

# Teaching Thrift: A Curriculum

## **Unit 2: Anti-Thrift**

# Teaching Thrift >> Unit 2 >> Overview

## **Unit 2. Anti-Thrift**

### **Enduring Understandings**

- Waste is the opposite of thrift and takes many forms.
- There are many arguments against the practice of thrift.
- Arguments for and against the practice of thrift have historical roots.
- Women's political enfranchisement coincided with the thrift movement of the early 20th century.

### **Content**

- Anti-thrift arguments
- “Golden Age” of American immigration
- The prohibition movement as a thrift movement
- Rise of American consumer economy

### **Essential Questions**

- What is the opposite of thrift?
- What are the arguments against thrift?
- What role did thrift play in the immigrant experience in the early 20th century?

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- What role did anti-thrift play in the Americanization process at that time?
- Why did women spearhead the thrift movement?
- What kinds of relationships can exist between thrift and consumerism?

## **Skills**

- To make inferences and draw conclusions from a text
- To compare and contrast multiple historical sources
- To identify and evaluate contributions of groups and individuals to Pennsylvania and U.S. history
- To identify and evaluate change and continuity from the early 20th to early 21st century immigrant experiences
- To use basic mathematical computations to compare prices
- To calculate interest and compound interest using online resources

## **Key Terms**

waste • consumerism • immigration • advertising • consumer economy • socialism • temperance • immigration • Americanization

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## **Standards**

### *Reading and Writing*

- R11.A.2.1.1 Identify and/or apply meaning of multiple-meaning words used in text.
- R11.A.2.1.2 Identify and/or apply meaning of content-specific words used in text.
- R11.A.2.2.1 Identify and apply how the meaning of a word is changed when an affix is added; identify the meaning of a word from the text with an affix.
- R11.A.2.2.2 Define and/or apply how the meaning of words or phrases changes when using context clues given in explanatory sentences.
- R11.A.2.3.1 Make inferences and/or draw conclusions based on information from text.
- R11.A.2.3.2 Cite evidence from text to support generalizations.
- R11.A.2.4.1 Identify and/or explain stated or implied main ideas and relevant supporting details from text. Note: Items may target specific paragraphs.
- R11.A.2.5.1 Summarize the major points, processes, and/or events of a nonfictional text as a whole.
- 1.5.9.A Write with a clear focus, identifying topic, task, and audience.

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1.5.9.C Write with controlled and/or subtle organization. Sustain a logical order throughout the piece. Include an effective introduction and conclusion. Apply effective, subtle transitional methods within and across paragraphs.

1.5.9.F Use grade appropriate conventions of language when writing and editing. Spell all words correctly. Use capital letters correctly. Punctuate correctly. Use correct grammar and sentence formation.

## *Math*

M11.A.2.1.1 Solve problems using operations with rational numbers including rates and percents (single and multi-step and multiple procedure operations) (e.g., distance, work and mixture problems, etc).

M11.A.2.1.2 Solve problems using direct and inverse proportions.

M11.A.2.1.3 Identify and/or use proportional relationships in problem solving settings.

M11.D.2 Represent and/or analyze mathematical situations using numbers, symbols, words, tables and/or graphs.

## *History*

8.1.9.A Compare patterns of continuity and change over time, applying the context of events.

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- 8.1.9.B Compare the interpretation of historical events and sources, considering the use of fact versus opinion, multiple perspectives, and cause and effect relationships.
- 8.1.12.B Evaluate the interpretation of historical events and sources, considering the use of fact versus opinion, multiple perspectives, and cause and effect relationships.
- 8.2.9.A Contrast the role groups and individuals from Pennsylvania played in the social, political, cultural, and economic development of the U.S.
- 8.3.9.A Compare the role groups and individuals played in the social, political, cultural, and economic development of the U.S.
- 8.3.9.D Interpret how conflict and cooperation among groups and organizations have impacted the growth and development of the U.S.: ethnicity and race; working conditions; immigration; military conflict; economic stability.

# Teaching Thrift >> Unit 2 >> Lesson 1

## Lesson 2-1: Anti-Thrift Defined

Grade Level:	9-12
Timeframe:	1 class period, 45-60 minutes
Materials/Resources:	<ul style="list-style-type: none"><li>• “A Thrift Exhibition” (excerpt), <i>The Times</i>, October 12, 1929</li><li>• <i>The Torch-Bearer</i> illustration</li><li>• <i>The Parting of the Ways</i> illustration</li><li>• <i>The Modern St. George</i> illustration</li><li>• <i>Unconquerable</i> illustration</li></ul>
Objective(s):	Students will define the opposite of “thrift,” using descriptive language and illustrative examples.
Quick-write/hook:	You’ve doubtless heard the expression “waste not, want not,” but what does it mean? What is waste? What kinds of forms does waste take? What are some ways you create unnecessary waste in your life?

