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THE SCOPE OF

Banking Education

AN ADDRESS

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BEFORE THE NEW YORK CHAPTER AMERICAN INSTITUTE OF
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THE SCOPE OF BANKING EDUCATION.

[An address by C. W. Haskins, C. P. A., Dean and Professor in the New York School of Commerce, Accounts and Finance, before the New York Chapter American Institute of Bank Clerks, November 21, 1901.]

The employments in which men are engaged have been classified under two principal heads. In the first order are the production of raw materials, transportation, and the transformation of products. Under the other head are the occupations that provide our means of culture, of protection, and of creature comfort and luxury; the latter including transformation or manufacture requiring a higher order of technical skill. Protection is medical, legal, administrative, and, as many think, recreative. Prominent among the administrative agencies opposed to the disorganization of society are banking and accounting. I mention these two professions because, as a distinguished advocate of economic education has pointed out, accounting and banking are first among the processes and methods of conducting business which, in the development of modern American mercantile practice, "have assumed stable forms; and the knowledge of these forms," he continues, "is an essential part of the equipment of men of affairs."

The employments devoted to culture have been grouped under religion, morality, intellectual development, esthetics, the pursuit of science, invention, and the acquisition of information. This entire field of culture, but especially the training of the intellect and the impartation of knowledge, is within the province of pedagogy, or the profession of education.

BANKING STILL BEHIND THE TIMES.

A consideration, then, of the scope of banking education will bring us in touch with two of the giant forces of the world of thought and action—education and banking; education, a silent power of so irresistible and permanent influence that a noted New York ecclesiastic was known to say: "Give me the education of the children, and you may do with them as you like thereafter;" and banking, a sturdy Vulcan of business, untiring servant of the world of affairs, but rising, at the call of public necessity, to be the arbiter of economic destiny.

Not only does this question introduce us to these two forces, but the movement itself in behalf of banking education will acquaint them with each other. Each has gone on in its own way, cutting its own extended swath, and hardly knowing of the existence of the other. Banking, in its growth from unrecognizable beginnings to its present colossal proportions, has adopted or invented one improvement after another, but is still confessedly and dangerously behind the times; and in nothing so much as in the want of professional education. Pedagogy, again, has founded universities and built its colleges and schools, and has taught many things and taught them well; but has known so little of banking, and that for so few years, that to-day it can hardly tell you whether banking is an economic institution or a branch of applied mathematics.
This vast importance of the science of education on the one hand and of banking on the other invests every feature of the question of banking education with a twofold dignity that will command the respect and service of the best thinkers of our age. Hereafter, there will be little banking, or bank service, without professional education; as already, under modern monetary conditions, there is little education without banking. Educators will lecture and will write on the object of banking education; on the value of banking education; on the need of banking education; on the incentives to banking education; on the theories of banking education; and on a hundred kindred topics; and sometime they will have even a history of banking education.

In view of all that is yet to be said and written on this important branch of education, as to who should pursue the study of banking, and why, and how, and when, and where, a mere introductory inquiry as to what it is, or the scope of it, may seem very limited and easy to answer. Possibly we all thought, until we came to look into the matter, that we knew a great deal more about the scope of banking education than we now think we do after we have begun to look into it. Ask the first two men you meet on Wall street; and the first will likely tell you that banking, banking of course, is the total extent and limit of banking education; while the other will contend that banking education, in our day, must comprehend a knowledge of everything. Either answer, alone, would close the controversy before it had secured an opening. The consciousness, however, that both are right yet only right in the main, and that the wide interval between them has rights of its own, will convince you that the question of the scope of banking education is an open one.

The American Bankers' Association took up this question about ten years ago; and under the guidance of that organization the recently established American Institute of Bank Clerks is giving it a good degree of attention. The universities, for a number of years, have not been quite silent on the subject; and now that the movement is becoming urgent, banking literature is tending in the same direction. This urgency is brought about by the wonderful growth of banking in connection with modern business expansion, both domestic and international, and by the restless spirit of economic inquiry characteristic of our time. So that the question is rather asked than answered, and asked with more or less of insistency, by every man inside the bank, by every educator who is not a mere classical scholar, by every student imbued with the spirit of the age, and by a very large proportion of bank depositors. This latter class comprehends three-fourths of the voters of the United States, and a no insignificant number of ladies of inquiring mind; and "what a dignity," says the genial Thackeray, "it gives a lady, that balance at the banker's!"

A KNOWLEDGE OF FOUNDATION PRINCIPLES.

