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EDITORIAL

WHAT THE SAVINGS BANKS SHOW.

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EITHER the organ of the Schiff syndicate of bankers and railroad interests, known as the *New York Times*, is reckless in what it publishes, or it relies upon the Working Class never looking into the financial figures that it sets afloat. It never would, otherwise, have given publication to the recent article by J. Harsen Rhoades, the President of the Greenwich Savings bank of this city, "On the Laws Needed to Increase the Usefulness of Savings Banks"; at any rate, it would have considerably blue-penciled the article. The article shatters the demagogic pretences of the capitalist class concerning the prosperity of the wage earners "as proven by the large deposits in the savings banks, the banks of the workingmen". Incidentally the article serves to expose the motives for the blandishments indulged in by Savings Bank owners to rope in workingmen's support for a law to remove taxation from these institutions.

President Rhoades states that on January 1, 1904, the latest date on Savings Banks figures, the deposits in the Savings Banks of Greater New York amounted to \$793,789,322.68. Was this huge amount workingmen's money, indicating the workingmen's affluence, and justifying their getting into a fever for the removal of the tax on Savings Banks? Let's see. President Rhoades does not state the number of depositors to whose credit the above cited deposits are laid. A knowledge of their number is essential to an understanding of the situation. But although unguided by him, and therefore unable to arrive at an accurate conclusion, assistance may be obtained from another source. The percentage of depositors to the total amount of deposits in the State of New York, as appears from the latest (1903) report of the Comptroller of the currency, is .002092568. This percentage denotes that the \$793,789,322.68

deposits in Greater New York are held by 1,661,058 depositors; on the other hand, the average number of wage earners engaged in manufacturing and mechanical industries in the City of New York is placed by the Census at 462,763. The following table will afford a bird's eye view:

Number of depositors in Greater New York	1,661,058
Number of wage earners, engaged in manufacturing and mechanical industries in Greater New York	<u>462,763</u>
Excess of depositors over wage earners	1,198,295

Accordingly, even if every one of the 462,763 wage earners were a depositor—a claim that not even the most brazen plutogogue would venture to advance—it appears that nearly four times their number are depositors. Of what class are those 1,198,295 depositors? President Rhoades very substantially answers the question. He says that the huge deposits in the Savings Banks of Greater New York “indicates a suspension of development in business and the holding of money for the time being, as well as a disposition to use the banks for investment purposes owing to the flattering inducement of good interest return, coupled with freedom from liability to tax assessments;” and again, President Rhoades speaks of “the constant and increasing pressure on the part of that portion of the public, well able to take care of their own property, to open accounts with the Saving Banks for the sake of high interest return upon their deposit, coupled with freedom from liability to taxation”.

The case need not be aggravated with the stories of ladies in carriages, and furs, riding up to our Savings Banks to make deposits. The table given above, together with the further explanations of President Rhoades which were no doubt intended for the eyes of capitalists only, are but another crack over the head of a favorite bunch of capitalist falsehoods. The Savings Banks are not “the workingman's banks”. The workingman has hard enough work to make the two ends meet with his paltry wage. The high price he has to pay for rent and the shoddy and other adulterations that he must buy, leave him nothing to save. The Savings Banks are the middle class banks; also banks for not a few who are above the middle class. The large amounts of deposits, consequently,

are no evidence of the workingman's prosperity. Finally, whether the banks are taxed or not is no concern of the Working Class.

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