SCHOOL SAVINGS BANKS.

The School Savings Banks system, so favorably known and acceptably used in some European countries, has attracted considerable attention in the United States during the past year. Its experimental introduction in a few schools here has proven it a successful and valuable educational factor. It would appear that only a wider knowledge of the simplicity of inculcating thrift, in connection with book learning, was required to insure its general adoption.

School Savings Banks are in use in three hundred schools in this country, and the 28,000 scholars who are depositors have about \$140,000 to their credit. These School Banks are in eleven different States, Pennsylvania having one hundred and forty of them and New York sixty-five; the others being in Nebraska, Vermont, Maine, Indiana, California, Ohio, North Dakota, Massachusetts and New Jersey. These have, with few exceptions, have been established since 1888; most of them during 1890, 1891 and 1892. Frequent inquiries as to the practical working and advantages of the system betoken popular interest in this method of teaching economy. Anything that promises such national reform in the production of self-depending and self-supporting citizens, such a perceptible decrease of crime and pauperism necessarily arrests the attention of thinking people.

Dr. W. T. Harris, Commissioner of Education for the United States, devotes several pages of his last Annual Report to School Savings Banks.* The teaching of economy in the public school will be more fully recognized in the future, for it has been undeniably proven one of the most acceptable acquisitions to school life. It gives a child individuality and makes him part and parcel of the productive and independent force of the nation before he

* Since reprinted in pamphlet form.

has been allowed to feel he is a nonentity or a dull drain on the resources of his parents. It fosters equality, arouses thought and inculcates habits of thrift, which are preventive of the small practices which lead to vice.

The idea of School Savings Banks dates back to 1834, when Dulac first introduced it in a communal school in Le Mans, France. No general thought was given to the subject until some years later, though the system was established in Würtemberg in 1846 and in Buda-Pesth in 1866. In 1866, Professor Laurent, of the University of Ghent, appreciating the practical value of School Savings Banks, devoted some time to advancing and explaining their advantages to educators and people, going from one school to another in his philanthropic mission. As the result of this effort a number of School Banks were opened in Belgium, and during the year closing July, 1891, some \$800,000 were deposited by the children. Banks were also established in Germany and France and were later introduced in Italy and Holland.

France, which now leads the world in this movement, owes her progress in this department of education to Monsieur A. C. Marlace, who doubtless sits to-day, as usual, in his Paris study pondering on the condition of the system in the twenty-three thousand schools in the French Republic or compiling statistics of their relative economies. He has for twenty years devoted his life to this work. Deputed by the government he made a study of educational methods, with special reference to economic instruction, at the International Exposition in Vienna in 1873. He consulted with Professor Laurent and other philanthropic leaders. He visited schools in Germany, Belgium and England where Savings Banks were in use and made a close study of their methods of administration. Returning to Paris he reported that nothing could afford greater amelioration to the poor than the careful institution of School Savings Banks. Monsieur Marlace formulated a system, born of his thoughtful study and accumulated knowledge, and under the protection of the government it is now in use throughout France. 23,375 schools

receive and care for the savings of the children and 478,173 pupils have opened accounts in their own names in Savings Banks where their deposits aggregate 12,683,312 francs. The French acknowledge this practical inculcation of economy, this equalization of wealth, as a most reliable reform factor.

Madame Carnot, wife of the French President, gave a Christmas entertainment in 1888 to four hundred of the poorest school children in Paris at Élysée Palace and gave each child a School Savings Bank book with credit of ten francs. Many lesser instances of practical encouragement to the poor are cited by the French press. The greatest assistance that can be extended to an individual is to teach him to help himself; to see and understand his own resources and responsibilities. Pope Leo XIII. at a Papal jubilee gave a Bank book and one hundred francs to each boy and girl in a certain district, born on New Year's day. A contribution of one franc or a half franc to start a school account, given to a child, or better, an opportunity shown him to earn the same amount instills the initial lesson of economy quite as effectually.

The system is in use in Germany, Hungary, Russia, Switzerland, Denmark, Holland and England, but administered often by private associations. Manchester and Liverpool, in England, have the system in rather general use since the free educational act went into effect. An English journal of September, 1891, says "The three-pence weekly school fee, under the old system, has been made the lever of an economy of no little consequence. Parents are asked to deposit in Savings Banks the three pence which formerly went to the State. Many school managers have opened School Savings Banks in connection with the schools. In Manchester, where the increased attendance is upward of two thousand, no less than five thousand new accounts have been opened in School Savings Banks."

