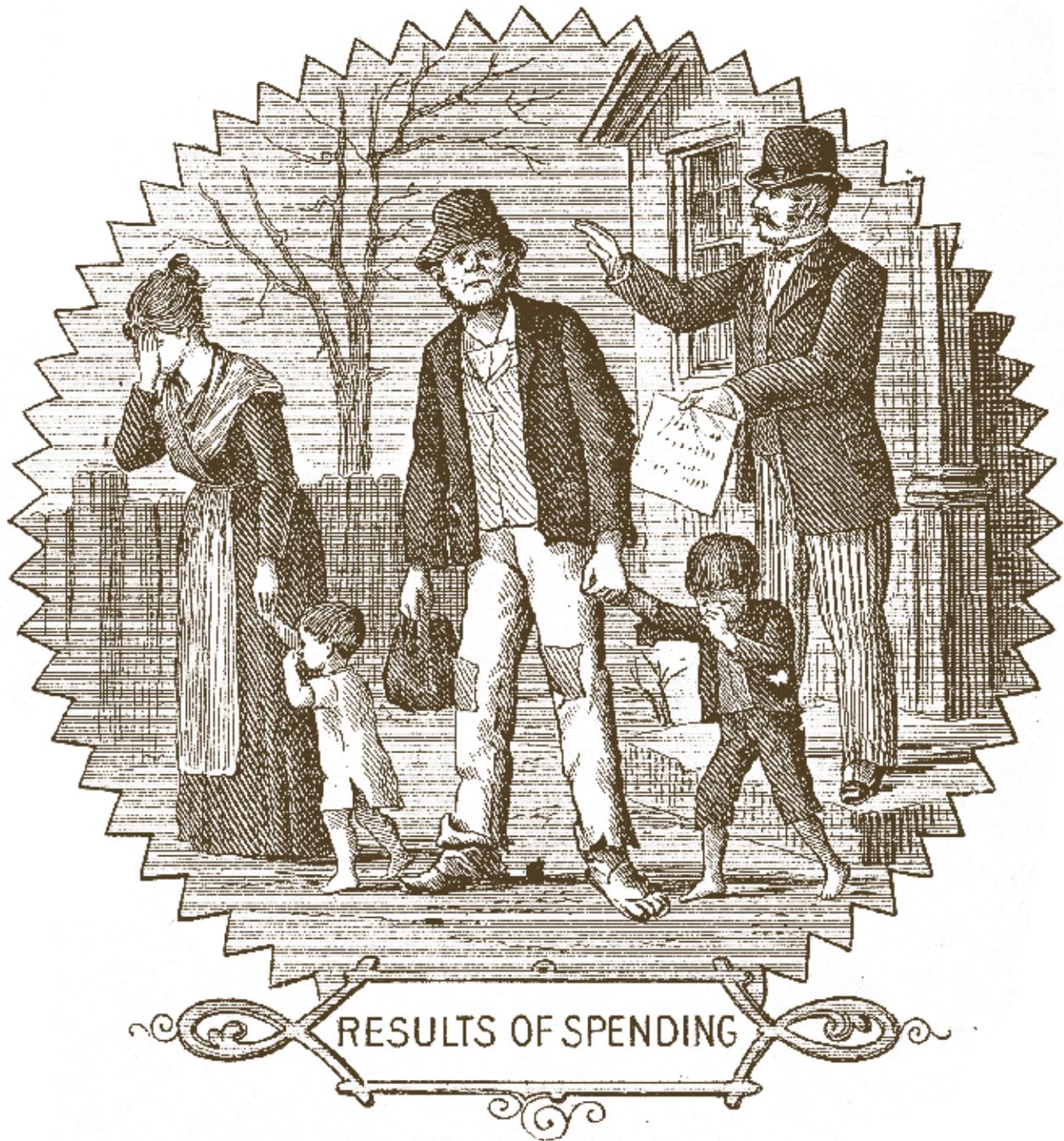
And such may be its position in any household. . . .

Ladies Home Journal, Apr. 1920, p. 113



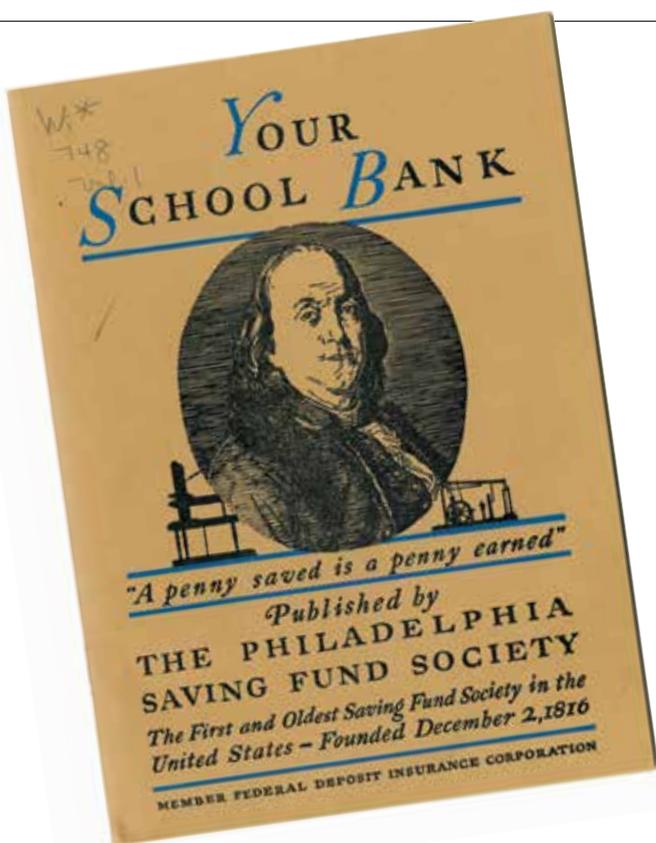
Sara Oberholtzer and the School Savings Bank Movement

BY ANDREW L. YARROW



On the eve of the Great Depression, more than four million American schoolchildren—or, approximately one in six K-12 students—had savings accounts in school-based banks. The prevalence of school savings banks, whose popularity grew enormously during the decade after the United States entered World War I, is all the more remarkable when one considers that very few adult Americans had bank accounts at the end of the 19th century and that school savings banks are virtually unknown in 21st-century America.

Many believed that instruction in the ideas and habits of thrift was critical for character education that would produce more responsible, independent, selfless, and generous citizens.



Cover of *Your School Bank* (Philadelphia, 1940), a publication of the Philadelphia Saving Fund Society.

Not only were millions of schoolchildren depositors in the 1920s, but their involvement with school savings banks entailed elaborate weekly rituals and was integrated with classroom instruction in money management and the broader concept of “thrift.” Thrift was more than just saving money; to its many early 20th-century proponents, it meant wise spending, conservation of resources, elimination of waste, moderation, self-control, and careful use of time.

Typically, every Monday when roll was called in the 15,000 schools that had savings banks by the late 1920s, each student would deposit a few pennies or more, and the amount would be recorded on his or her bank card, which bore the names of the student, the teacher, and the school. Bank cards also carried a motto such as “The habit of saving is an essential part of a true practical education.” Teachers collected their pupils’ deposits in an envelope and forwarded them to the principal, who then sent all classrooms’ deposits to a cooperating local savings bank. After a student’s deposits reached a certain threshold—usually

one dollar—he or she would get a bank book, and upon reaching another milestone—generally three dollars—the student would start earning 3 percent interest. Children could withdraw money by writing checks, if they were co-signed by a parent or principal, and, at the end of each month, students could bring their bank books home to show their parents.

The importance of saving and the meanings of thrift were also impressed upon students from kindergarten through high school through textbooks, pamphlets, and other materials developed by educators, bankers, and moral reformers. The lessons of thrift were a part of students’ general instruction, imparted in classes such as English, mathematics, history, and geography. In many states, beginning with Massachusetts in 1911, such “thrift education” was a curriculum requirement.

Why did school savings banks proliferate and thrift education flourish during the early 20th century, particularly between the 1910s and ’20s? What values and ideas undergirded this movement; what were its goals; and who were its leaders? What impact did the movement have; why did it peter out; and what relevance does it have for 21st-century America?

School savings banks, like the broader thrift movements of which it was a part, were supported by an unlikely coalition of moral crusaders, Progressive Era reformers, bankers, educators, and government officials. Many believed that instruction in the ideas and habits of thrift was critical for character education that would produce more responsible, independent, selfless, and generous citizens. Some advocates saw teaching thrift as an antidote to poverty and radicalism. Others saw it as a way to civilize the lower classes—drawn to drink and gaudy amusements—and to Americanize the millions of new eastern and southern European immigrants by integrating them into the nation’s economy. A common argument in support of thrift education was that Americans were especially profligate and spendthrift in comparison to Europeans. Some advocates were driven by revulsion toward the emerging consumer society and its “extravagance.” Others drew connections between savings and capital accumulation that would foster larger economic growth. And still others saw the virtues of thrift as being of a piece with the conservation movement that opposed the destruction of forests and the waste of natural resources.

One of the most ardent apostles of school banking was a leader of the Woman’s Christian Temperance Union (WCTU), Sara Louisa Oberholtzer. A Philadelphia WCTU activist between the 1890s and 1910s, Oberholtzer declared that the goals of the school savings bank movement were no less than the “inculcation of the principles of thrift, honesty and self-responsibility; the upbuilding, through the schools, of prosperity and stability for home and State; the improvement of the organic, social and economical conditions

THRIFT MAXIMS

Compiled by MRS. SARA LOUISA OBERHOLTZER, 2113 Tioga Street, Philadelphia, Pa.
Leader of the School Savings Banks Movement in the United States

- ✓
- “A crooked stick will have a crooked shadow.”
 - “A fool, if he holds his tongue, passes for wise.”
 - “A gift with a kind countenance is a double present.”
 - “A good beginning makes a good ending.”
 - “A good presence is a letter of recommendation.”
 - “A great fortune in the hands of a fool is a great misfortune.”
 - “A handful of common sense is worth a bushel of learning.” (Spanish proverb.)
 - “A little debt makes a debtor, but a great one an enemy.”
 - “A little house well filled, a little land well tilled and a little wife well willed are great riches.”
 - “A man as he manages himself may die old at thirty, or young at eighty.”
 - “A man forewarned is forearmed.”
 - “A man in passion rides a horse that runs away with him.”
 - “A man knows no more to any purpose than he practices.”
 - “A man may lead his horse to water, but cannot make him drink.”
 - “A man of cruelty is God's enemy.”
 - “A man of words and not of deeds, is like a garden full of weeds.”
 - “A man's folly is his worst foe, and his discretion his best friend.”
 - “A mariner must have his eye upon the rocks and sands as well as upon the north star.”
 - “A penny more buys the whistle; a penny saved is a penny gained.”
 - “A pennyweight of love is worth a pound of law.”
 - “A pilot is not chosen for his riches, but his knowledge.”
 - “A puff of wind and popular praise weigh alike.”
 - “A rolling stone gathers no moss.”
 - “A shoemaker's wife and the smith's mare are always the worst shod.”
 - “A small leak will sink a big ship.”
 - “A small spark may make a great fire.”
 - “A small sum may serve for a great purpose.”
 - “As you sow, so shall you reap.”
 - “A whole bushel of wheat is made up of single grains.”
 - “A wise man will make more opportunities than he finds.”