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## **Narrative**

- Ask students, “What are some non-examples of Thrift?” This question recalls the definitional Frayer model activity from Unit One; therefore, students should readily be able to share ideas on this topic. Encourage students to use as much imagery as possible in describing non-examples, or provide simple suggestions on which students can elaborate: landfills, cafeteria leftovers, grossly oversized cars like stretch hummers, Ebenezer Scrooge, cheap and disposable clothing.
- Create a list on the board of as many one-word antonyms for thrift as students can conjure.
- Instruct students to look for patterns in these words. Ultimately, they should be able to devise three basic categories: “waste,” “greed,” and “luxury.”
- Distribute reading “A Thrift Exhibition.” Instruct students to use this reading to add more examples and ideas to their lists.
- Distribute or display four Rollin Kirby illustrations. Instruct students to view each illustration, describe what they see, explain what it means, then use it to add more examples and ideas to their lists.
  - » *The Torch-Bearer*  
<http://www.americanvalues.org/search/item.php?id=595>
  - » *The Parting of the Ways*  
<http://www.americanvalues.org/search/item.php?id=596>
  - » *The Modern St. George*  
<http://www.americanvalues.org/search/item.php?id=597>
  - » *Unconquerable*  
<http://www.americanvalues.org/search/item.php?id=598>



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- **Assignment:** Students will create illustrative, visual representations of waste by drawing pictures, modernizing the Rollin Kirby cartoons, creating collages, or writing detailed literary descriptions (in the form of short stories or poetry) of non-examples of thrift.
- Ask students to consider the relationship between time and thrift. Guide them to draw conclusions regarding time as a valuable resource, and to make connections regarding wise use and waste in terms of time. Ask them how much time do they think they waste during the course of an average day.
- **Assignment:** Instruct students to track their use of time for one 24-hour period. Instruct them to write down exactly what they are doing once every 30 minutes. Have them bring this time-tracking activity to class the following day and reflect on how they use their time, and how they can use it more efficiently.

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## **Lesson 2-2: Dimensions of Thrift**

Grade Level:	9-12
Timeframe:	1-2 class periods, 45-60 minutes each
Materials/Resources:	“Two El Dorados,” David Blankenhorn, published in <i>American Thrift: A Reader</i> , 2013.
Objective(s):	Students will identify the characteristics of an anti-thrift institution by researching services offered and fees charged at various anti-thrift institutions.
Quick-write/hook:	Anti-thrift can be described as waste, greed, or over-indulgence in luxuries. Do you think anti-thrift is a personal habit or do you think it can be cultivated by specific businesses and business practices? How and why do you think a business would encourage anti-thrift behavior?

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## **Narrative**

- Ask for volunteers to share out their responses to the quick-write. Encourage students to give specific examples of businesses they think would discourage the practice of thrift. Allow the conversation to turn to debt if it does so naturally, but do not get mired in the specifics of necessary debt or credit. For this lesson, it is sufficient that students recognize that consumer debt can be burdensome.
- Have students read David Blankenhorn’s “Two El Dorados.” Ask them to address the following discussion questions based on the reading:
  - » What does Blankenhorn mean by “El Dorado’s new debt culture?”
  - » What are pay-day lenders and check-cashing stores? Why are they anti-thrift?
  - » Why does Blankenhorn list “rent-to-own” stores and pawn shops with anti-thrift institutions?
  - » What lessons does Blankenhorn worry about children learning from these institutions?
- Activity: Assign students to research payday lenders and check-cashing stores, either in groups or pairs or as a homework assignment. Students may be instructed to do general research online, or to find an anti-thrift institution in the area and get answers specific to that particular store. Have them answer the following questions:
  - » What kinds of services are provided by this institution?
  - » What kinds of fees and/or interest do customers pay for each service?
  - » How could people obtain the same services at a thrift institution instead?

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- » What kinds of fees and/or interest do customers pay for the same services at a thrift institution?
  - » Why would people choose to employ an anti-thrift institution for those services rather than a thrift institution?
  - » What are the common characteristics of these anti-thrift institutions?
  - » These types of institutions have been described by critics as “predatory.” On whom do these institutions “prey” and how do they accomplish this?
- Instruct students to revisit the quick-write at the beginning of the lesson. Instruct them to write a short essay to respond to it using the information gathered from the reading and their research. Responses should be specific in describing, analyzing, and giving examples of anti-thrift institutions.

# Teaching Thrift >> Unit 2 >> Lesson 3

## **Lesson 2-3: Gambling as Anti-thrift**

Grade Level:	9-12
Timeframe:	1-2 class period, 45-60 minutes each
Materials/Resources:	<ul style="list-style-type: none"><li>• “Casinos for Inequality,” David Blankenhorn, <i>Huffington Post</i>, 10/14/2013</li><li>• “Why Casinos Matter: Thirty-One Evidence-Based Propositions from the Health and Social Sciences,” Council on Casinos, 2013</li></ul>
Objective(s):	Students will examine the anti-thrift characteristics of state-sponsored gambling using scholarly reports and internet research.
Quick-write/hook:	A casino is very obviously an anti-thrift institution. How does gambling exemplify waste? How does it exemplify greed? Think of another institution in or at which gambling can be found besides casinos, evaluate whether these are examples of anti-thrift institutions, and explain what brought you to this conclusion.