The first public mention we have record of relating to the work in this country is a paper read by Mr. John P. Town-

send, of New York, before the American Social Science Association in 1876, and articles for the press by Mr. T. S. Merrill, of Beloit, Wisconsin, written about the same date. Mr. Merrill consulted authorities abroad and had School Savings Banks introduced into the public schools of Beloit on a simple plan which yielded, for five years, excellent results. Mr. W. H. Beach was principal of the school during these years and on his removal to Madison the banking system was discontinued through lack of interest by the new principal. Mr. Beach wrote to me recently as follows in regard to its effects in Beloit school: "The boys and the girls acquired industrious habits, were looking for and doing work during vacation. The system led to economy of time and energy as well as money. It made better and more thoughtful students. It promoted liberality, inasmuch as it insured means with which to be generous when occasion presented." I quote Mr. Beach because he had the first experience with School Savings Banks in the United States.

In the winter of 1879-80 Captain R. H. Pratt, of the Carlisle Indian Industrial School, established a savings system for the Indians under his supervision. "It was founded on no criterion," he writes, "but was simply the result of my judgment that in teaching the Indians the use of money we must necessarily have the money; to teach them to save it, and to be economical it was of the utmost importance to our success that we do so practically and not theoretically. I therefore established a system of paying each student a very small sum for his work. They were encouraged to make deposits and each one was provided with a bank book." Captain Pratt's method was far-seeing. His Indian pupils have now \$10,000 to their credit as savings, and those who have left after completing their training have taken as much more in cash, trunks, clothing and equipments to their Western homes. This knowledge of every-day economy cannot but be of intense value to the remnant of the race who owned the country before money was the one great factor of exchange.

Mr. J. H. Thiry, who came to this country a few years ago for his health, was acquainted with the School Savings Banks in his native France. Elected School Commissioner in Long Island City in 1885 he introduced the system into the city schools. The system of their administration was formulated with care and is so simple and effective as to elicit general commendation. Mr. Thiry has given personal care and time to the work and has written pamphlets setting forth its advantages and explaining its ease of application.* He collects and prints a yearly statistical account of the founding and condition of the School Banks of the United States. By the table of January, 1890, we had 88 School Savings Banks, 15,124 depositors with \$50,878.12 to their credit; by the table of January, 1891, (see table, pp. 20-21) the banks were in use in 209 schools having 24,067 depositors, with \$83,594.84 as their earnings and savings in banks. The increase of the past year has been greater. The exact figures as reported February, 1892 are 285 schools having the system in use. Of the 72,562 scholars in the 285 schools 27,430 are depositors. The amount of their deposits to date being \$270,428.76, of which \$133,913.75 has been withdrawn, leaving a balance of \$136,515.01 due the pupil depositors.†

Our Boards of Directors in some localities have taken up the work of introducing School Savings Banks systematically. The writer has been closely identified with this system since 1888, when it came to her knowledge through mention at the annual meeting of the American Economic Association at Philadelphia and through experience in its introduction and observation of its operation she recog-

* "School Savings Banks in the United States," pp. 48, 1890.

† "Supplement" to the same, pp. 26, 1892.

† Some schools have escaped Mr. Thiry, the compiler of the table. A few have failed to report, and others have taken up the work during the past two months. Among those of which he has no mention are the Easttown, Kennett Square, Shady Grove and Independent, Pennsylvania and Lawrence, Kansas, and those which have opened since are Portland, North Dakota; Phoenixville, Jenkintown, Coatesville and several other township districts in Chester and Montgomery Counties, Pennsylvania. The figures, while interesting, are therefore inadequate.

nizes its uplifting force. The popular interest manifested in the subject is, perhaps, best exemplified by the number of inquiries received in regard to its methods and manner of establishment. Passing over the time anterior, since November, 1891, the writer has answered two hundred letters, which came from almost every State in the Union, asking for facts relating to the School Savings Banks and how to institute them. These letters were from bankers, teachers and parents, generally expressing approval, in advance, of such practical instruction. Last summer the system was explained to the school principals and School Commissioners of St. John, and encouraging interest is manifested in letters received from New Brunswick, Nova Scotia, Manitoba and British Columbia, where School Savings Banks are likely to have early trial.