(ABOVE) First page of *Thrift Maxims* (Philadelphia, 1914), compiled by Sara Louisa Oberholtzer.

(RIGHT) Sara Louisa Oberholtzer, 1892. HSP Portrait Collection.

under which we live; the moral and financial welfare of the nation.”

For Oberholtzer, thrift could help solve many of the social problems roiling late 19th-century America: inequality, poverty, criminality, drunkenness, and the decline of character and good citizenship. Oberholtzer inveighed against “the unequal distribution of wealth, which results in great wealth and abject poverty,” and called for “the diffused possession of property.” To her, the remedy was instruction in thrift. In one of her earliest writings on the subject, “A Plea for Economic Teaching” (1889), she argued, “What we need most as a nation to distribute the wealth of our country properly is a general knowledge of economy and thrift.” In a 1907 WCTU pamphlet, Oberholtzer explained school savings banks as “a plan for collecting and taking care of school children's pennies and at the same time teaching the children habits of thrift and individual responsibility of possession, use, and distribution.”

When she was appointed national superintendent of the new school savings bank division of the WCTU in 1890, Oberholtzer expressed her belief in the far-reaching benefits of thrift. “We all know that thrift and industry are the strong back bones of an individual as well as of a nation, and that in every country the frugal and industrious will always rise among his mates, above

the ordinary scale of morality and happiness,” she said. “Lack of industry and economy is the great cause of poverty, crime, vice, pauperism and intemperance. . . . The lazy and spendthrift land on a barren coast.” In subsequent writings and speeches, she declared that thrift in general and school savings banks in particular would promote “purer lives,” independence, self-reliance, and manliness.

Although their greatest period of growth was in the 1920s, school savings banks first appeared in the United States during the late 19th century. John H. Thiry, a Belgian immigrant, is widely credited with founding the first such bank in a school in Long Island City, New York, in 1885. Before coming to America, Thiry had gotten the idea for school banks at the 1873 Vienna Exposition, where he became familiar with savings programs in French and other European schools. The first European school savings banks had been established in Goshar, Germany, in 1820 and Le Mans, France, in 1834. The banks flourished in France after that country's defeat in the Franco-Prussian War led to an emphasis on building national savings. By 1886, 23,000 French schools had savings banks, and similar programs had emerged from England and Scandinavia to Italy and Russia.

Thiry saw school savings banks as a way of developing character and combating poverty among the working class. Working



(ABOVE) Children participating in a school savings bank program, from *American Bankers' Association, School Savings Banking: Including the Standard Method Approved by the American Bankers' Association, Savings Bank Division* (New York, 1923). Courtesy of Andrew Yarow. (BELOW) J. H. Thiry. Courtesy of George Grantham Bain Collection, Prints and Photographs Division, Library of Congress.

tirelessly to promote the cause, Thiry's efforts were in line with those of other 19th-century reformers who established savings banks and building and loan associations for the poor. These institutions were seen as a means for the lower classes to better themselves by learning the virtues of hard work, thrift, and self-control. Many moral reformers considered self-help a preferable mode of alleviating poverty to charity or more radical social change. Given these beliefs, it is not surprising that the cause of school savings banks was adopted by the temperance movement. Temperance advocates saw thrift and sobriety as mutually reinforcing forms of self-control, and WCTU president Frances Willard urged that children be given "early the simplest lessons in thrift and responsibility."

Sara Oberholtzer—a journalist, poet, and anti-tobacco crusader who was introduced to the idea of school savings banks at an 1888 meeting of the American Economic Association—became the leading proponent of school savings banks during the subsequent two decades. She viewed these banks as the best preventative against "waste, want, crime, intemperance, and general unrest." Oberholtzer published countless pamphlets, distributing them by the tens of thousands, as well as a quarterly magazine, *Thrift Tidings*, which she edited from 1907 to 1923. This slender publication included updates about school savings banks around the country. She carefully chronicled the movement's growth, recording the number of student participants and the savings accumulated in dozens of communities. According to her precise reports, the number of student depositors increased from about 28,000 in 1891 to 400,000 in 1915.

Oberholtzer offered awards to states with the most banks and the largest number of meetings explaining school savings banks. Articles in *Thrift Tidings* addressed legislative efforts such as Massachusetts's 1911 compulsory thrift education law and the

1911 federal Postal Savings Bank bill. In the magazine, she also told stories of how money saved by children benefited individuals and communities. In one case, school savings bank deposits helped fund the building of a church. In another, \$80 enabled a boy who had lost a leg to buy a wooden one. *Thrift Tidings* typically opened with a paragraph of Oberholtzer's homespun philosophy. The April 1909 issue, for example, begins: "In order that thrift and prosperity abound, it is necessary that people understand the practical use of time and money."



Oberholtzer wrote how-to manuals for schools that wished to develop banks and composed poems and songs such as "Save Your Pennies" and "A School Savings Rally." At least 50,000 copies of one pamphlet, "How to Institute a School Savings Bank" (1913), were distributed. She also spoke at national and international conferences, won over government leaders in the US Bureau of Education, which published her 1914 essay on school savings banks, and told stories of trekking 15 miles in a day to interest additional schools. In a poem entitled "The Browns," Oberholtzer wrote: "We owe our knowledge to the schools / The Browns in chorus say, / If any don't teach Savings Banks / They're quite behind the day."

By the late 1910s, Oberholtzer had been joined by many others who worked to develop and expand thrift education in the schools. S. W. Straus, the creator of commercial real estate mortgage bonds that financed many of America's early skyscrapers, adopted thrift as his cause and cajoled the National Education Association (NEA) to make it one of its as well. The NEA created a Committee on Thrift Education in 1915, which conducted national student essay contests and compiled materials for use in classroom instruction. The 1917–18 contest drew 100,000 entries. Writers began to fill the growing market for child-oriented thrift books, among them Myron Pritchard and Grace Turkington's *Stories of Thrift for Young Americans* (1915).

A WCTU Conversation on School Savings Banks, 1904

School Savings Banks

BY MRS. S. L. OBERHOLTZER

Opening Hymn, Prayer

PRESIDENT: One of the most interesting and practical departments of our W. C. T. U. work is that of School Savings Banks and every Union should actively engage in the promotion of practical thrift.

MRS. A.: How does thrift engender temperance?

PRES.: In a most radical, direct way. Waste and want are companions of intemperance. They create it; they are the result of it, and they go with it all the way. The boys and girls who save their pennies for the upbuilding of their character, and so of their future, do not waste them for cheap sweets and for cigarets that lead up to the drink habit.

MRS. B.: How can boys and girls in poor families get pennies?

PRES.: Get them? Why they get more for foolish expenditures than are good for them every day of their lives. Did you ever notice how much money children spend in candy shops?

MRS. B.: No, not particularly.

PRES.: I can give you a recent instance. A Philadelphia candy vender, who has a little shop near a school house, says she receives forty dollars a week from scholars in exchange for sweets and gum. This is a common fact in most cities. In villages slot machines depend almost wholly upon children to fill their tills. Watch one anywhere for a few hours and you will notice how many pennies it receives from the little folks.

MRS. C.: We all know that much money is spent by children for what simply disturbs the digestion of healthful food. Children are in better condition to study when they are not tempted or disturbed by cheap sweets, which create unrest and abnormal appetite. . . . This opportunity to save pennies does away with the growth of the treating custom, too, which of itself, is a work of sound and vital value.

MRS. B.: We don't want to teach our children to be mean and stingy. They ought to be able to treat each other if they want to.

PRES.: There is no meanness in saving money for noble uses; no stinginess in withholding from ourselves and from others what is of no benefit to either. We simply want to redirect money into better channels, that it may be a comfort factor, rather than a precursor of distress. When a boy treats another boy to a cigaret, to cider, debasing stories or books; or a man buys drinks or lends degrading opportunities to another man, is that generosity? To my mind it is the height of meanness to drag humanity down, and the height of liberality to lift humanity up. The practical saving of pennies and

time for useful purposes as taught through the School Savings Bank prevents waste, intemperance and other vices. It can never be mean or stingy to advance right principles and clean living.

MRS. C.: I understand; but how can thrift be taught in the schools? The teachers are overworked now.

PRES.: Every woman in our ranks should know the method by heart. It takes but fifteen minutes of school time per week. The roll is called each Monday morning for the collection of the children's savings. Each scholar has a folded card, bearing his name and that of the school on the front page, the regulations on the back page, and a date for each Monday in the school year, with space for the record of deposits on the inside pages. . . . The teacher, when the roll call is finished, counts the money, places it in an envelope, seals and sends it to the bank co-operating. . . . When a child has a credit of one dollar on his bank book he is allowed an interest of three per cent on his money.

MRS. A.: That is just giving the child practical business knowledge, more valuable than book learning. It fits him for daily life, teaches him to store up for the future, trains him to industry and engenders good habits.

MRS. C.: It makes children thoughtful, self-sacrificing and generous to own something themselves. Cigaret smoking has decreased fifty per cent in many schools since the savings system has been adopted.

PRES.: Yes, and slot machines, that were near schools using the system, have been moved away for lack of use. The parents of poor children have in many places been induced to open bank accounts themselves through the influence brought to bear upon them by seeing the growth of their children's accounts. This system is used in fifteen hundred of our public schools, and over two million dollars have already been saved by the scholars in these schools.