The scope, the horizon, of banking education will be as the prospective height of the student. If his ambition is easily satisfied, a thorough knowledge of routine up to the point of his position, and an intelligent though limited acquaintance with his surroundings, will render his services of marked value to the bank. With higher aim and a broader view, his outlook will be proportionably extended, and education will have for him, as it were, another meaning. But to get to the top, wherever that top may be, it may be said, in the educational sense, that one must begin at the bottom. And it must be
further remembered that to the lowest round of any professional ladder there
must be an approach by way of preliminary capacity and education. By
"beginning at the bottom" is not meant, however, as is sometimes charged,
that the young man must sweep out the office and run errands at the expense
of an education, while he slowly works his way up, or is dead, or ought to be;
but it is meant that to know banking one must know it from its foundation
principles.

The old Greeks had a saying that to become an able man in any profes­sion, three things are necessary—nature, study and practice. Rousseau but
elaborates this dictum when he says: "We are born feeble, and have need
of power; we are born without anything, and have need of assistance; we
are born stupid, and have need of judgment. Whatever we have not at our
birth, and which we shall need when we are grown, is given to us by educa­tion. This education comes of nature, of men, and of things. The internal
development of our faculties and organs is nature's education; the use we are
taught to make of this development is man's education; and the acquisition
of experience by means of the objects which affect us is the education of
things." And Rousseau has also shown that as these three educations ought
to concur to their mutual perfection, we ought duly to balance our study and
practice, both of which we can control, and to direct them according to
nature, which we cannot control.

With due consideration, then, for individual tendencies and aptitudes,
and for this natural sifting and shaking of men into their appropriate places,
we approach our professional curriculum by way of such preliminary educa­tion as will be of recognized utility in the bank. The penmanship, bookkeep­ing and mathematics of the common school are indispensable as foundation
studies; and so important is the high school, in our American system of
education, that the superintendent of public schools of the city of New York,
addressing the Chamber of Commerce, advises employers "to give preference
for positions of trust or positions involving executive ability, to graduates of
high schools or colleges," and recommends the establishment of high schools
whose teaching shall include banking; the systems of money used in different
countries; systems of exchange; explanation of the settlement of balances
by export and import; political economy; commercial law; "and all other
matters," he continues, "which it concerns a business man in these modern
days to know." The business college, under the weeding-out process adopted
by the Regents of the State of New York, will furnish also an indication of
preparatory studies in the "facilities." Its ideal curriculum, as reported to the
United States Commissioner of Education, is founded upon bookkeeping; and
with this are correlated arithmetic; elementary commercial law; penmanship;
business correspondence, with typewriting and stenography; business prac­tice, including the fictitious bank; a view of the history and geography of
commerce; a little rhetoric and some practice in public speaking; an element­ary knowledge of civil government; and the foundations of economics. All
this, we may say, is not far outside, and much of it is within the limits of
training for bank service.

The Young Men's Christian Associations of North America, to the number
of some seven or eight hundred, offer, under the supervision of an interna­tional examiner, a course in social economics and political science, in which
banking is taught historically as follows: Banking experience in the United
States; New England banks—the Suffolk system; first and second Banks of the United States; the State banking system; the sub-Treasury system; the National banking system; the English banking system; the Canadian banking system; banking in France and Germany, and banking reform. Other courses, under international examiners, include the elements of banking arithmetic, banking accountancy and banking law.

The instruction mailed to members of the American Institute of Bank Clerks embodies penmanship, spelling, grammar, composition and rhetoric, business correspondence, shorthand, typewriting, commercial geography, commercial and financial history, bank arithmetic, double-entry and bank bookkeeping, practical banking and finance, and commercial law. It is officially announced that the operation of the Institute does not create any obligation "which might in any manner forecast the policy of the American Bankers' Association in the matter of educational work." The bank clerks of Minneapolis, united for education, have sat together under university instruction in law and political economy; individual banks and trust companies have adopted educational methods involving a respectable degree of economic culture; and the American Bankers' Association looks forward to the erection of "an educational superstructure in keeping with the dignity, wisdom and pride of the bankers of America."

But when we have arrived at the central point of our professional inquiry, when we stand at the foot of the ascent and look up and about us, asking for an educational guide, we realize that we have come to a lonesome place, where few meet us, and these but newcomers and inquirers themselves. Their investigations, however, have been earnestly pursued, and their advice as to the course to take will be of the highest value. Those who have written our few modest books, or who are lecturing in our colleges on banking education, may differ somewhat here and there in detail; but on one important point they all agree with the distinguished professor who said: "If I had a son, I should tell him many times a day to make himself as big a man on the inside as possible."

