A Co-op letter from America

Credit unions take strength from OWS

By David J. Thompson

NO ONE in the US seems to like the big banks any more—and that seems to be true from left to right on the political spectrum.

On the other hand, that is still where most Americans keep their money. In their recent Presidential debate, the Republicans are no longer willing to bail the banks out. The Democrats appear to be sorry they did. But neither party offers a plan as to how to rein in the size of big banks before the next banking crisis happens again.

Just when we thought that impasse would be the victor, along comes Occupy Wall Street (OWS). Into the arena of apathy stepped young activists. First a few people, then hundreds, then thousands straining to be heard in New York City. And then all across the nation those voices rose up to unite and be counted. (Recently, my niece Eva was beaten by the police at Occupy Cal at the University of California at Berkeley).

The new voices speak to halted careers, unemployment, college debt, the lack of healthcare, racism and the list mounts. Yes, the voices may not always be clear, but their first struggle is to ask that they be heard.

Two days following the United Nations kick-off of the International Year of Co-operatives I had occasion to give a talk at No. 20 Wall Street in NYC at the office of UHAB (Urban Homestead Assistance Board — www.uhab.org/history). I did a presentation on the history of co-ops and housing in the UK (1860-1914) to UHAB’s exceptional staff.

UHAB is an outstanding programme that has helped 30,000 low-income households take over abandoned buildings in NYC and turn them into housing co-operatives.

Just 10 minutes away I had a chance to visit Occupy Wall Street at Zuccotti Park. What struck me most was the energy around the relay speaking.

The Occupy Wall Street people do this because no loudspeakers are allowed in the park. So individuals step up to a spot, they say their name, what they do, how much college debt they have, how many interviews they have been to, how they live, what their hopes are—and the crowd of 500 or so leans forward, listens carefully to the one person, and then repeats each sentence as loudly as they can.

And then the next person steps up and makes their statement and the crowd rhythmically repeats their words—and so the words of a single person echo all around Wall Street. As the great British co-operator Jack Bailey said: “Revolts grow out of the anger of people; movements grow out of their hopes.”

Be assured that a movement will emerge from Occupy Wall Street and that co-operatives are already a part of it.

Amidst the economic turmoil, a young woman in California, Kristen Christian, became fed up with how the Bank of America was adding fee after fee. She started a Facebook page, attracted a following, and then came up with Bank Transfer Day. She set a deadline of November 5th (to coincide with Guy Fawkes trying to blow up Parliament) and by then 79,000 people liked her page.

As the effort morphed, it gained a clear message: that it was time to transfer your bank account to a credit union. The TV stations, press, and social media picked up on it and the event went viral. Bank Transfer Day was the lead story on almost every TV station in America on November 5.

The Credit Union National Association (CUNA) estimated that 650,000 accounts were moved to credit unions between September 29 and November 2 (a 50 per cent increase in new accounts). Those new accounts shifted $4.5 billion dollars to credit unions across America.

On Bank Transfer Day itself, 40,000 new accounts were opened up in credit unions that brought with them $80 million dollars of deposits. Four New York City credit unions sent staff to Zuccotti Park on November 5 and helped Occupy Wall Street residents shift their accounts to a credit union. New accounts continue to be moved and credit union leadership throughout the country sees this effort as a promising chapter in credit union history.

Will any of this make a difference to Chase, which is now the nation’s largest bank? With 26.5 million accounts nationwide, they might not mind losing a few customers. However, if Congress decides to stop bailing out the big banks, then they must strip down the size of a Chase while strengthening the credit union movement.

Occupy Wall Street will keep pointing out the implications of wealth disparity and what our money does, politicians will ponder options, and credit unions will look more credible as a result of the new focus.

On November 5, Kristen Christian closed her account at Bank of America and moved her money to two credit unions. To Kristen, welcome and a special thank you for introducing us to the power of social networking as well as to a wider world. Because of your one action, credit unions in America have over 700,000 new members.