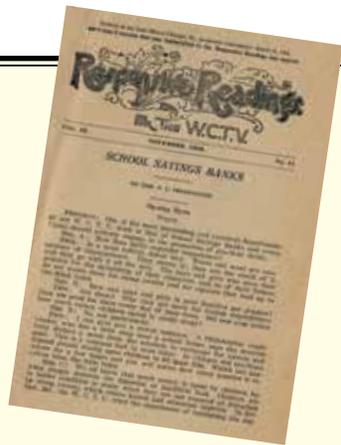
MRS. D.: And one beauty of the system is that the children can check their own money out of the bank, and they often give to charities, buy themselves clothing, and become accountable in spending wisely what they delight to earn and save.

MRS. B.: I suppose they cannot often earn money.

MRS. D.: On the contrary, they do earn in many little ways. . . . thousands of children have been trained to become in a measure self-supporting, leaving school with a bank balance of one hundred to two hundred dollars. It is a natural method for the distribution of wealth and the elimination of poverty. Provident habits always beget temperance, purity and higher standards of living.

PRES.: The W. C. T. U. woman should endeavor to secure the introduction of the School Savings Banks system into all the public schools, beginning with the one nearest her home; telling the teachers, the children, the school authorities and the people, of the success and value of the system; . . . the Union should furnish the Cards and Roll Books, that the good work may be begun at once. . . . ■

Responsive Readings. For the W.C.T.U., Nov. 1904



Wx 11

A SCHOOL SAVINGS RALLY.

Mrs. S. L. OBERHOLTZER.

S. W. STAUB. By Per.

1. Our pennies we are saving up And bank accounts have we.
 2. We will not waste, we will not want. Our thrift is hap - pi - ness.
 3. We're rich because we un - derstand That pennies fortunes make.
 4. We're boys and girls with bank accounts, Hopeful and glad, and free

We're rich because we're prov - i - dent. Our Scholar's Cards you see. *
 School Savings Banks have taught us this. We sing in thankfulness.
 We work, we earn, we've some to give For Char - i - ty's sweet sake.
 From an - y hab - its that detract From life's best lib - er - ty.

CHORUS.

We help ourselves, for we have learned To save in lit - tle things.

We count † our interest, for we know The comfort money brings.

* Each singer hold out the Scholar's Card in the left hand.
 † Bring the forefinger of the right hand down on the card with a little thwack.

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\$1 PER HUNDRED.

Mrs. S. L. OBERHOLTZER,
 2113 Tioga Street, Philadelphia, Pa.

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As the banking industry gained the upper hand in shaping what was still known as “thrift education” in the 1920s and was later called “economic education” in the 1950s and 1960s and “financial literacy” in the late 20th and early 21st centuries, the values of thrift became secondary to economic and consumer proficiency.

Indeed, by the time of America’s entry into the First World War, Sara Oberholtzer acknowledged that everyone seemed to be promoting thrift. She called her *Thrift Tidings* a “pioneer” that long predated the “thousands and thousands of thrift and savings pamphlets, books, leaflets, posters, plans and papers” published by government, bankers, philanthropists, and educators. Five years later, in a final issue of her magazine, Oberholtzer wistfully wrote that “*Thrift Tidings*, the humble carrier of the . . . coming of school savings banks, is not especially needed now, because the natural forces have heard and heeded, and the thrift teaching has proved of such value it . . . is being so widely taken up.”

The American Bankers’ Association (ABA) began to advocate for school banks in the 1910s, supplanting the WCTU and other moral reformers as the movement’s prime driver by the early 1920s. W. Espey Albright, who headed the ABA’s Savings Bank Division, hailed school savings banks for their rapidly expanding number of depositors and for teaching economic principles that would make “life richer and more abundant.” Albright and many of his ABA associates were ever cognizant of the fact that working with children would burnish the image of bankers.

Teachers, school officials, and parent-teacher associations also eagerly subscribed to the idea that school banks and teaching thrift were essential for national betterment. The NEA called for compulsory thrift education and promoted the development of thrift curricula. To NEA leaders, thrift education necessarily included lessons in economics and money management as well as moral instruction in self-denial, generosity, and other values.

School savings banks flourished during the 1920s. As many as 150 different organizations became involved in the movement, as national NEA conferences on thrift education in the mid-1920s were attended by representatives of groups as disparate as the ABA, the General Federation of Women’s Clubs, the Congress of Parents and Teachers, the American Federation of Labor, the American Library Association, the Chamber of Commerce, the American Home Economics Association, the YMCA and YWCA, the National Catholic Welfare Council, the Jewish Welfare Board, the National Parks Service, and the US Department of Agriculture.

Some cities, such as Duluth, Philadelphia, Pittsburgh, and San Francisco claimed nearly universal student participation, and Los Angeles and other districts appointed “superintendents of school savings.” In 1926, the *Wall Street Journal* reported, with undue

precision, that the number of participating pupils had risen by 635.7 percent since 1920. There were about 15,000 school savings bank programs and 4.2 million depositors by 1929.

This was the high-water mark of the school savings bank movement. Distrust of banks and economic hard times caused school savings banks to decline during the 1930s. During World War II, school banks were mobilized by the federal Schools at War program and the ABA to get children to buy war stamps and bonds. By 1947, about 3,500 school banks existed, fewer than one-fourth the number before the Depression. After the war, the Treasury continued its School Savings Program and the federal Bureau of Education maintained its school savings bank unit, but school banks declined precipitously during the 1960s—partly a function of the emphasis on consumption during these boom years and partly a result of banks’ waning interest.

The school savings bank movement reached millions of students in the early 20th century. Whether it led them to become lifelong savers or wise spenders is open to debate. Like the broader thrift movement, school savings banks faced strong headwinds from an emerging consumer society in the 1920s and, even more so, after World War II. As the banking industry gained the upper hand in shaping what was still known as “thrift education” in the 1920s and was later called “economic education” in the 1950s and 1960s and “financial literacy” in the late 20th and early 21st centuries, the values of thrift became secondary to economic and consumer proficiency. Money management took precedence over values such as self-control, conservation, and generosity.

Nonetheless, Sara Oberholtzer’s advocacy on behalf of school savings banks in the early 20th century touched millions of students. While the banks’ techniques may seem quaint, many of the principles they taught have renewed relevance today, as Americans’ savings have plummeted and debts have risen, as calls for greater personal and environmental responsibility have grown louder, and as many have become dissatisfied with the values of consumer culture. Perhaps, the time has come for a more holistic—and more sophisticated—renewal of thrift education. ■

Andrew Yarrow is senior research advisor to Oxfam America, a senior fellow at the Institute for American Values, and an adjunct professor of history at American University. He is writing a book on the history of the thrift movement in early 20th-century America.

(LEFT) “School Savings Rally,” by Sara Louisa Oberholtzer.

Conserving Pennsylvania's Natural Resources:

The Thrifty Legacy of Maurice K. Goddard

BY BRENDA BARRETT

The reform-minded Pennsylvania governor George Leader, who had campaigned on the promise to seek out top men for his administration and was seeking professionals to bring modern efficiency and accountability to state government, appointed Maurice K. Goddard to public office as secretary of forests and waters in 1955. Conservation issues were important to the new governor; in his inaugural address Leader pledged to “develop for our wise use the natural resources of the state, purify its streams, increase its opportunities for outdoor recreation, [and] keep a sense of the forest and the fields in our lives.”

Then chairman of the Forestry Department at Penn State University, Goddard was an inspired choice to lead the Department of Forests and Waters, charged with managing the state's natural resources. To this position, he brought professional training as a forester, leadership experience in the academy, and management skills honed in the adjutant general corps in World War II. Goddard went on to serve five Pennsylvania governors—Republican and Democrat—from 1955 to 1979.

From the beginning of his state government career, Goddard brought his expertise in forestry and his hard-nosed management style to the job. One of his first acts in the new position was to cancel a timber sales contract made in the waning days of the

last administration on the grounds that it had been a political decision of questionable economic value. As Goddard pointed out, its cancellation saved the commonwealth \$32,400. This small decision exemplified a long-standing philosophy of natural resource management in which Goddard was well schooled. Conservation was understood by its proponents to mean the wise use of natural resources for the benefit of current and future users, a definition that lines up neatly with classic notions of thrift. In the 1960s and '70s Goddard developed a more expansive idea of conservation as a means of improving the quality of life for Pennsylvanians through recreational uses of public land. He found it increasingly difficult, however, to

(OPPOSITE) **Evansburg State Park, Montgomery County.** Courtesy of Tamara Gaskell.

(INSERT) **Maurice K. Goddard, ca. 1955.** Courtesy of Pennsylvania State Archives, MG-217 Home Star Collection.



In 1900 a surveyor for the US Geological Survey reported, “there are few places in the East where the natural beauties of mountain scenery and the natural resources of timber lands have been destroyed to the extent that has taken place in northern Pennsylvania.”

adapt an ethic of conservation rooted in utility and frugality to the ideals of the rising environmental movement. Today, new methods of drilling for natural gas in Pennsylvania have reignited the debate on the appropriate use of the commonwealth’s state forests and park lands. Pragmatic conservationists argue that natural gas is a much-needed energy source and that drilling should be permitted with appropriate environmental safeguards. The environmental community expresses concerns about the present and future impacts on the commonwealth’s land, water, and human health. In between lies a battle over the meaning and significance of conservation and thrift in the contemporary world.

Maurice Goddard’s blend of thrift, professionalism, and resource stewardship was rooted in the earlier Progressive conservation movement, which held that government could both balance its books and preserve America’s natural resources. This approach had its roots in forestry and forest management—an area in which Pennsylvania has a rich and storied heritage, beginning with its founder, William Penn. Coming from a crowded and deforested England, Penn promulgated an ambitious plan for the careful and orderly development of the colony and stewardship of its woodlands. These ideals were soon overwhelmed by land speculation, rapid population growth, and the growing pains of a new nation. This was to be the story of Pennsylvania’s and the nation’s consumption of natural resources for the next 200 years. Indiscriminate logging denuded hillsides, the remaining debris of branches and stumps fed uncontrollable wildfires, and the unprotected soil was washed into rivers and streams. In 1900 a surveyor for the US Geological Survey reported, “there are few places in the East where the natural beauties of mountain scenery and the natural resources of timber lands have been destroyed to the extent that has taken place in northern Pennsylvania.”