WHAT IS BEING DONE IN THE WAY OF HIGHER COMMERCIAL AND FINANCIAL TRAINING.

The commercial education movement at present affecting the universities of Europe and the United States has resulted in the establishment of special departments and colleges in which banking is taught more or less fully, and always from a high standpoint. And banking has a place also in the more general economic courses of our leading universities, in which a number of writers of recognized authority on banking subjects occupy important chairs. The same movement has also brought about the establishment of commercial high schools, in which the elements of banking are correlated with the economic and mathematical studies leading to the new commercial departments of the universities. And it is upon these secondary and higher courses in commerce that a proportion of the best thought of modern educators is being expended as to the scope of banking education.

In the curriculum of the Superior School of Commerce at Paris, and in that of the School of Higher Commercial Studies at Paris, banking is divided up and parcelled out to the courses in general accountancy, mathematics applied to commerce, history of commerce, commercial law, and political econ-
The Superior School of Commerce has been taken as the model for similar institutions outside of France, notably in the establishment of the Commercial Academy in Prague, and in the foundation, by one of its graduates, of a commercial school of three grades in Turin. The Technical Institute of Turin has a school of banking whose instruction is organized under the two heads of administration and accounting. This institution was awarded a gold medal at the international exposition of accountancy at Turin. Education for the banking profession is one of the distinct objects of the Leipzig University College of Commerce, in which the curriculum is organized upon the Paris model, except that it more clearly distinguishes between theory and practice.

The department of commerce of the new University of Birmingham is in charge of a former professor in the department of economics at Harvard, where the course in banking is as follows:

After a summary view of early forms of banking in Italy, Amsterdam and Hamburg, a more detailed account is given of the development, to the middle of this century, of the system of banking in which notes were the principal form of credit and the chief subject of discussion and legislation. The rise and growth of the modern system of banking by discount and deposit is then described. The work is both historical and comparative in its methods. The banking development, legislation and present practice of various countries, including England, France, Germany, Scotland and Canada, are reviewed and contrasted. Particular attention is given to banking history and experience in this country: the two United States banks; the more important features of banking in the separate States before 1860; the beginnings, growth, operation, and proposed modification of the National banking system; and credit institutions outside that system, such as State banks and trust companies. Existing legislation and practice in various countries are analyzed and compared. The course of the money markets of New York, London, Paris and Berlin is followed during a series of months, and the various factors, such as stock exchange operations and foreign exchange payments, which bring about fluctuations in the demand for loans and the rate of discount upon them, are considered. The relations of banks to commercial crises are also analyzed, the crises of 1857 and 1893 being taken for detailed study.

The course concludes with a discussion of the movement of securities and money in the exchanges between nations and in the settlement of international demands. After a preliminary study of the general doctrine of international trade, a close examination is made of some cases of payments on a great scale, and the adjustments of imports and exports under temporary or abnormal financial conditions are traced. Such examples as the payment of the indemnity by France to Germany after the war of 1870–71, the distribution of gold by the mining countries, and the movements of the foreign trade of the United States since 1879, are used for the illustration of the general principles regulating exchanges and the distribution of money between nations.

The University of Pennsylvania has a special course in business practice and banking which includes, as indispensable to an adequate preparation for the business of banking, the theory and history of money, credit and banking; bank notes as issued in the United States, Canada, England, France and Germany; the experiences of State banks prior to 1860; the economic and
financial causes affecting the rate of interest and the prices of securities; the
nature and history of panics; stock exchange operations, investments; the
mechanism of foreign and domestic exchange; the international movements
of gold, and commercial law. A subdivision of the course, intended to pre-
pare the student to meet the technical and legal requirements of the banking
business, is thus described: "It takes up the details of the organization and
operation of a bank, with special reference to its legal aspects. The study of
methods of organization involves a knowledge of both State and National
bank acts and the advantages to be gained under each. The rights, duties
and liabilities of the stock subscribers and the trustees during the formative
period are considered at length. After the organization has been completed
a new set of questions arise. These are grouped around rights, duties and
liabilities of bank officers: (1) toward each other; (2) toward the stockholder;
(3) toward the depositor; (4) toward the public. The authority of bank offi-
cers, its source and extent; what an officer may and may not do; what acts
he is personally liable for and for what acts the corporation is liable, are
practical questions which the President, the director, the Cashier, the minor
officer and special agent of the bank must each answer for himself." A de-
termining consideration in the presentation of this course is, "that bankers
and men of business need more than a special training for their vocation."