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## **Narrative**

- Ask for volunteers to share their responses to the quick-write. Answers may include friendly games of poker, scratch-off cards, bingo games, state-run lotteries.
- Help students to distinguish between personal gambling (friendly poker games), privately-organized gambling events (a bingo game with prizes to benefit a local church or school) and public gambling institutions (state lotteries).
- Explain to students that this unit focuses on public gambling institutions as examples of anti-thrift institutions similar to payday lenders, then ask them to brainstorm ways in which public gambling institutions are similar to payday lenders. Consider the previous lesson, particularly with regard to the concept of “predatory” institutions.
- Have students read “Casinos for Inequality” and view the accompanying videos: <http://www.americanvalues.org/search/item.php?id=1955>.
- Instruct students to respond to “Casinos for Inequality” by answering the informal writing prompt: “What evidence is given that state-sponsored casinos promote income inequality?”
- Working in pairs and using pages 9-12 of “Why Casinos Matter,” (<http://www.americanvalues.org/search/item.php?id=1981>) instruct students to choose three of the 31 propositions and evaluate each from a thrift perspective (or assign one-two propositions to each student or pair). Students may do independent research on the propositions they chose, or they may use the research given in the remaining pages of the report.
- Have each pair share their findings with the class, and allow time for informal debate where appropriate.

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- Assignment: Students will write a persuasive essay arguing in favor of or against the following statement: “Casinos are an example of an anti-thrift institution.”

# Teaching Thrift >> Unit 2 >> Lesson 4

## **Lesson 2-4: Arguments Against Thrift: Consumerism**

Grade Level:	9-12
Timeframe:	1-2 class periods, 45-60 minutes each
Materials/Resources:	<ul style="list-style-type: none"><li>• “Art and Socialism,” William Morris, 1884 (excerpt)</li><li>• <i>End This Depression Now!</i>, Paul Krugman, 2012 (excerpt)</li><li>• Thrifty Threads 365, Patrice J. Williams, 2014 <a href="https://www.youtube.com/watch?v=bZYCX-MQPFew">https://www.youtube.com/watch?v=bZYCX-MQPFew</a></li></ul>
Objective(s):	Students will evaluate consumerism as an alternative to thrift by analyzing arguments about thrift and consumerism from sources from various time periods.
Quick-write/hook:	Have you ever heard of the “shopper’s high” or of “buyer’s regret”? What do these things mean? Have you ever felt either or both of these feelings? How do they affect your decisions to buy new things?



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## **Narrative**

- Ask for volunteers to share out their responses to the quick-write. As students will doubtless have personal connections with emotional responses to shopping, allow some time for the discussion to inspire academic investment in the idea of consumerism.
- To one half of the class, distribute the Krugman excerpt and instruct them to summarize Krugman's economic argument: consumer spending helps the economy grow because one person's spending is another person's income. To the other half, distribute Morris' "Art and Socialism" and instruct them to summarize Morris' anti-consumer argument: Consumer spending for the sake of commerce is wasteful and degrading to human labor.
- After reading the text and writing summaries individually, encourage students check and refine their summaries with peers who were working with the same text. Allow a few moments for informal argument if summaries are too divergent: This will encourage students to work together to analyze the text more effectively, as well as to become more personally invested in the materials as they argue their points of view.
- Have each student choose a partner from the opposite half of the room.
- Working in pairs, have each student teach his or her text to his or her partner using the summary and by recounting any informal debate that occurred in the previous step.
- Next, instruct each pair to work together to write a response evaluating both arguments from a thrift perspective. Encourage them to reflect on resources from prior lessons regarding waste, luxury, anti-thrift lending institutions, and specific types of consumer debt. The response should include a thrifty approach to consumer spending. Ultimately, students should be able to conclude that from a thrift perspective, both arguments are extreme,

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and that thrift would promote moderate and wise consumer spending on quality goods with an eye to the future.

- Finally, play the “Thrifty Threads 365” video for the class (or a portion of it, as it is over 10 minutes long). Follow the video with a short class discussion addressing the following questions:
  - » In what ways does Williams’ perspective align with your response to Morris and Krugman, in other words, to the thrift perspective?
  - » How does Williams’ approach to clothes shopping satisfy the “shopper’s high,” as found in the quick-write, or deter “buyer’s regret”?
  - » How could you apply the idea behind the “Thrifty Threads 365” challenge to other types of consumer spending (besides clothing/fashion)?
- Have students reflect on their own consumer spending habits, either through a class discussion or in a short personal essay. Prompt students with exploratory questions such as: What motivates you to buy new things: needs, impulse buying, trends, shopping therapy? Which of the three resources from this lesson most closely aligns with your own approach to or philosophy of shopping and spending?

# Teaching Thrift >> Unit 2 >> Lesson 5

## **Lesson 2-5: Arguments Against Thrift: Socialism**

Grade Level:	9-12
Timeframe:	1-2 class period, 45-60 minutes each
Materials/Resources:	<i>Thrift: A Cyclopedia</i> , David Blankenhorn, pp. 73-78: “The Socialist’s Case”
Objective(s):	Students will evaluate various anti-thrift arguments by engaging in informal debate.
Quick-write/hook:	Consider the following quotation from Oscar Wilde: “Sometimes the poor are praised for being thrifty. But to recommend thrift to the poor is both grotesque and insulting. It is like advising a man who is starving to eat less. For a town or country laborer to practice thrift would be absolutely immoral.” Why does Wilde call the practice of thrift immoral? Why does he specifically call it immoral for the poor? What does this say about Wilde’s understanding of thrift? Would you agree or disagree, and why?