In response to the devastation of Penn’s woods, a powerful national conservation movement emerged during the Progressive Era. Gifford Pinchot, a Pennsylvania native and the first chief of the US Forest Service, gained the backing to develop federal programs to efficiently and sustainably manage the nation’s forest reserves. On the state level, visionary conservation leaders such as Joseph Trimble Rothrock and Mira Lloyd Dock led a decade-long campaign to restore the health of the commonwealth’s forests. They advocated for reforestation at a landscape scale, for professional forest management, and for urban tree planting. Their efforts culminated in the 1901 creation of the State Department of Forestry and the founding of the Mont Alto School for Forestry, where Goddard served as director of forestry before accepting the same position at Penn State University in 1952.

In his leadership role in state government, Maurice Goddard aligned ideas of personal thrift with efficient resource conservation that served the public good. Arguing that a well-managed agency needed personnel that were accountable, competent, and expert in their fields, he advocated for civil service status for the agency’s forestry staff and strongly supported Governor Leader’s bold action to professionalize positions by executive order, telling the press, “The quality of work depends on the caliber of our people.” Goddard proved his point; under his leadership, timber sales increased on state forest lands within the first few years, despite tighter controls. In all of his actions, Goddard marshaled notions of thrift that resonated with many of the politicians of his era who had experienced hard economic times during the Great Depression and the privations of war. He educated the legislature on the agency’s budget, explaining that income from timber and other sales more than equaled agency salaries and operating expenses. When some local leaders objected to a state park near Johnstown, arguing that the area should be opened for mining, Goddard came back with a defense grounded in dollars and cents. A state park “would be an everlasting economic asset to the community,” he declared, while the “influence of a coal mine would be a temporary benefit, at best.”

Goddard reformulated ideas of frugal management into an ethic of stewardship and sustainability and justified his policies for the deployment of resources as a wise investment in the future. His vision went beyond shrewd fiscal management. Echoing earlier Progressive conservationists, he also understood the role of government to include trusteeship of the commonwealth’s natural estate. In his first legislative briefing, Goddard articulated a vision for his new position: “I am obligated to the conservation of resources so that future generations . . . may continue to receive the benefits of nature’s gift to mankind.” An important example of this farsighted planning for the future of Pennsylvania was the priority he placed on expanding and modernizing the state park system, which in 1955 included only 45 sites, mostly rural, carved out of the state forest system. These parks had few public amenities such as campgrounds, swimming areas, and usable access roads. Goddard recognized the postwar societal demands created by increased population, new highways, and more leisure time. He sketched out his progressive ideas in a report to the the state legislature in 1957, declaring, “Parks are for people. . . . Every individual is important, whether he lives in





(Plate 10. See page 52.)
 and Stripped of its Best Timber, then Abandoned to Fire. Anderson's Creek, Clearfield County

Forest devastation in Centre and Clearfield Counties, PA, in *Annual Report of the Pennsylvania Department of Agriculture for 1895, part 2, Division of Forestry* (Harrisburg, PA, 1896).

a city or a small town. The goal of this program is a state park within 25 miles of every resident of the Commonwealth.”

To achieve his goals for an expanded and accessible park system, one that would provide a “one-tank” vacation for state residents, Goddard created innovative strategies for financing conservation that were soon replicated throughout the nation. He proposed using revenues from activities that deplete nonrenewable natural resources to reinvest in projects that benefit the public and environment. At the time, limited natural gas drilling was already taking place on Pennsylvania forestlands; any revenues generated went into the state general fund. Goddard gained bipartisan support for a bill dedicating those royalties to his department, to be used solely “for conservation, recreation, dams, or flood control.” The Oil and Gas Lease Act was passed in 1955, and in the first 15 years the new fund collected nearly \$20 million, almost all of which was used to expand the state park system. The act is widely credited as the model for the federal Land and Water Conservation Fund Act of 1964, which is funded by offshore oil and gas revenues. To this day, revenues from the fund are allocated to state and federal agencies to acquire and develop land for conservation and recreation purposes

Goddard showed considerable flexibility in broadening his idea of conservation from the intergenerational equity of planting trees and ensuring a continuing supply of forest products to developing dedicated funding for parks in order to meet the recreational needs

of future families. Throughout his tenure he consistently sought to balance the commonwealth’s books while meeting multiple environmental and social needs; by the 1960s, however, new perspectives on the environment challenged traditional conservation, particularly its emphasis on multiple uses for public lands. In this model, forests in particular were to be managed for several purposes: timber, mineral resources, water quality, habitat, and recreational opportunities. An emerging environmental movement presented an alternative management approach to public land, one that placed a high value on the wilderness experience and called for minimal human interference. While most of Goddard’s work enjoyed wide support, the new environmental movement questioned his proposals for engineered solutions to water management—specifically, dams. An early controversy was the dam proposed to be the centerpiece of the newly created Evansburg State Park in Montgomery County. The project was stalled by a combination of landowners concerned about loss of their property and environmental groups concerned about the impact of dam construction on water quality. The park was created, but the dam was never built. Even more controversial was Goddard’s strong support for a major dam on the main stem of the Delaware River at Tocks Island. The project was intended to reduce downstream flooding, provide a recreational lake, and manage the regional water supply. Goddard championed the dam, authorized in 1962, for its multiple uses, but concerns grew about the implications of damming the last free-flowing river on the eastern seaboard. The



Maurice K. Goddard, Gov. George Leader, and two unidentified men examine plans for Point State Park, Sept. 1956.
Pennsylvania State Archives, RG-12.13, #1160.

project was abandoned in 1975, and Goddard counted it as a great loss to the people of Pennsylvania.

Despite tension over dam proposals, Goddard was at the forefront of the new movement to protect the environment through regulatory programs. In 1971 Governor Milton Shapp named him founding secretary of the newly created Department of Environmental Resources, which integrated the management responsibilities of state parks and forests with the many commonwealth boards and commissions that formerly regulated environmental quality issues. While Goddard brought his efficient and professional approach to this new position, his success in implementing an effective environmental protection program carried with it a heavy political cost. The direct benefits of environmental regulation were not as easy to quantify as timber sales or park visitation. Goddard also found powerful adversaries in the corporate and mining sector who opposed the increased financial burden of the new regulations. Incoming governor Richard Thornburgh did not reappoint Goddard in 1979.

Goddard's skill at transitioning between five political administrations paralleled his ability to make the transition from traditional, forestry-based conservation practices to new models focused on recreation and environmental protection in the 1960s and '70s. Goddard applied his principles of wise use and stewardship to the management of natural resources in new and innovative ways. If thrift is wise economy in the management of resources, the work of Maurice Goddard and conservation leaders across the nation who followed in his footsteps meet this definition. For over 50 years, conservation practices have been a careful calculus seeking to balance revenues from resource depletion with investments for the public good. State park and forest advocates have done an admirable job of defending conservation funding by documenting its benefits to our health, enjoyment, and quality of life. However, the philosophy that underlies conservation, its basis in historical ideas of thrift, and the nuts and bolts of who should pay the bill for the conservation investments for our future have not been a significant part of the discussion.

The recent debate in Pennsylvania government over taxing or assessing impacts from the drilling in the Marcellus Shale formation—both on and off public lands—could have benefited from these lessons

of history. Politicians expended valuable time debating the definition of what is a tax and who might or might not receive the benefit—time that could have been spent crafting a vision of how such revenue might be used to revitalize Pennsylvania's public estate. Those concerned about the impact on the state's environment have not yet been able to make a strong enough argument on the costs of the potential harm to the environment to overcome the power of economic interests in this new source of energy.

While discussions of the past may play only a minor role in current policy and politics, a small group of retired colleagues and admirers of Maurice Goddard are trying to change the game. Calling themselves the Goddard Legacy Project, they are building awareness of Goddard's contribution to conservation and his leadership values of professionalism, science-based decision making, bipartisan thinking, and resource stewardship. The Goddard Legacy Project has prepared fact sheets, installed five state historical markers, placed 25 interpretive signs in state parks developed during Goddard's era, rededicated a forest natural area in his honor, held educational programs, and spread its message through the internet and social media. A major initiative was the production in 2010 of a full-length documentary, *The Life of Maurice Goddard*, by the Harrisburg public television station WITF that has been broadcast on public television stations in Pennsylvania.

The year 2012 marks the 100th birthday of the master conservation craftsman Maurice Goddard. What better gift could the people of Pennsylvania receive than to learn his lessons of responsible fiscal management, to better understand the forces that shape our environment, and to appreciate how the careful use of natural resources can pay dividends for future generations? ■

Brenda Barrett has worked for the Pennsylvania Historical and Museum Commission and is a former director of Pennsylvania's Department of Conservation and Natural Resources Bureau of Conservation and Recreation. She is currently the editor of the Living Landscape Observer, a website offering commentary and information on the emerging field of large landscape conservation.

Maurice K. Goddard on Stewardship of Natural and Historical Resources, 1961

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF FORESTS AND WATERS HARRISBURG

The Secretary • June 16, 1961

Mr. John Ward Willson Loose
Secretary—Editor—Museum Director
Lancaster County Historical Society
230 North President Avenue
Lancaster, Pennsylvania

Dear Mr. Loose:

I deeply appreciate your letter asking for my position on House Bill 1561 which would create a new Department of Conservation and Recreation, embracing the activities of this Department, the Historical and Museum Commission, the independent Brandywine Battlefield Commission, and the recreational activities of the Departments of Commerce and Internal Affairs.

Governor David L. Lawrence asked for this legislation in his "State of the Commonwealth" address before the General Assembly early this year. His intent was to re-emphasize and strengthen the many recreational operations of the State Government as part of his overall program to encourage travel and tourism in Pennsylvania.

As you know, several pieces of progressive legislation in this field have passed the General Assembly this session. This bill would have further reinforced these efforts.

Since many of my closest colleagues and dearest friends are active historically, you can imagine how concerned I have been by the purely emotional attacks upon this bill. Everyone has a right to disagree with its content, of course; but I think we also have a responsibility to examine it upon its merits. I look with distaste upon any responsible official issuing emotional and uninformed charges that bear no relationship whatsoever to the legislation itself.

First of all, House Bill 1561 would not "wreck" the work of the Historical Commission. It will strengthen it by giving it responsibility on properties where it has none at the present time.