The Ohio State University, in its special course in money, credit and bank-
ing, offers a comparative study of the principles and methods of banking,
involving the history and theory of the subject; an account of National and
State banking; the clearing-house system, and a critical analysis of proposals
for reform.

The course in banking in the University of Michigan "breaks into two
parts, devoted respectively to theory and history." It includes a study of
the nature and social functions of the bank, of the natural laws of banking
phenomena, and of systems of bank regulation. It is regarded as one of the
marked advantages of this university that all its departments are available
to the student of any special branch, and that mathematics, law, govern-
ment and other kindred courses may be taken in connection with those ar-
ranged under political economy and finance.

The University of Chicago offers a course in banking, including a study of
principles and a comparison of modern systems. This course comprehends a
study of the banking systems of the United States, England, France, Germany,
Switzerland and other countries, with special attention to the matter in which
each meets the problems of currency (coin, note and deposit), reserves, dis-
count and exchange. The relations of the banks to the public, their influence
on speculation, their management in financial crises, special dangers, and
most efficient safeguards are discussed. Relative advantages and different
fields of action for National banks, State banks, deposit and trust companies,
and Savings banks are noted, and lectures are given on the history of banking.

The course in money and banking in the University of Wisconsin is
designed "to acquaint the student with the nature and functions of money
and banks; the monetary systems of the great commercial nations; the laws
and methods of foreign exchange; and the history of the currency systems of
the chief commercial nations." It includes a practical study of the machinery
of banking; clearing; and domestic and foreign exchange; and discusses the
relative advantages of bank currency as compared with government notes.
The department or school of mercantile and financial administration of Dartmouth College is intended to be post-graduate. "Leaving the business colleges," we are told, "to do their work for clerks, and the high schools to teach the rudiments of accounts, and such as will to offer courses that are parallel to the regular college courses, it boldly limits itself to picked men who have completed at least three years of college work." Banking is presented under three heads—law, organization, and operation. It includes a detailed study of the bank laws of the United States and of typical States; the organization of banks for business; banking methods, clearing-houses; various forms of credit transactions; relations of banks to the public; their management in times of crisis; National, State, private and Savings banks; loan and trust companies; money and exchange brokers; stock and produce exchanges and their practical working; the banking problem in the United States; and a comparative study of British and Continental banks.

A list of the studies pursued in Columbia, Cornell, Johns Hopkins, Brown, Western Reserve, Barnard, Minnesota, Radcliffe, Vanderbilt, Stanford, Yale, Princeton, and other higher institutions of learning, especially in the commercial departments of the Universities of Iowa, Vermont and California, brings into further relief the historical, theoretical and legal aspects of banking; and emphasizes the fact that, with a strong current setting in everywhere towards the practical, the subject is approached in the United States on its economic side, as in Europe it is viewed by educators in the light of mathematics.

DEPARTMENT OF COMMERCE, ACCOUNTS AND FINANCE OF NEW YORK UNIVERSITY.

New York University has a department of commerce, accounts and finance which, as announced by the chancellor, "differs from the several schools of finance and commerce established by prominent universities in America, in that its entire instruction is intended to be professional in character." My own relation to the faculty enables me to state, with some fair degree of fullness, the view of the scope of banking education held by our distinguished professor of political economy and practical banking. The course of training in the principles and practice of banking, professedly "of positive and practical value to any young man who wishes to prepare himself for usefulness in the office of a bank or kindred financial institution," is correlated with the general study of the principles of finance; the value of money; the demand for money; circumstances affecting this demand; the supply of money; metallic money; monometallism and bimetallism; investment and speculation; international balances; the mechanism of foreign exchange; payments between countries having different standards; the money market; panics and crises; the theory of credit; and a discussion of the proposed reforms of our monetary system. A presentation of banking theory leads to a historical review of the bank-note system and of banks of issue; the Bank of England; the Bank of France; the Bank of Germany; bank-note issues in the United States; our National banking system; National bank notes; and a discussion of the "independent Treasury" question.