In order to establish the system successfully it is necessary to have the co-operation of a bank and the approbation of the school authorities. The distribution of a few facts in regard to the practical economy through printed literature, the newspapers or a little meeting called to present the work seldom fails to win the desired support. The banks in most towns are so anxious to secure the children's deposits that they have gladly assumed the expense of printing the required forms; indeed, in some instances it has been a delicate matter to decide which bank should have the privilege. The managers realize that if the children deposit with them they are likely to be customers in later life, and from a business standpoint they are always ready to encourage habits of thrift.

Bankers and educators are taking up this subject at their State meetings and passing resolutions of approval and recommendation. The Michigan State Bankers' Association in convention at Marquette, July, 1891, after a forcible presentation of the advantages of School Savings Banks, passed resolutions asking that, inasmuch as three-fourths of the school teachers were women and that as the women had in the Woman's Christian Temperance Union, the largest and

TABLE SHOWING THE OPERATIONS OF SCHOOL SAVINGS BANKS IN THE UNITED STATES
IN 1891.

No.	Cities and Schools which have adopted the system.	States.	No. of Sch's		Date of Introduction.	No. of Scholars		Amount		
			Hou- ses.	Banks.		On Registr	On De- posit's.	†Collected.	†Withdrawn.	Due Depositors.
1	Long Island City	N. Y.	14	102	March 16 . . . 1885	5,179	2,385	\$37,235.94	\$22,888.27	\$14,347.67
2	Rutland	Vt.	6	28	February 1 . . . 1886	1,300	834	4,306.01	1,090.87	3,215.14
3	Islip, Long Island	N. Y.	1	6	September 30 . . . 1886	265	70	2,032.17	1,019.33	1,012.84
4	Elmira	N. Y.	4	16	October 7 . . . 1886	2,229	1,226	*11,000.00	*5,819.71	5,180.29
5	Lincoln	Neb.	12	80	February 1 . . . 1887	5,215	1,500	20,867.37	15,652.86	5,214.51
6	Amsterdam	N. Y.	6	24	April 4 1887	2,583	815	16,099.23	5,366.41	10,732.82
7	Hornellsville	N. Y.	4	35	January 30 . . . 1888	2,500	822	10,000.00	5,735.52	4,264.48
8	Y. M. C. Institute New York City	N. Y.	1	1	March 19 1888	610	175	42,051.64	25,948.16	16,103.48
9	Janestown	N. Y.	10	46	September 3 . . . 1888	2,847	673	5,471.41	2,871.31	2,600.10
10	Buffalo { School 24 School 17 }	N. Y.	4	25	October 20 . . . 1888	1,537	608	4,174.91	2,462.32	1,712.59
11	Kings't'n { School 3 B'ch of 3 }	N. Y.	1	11	November 9 . . . 1888	562	346	389.86	50.00	339.86
12	Olean	N. Y.	1	7	December 5 . . . 1888	253	187	866.70	96.22	770.48
13	Cazenovia	N. Y.	1	2	January 3 . . . 1889	303	25	250.50	60.50	190.00
14	Winfield, Long Isl'd	N. Y.	7	35	January 3 . . . 1889	1,600	835	8,955.88	5,217.62	3,738.26
15	San Diego	N. Y.	1	5	January 3 . . . 1889	320	175	1,432.71	115.79	1,316.92
16	National City	Cal.	1	4	March 4 1889	165	60	503.65	248.55	255.10
17	Brooklyn, School 31	N. Y.	12	49	September 1 . . . 1889	2,800	750	3,226.00	1,075.34	2,150.66
18	Pottstown	Pa.	5	2	September 1 . . . 1889	310	105	591.00	1,075.34	431.00
19	Norristown	Pa.	1	26	December 16 . . . 1889	1,474	170	2,279.88	1,792.01	487.87
20	Shannonville	Pa.	20	48	December 30 . . . 1889	2,158	967	18,041.29	8,041.00	10,000.29
21	Cheltenham	Pa.	6	54	January 2 1890	2,540	1,204	12,317.97	5,912.95	6,405.02
22	Brookline	Mass.	1	1	January 9 1890	70	23	109.92	11.46	98.46
23	Chester	Pa.	3	13	January 24 . . . 1890	130	70	590.93	105.99	484.94
			12	40	January 20 . . . 1890	2,000	818	5,030.34	328.43	4,701.91
			13	61	February 24 . . . 1890	3,329	1,025	15,418.03	7,132.85	8,285.18

most systematic organization in the world for carrying on reform work, they be requested to forward this great movement. Several other bodies of men and women in convention assembled have recently passed resolutions and motions of the same tenor.