Secondly, it is not true that my forestry background will make me unsympathetic to restoration and preservation programs. When I first became Secretary of Forests and Waters, I knew little about hydraulic engineering, yet we have moved ahead with the second largest state flood control program in the nation.

You are well aware, I am sure, that this Department is already deeply committed in the historical field. Valley Forge, Washington Crossing, Fort Washington, Independence Mall, Bushy Run Battlefield, Point State Park, and Presque Isle all have important historical backgrounds as you know. I venture to say that more historical progress has been made on these properties in the last six years than on the properties of the Historical Commission itself. I could cite numerous instances of restorations, renovations, and new museums at many of them and still more are scheduled for the very near future, but this is not the point.

The point is: Are the people of Pennsylvania getting the best possible historical program under the present arrangement? Is the Commission getting an opportunity to make its expertise felt everywhere it is needed? Or are we suffering from needless duplication that only dissipates our energies?

We have in Pennsylvania today more independent agencies, boards, and commissions responsible directly to the Governor than any other state. Obviously, all of these groups cannot have the full attention of the Governor. Inevitably, he turns to his cabinet to administer the activities of State Government, and it has been Governor Lawrence's wish to straighten out the lines of communication so that his energies are not constantly preoccupied with a host of small matters to the neglect of more important concerns. There is no better place to begin than in the field of recreation.

The Pennsylvania Recreation Association and many other groups have complained for a long time about the multitude of state bureaus and commissions in the recreation field—16 at last count. For many years they have been recommending a Department of Recreation. But it does not seem wise, nor necessary, to create another cabinet level department responsible only in the recreation field. We should utilize the existing governmental structure.

Dr. Stevens has taken pains to remind me on many occasions of the role of the historical properties in the recreational program of the State Government. I quite agree with him. It is for this reason that I would consider a bill without the Historical Commission included in the new Department of Conservation and Recreation virtually meaningless.

The operations of the Historical Commission will be hampered in no way. As you well know, the National Park Service administers the national historic program as well as such great wilderness parks as Yosemite or Yellowstone. The Secretary of the Interior is not an historian, but this has had no effect whatsoever on historical programs.

By the same token, the State Park Service can operate extremely well in carrying out the housekeeping of the Commission. Indeed, there has always been a close relationship between the Department and the Commission. We have constructed protection works at the Drake Well, Morton Homestead, and Pennsbury Manor. We have been paying during the last year, an historian, at the Point in Pittsburgh who was actually assigned to the Commission. The Commission would continue to exercise its historical responsibilities not only on Commission properties but in our historical parks as well. The man in charge of this operation would be a trained historian and he would have at his disposal one of the best engineering and park staffs in the nation in addition to the existing force of experts which the Commission employs.

Our relationship with the historical societies would, therefore, be unchanged, and I would assume that the State Historian would bear the major burden in seeing that this held true.

In taking such a step, I can assure you that the Historical program will get the attention of the Governor's cabinet which it has not received up till now. You will have a strong voice on the State Planning Board and your resources will be immeasurably increased. In addition, one park system will benefit and the needless administrative, fiscal, and personnel duplications will be unnecessary.

For these reasons, I hope you will reconsider your position on this legislation. I will be happy to meet with anyone to discuss the bill and only point out in closing that allegations that the Commission has not been kept informed on this legislation are untrue. I met personally with members of the Commission to discuss the proposal before the bill was introduced.

Very sincerely yours,
Maurice K. Goddard

TEACHERS' PAGE

Thrift and Community Development

BY BERNADETTE McHENRY

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 sub-committees 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

YMCA Industrial Department cartoon on thrift, ca. 1920. Courtesy of the Kautz Family YMCA Archives, University of Minnesota Libraries' Archives and Special Collections Department.



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. ■

Bernadette McHenry teaches US History, African American History, and Civics and Economics at Bartram High School in Southwest Philadelphia.

PA Standards

Subjects/Courses: US History (Grades 9–12); Economics (Grades 9–12)

History: 8.1.12.B; 8.3.9.A

Economics: 6.1.9.D

The materials referenced in this primary source activity, including links to all materials referenced, as well as other educator resources, can be found on the HSP website at <http://hsp.org/education/unit-plans/thrift-and-community-development>.

New Teacher Resources on HSP.org

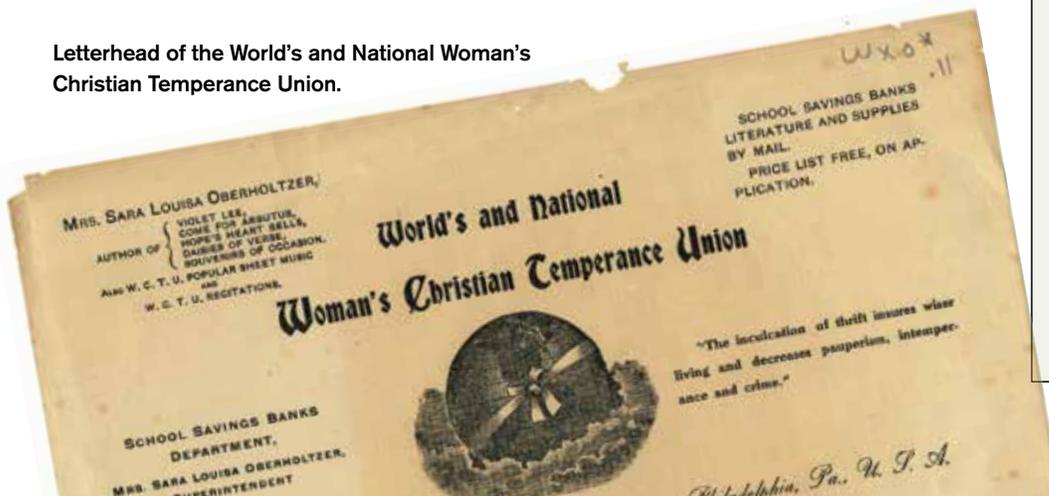


The Historical Society of Pennsylvania is launching two new digital history projects in early 2013 that will help teachers use primary source documents in the classroom. Each project combines images and transcriptions of primary source documents, annotation, contextual essays, and teacher resources.

"Preserving American Freedom" traces the story of American freedom from colonial to modern times through key historical documents, including a handwritten draft of the US Constitution. hsp.org/preserving-american-freedom

"Closed for Business: The Story of Bankers Trust Company during the Great Depression" looks at the early years of the Great Depression and the December 1930 failure of a large Philadelphia bank, Bankers Trust Company. hsp.org/bankers-trust

Letterhead of the World's and National Woman's Christian Temperance Union.



TEACHERS' TURN

Contemporary Applications of Thrift

BY BERNADETTE MCHENRY

The topic of this issue of *Pennsylvania Legacies* is one very familiar to most of us. Thrift is an old concept that may call to mind the quaint and simple wisdom of Benjamin Franklin. On closer inspection, though, thrift is an idea that has found a rebirth in modern trends. It blossoms as community gardens, bicycle commuting, car-sharing programs, and the booming popularity of old-fashioned practices such as baking, canning, sewing, and knitting.

Thrift isn't just about DIY, though. It's a concept that ties into larger political issues as well, such as social class, consumer choices, the management of natural resources, and personal and national debt. In the early 20th century, as Andrew Yarrow summarizes, thrift meant "wise spending, conservation of resources, elimination of waste, moderation, self-control, and careful use of time," a description that includes a host of ideas being revisited by individuals and families in the 21st century as well. With enormous economic questions looming over the United States and most of the Western world, this magazine's four articles on thrift can be used as a starting point for classroom instruction and discussion on the historical foundations of current events.

By drawing connections to students' contemporary worlds, educators can more effectively teach about our past. Not only do such comparisons create the kind of relevancy that encourages student engagement, they also help young people learn to form political opinions based on fact and historical precedent—a skill essential to informed and active citizenship. The articles in this issue of *Legacies* are full of potential to make such connections to some of today's most important issues. Jennifer Scanlon's article on the early years of the *Ladies' Home Journal* reflects the current debates over women's roles in American society, including a myriad of questions about the consumer choices and work-life

balance of employed mothers. Women today are bombarded with conflicting advice and criticism, and these same confused messages were found a hundred years ago in the pages of the *Ladies' Home Journal*. Scanlon points out that the magazine "encouraged women to enjoy and take pride in homemaking, but it featured in its advertisements the latest in consumer goods—goods that almost necessitated that they earn some of their own independent income." In tracing the effect of rising consumerism on women's economic practices in the early 20th century, this article can be used to draw a parallel to the difficult economic choices women face today.



Scanlon's article also helps to illustrate some of the social factors that contributed to women's political enfranchisement in 1920. As middle-class women became an economic force, both as consumers and as workers, it became more difficult for the political system to deny them the vote. This theme, again, is relevant today. As women represent an ever-increasing percentage of America's educated workforce, their voting power is becoming more important to politicians seeking office. This was true especially in the recent election cycle,

during which both parties competed fiercely for women's votes. In a history classroom, Scanlon's article could be read in conjunction with more recent articles on the political, social, and economic roles of women, such as Anne-Marie Slaughter's recent cover story in the *Atlantic Monthly* ("Why Women Still Can't Have It All," <http://www.theatlantic.com/magazine/archive/2012/07/why-women-still-cant-have-it-all/309020/>).

Perhaps the most pressing modern political issue is the unstable economy. Every American high school student understands the challenges he or she faces as a potential member of the workforce and worries about his or her ability to navigate those challenges. Personal financial planning, therefore, is an incredibly relevant and engaging topic for students. The history of savings banks provided by Daniel Wadhvani's article can be used to facilitate discussion on the modern economy and the individual's place in it. Wadhvani explains that early savings banks "offered ordinary Americans a respectable and safe place to build a nest egg for periods of unemployment, illness, and old age, and in so doing represented an alternative to the stigma of pauperism and the poor house." Later, Wadhvani writes, some entrepreneurs came across "the realization that pooling the nest eggs of small savers to finance various economic projects in the capital-hungry nation might be surprisingly profitable." The newcomers, driven more by potential profits than by the philanthropic motivations that characterized the earlier savings banks, used working-class savings capital as investment in larger commercial ventures.

Students reading Wadhvani's piece should be encouraged to draw parallels between these historical banking ventures and the vast array of commercial financial services available to Americans today. Students should research the motivations and practices of today's "payday lenders" and check-cashing agencies as well as commercial banks and credit

(Seventh Edition.)