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## **Narrative**

- To prepare for this activity, choose a series of excerpts from the text to assign for homework reading, or, assign the entire section. Recommended excerpts include Marx, Morris, Hobson, Eder, and Shaw. Teacher should also select a half dozen or so direct quotations from the readings to serve informally as debate resolutions.
- Choose a linear space in your classroom. Either use a long wall that is unobstructed, or create a tape-line down the center of the room. At one end of the wall or line, post the word “agree” and at the other end, the word “disagree.”
- Read one direct quotation from the text.
- Instruct students to stand and position themselves on the line, choosing a position that demonstrates his or her level of agreement with the quotation, in terms of its validity as an alternative to thrift or a legitimate argument against thrift.
- Choose a few students to explain their chosen positions (being sure to choose different students each time).
- Ask for volunteers to support or refute each speaker’s statement.
- Repeat for as many quotations as the teacher has chosen in advance, or for the length of time teacher set aside for the activity.
- Students should revisit the quick-write, describing how their feelings have changed after listening to the arguments of their peers.

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## Reading, 2.1

“What is needed is some way to make saving a romance and to tempt the young to the high adventure of thrift. For this purpose of striking youthful imaginations there is a good deal to say for holding an Exhibition side by side with the next Thrift Congress...the mechanical aids to thrift are never seen in mass arrayed, and it would gladden many careful hearts to see how many and how various are the money-boxes of the world..It would also be a valuable part of such an exhibition to have a Chamber of Horrors showing not only the usual spendthrift’s progress, with some real paneling from the Bankruptcy Court, but also the most notorious relics of extravagance available—highly priced bad wines laid out in a setting of evil waiters, flimsy and ephemeral dresses guarded by waxen unscrupulous modistes, boxes at bad plays, and so on through the range of ways in which it is particularly easy to spend a great deal and get very little for it.”

—“A Thrift Exhibition,” *The Times*, October 12, 1929, as quoted in *Thrift: A Cyclopedia*, pp.247-248

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## **Reading, 2.2**

El Dorado, Kansas is a classically attractive small American town. Located along the Walnut River in the beautiful Flint Hills of east-central Kansas—the largest area of unspoiled tallgrass prairie in North America—El Dorado was the boyhood home of William Allen White, who lived there with his family in a small frame house on Main Street in the 1870s, when El Dorado was still a frontier town. White’s father was a doctor who also served as mayor and his mother helped to found the town library. As a young man White began his newspaper career working for the El Dorado *Democrat* and, a bit later, for the El Dorado *Daily Republican*.

For years El Dorado was a “cattle town” (a center for selling and shipping cattle) and today it remains a hub of the cattle trade in the Flint Hills. In the decades following the great El Dorado oil strike of 1915—one Kansas newspaper later recommended as a slogan for the El Dorado field, “Big Oil in Kansas Started Here”—El Dorado also was a boom-town center of the Kansas oil and gas industry. El Dorado is the home of the Kansas Oil Museum and today the Frontier Oil refinery remains a major employer in the area.

The current population of El Dorado is about 13,000, and the median household income is about \$33,000 (compared to about \$48,000 for the state as a whole).

El Dorado is a lovely place to visit. Think Normal Rockwell America, with many well-kept homes (more than a few displaying American flags) along tree-lined streets with old-style sidewalks in the central parts of the town, and with the newer shopping-mall and urban-sprawl areas located farther out, especially as you drive west along Central Avenue toward the entrance to the turnpike on Highway 35.

In front of the historic Butler County Courthouse at Central and Main, there is a “Liberty for All” walkway given to the town in 1950 by the El Dorado Boy Scouts. Not far away, on Central, is the impressive old El Dorado High

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School, now a middle school. Not far from the school you see the First Presbyterian Church and the First Baptist Church, as well as the sparkling new Susan B. Allen Hospital.

But if we look at El Dorado from the vantage point of encouraging thrift and saving, a dramatic pattern emerges. It's as if there are two El Dorados. We can see this pattern very clearly by driving down North Main Street and then, near the Courthouse and the "Liberty for All" walkway, turning right on Central and driving east through the town, until we get to the turnpike entrance.

These are the town's two biggest and busiest streets. Regarding thrift and saving, what do we see today on those two streets?

In the older, downtown part of El Dorado, we find the Wichita Eagle Credit Union at 202 West Central, nearly across the street from the Courthouse, and at 1407 West Central we find the Bluestem Credit Union. As far as institutions whose purpose is to encourage thrift and saving, on these two main thoroughfares, that's it!

But as we leave old El Dorado and head out to the newer areas of town, either up North Main Street or east along West Central toward the turnpike entrance, bright, new multi-color new signs—they resemble fast-food signs—suddenly begin to appear in the shopping areas. The signs say:

*"We Cash ALL Checks!"*

*"Bring Your Tax and RAL Checks"*

*"Bill Pay – Pay Your Bills Here"*

*"Payday Advance"*

*"Checks Cashed"*

*"Payday Loans"*

*"Pawn Shop"*

*"We Rent for Less – Always"*

*"Payday Advances Up to \$500"*

*"Loans Up to \$500"*

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*“ALL Checks Cashed”*

*“Pay Day Loans/We Sold a Winning Lottery Ticket Here!”*

These are the advertising slogans of El Dorado’s new debt culture, or what we might call the town’s anti-thrift culture. Unlike credit unions, mutual savings banks, savings and loans, and other pro-saving institutions—now apparently down to a mere two locations in El Dorado, both in the older part of town—these new and rapidly expanding businesses are all about encouraging the downward cycle of borrowing and debt, high interest rates, and paying more for getting it quick. . . .