Banking itself, in this professional course, is viewed as an imposing financial edifice, resting on the broad foundations of political economy, alive within with the hum of all the machinery of credit, and in vital touch with every
other institution of the commercial world. Its functions, of which credit is the one important element, are classed under the three heads of deposit, discount and issue. Its dependence for profit is located as at the credit centre of the community. Its credit assets are described and classified; and according to the class of these assets the bank is studied as a commercial bank, collateral loan bank, or Savings bank; and these three kinds of banks, with their three several rates of interest, are treated at length. The double service performed for society by banking is noted; and the bank thus again undergoes examination as rendering credit available and as bringing capital into the hands of those who can use it to the best advantage. This brings up a discussion of wise and unwise extension of credit, of inflation, and of its effect upon prices and capital. The clearing-house and its administrative machinery are described, and the historical development of the clearing-house system is studied. The bank note and the bank deposit are compared in their relation to the question of debt and the amount of reserve needed; and the different services performed for society by the note on the one hand and the deposit on the other are carefully distinguished. The effect of legal restraint upon issue is discussed; and the various bank-note systems growing out of governmental regulation are described. Conditions of safety are stated; and security, convertibility and elasticity in the performance of its functions by the bank note are treated exhaustively. Branch banks and quasi-banking institutions are treated as to their relations to the general system and as to their methods of procedure. And the course throughout, it may be added, is perhaps as fully descriptive of routine as a due regard for theoretical and historical unity will permit, or as is necessary in view of the cognate courses in law and practical accountancy.

Some of the Qualifications of a Thoroughly-Equipped Banker.

The institutions and associations at whose educational courses we have glanced—and to extend the list would hardly increase the variety—approach the matter of banking from different directions; and according to the views thus obtained their curricula take on distinctive features. Theory, practice, and the idea of being eminently and only practical; economics, applied mathematics, and Italian accounting or ragioneria; university convenience, the will or wish of a founder, and the pressure of public demand; academic and even political predilection on the teaching side, and leisure and opportunity on the one hand and immediate insistent necessity on the other on the part of the student; all these and many other considerations have given color, and not only color but limitation, to the various programmes of banking study. Our present inquiry, however, is not concerned with individual limitation, but with collective extent of suggestion; and when we have gathered up these suggestions, and added the few that present themselves as natural corollaries, we must confess that we have in outline a body of banking lore that ought to lower the conceit of any man who thinks he has an original conception of what constitutes a course of banking education.

Yet, in the face of this developing giant of pedagogy, who already carries a portfolio of studies in banking law; banking theory; banking practice; banking history; banking economics; banking utilities and facilities; banking organization; banking administration; banking statistics; banking common sense; banking relationships; banking accountancy; banking politics and
patriotism; banking mathematics; banking methods; and a little of everything on banking problems and questions, unless it be the religion and personal appearance of the bank itself; in face of all this, a Boston economic writer says that banking is only a little money, an unmeasured amount of character, prudence, forethought and integrity in the banker, and an unlimited amount of confidence on the part of the community.

But religion and the personalities of banking have not been altogether overlooked. The study of bank ethics is one of the tacitly recognized occupations of the modern business mind. This quiet study has already evolved a body of moral sentiment, of silent though powerful authority in the commercial community. And this body of thoughtful, stern and upright sentiment, in the performance of its moral function, looks down into the soul of every living representative of the bank and lays a weight of accountability alike upon the boy who is saucy at the telephone and upon the board of directors who allow the bank to be robbed through some hole in a decayed system of financial accounting.

AN UNDERSTANDING OF THE BANK'S EMPLOYEES AND CUSTOMERS.

The personnel of banking is of primary importance as an object of educational thought, because it is with living beings that banking people have to do. Depositors, with their common rights, their liabilities, their individual cares and anxieties, and even their idiosyncrasies, will not be excluded; and the shareholders will have a measure of this educational attention; but it is the collective make-up of the body of workers in the bank, their official relations one with another, and their professional duties individually, that the student must devote his care to know with some degree of thoroughness and familiarity. It is sometimes said that such knowledge comes of practice in the path of promotion. But, first, our present inquiry is as to what is needed, not how to get it; second, the objection will not cover the fact that the true scope of banking education embraces mutual official acquaintance among the workers, so that the clerk must know a good deal concerning the administrator's duties long before he himself takes on executive functions; and third, certain departments of banking knowledge are self-contained. As an illustration, take the case of the general bookkeeper, whose duties call for technical knowledge known only in a general way outside of his own department. It is well known that one may advance from the lowest round of the banking ladder to the responsible position of Cashier, and still be ignorant, without detriment to his own office, of the special duties and details of that of the general bookkeeper. Banking culture embraces a general mutual knowledge of individual functions, such as might be compared to an esprit de corps; and this mutual knowledge, or collective intelligence, is an important organizing force in the interrelations of President, Vice-President, Cashier, Assistant Cashier, chief clerk, collection clerk, country bookkeeper, dealers' bookkeeper, ledger-keepers, discount clerk, note teller, receiving teller, paying teller, general bookkeeper, and all other employees of the bank.