SAVE YOUR PENNIES.

(A Leaflet for Boys.)

BY MRS. S. L. OBERHOLTZER.

Save your pennies, boys, you'll need them
In your business by and by.
Leave extravagance behind you
As you climb life's ladder high.

Money grows. Whene'er you have it,
Plant it nicely in a bank.
When you find how it increases,
Friendly counsel you will thank.

With the mossy growth of interest
You can do some generous things;
And the good deeds will uplift you
Till your souls are touched with wings.

Stoop to naught that makes you poorer.
Shun the wily cigarette;
And tobacco's train that follows
You'll rejoice you never met.

There are highways broad and evil
Through the mists of smoke and drink;
But the clear road is the best road.
Always plan to stop and think.

Then go on with glad endeavor,
Counting gains of strength each day;
Knowing only in God's sunshine
You can make life's travel pay.

(ABOVE) "Save Your Pennies (A Leaflet for Boys)," by Sara Louisa Oberholtzer.

(LEFT) Cover of *Ladies' Home Journal*, Oct. 1920.

unions and compare them to the institutions described in Wadhvani's article. Finally, students ought to consider the benefits of both modern and historical institutions and draw conclusions about the value of each.

Andrew Yarrow's piece on thrift education and the school savings banks movement may be a useful tool to this end, as he describes small children engaged in the thrifty habits Wadhvani's early savings banks encouraged. The school savings banks of the late 19th and early 20th centuries were championed by Sara Louisa Oberholtzer, a leader of the temperance movement. Yarrow explains that Oberholtzer believed "thrift could help solve many of the social problems roiling late 19th-century America: inequality, poverty, criminality, drunkenness, and the decline of character and good citizenship." Not only does this article have a similar modern relevancy to Wadhvani's piece, but it can also be used in a historical analysis of

the economic impact of moral and social attitudes in the years before the Great Depression. Moreover, Yarrow's article can be useful in drawing parallels between that economic crisis and our current one.

The final article in this edition of *Legacies*, Brenda Barrett's history of conservationist Maurice Goddard, explores yet another contemporary political issue relevant to the value of thrift. Thrift begins with work ethic and economic choices but ends with stewardship for the future, moving it from a personal aim to a community effort. The use and protection of natural resources are both significant, practical factors in that stewardship. In history classrooms, students study the use of resources in building civilizations and maintaining empires in the pre-industrial era; once a class passes into the 20th century, however, these themes tend to be abstracted by modern economics. Environmental protection and America's

energy dependency are two major political issues of today that make the topic of resources concrete again—and that are often in political conflict. In the classroom, this conflict can translate into an opportunity to practice the essential skills of argumentation and debate.

Barrett's article can provide a historical backdrop for a classroom debate on an important, contemporary issue with local relevance and national ramifications. The drilling for natural gas in the Marcellus Shale Formation has been the source of increasingly heated public arguments, particularly in Pennsylvania, over the past few years. Proponents of the drilling note the economic benefits to the residents of the area as well as the benefits of clean, domestic natural gas. Detractors point to air and water pollution and the destruction of state forests and wildlife caused by the drilling process. Students can be directed to research natural gas drilling and write a persuasive essay supporting or condemning it. Additionally, they could be divided into teams for a public forum-style debate. The information Barrett provides on Goddard's ability to strike a balance between conservation and economics may also be used as a starting point to encourage students to create their own compromises between energy and conservation. In this case, students would research the issue and, rather than choosing a side, be required to present a solution.

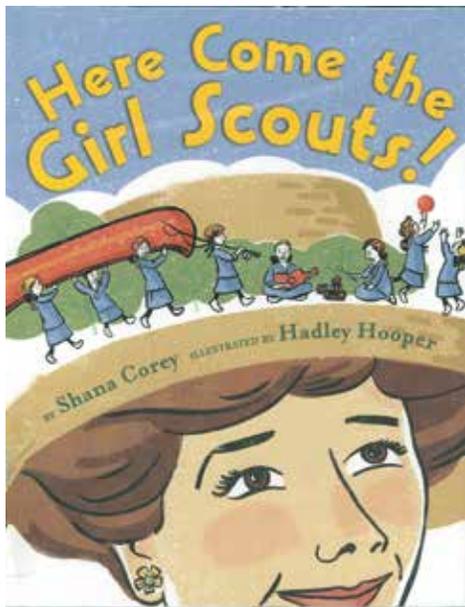
The concept of thrift—its history and its many iterations and practical applications—can be an effective tool in a history classroom to connect the past to contemporary matters that concern modern students. If teaching history is to be a component of preparing future members of the American electorate to be active and informed citizens, making connections in this way is essential. The articles in this issue of *Legacies* provide several wonderful places to start. ■

Bernadette McHenry holds a BA in American Studies from Rutgers University, a secondary certification from the University of Pennsylvania, and teaches US History, African American History, and Civics and Economics at Bartram High School in Southwest Philadelphia.

LEGACIES FOR KIDS

Book Reviews

BY SARAH STIPPICH



Here Come the Girl Scouts

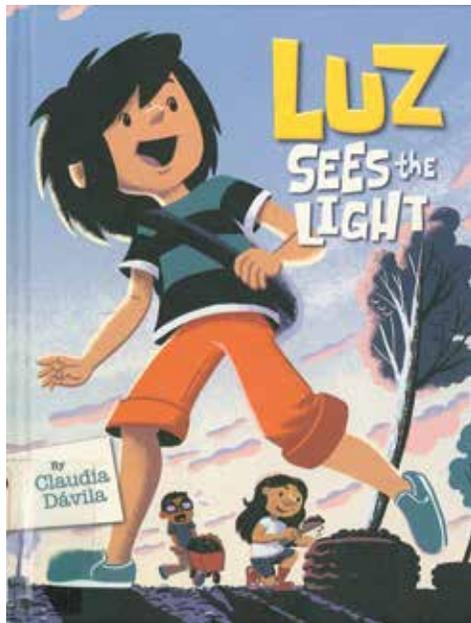
By Shana Corey

Illustrated by Hadley Hooper

New York: Scholastic Press, 2012, unpagued.

Ages 5 and up.

A lovely picture book biography of Juliette Gordon Low (“Daisy” to friends), *Here Come the Girl Scouts* is sprinkled with wise words that embody the Girl Scout creed, such as “The work of to-day is the history of to-morrow, and we are its makers.” Daisy’s story is one of an adventurous woman who was determined to make a difference in the world and went on to found the Girl Scouts. Hooper’s lively, mostly blue-and tan-toned prints soar across the page. The book ends with a gallery of famous Girl Scouts such as Lucille Ball and Hillary Clinton and a more in-depth history of the Girl Scouts.



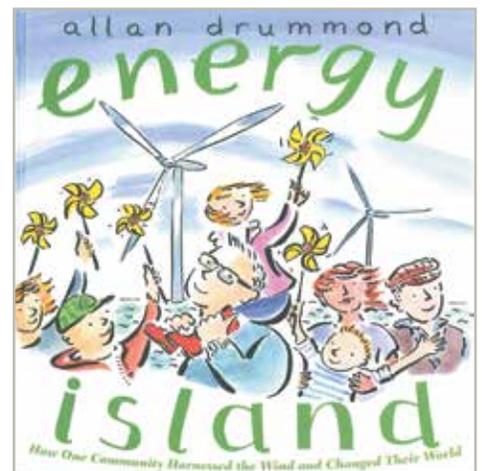
Luz Sees the Light

By Claudia Dávila

Toronto, ON: Kids Can Press, 2011, 96 pp.

Ages 8 and up.

Luz lives in a world of rising gas prices, blackouts, and rampant consumerism. After realizing the repercussions of driving to the mall to buy more stuff, she recruits her friends and neighbors to create a park out of an abandoned lot in their neighborhood. Dávila’s black-and-tan-toned comic format makes for a quick read, packed with insight on the economic and societal impact of importing goods from overseas and the importance of self-sufficiency.



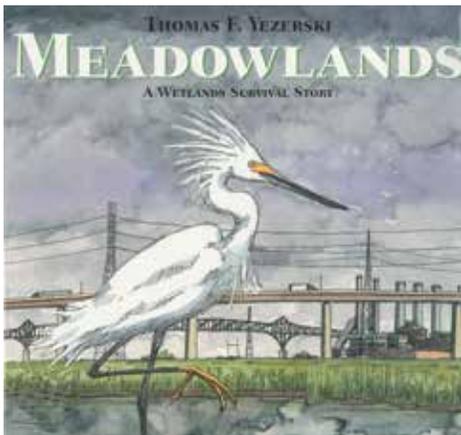
Energy Island: How One Community Harnessed the Wind and Changed Their World

By Allan Drummond

New York: Farrar Straus Giroux, 2011,

unpagued. Ages 5 and up.

Hold on to your hats! Samsø, an island in the middle of Denmark, is very windy and is also distinguished for winning a prize from the Danish Ministry of Environment and Energy. To end the island’s dependence on nonrenewable resources, schoolteacher Søren Hermansen inspired the islanders to commit to create ways to change their energy consumption. Drummond’s book chronicles the changes this community went through to become energy independent in big and small ways, particularly by harnessing the wind energy into a useable power source. Bright green sidebars that explain bigger ideas such as nonrenewable energy and global warming invite deeper understanding.



**Meadowlands:
A Wetlands Survival Story**

By Thomas F. Yezerski
New York: Farrar Straus Giroux, 2011,
unpaged. Ages 5 and up.

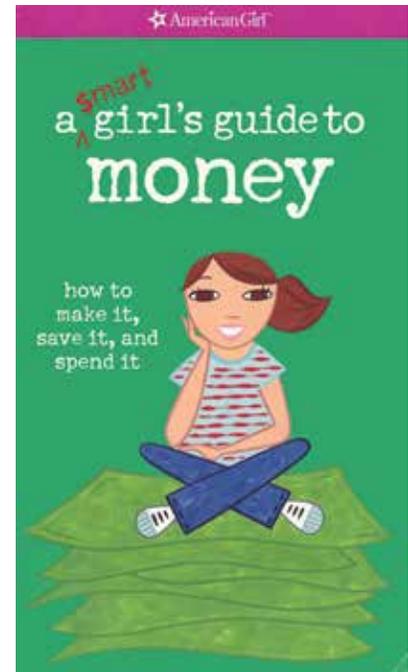
Yezerski's book traces the New Jersey meadowlands' history from the first human inhabitants—the Lenni Lenape—to Dutch explorers, European settlers, and on to the sprawl of garbage dumps and factories that polluted the area in the mid-1900s. But parts of the meadowlands live on, in a nutrient-rich marsh that sustains diverse fish, plant, and insect populations. Thanks to the tenacity of the ecosystem and efforts to restore the environment, many species are returning to the area to thrive. Yezerski's illustrations capture the vast diversity of ecosystems in this beautiful area and thumbnail watercolors of familiar sights to the area decorate the borders of each page. Followed by a selected bibliography and list of recommended websites.