This anti-thrift trend is hardly unique to El Dorado. If you take time to look, you will see the same phenomenon—the same shifts in the physical and institutional landscape—in hundreds of American towns.

Each of us is responsible for his or her own behavior, of course, but our behavior is also influenced by the institutions that surround us and beckon to us. What happens to us as a society when our institutional environment shifts in this way? What happens to the way we think? To the way our children see the world?

Is the steady displacement of thrift institutions by anti-thrift institutions a good thing for El Dorado? For the nation? Can anything be done about it?

—David Blankenhorn. “Two El Dorados.” As published in *American Thrift: A Reader*, pp. 322-326.



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## **Readings, 2.3**

The Institute for American Values is conducting a series of investigations called “Casino Land: America in an Age of Inequality.” The goal is to understand the meaning and role of casinos in American life – how they work and what they do, the values they embody and transmit, their connection to government, and most of all, their relationship to the rise of American inequality.

Why this focus? For most of our history, casinos were legal only in Nevada and (since 1977) Atlantic City. But starting in about 1990, as state governments in search of cash began searching for new revenue streams that did not involve raising taxes on the affluent, casinos began entering the mainstream of American society. They’ve spread rapidly. In both blue states and red states, from Mississippi to Massachusetts, casinos are now becoming a part of our social, political, and physical landscape, sponsored by the very state governments that only yesterday had outlawed them.

If you are in the upper third of American income distribution, chances are that you have rarely, if ever, set foot into one of these casinos – much less spent hours at a time putting your money into slot machines that have been rigged to make sure you lose. But if you are in the lower two-thirds, and if you live in one of the 23 states which now sponsor casinos, chances are good that you have done so. For this reason, the new casinos are directly contributing to social and economic inequality in America.

Still curious? I think you’ll enjoy this short (3 minute) video from an interview I did recently with Professor Robert Frank, a very smart guy who teaches economics at Cornell University and writes a monthly “Economic View” column for the New York Times. It’s a wonderful introduction to the political economy of casino gambling in America.

I also want to introduce you, via this short video interview, to my friend William Johnson, the former mayor of Rochester, New York, and a former professor at the Rochester Institute of Technology. Bill Johnson is a hero of mine,

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partly because of his role as a progressive leader in New York politics, and partly because he took on the casino interests, and won, in his home town of Rochester when he was serving as mayor. He's worth getting to know.

Want to read a couple of interesting reports? Our first "Casino Land" report, an overview, put out by 33 scholars and leaders, is *Why Casinos Matter: Thirty-One Evidence-Based Propositions from the Health and Social Sciences*. Our second report, written by yours truly, focuses on New York, where the issue is on the ballot in November, and is called *New York's Promise: Why Sponsoring Casinos is a Regressive Policy Unworthy of a Great State*.

And stay tuned. We are just getting warmed up on this issue.

—"Casinos for Inequality," David Blankenhorn, *Huffington Post*,  
10/14/2013

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## **Readings 2.3, continued**

### **The Rise of the New American Casino**

1. Casino gambling has moved from the margins to the mainstream of American life.
2. Today's regional casinos are different from Vegas-style resort casinos.

### **The Casino's Modern Slot Machines**

3. The new American casino is primarily a facility filled with modern slot machines.
4. A modern slot machine is a sophisticated computer, engineered to create fast, continuous, and repeat betting.
5. Modern slot machines are carefully designed to ensure that the longer you play, the more you lose.
6. Modern slot machines are highly addictive.
7. Modern slot machines are engineered to make players lose track of time and money.

### **The Casino's Health Impact**

8. Casinos depend on problem gamblers for their revenue base.
9. Living close to a casino increases the chance of becoming a problem gambler.

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10. Problem gambling is more widespread than many casino industry leaders claim.
11. Problem gambling affects families and communities as well as individuals.
12. Young people are viewed as the future of casino gambling.
13. Working in a casino appears to increase workers' chances of having gambling problems.
14. Working in a casino appears to increase workers' chances of having health problems.

## **The Casino's Economic Impact**

15. The benefits of casinos are short-term and easy to measure while many of their costs are longer-term and harder to measure.
16. Casinos extract wealth from communities.
17. Casinos typically weaken nearby businesses.
18. Casinos typically hurt property values in host communities.

## **The Casino's Political Impact**

19. Casinos are the creation of state government and its public policies.
20. State regulation of casinos creates a conflict of interest, in which the state is charged with protecting the public from the very business practices that generate revenue for the state and which the state is co-sponsoring.

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21. States are typically failing to protect their citizens from the harms of state-sponsored casino gambling.
22. States are typically failing to provide adequate help for the treatment of problem and compulsive gambling.
23. Some states are propping up failing casinos.
24. Over time, casino expansion within a state and in nearby states can create a downward economic spiral of market saturation, sluggish state revenues, and failing casinos, marked by an ever-growing competition in which each state tries to lure other states' citizens into its casinos.
25. Regional casinos are a regressive source of revenue for the states.

## **The Casino's Intellectual Impact**

26. Research on gambling in America is largely funded by the gambling industry.
27. Research on gambling funded by the gambling industry focuses overwhelmingly on the individual pathology and pharmacology of gambling addiction while avoiding research into machine design, player profiling, and other industry practices and technological innovations that foster gambling addiction.