Banking accountancy should include not only such advanced knowledge of the art of bookkeeping as will enable one to handle the accounts of the bank intelligently, but a fair comprehension of the relations of auditing to the clerical keeping of the accounts, as well as some conception of the value of an independent examination of the affairs of the institution and the intro-
duction of scientific systems and methods of accounting in keeping with the magnitude and variety of modern financial transactions. It is for the want of a business culture adequate to the grasp of this latter conception that uncanny losses of millions of dollars still continue to startle the half-awake consciousness of the public brain.

Banking mathematics is concerned with some of the most difficult and complicated calculations. Mathematics, as we have seen, is the view-point of banking education in the higher commercial teaching of continental Europe; and it is in this light, and for its indispensable connection with the study of banking statistics, that it assumes importance as a branch of the professional study of banking.

Banking law, studied as a department of banking education, will not, indeed, make every banker and bank clerk his own lawyer; far from it, for as long as law remains a human institution it will lack that divine element of simplicity which alone can ever render it understood unassisted. A general acquaintance, however, with the principles of commercial law, and of their application to banking life, is a kind of institutional hygiene warding off the million unseen evils that fill the social atmosphere on which the activities of that life are conducted.

Banking history, as truly as any other department of history, is the story of a development. It is said of one banking house in London, that its history from the time when it it was a goldsmith's shop with the sign of a grasshopper hanging without and only a strong-box within in which the neighbors might deposit their money, up to the present time, unfolds the whole story, chapter by chapter, of English banking. An American writer on banking says that a complete theory of banking might be constructed from events and experiences that have taken place on our continent; and that all the wisdom and all the folly of the ages, as to banking, have been exploited on our shores within the space of less than three hundred years. To one who would embark on this sea for life, the most instructive and thrilling tale of adventure is this story of banking development. And by its side is banking biography. The amiable Rogers, of "Pleasures of Memory" fame, was a London banker and so was Grote, the distinguished historian of Greece.

Banking, studied as a branch of economics or political economy, carries the curriculum into the very heart of the science of getting on in the world. Jules Simon, a French Minister of Public Instruction, once said: "Do you know what political economy is? It is the science of common sense. It first of all shows you where to look for your interests, and that is a primary service; and then it teaches you not to put them where they do not belong, and that, perhaps, is a service as great."

Combination of the Theoretical and the Practical.

Banking theory and banking practice are legitimate divisions of banking education. Theory and practice, however, here as along other lines of professional inquiry, will evade any search after a middle point of balance between them. An easy medium, with elbow-room for individuality and the use of opportunities, is desirable; but it must be admitted that we are prone to extremes in this matter; either too theoretical and unpractical, or too vainly "practical" and unthinking. A story is told of the poet Southey, who was a hard worker and a very methodical man, that he once explained
to a good Quaker his habit of dividing time into little parts and filling each part up with its appropriate work; one thing for this hour, another for that, and so on all day and every day and far into the night. The Quaker listened to the end of it all, and then calmly said: "Well, but, friend Southey, when does thee think?"

These suggestions as to what constitute the essentials of professional education in banking have been gathered from whatever sources were available, and are modestly offered in the hope of being able somewhat to assist our educators and bankers in their effort to keep the standard abreast of the times. "Banking," says Proudhomme, "is the queen of negotiation;" and one would need to be king of theoretical and practical economics who should tell so shrewd a lady all she ought to know. But the crowning feature, they say, of our American shrewdness is that we are teachable; and as an illustration of how the American metropolis is becoming, if indeed it has not already become, the money-center of the world, I will repeat what a former importer of raw silk—now mayor-elect of this city—has related of our home silk manufacture. The people of Lyons, he tells us, once thought they knew all about silk manufacture that was worth knowing; while the silk manufacturers of Crefeld and Zurich thought they knew it all. So Crefeld would not learn from Zurich and Lyons; Lyons would not learn from Crefeld and Zurich, and Zurich would not learn from Crefeld and Lyons. But the American silk manufacturers knew that they did not know all that could be known about it, and they sat at the feet of all three and learned from every one. That is the great reason why Americans have progressed so rapidly and gone so far in so short a time; that is, they are teachable.