True Green Kids: 100 Things You Can Do to Save the Planet

By Kim McKay and Jenny Bonnin
Washington, DC: National Geographic,
2008, 144 pp. Ages 6 and up.

What can you do at home to save the earth? At school? *True Green Kids* offers suggestions for easy, practical things kids can do to decrease their ecological footprint, from using pollution-free transportation to planting a garden to making fun crafts from reused materials. After perusing the ideas, kids can take a quiz about their eco awareness. Each page is vibrant, with bright graphics and clear text. Includes a wealth of recommended websites and a glossary.



A Smart Girl's Guide to Money: How to Make It, Save It, and Spend It

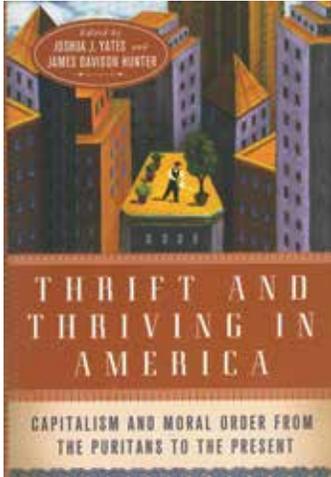
By Nancy Holyoke
Middleton, WI: Pleasant Company
Publications, 2006, 95 pp. Ages 8 and up.

In typical American Girl format, *A Smart Girl's Guide to Money* is girl-friendly and packed with quizzes, lists, and real-world scenarios. Holyoke's book is full of ideas about how to start your own business, save money, and make sound financial decisions. The book ends with 101 money-making ideas separated into sections that draw on girls' strengths and interests.

Sarah Stippich is a children's librarian at the Free Library of Philadelphia.

BOOK REVIEWS

BY RACHEL MOLOSHOK



Thrift and Thriving in America: Capitalism and Moral Order from the Puritans to the Present

Edited by Joshua J. Yates and James Davison Hunter
New York: Oxford University Press, 2011

Thrift and Thriving in America consists of 23 chapters dedicated to telling a previously untold story: the history of thrift in America from the nation's prehistory to the present. Thrift, editors Joshua J. Yates and James Davison Hunter tell us, "has served as the primary language Americans have used for articulating the normative dimensions of economic life throughout their history," but is little considered and poorly understood. More than mere frugality, thrift "well understood" refers to the condition of *thriving* (its etymological root) and is more concerned with ends than with means. This definition of thrift encompasses not just economics but culture, sociopolitics, ethics, and environmental studies. And indeed, the book's chapters, authored by scholars from a wide variety of historical disciplines, explore the many faces of thrift in a multitude of contexts. In their introductory and concluding chapters, the editors attempt to pull together the strings of these complex and often contradictory contributions to construct a cohesive narrative of thrift in America—an ambitious, if not impossible, challenge. Thrift "well understood" is simply too expansive to fit into the "story within a story" they propound. And several of the books' authors flatly disprove the stated thesis of the editors that thrift has provided the common and primary language of American economic philosophy. The editors acknowledge the contradiction and express their hope that their volume will serve as the starting point of a discussion of the ends and means of thrift in American history, in the present day, and in the future.

Beyond Our Means: Why America Spends While the World Saves

Sheldon Garon
Princeton, NJ: Princeton University Press, 2012

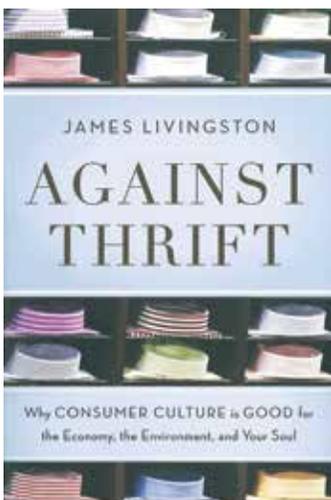
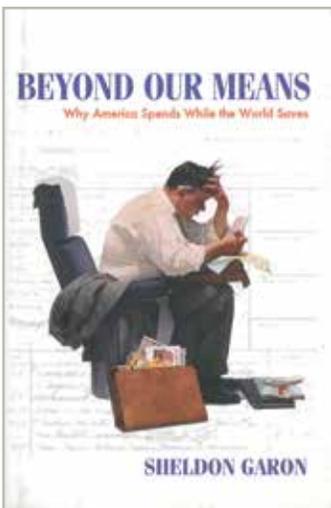
Sheldon Garon's study should prompt us to reconsider our conventional wisdom about saving. We tend to expect that individuals will save for retirement, then spend down the balance; that European-style "welfare states" obviate the need for

hard work and saving; and that culture is immutable. But in western Europe and Asia, seniors typically live frugally, and citizens of European states where pensions and strong safety nets are the norm save at much higher rates than Americans. Culture is not inherent; the Japanese "tradition" of thrift dates only as far back as the Meiji empire, while in 1910, the savings rate of the US surpassed that of all other nations except Germany. In *Beyond Our Means*, Princeton professor of history and East Asian studies Sheldon Garon looks at the history of savings promotion in societies across the globe to determine what has worked, what hasn't, and why this has been the case. He finds that small savings is promoted or discouraged by public policy and state development: by governments and institutions that shape national cultures, exert moral suasion, and make saving accessible and attractive to all, not just the affluent. From these historical lessons, Garon is able to make recommendations to those who would promote small savings in America. Above all, he insists, "we should do more to *democratize* savings"—as we have done for credit and homeownership—"as one means of bringing about a more equitable society."

Against Thrift: Why Consumer Culture is Good for the Economy, the Environment, and Your Soul

James Livingston
New York: Basic Books, 2011

Defying economists and moralists of both ends of the political spectrum, historian James Livingston insists that consumer culture is "good for the economy, the environment, and your soul" and that "saving for a rainy day—treating this life as an austere probation for another—is a soul-crushing emotional trap as well as an economic dead end." Applying "radical empiricism" and historical evidence, he makes the case that "the Great Depression and the recent economic crisis are comparable events, both of them caused by an excess of profits and a shortage of wages, or too much saving and not enough spending." Looking to the success of the New Deal in revitalizing the national economy and culture, Livingston prescribes "a massive *redistribution* of income away from capital, profits, and corporate savings" and toward wages. Consumerism, he adds, far from being an evil, empowers individuals to make choices, to value use and enjoyment of goods rather



than their abstract, monetary worth, and to ensure the future of the things their children will want and need. Livingston's arguments will likely infuriate many; nonetheless, it is well worth attempting to engage with his provocative text. What might it be like if we could "live less anxiously, more easily and generously, with ourselves and with Nature . . . to be less thrifty in the broadest sense, to withhold less and desire more"?

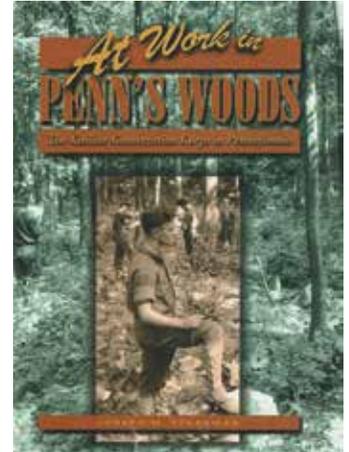
At Work in Penn's Woods: The Civilian Conservation Corps in Pennsylvania

Joseph M. Speakman

University Park: Penn State University Press, 2006

In a nation reeling under the Great Depression, the Civilian Conservation Corps, also called "Roosevelt's tree army," "was meant to alleviate the dual stresses of unemployment—the economic and the psychic—and Pennsylvanians were suffering these stresses to an appalling degree," author Joseph M. Speakman

writes. "But the Corps was also designed to relieve some of the stress on the land; here, too, Pennsylvania was in sore need." Penn's woods, which had once covered 98 percent of the commonwealth, had been decimated by logging, and mudslides, tree diseases, invasive species, and forest fires threatened Pennsylvania's wildernesses and people. The CCC over nine years employed over 2.5 million men who fought forest fires, preserved historic structures and landmarks, worked on soil conservation projects, constructed recreational facilities in state and national parks, and planted trees—over 60 million in Pennsylvania alone. Working for the CCC allowed previously unemployed workers to earn and send much-needed money home to their families. For this first comprehensive history of the CCC in Pennsylvania, the author draws on impressive archival sources on the national and local level and makes good use of oral history sources—his interviews with former CCC men.



LEG@CIES

INTERESTING PLACES TO EXPLORE ON THE WEB

America Saves

www.americasaves.org

A national campaign coordinated by the nonprofit Consumer Federation of America, America Saves aims to help individuals and families of all income levels save money, reduce debt, and build wealth. Accordingly, its website prompts users to consider what to save for, offers tips and strategies for saving, explains how financial products such as savings accounts, savings bonds, money market accounts, and CDs work, and provides links to resources such as further reading and interactive financial-management tools. Because America Saves strives to foster a nationwide culture of savings, the site also encourages users to connect to or organize community and regional savings campaigns.

US Rationing during WWII

www.smithsonianeducation.org/idealabs/wwii/

Click on details of a 1942 painting of customers in a grocery store line to learn more about wartime rationing during WWII. Through related text and images, users can explore wartime shortages, national conservation efforts, the economics of rationing, and propaganda that linked shared sacrifice with patriotism and victory. Numerous other primary source documents are presented with every click, allowing users to gain historical and cultural insight as they browse through ration books, photographs, posters, and instructional materials.