## **The Casino's Social Meaning**

28. State sponsorship of casinos is a policy contributing to patterns of inequality in America.
29. State sponsorship of casinos raises troubling ethical questions about fairness and equal treatment of citizens.

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## **The Casino's Historical Meaning**

30. Encouraging people to put their money into slot machines has historically been viewed as unethical.

31. Encouraging legal gambling as “fun” entertainment and an all-American pastime is a historically new development.

—Council on Casinos. *Why Casinos Matter: Thirty-One Evidence-Based Propositions from the Health and Social Sciences*. 2013. pp. 9-12.

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## Readings 2.4

I tell you I feel dazed at the thought of the immensity of work which is undergone for the making of useless things. It would be an instructive day's work for any one of us who is strong enough to walk through two or three of the principle streets of London on a week-day, and take accurate note of everything in the shop windows which is embarrassing or superfluous to the daily life of a serious man. Nay, the most of these things no one, serious or unserious, wants at all; only a foolish habit makes even the lightest-minded of us suppose that he wants them, and to many people even of those who buy them they are obvious encumbrances to real work, thought, and pleasure. But I beg you to think of the enormous mass of men who are occupied with this miserable trumpery, from the engineers who have had to make the machines for making them, down to the hapless clerks who sit daylong year after year in the horrible dens wherein the wholesale exchange for them is transacted, and the shopmen, who, not daring to call their souls their own, retail them amidst numberless insults which they must not resent, to the idle public which doesn't want them, but buys them to be bored by them and sick to death of them. I am talking of the merely useless things; but there are other matters not merely useless, but actively destructive and poisonous, which command a good price in the market; for instance, adulterated food and drink. Vast is the number of slaves whom competitive Commerce employs in turning out infamies such as these. But quite apart from them there is an enormous mass of labor which is just merely wasted; many thousands of men and women making Nothing with terrible and inhuman toil which deadens the soul and shortens mere animal life itself.

All these are the slaves of what is called luxury, which in the modern sense of the word comprises a mass sham wealth, the invention of competitive Commerce, and enslaves not only the poor people who are compelled to work at its production, but also the foolish and not over happy people who buy it to harass themselves with its encumbrance. ... Indeed if it were but ridding ourselves, the well-to-do people, of this mountain of rubbish, that would be something worth doing; things which everybody knows are of no use; the

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very capitalists know well that there is no genuine healthy demand for them, and they are compelled to foist them off on the public by stirring up a strange feverish desire for petty excitement, the outward token of which is known by the conventional name of fashion, a strange monster born of the vacancy of the lives of rich people, and the eagerness of competitive Commerce to make the most of the huge crowd of workmen whom it breeds as unregarded instruments for what is called the making of money.

—William Morris. “Art and Socialism.” 1884. As published in *Art and Society: Lectures and Essays* by William Morris. Edited by Gary Zabel. 1993.



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## Readings 2.4, continued

Why is unemployment so high, and economic output so low? Because we—where by “we” I mean consumers, businesses, and governments combined—aren’t spending enough. ... Low spending, in turn, means low employment, because businesses won’t produce what they can’t sell, and they won’t hire workers if they don’t need them for production. We are suffering from an overall lack of demand.

The [following] story was first told in a 1977 article in the *Journal of Money, Credit and Banking*, written by Joan and Richard Sweeney, who lived through the experience, and titled “Monetary Theory and the Great Capitol Hill Babysitting Co-op crisis.” The Sweeneys were members of a babysitting co-op: an association of around 150 young couples, mainly congressional staffers, who saved money on babysitters by looking after each other’s children.

The relatively large size of the co-op offered a big advantage, since the odds of finding someone able to do babysitting on a night you wanted to go out were good. But there was a problem: how could the co-op’s founders ensure that each couple did its fair share of babysitting?

The co-op’s answer was a scrip system: couples who joined the co-op were issued twenty coupons, each corresponding to one half hour of babysitting time. (Upon leaving the co-op, they were expected to give the same number of coupons back.) Whenever babysitting took place, the babysittees would give the babysitters the appropriate number of coupons. This ensured that over time each couple would do as much babysitting as it received, because coupons surrendered in return for services would have to be replaced.

Eventually, however, the co-op got into big trouble. On average, couples would try to keep a reserve of babysitting coupons in their desk drawers, just in case they needed to go out several times in a row. ...

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So what happened? Couples, nervous about their low reserves of babysitting coupons, were reluctant to go out until they had increased their hoards by babysitting other couples' children. But precisely because many couples were reluctant to go out, opportunities to earn coupons through babysitting became scarce. This made coupon-poor couples even more reluctant to go out, and the volume of babysitting in the co-op fell sharply.

In short, the babysitting co-op fell into a depression, which lasted until the economists in the group managed to persuade the board to increase the supply of coupons.

What do we learn from this story? ... It is the fact that your spending is my income, and my spending is your income.

—Paul Krugman. *End This Depression Now! 2012*. (New York: W.W. Norton & Company, Inc). pp. 24-28.

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## Readings, 2.5

One school [of economic thought] ... advocates thrift and execrates luxury ... [but] it advocates thrift in order to produce wealth—i.e., luxury ... [It] advances earnest and detailed arguments to show that through prodigality I diminish rather than increase my possessions; but its supporters hypocritically refuse to admit that production is regulated by caprice and fancy; they forget the “refined needs” and forget that without consumption there can be no production...