The subject was presented at the National Convention of the Woman's Christian Temperance Union, Atlanta, Ga., Nov., 1890. At the Woman's Council in Washington, February, 1891, it was taken up as a department of work by the World's National Woman's Christian Temperance Union* These are organizations whose membership aggregates 500,000, and we are looking forward to the appointment of efficient superintendents to advance the movement in every county and in every State. A few circulars and bits of literature have been published on the subject,† and it is certain from the ready response in the United States and Canada, that it is only a question of a little time until the east, the west, the north, the south and the people beyond our boundaries will find in the general establishment of School Savings Banks the solution of several vexed problems. The existence of half a million paupers at an annual expense of \$50,000,000 to our government would be decreased by one-half through the proper inculcation of thrift and education; crime would decrease proportionately. Extravagant, thoughtless habits, which beget inequality, drunkenness and vice, could not thrive if the population was carefully trained to self-knowledge, self-dependence and economy. It is because of the inactivity, the neutral position of woman, in a great measure, that the present state of disproportion

* School Savings Banks was adopted as a department by the National W. C. T. U. at Atlanta, Ga., Nov., 1890. Mrs. S. L. Oberholtzer was appointed superintendent.

School Savings Banks was taken up as a department at the First Convention of the World's W. C. T. U., held in Boston, Mass., November, 1891, with Mrs. S. L. Oberholtzer as superintendent.

† How to Institute School Savings Banks;
A Plea for Economic Teaching;
School Savings Banks;
School Savings Banks' Fact Cards
(numbers 1, 2, 3, 4 and 5.)

By MRS. S. L. OBERHOLTZER.

exists and I believe the Banking Associations and other organizations right in asking us to unfold our hands.

The school authorities are usually in glad accord with the idea of teaching economy in the schools; the teachers themselves, in most instances noted, are enthusiastic in the work. The children enter with zest into the accumulation of their earnings and savings, while the development of their individuality and self-dependence is a matter of general comment. When the system is about to be instituted the teacher explains to the scholars the end and aim of School Savings Banks, that it is to teach them the practical value of money, how it grows by attention, the benefit of industry, the delight of giving and spending wisely, with other salutary lessons in thrift as opportunity occurs. The roll is called every Monday morning for the collection of the children's savings. This occupies a very short time, even the morning the work is instituted. Each child who is a depositor has the little copyrighted Savings Bank card,* (see next page) on the face of which is his name, that of the teacher and the school. On the back are the regulations. The card is folded and on the inside is the date for each Monday in the school year, with space opposite for amount of deposit.

When the names are called by the teacher each pupil who desires to deposit steps up with his card and money, handing them quickly to the teacher, saying "yes, five cents," or whatever the sum may be. She with a figure credits the amount on the child's card and on her roll book; passing the card back to the child, who keeps it always in hand as a memorandum and receipt. The first collection in the school is deposited in bank as a general school fund. When a scholar has deposited fifty cents or one dollar, as the authorities may agree, he is given a bank book and the money is placed to his personal credit by the bank; when he has three dollars an interest of three per cent. is allowed him

* Although copyrighted permission to use the card is freely given to those wishing to introduce the system.

by the bank, and he has privileges of an adult depositor, acting through school facilities.

The teacher's "roll book" is arranged with spaces to record most conveniently weekly deposits. The other forms

OUTSIDE OF SCHOOL SAVINGS BANKS' CARD.*

"Take care of the pennies and the dollars will take care of themselves."

REGULATIONS.

Deposits will be received every *Monday only*, at the morning session, by the teachers of each school. The amount will be delivered to the Principal who will deposit it in the

..... Savings Bank in the name of each depositor.