The Evolution of the Conservation Movement, 1850–1920

memory.loc.gov/ammem/amrvhtml/conshome.html

Although the design of this portal is not particularly inviting, this impressive collection pulled together by the Library of Congress details the chronological events and cultural forces behind the national movement to conserve and care for America's natural resources. The portal provides a detailed timeline of the conservation movement and illustrates eras and episodes along the way with numerous primary sources, from printed materials and manuscripts to prints, photographs, and even motion-picture footage. Users should be forewarned that clicking on a link to a primary source will take them to a page featuring an abstract and call number before they may click to view transcripts or original images.

Jump\$tart Coalition for Personal Financial Literacy

www.jumpstart.org

The Jump\$tart Coalition is composed of over 150 organizations and their local partners that together work to promote financial literacy among young people from pre-kindergarten through college. The most effective tool offered by the site is likely the "Reality Check," which prompts users to calculate the costs associated with their existing or hoped-for lifestyle and the amounts they will need to earn and/or save in order to maintain it. For educators, the coalition has developed National Standards in K-12 Personal Finance Education, best practices for developing or selecting personal finance educational materials, and an interactive guide to state financial education requirements. The "Jump\$tart Clearinghouse," an online library of financial education resources, points the way to further opportunities for action and exploration.

RM

Reclaiming the Thrift Legacy

BY JEREMY NOWAK

The American economy went into decline at the end of 2007. The bursting of a housing bubble evolved into a financial institutions' crisis and then a broader decline characterized by dramatic job losses and sharp erosion in economic capacity. While the recession formally ended in the summer of 2009, we have not yet recovered from the loss of housing equity and the loss of jobs.

The recession dislodged national self-confidence. In the first decade of the 21st century, no net new jobs were created. Baby boomers are nervous about retirement prospects. The number of long-term unemployed exceeds historical patterns. Education debt levels have skyrocketed, and the rate of homeownership has declined. Our faith in the future has been rocked.

The crisis of 2007 was years in the making. Business cycles bring volatility, and recessions are common. Globally, we are not as competitive as we need to be in terms of education and core infrastructure. But this past recession represented something more significant; it was a crisis that brought to end an illusion of prosperity. Something more significant seems to have passed: an era of too much debt, too much speculation, and too little value.

During the two-decade run-up to this recession, America found new ways to make debt available and new reasons to avoid its consequences. Debt became the curtain behind which we hid national blemishes. In 25 years we doubled household debt in relation to GDP, an astounding speculation on the future. The debt was compiled household by household.

What does this have to do with thrift? My most optimistic view of the crisis is that it provides an opportunity to re-engage some of our lost thrift values. By "thrift" I refer to the choices we make around savings, conservation, and care. My more pessimistic view is that our complex economy and fast-moving technology help foster a kind of cultural amnesia, making lessons hard to learn.

The reigning assumption of the past several decades was that the explosion of household debt was not a problem as long as increased levels of debt were accompanied by increases in income and increased household wealth. Household wealth was based largely on the escalation of housing values and the stock market, not on shorter-term, more liquid savings. Americans were party to a great gamble: you may have a lot of debt today, but the ever-expanding rise in asset values can be cashed in profitably at a future point in time. Households became speculative businesses. This gamble worked as long as the value of assets rose. But when the music stopped, the payments came due, and millions of foreclosures followed.

Yet there were always disturbing facts on the ground. Income growth was heavily lodged within the top 60 percent of American households during this period; hence, debt often became a substitute for income for large numbers of American households. We never wanted to come to terms with that fact. As the economist Rajharam Rajan notes in his book *Fault Lines* (2010), European nations used social welfare programs to help people accommodate economic change; we used personal debt to achieve the same result.

Was the expansion of personal debt a matter of consumerism and speculation gone rampant? Or was it also a matter of economic necessity? A case can be made for both. While vast quantities of consumer goods, including food, became cheaper, the cost of certain items critical to general welfare and social mobility—housing, medical coverage, and college education—were escalating at rates well above the rate of inflation or median wage growth. Homes became credit cards that sent us to college, aided our retirement, provided emergency medical care, and accommodated other family circumstances.

But compulsive consumerism was also at play. We have become increasingly defined by things more than character, the present more than the future, and image over substance. While the democratization



of credit has always been critical to the mass circulation of consumer goods, by the end of the 20th century the expansion of debt became hyperactive. A process of making us consumers more than citizens was accomplished by undermining our judgments regarding excess, gratification, and reuse. We were encouraged to borrow and not save, spend and not conserve, discard and not repair. Easy money not only created easy choices, it also diverted us from asking policy questions regarding the cost of education and medical care and the erosion of our older infrastructure. Consumer debt became a policy veil that hid our citizenship from us.

The expansion of consumer goods and high-cost necessities such as education required more than good marketing. The traditional judgments of banking had to be subverted. Indeed the very institutions that sometimes defined thrift in the financial sphere—small-scale savings banks, mutually owned

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financial institutions—were partially eliminated through new nonbank credit institutions, bank consolidation, Wall Street securitization, and the ethos of deregulation. In just a few decades the number of financial institutions was halved from 15,000 to around 7,500, and bank assets were dramatically concentrated in the top 10 (even the top 5) largest institutions.

The changing nature of financial services led to a system with too much risk, beset by too many wrongheaded incentives. The incentives were not only a problem for borrowers but for many of the credit institutions and investment firms themselves. The basic principles of lending were discarded in search of short-term fees. The low point of this new logic involved the willingness to suspend proof of income as a prerequisite for carrying a loan. Who could imagine that there would be a class of loans called LIAR loans (no or low documentation required) or NINJA loans (no income, no job, no assets required)? Could there be a greater antithesis to thrift values than the concept of a LIAR loan?

In the 30 years prior to the financial crisis, the culture of taking on more debt became embodied in the symbols of everyday life as never before. Could you walk down a commercial avenue in a lower-income (or even many a middle-income) community without being deluged with payday loan operations, home-mortgage finance companies, check-cashing agencies, pawnshops, car-title loan outlets, and tax-preparation operations offering revenue anticipation loans? Could

you open up your mailbox without finding stacks of teaser-rate credit card offers, or even blank checks available for you to draw upon? Could you turn on the television without hearing about exciting new credit opportunities or high-profile sponsorships by subprime companies?



As America picks up the pieces, we have to rethink our cultural, not just our economic, direction. It is not just an economy that we have to rebuild, but the cultural values that underpin it. There are signs that thrift values are reemerging. There is a movement to sign up for membership in credit unions

or become depositors in smaller banks. The ecological values of conservation have traveled from the natural environment to the revaluing of the older built environment, from deteriorated buildings to public spaces. This is counter to a “use it up and then abandon it” ethos that characterized so much of post-World War II development. America has more farmers’ markets, flea markets, and garage sales (via eBay) than it ever had before.

Much of this rediscovery is due to economic necessity. We are deleveraging our household balance sheets, and, therefore, have forced frugality. There may, however, be a deeper stirring within the culture. But this stirring will not be sustained unless there are institutions and organizations that reinforce the right values. And they will have to be new kinds of institutions. The small-town bank portrayed in *It’s a Wonderful Life* is not coming back, and neither are other iconic symbols of an older era. We are in an age when styles, institutions, and capacities are constructed and deconstructed more rapidly than ever before. The thrift values of the 21st century will have to coalesce around new notions of community and individuality and through new kinds of institutions. This is our challenge if we want to avoid the next economic illusion. ■

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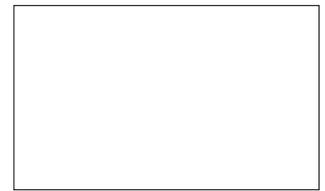


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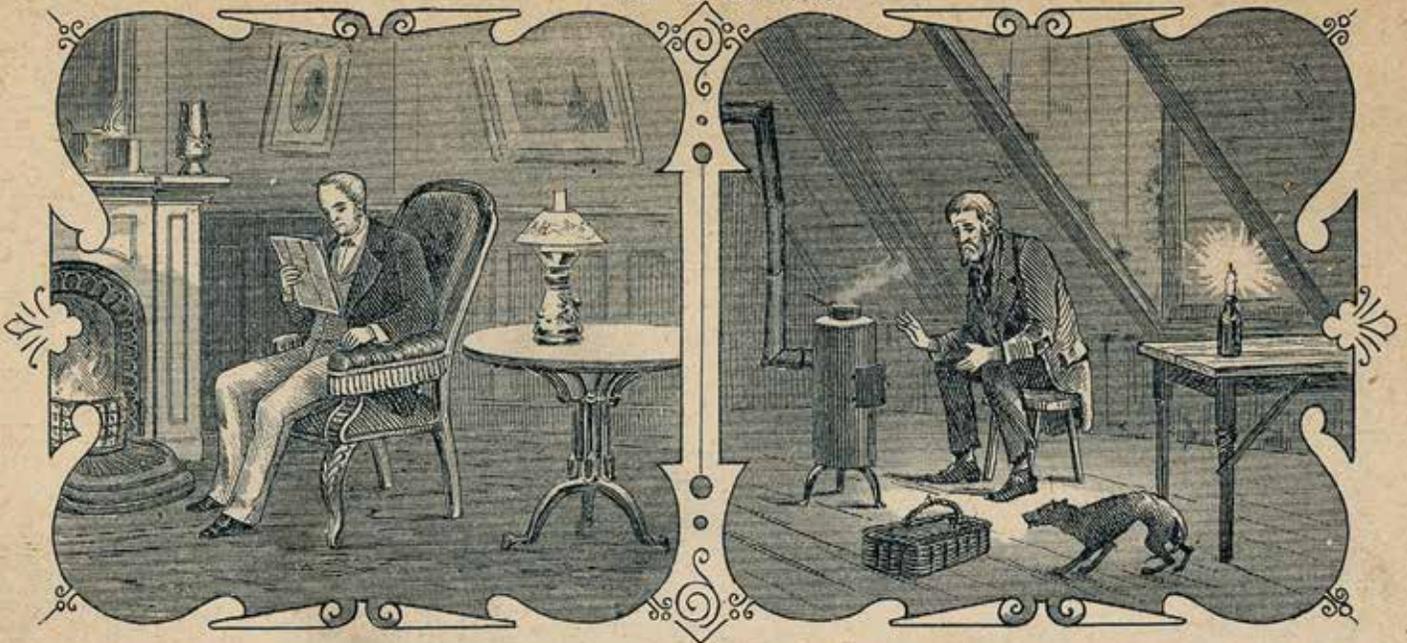
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