And you must not only be parsimonious in gratifying your immediate senses, such as eating, etc. You must also be chary of participating in affairs of general interest, showing sympathy and trust, etc., if you want to be economical ... You must make everything which is yours venal—i.e., useful. I might ask the political economist: am I obeying economic laws if I make money by prostituting my body to the lust of another (in France, the factory workers call the prostitution of their wives and daughters the *n<sup>th</sup>* working hour, which is literally true), or if I sell my friend to the Moroccans (and the direct sale of men in the form of trade in conscripts, etc., occurs in all civilized countries)?

His answer will be: your acts do not contravene my laws ...

[Karl Marx, *Economic and Philosophical Manuscripts*, 1844]

...

Political economy, this science of wealth, is therefore at the same time the science of denial, of starvation, of saving, and it actually goes so far as to save man the need for fresh air or physical exercise. This science ... is at the same time the science of asceticism, and its true ideal is the ascetic but rapacious skinflint and the ascetic but productive slave. Its moral idea is the worker who puts a part of his wages into savings ... the denial of life and of all human needs, is its principal doctrine. The less you eat, drink, buy books, go to the theatre, go dancing, go drinking, think, love, theorize, sing, paint, fence, etc.,

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the more you save and the greater will become the treasure that neither moths nor maggots can consume—your capital ... Everything which the political economist takes from you in terms of life and humanity, he restores to you in the form of money and wealth ...

[Marx, *Economic and Philosophical Manuscripts*, 1844]

...

The palliatives over which many worthy people are busying themselves now are useless: because they are but unorganized partial revolts against a vast wide-spreading grasping organization which will, with the unconscious instinct of a plant, meet every attempt at bettering the condition of the people with an attack on a fresh side; new machines, new markets, wholesale emigration, the revival of grovelling superstitions, preachments of thrift to lack-alls, of temperance to the wretched; such things as these will baffle at every turn all partial revolts against the monster we of the middle classes have created for our own undoing.

[William Morris, "Art and Socialism," Lecture delivered January 23, 1884]

...

Sometimes the poor are praised for being thrifty. But to recommend thrift to the poor is both grotesque and insulting. It is like advising a man who is starving to eat less. For a town or country labourer to practice thrift would be absolutely immoral.

[Oscar Wilde, *The Soul of Man under Socialism*, 1891]

...

Each class would have preached the importance of those virtues, for whose exercise there was no necessity in their own lives. The rich would have spoken

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on the value of thrift, and the idle grown eloquent over the dignity of labour.

[Oscar Wilde, *The Picture of Dorian Gray*, 1891]

...

Intemperance, unthrift, idleness, and inefficiency are indeed common vices of the poor. If therefore we could teach the poor to be temperate, thrifty, industrious, and efficient, would not the problem of poverty be solved? Is not a moral remedy instead of an economic remedy the one to be desired?

...This “moral view” has much to recommend it at first sight. In the first place, it is a “moral” view, and as morality is admittedly the truest and most real end of man, it would seem that a moral cure must be more radical and efficient than any merely industrial cure. Again, these “vices” of the poor, drink, dirt, gambling, prostitution, &c., are very definite and concrete maladies attaching to large numbers of individual cases, and visibly responsible for the misery and degradation of the vicious and their families. Last, not least, this aspect of poverty, by representing the condition of the poor to be chiefly “their own fault,” lightens the sense of responsibility for the “well to do.” It is decidedly the more comfortable view, for it at once flatters the pride of the rich by representing poverty as an evidence of incompetency, salves his conscience when pricked by the contrast of the misery around him, and assists him to secure his material interests by adopting an attitude of stern repression towards large industrial or political agitations in the interests of labour, on the ground that “these are wrong ways of tackling the question.”

The question is this, Can the poor be moralized, and will that cure Poverty? ... In the first place, it is very difficult to ascertain to what extent drink, vice, idleness, and other personal defects are actually responsible for poverty in individual cases. There is, however, reason to believe that the bulk of cases of extreme poverty and destitution cannot be traced to these personal vices, but, on the other hand, that they are attributable to industrial causes for which the sufferer is not responsible ... The Rev. S. A. Barnett, who knows East London so well,

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does not find the origin of poverty in the vices of the poor. Terrible as are the results of drunkenness, impurity, unthrift, idleness, disregard of sanitary rules, it is not possible, looking fairly at the facts, to regard these as the main sources of poverty. If we are not carried away by the spirit of some special fanaticism, we shall look upon these evils as the natural and necessary accessories of the struggle for a livelihood, carried on under the industrial conditions of our age and country.

... We cannot go to the lowest of our slum population and teach them to be clean, thrifty, industrious, steady, moral, intellectual, and religious, until we have first taught them how to secure for themselves the industrial conditions of healthy physical life. Our poorest classes have neither the time, the energy, or the desire to be clean, thrifty, intellectual, moral, or religious.

In our haste we forget that there is a proper and necessary order in the awakening of desires. At present our "slum" population do not desire to be moral and intellectual, or even to be particularly clean. Therefore these higher goods must wait, so far as they are dependent on the voluntary action of the poor. What these people do want is better food, and more of it; warmer clothes; better and surer shelter; and greater security of permanent employment on decent wages. Until we can assist them to gratify these "lower" desires, we shall try in vain to awaken "higher" ones.

[John A. Hobson, *Problems of Poverty*, 1891]

...