One cent or upward can be received by the teacher. When a pupil has a deposit of one dollar or more, a bank book will be given, free of charge, from the bank.

Deposits of three dollars and over will bear interest at 3 per cent. per annum.

The bank books of the pupils are kept by the Principal or Teacher as long as they attend school. If they leave the school, or at vacation, the book will be given to them, and they can withdraw their money, but they will require the presence of their father or mother and the signature of the Principal or Teacher. During summer vacation deposits may be made or money withdrawn from the bank direct, the cashier acting during that time for the teacher; if the applicant is unknown to the cashier, he must be identified before receiving the money.

"The masses know how to *earn* better than they know how to *save*."

"The habit of saving is an essential part of a true practical education."

Copyright to J. H. THIRY, Long Island City, 1886.

Privilege to print this card for

..... is allowed to

..... by Mrs. Sara Louisa Oberholtzer,
NORRISTOWN, PA.

SCHOOL SAVINGS BANK

—OF—

U. S. A.

Account with

Teacher.

Depositors are requested to keep this card clean, remembering that cleanliness is next to Godliness.

"Good principles and good habits are in themselves a fortune."

* The actual size of the card is $4\frac{1}{2} \times 5\frac{1}{2}$ inches.

used in connection with the system are simple and calculated to minimize the work. The money collected by each teacher is placed in an "envelope," which is so printed as to require at her hand but the number of school or class and amount of contents.

There is a "deposit slip" used in forwarding all collections by teacher to principal.

The envelopes in which teachers send the collection to the principal are sealed, the total amount recorded on the deposit slip previously mentioned, which accompanies the envelope. The envelopes are sent together, thus labeled, to the bank, where the bank authorities open, count, verify and credit at leisure.

With the last collection of each month the "Teachers' Monthly list of Depositors" is sent by each teacher to the principal of the school, and by him to the bank with the children's bank books, that individual credits may be properly made. These lists are returned by the bank to the principal with the scholars' bank books during the week. The bank books are given to the children to take to their homes the last Friday of the month, to be returned with the following Monday morning deposits :

Finally a form is necessary by which the principal keeps record of the weekly deposits of the teachers.

The check with which pupils withdraw their money requires the signature of parent or guardian and principal.

The principal uses the General School Fund bank book, received when the first school deposit was made. It is always sent with the week's deposits and returned to him by messenger with full amount of credit. This frees him from responsibility, and the arrangement is such that any error can be at once traced to its source.

The principal or teacher has no power to withdraw money personally. The bank books taken into the homes once a month arouse family interest, and parents have often been interested to curtail needless expenses by the practical lesson in the accumulation of small savings thus taken to them. I

have several examples of this in mind. The children enjoy this instruction which fits them for everyday life and must develop to more self-reliant judicious man and womanhood.

We have given this system a trial for two years in Montgomery County, Pennsylvania, now having it in use in sixty of our schools.* We have heard no disparaging word of it, save from the cigarette and candy venders, who complain that it injures their trade. The teachers express much gratification in the credits of the scholars and have themselves acquired some practical knowledge of banking.

One principal tells me of a boy who was obliged to stop school to learn a trade at fourteen preparatory to family support, but who is so interested in his school fund that he walks to her, one and a half miles, every Saturday evening for a year past with twenty-five cents to add to his account. This boy will doubtless make a provident successful man, and is only one of the many who are being aided through this easy instrumentality to know the value of systematic thrift.

The day after the disastrous flood in Johnstown in 1889, a little fellow went to his teacher in one of the Long Island City schools and said, "How can I send some of my school savings to the poor children who have lost their school houses and everything at Johnstown?" Other pupils expressed the same eager desire to tender help to the needy, when the

* Pottstown, a borough of fifteen thousand inhabitants, has the heaviest deposits for her population in the United States. The Schools, embracing those of Pottsgrove township, are twenty. Attendance 2158; depositors 967, who have collected since the institution of the system \$18,041.29, and after withdrawals of \$8000 have over \$10,000 to their credit. The system was taken up in this borough simultaneously with Norristown, January, 1890. The children's school deposits for the first month in Pottstown were \$1709.17, while in Norristown, with a population of nineteen thousand, 2540 pupils on the register, the deposits for the same period were \$1210.61. These are manufacturing boroughs on the Schuylkill River, and the children have the advantage of good times and town sympathy.