Another panacea for social ills is thrift, under which term may be included the virtues of manliness, intelligence, temperance, frugality, efficiency, etc. Of all the remedies proposed to heal the gaping wounds of society the exhortation to manliness and thrift is the most insipid and jejune.

[F.M. Sprague, *Socialism*, 1893]

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...

Thrift was invented by capitalist rogues to beguile fools to destruction, and to deprive honest fools of their diet and their proper comfort.

[John Burns, Address to the British Trades Union Congress, 1894]

...

But this lady visitor [social worker], who pretends to be good to the poor, and certainly does talk as though she were kind-hearted, what does she come for, if she does not intend to give them things which so plainly are needed? The visitor says, sometimes, that in holding her poor family so hard to a standard of thrift she is really breaking down a rule of higher living which they formerly possessed, that saving, which seemed quite commendable in a comfortable part of the town, appears almost criminal in a poorer quarter, where the next-door neighbor needs food, even if the children of the family do not. She feels the sordidness of constantly being obliged to urge the industrial view of life.

... The sense of prudence, the necessity for saving, can never come to a primitive, emotional man with the force of a conviction, but the necessity of providing for his children is a powerful incentive. He naturally regards his children as his saving bank; he expects them to care for him when he gets old ... Another tailor whom I know, a Socialist, always speaks of saving as a bourgeois virtue, one quite impossible to the genuine workingman. He supports a family, consisting of himself, a wife and three children, and his parents, on eight dollars a week. He insists that it would be criminal not to spend every penny of this amount upon food and shelter, and he expects his children later to take care of him.

[Jane Addams, "The Subtle Problems of Charity," 1899]

...

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Thrift is an impossibility, and to preach thrift when there is no chance of saving is pure cant and cruelty.

[William H. Dawson, *Describing the Views of Karl Johann Rodbertus, One of the Founders of Modern German Socialism*, 1899]

...

I know the miners in the north of England, and the workers in the south and the agricultural labourers. I would complain of their miserly thrift—yes, thrift is a mean, starving virtue. The women wear themselves out body and soul by their foresight and prudent care. Up the first thing in the morning, cooking and polishing and scrubbing all day, sitting up half the night mending, patching, and darning. The men just as bad—with their club and sick benefits and the rest of it.

Many a time I have rounded on a Cumberland miners wife for her thrift—I have urged her to spend all the man's wages—to give the children some extra fun and jollity in the early days—for it's little enough they get of it as they grow older. But the women were always having an eye to the future—to the time when he'd not be able to work or some equally pleasant prospect. The thrifty middle class ... are the most extravagant of all our English castes. The cost of human flesh and blood is never counted—they deny themselves everything, they slave and worry all the years of their life become sour and miserable, ill-tempered before they are thirty. And to what end? That their children may carry on the tradition of grudging care.

The extravagance of the upper classes is disgusting, and the thrift of the working classes is stupid. The Lancaster operatives' midway shows dignity—a good time when the money's there, and a drawing in when its gone.

Had he drunk no beer all his days, would my old shovel-guard now be any better off?

[M.D. Eder, "On Thrift," 1909]



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...

Most esteemed Mr. Filene! are you fully convinced that the workers of the whole world are such fools?

[Vladimir I. Lenin, The Russian Revolutionary and the First Leader of the Soviet Union, Criticizing the Progressive U.S. Business Leader and Thrift Advocate Edward Filene of Boston, A Founder of the U.S. Credit Union Movement, "The Ideas of Progressive Capital," 1913]

...

Thrift is very well when thrift brings greater power; but when that virtue simply means greater exploitation, then thrift is a vice. The Irish tenant lost the habit of thriftiness because every time he made a saving, that saving was taken away from him by his landlord. When one class is subject to another class, the thrift of the subject class only adds to the wealth of the master class.

... [Therefore] ... In the morality of the working-class the word thrift will not be found.

[Algernon Sidney Crapsy, *The Rise of the Working Class*, 1914]

...

...A poor person cannot become a capitalist. A poor person is one who has less than enough to live on. I can remember a bishop, who ought to have known better, exhorting the poor in the East End of London, at a time when poverty there was even more dreadful than it is at present, to become capitalists by saving. He really should have had his apron publicly and officially torn off him, and his shovel hat publicly and officially jumped on, for such a monstrously wicked prospect...

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Poor people cannot save, and ought not to try. Spending is not only a first necessity but a first duty. Nine people out of ten have not enough money to spend on themselves and their families; and to preach saving to them is not only foolish but wicked. School-mistresses are already complaining that the encouragement held out by Building Societies to poor parents to buy their own houses has led to the underfeeding of their children. Fortunately most of the poor neither save nor try to. All the spare money invested in the Savings Banks and Building Societies and Co-operative Societies and Savings Certificates, though it sounds very imposing when it is totalled up into hundreds of millions, is such a mere fleabite compared to the total sums invested.

[George Bernard Shaw, Discussing “Thrift” in the *Intelligent Woman’s Guide to Socialism and Capitalism*, 1928]

...

The doctrine of thrift for the poor is dumb and cruel, like advising them to try and lift themselves by their bootstraps.

[The U.S. Socialist Leader and Presidential Candidate Norman Thomas]

—*Thrift: A Cyclopaedia*, David Blankenhorn, pp. 73-78: “The Socialist’s Case.”