West Chester, Pa., an inland borough of 9000 inhabitants, without great laboring interests, from a register of 892 scholars, has 449 of them as depositors, a greater number in proportion to the school attendance than the average.

Of the schools that took up the work May 9th, 1892, Ashbourne reports first collection \$41.82, Jenkintown first week \$12.73, second week \$16.28.

subject was mentioned, and among the first contributions sent to the sufferers at Johnstown was \$452.31 from the school children of Long Island City. To make up this gift each pupil who wished gave from ten to twenty-five cents from his bank account. It is the possession of individual property only that renders the delight of giving possible.

So far as my study of and experience with School Savings Banks extends, and I have personal acquaintance with most in the States, they do not favor or engender parsimony, but rather beget liberality. I mention this because the fear they might have some tendency in this direction is the only objection I have ever heard advanced to their general institution. A personal visit to any school wherein this practical economy is taught will convince the inquirer of its utility.

The child becomes an active, rather than a passive agent, he is a recognized part of the nation; an individual factor, gaining with his book learning an acquaintance with the principles of thrift, a knowledge wherewith he may solve the problem of daily existence. The average boy and girl who have thus deposited their small savings go out into broader life from the public school, having one or two hundred dollars, perhaps more, to his or her individual credit.

The children of the rich and the children of the very poor perhaps need this economic instruction most, though there are many women and some men in the middle walks of life to-day who cannot without aid make out a bank check and endorse it or give the simplest receipt in form. This instruction gives the children familiarity with these forms, through practical use, with their earliest learning. The children of well-to-do people, who have money given them as regular allowance, have surprised their parents by the amount saved in this manner. In some cases they have kindly given in an unostentatious fashion pennies to school-mates, enabling them to start accounts.

An incentive to increased industry is afforded children, with this avenue open. The prime object, as has been ex-

plained, is not the accumulation of money, but 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 under which we live; the moral and financial welfare of the nation. That this object may be properly accomplished it is necessary that the true purpose and advantage of early saving be impressed upon the pupils, that with the growth of the money the more receptive minds, at least, may be taught its value as a comfort factor, its waste as a frequent harbinger of woe, and its possession as a power for good.

The knowledge that it is not what we get, but what we wisely appropriate, husband and distribute, that counts comes to many of this generation too late in life. Our dependents, spendthrifts and leeches are numerous. Paupers, drunkards, mental and physical wrecks and criminals would decrease materially if their power to increase in numbers was thus discouraged.

Our charitable institutions are becoming so numerous that they are scarcely the flowers of a true benevolence. If we could stimulate the poor to provident habits, and prove to the middle classes the foolishness of spending all as they get it, and to the rich that honest, methodical care of God-given blessings result in greatest enjoyment, we should be exercising a broader and more healthful benevolence. A certain amount of mental discipline and self-denial is necessary to the development of self-dependence.

Victor Hugo said, "All the vagabondage in the world begins in neglected children." Believing this to be, in a great measure, true, and that on account of the frequent incapacity of parents to care for the moral and mental training of their children, the government and the people should tender them the best helps, I ask fuller individual and national consideration of this subject. Our co-operative facilities are far-reaching. School Savings Banks added to the general school curriculum, with fifteen minutes given to their

administration per week would, judging from the advance where they are already in force in this country, and the fuller trial they have had in other lands, yield far reaching results.

When people are able to help themselves, to be individually self-supporting and self-responsible, the equalization of power and means will be attained, resulting necessarily in an evenly balanced and well developed government.

Records of late school meetings in Belgium and Denmark report the Trustees of Public Instruction and School Inspectors as speaking ably to the pupils on improving and keeping in mind through life the lessons of thrift allowed them through the School Banks.

The deposits are all voluntary on the part of the pupils. From one-third to one-half of the scholars in the schools where the system has been introduced become depositors, some making additions weekly, others less frequently. The work is entirely philanthropic, bringing reward to the children, the neighborhoods, and, through them, to the Nation—our Nation; great in its strength; great in its need of purifying and enlarging influence to insure perpetuity as God's Nation.

SARA LOUISA OBERHOLTZER.

Norristown, Pa.