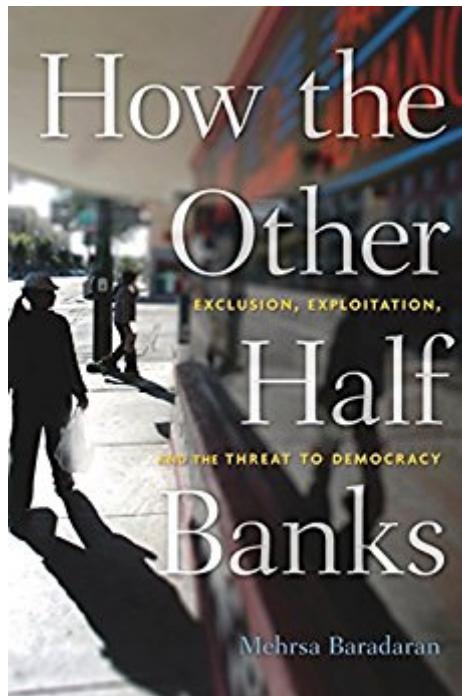


[The book was found](#)

How The Other Half Banks: Exclusion, Exploitation, And The Threat To Democracy



Synopsis

The United States has two separate banking systemsâ "one serving the well-to-do and another exploiting everyone else. Deserted by banks and lacking credit, many people are forced to wander through a Wild West of payday lenders and check-cashing services thanks to the effects of deregulation in the 1970s that continue today, Mehrsa Baradaran shows.

Book Information

File Size: 828 KB

Print Length: 336 pages

Publisher: Harvard University Press (October 6, 2015)

Publication Date: October 6, 2015

Sold by:Â Digital Services LLC

Language: English

ASIN: B01657K1G4

Text-to-Speech: Enabled

X-Ray: Not Enabled

Word Wise: Enabled

Lending: Not Enabled

Enhanced Typesetting: Not Enabled

Best Sellers Rank: #196,982 Paid in Kindle Store (See Top 100 Paid in Kindle Store) #46 inÂ Books > Business & Money > Industries > Financial Services #88 inÂ Kindle Store > Kindle eBooks > Business & Money > Industries > Banks & Banking #156 inÂ Kindle Store > Kindle eBooks > Business & Money > Economics > Economic Policy & Development

Customer Reviews

You canâ™t get through Professor Baradaranâ™s book without becoming more informed. Over the last half decade or so, a lot has been written about the financial crisis. And Professor Baradaran has made a worthy contribution to this crisis library. She doesnâ™t spend a lot of time retreading what Iâ™ve seen in other booksâ "she doesnâ™t really trace the machinations associated with determining whether to save the banks, and which banks to save, or the details of the financial instruments that blew up, or much of the current intrigue. Instead, she lays out the history of banking, with a focus on its relationship to the state. Banks, she explains, have been controversial in the United States since its founding; theyâ™re essential to grow an economy and put money where it needs to go but, by gathering money together, banks can accrue outsized power and

influence. Originally, banks in the U.S. were local; only during the Civil War, when the country needed lots more money than it had, banks really became national. And even then, they were tightly regulated. That regulation ensured both that the banks received necessary support from the government, and that the banks were roughly democratic in how they treated depositors and borrowers. Even with regulation, though, banks tended to shift power to urban areas and to the wealthy, at the expense of the rural and the poor. In her book, Professor Baradaran traces several good banking movements (including credit unions and savings and loans) that were originally meant to provide banking services to a broader population than the banking industry did. She also traces the downfall of these various attempts, as they either transformed into the banks they were meant to supplement, or otherwise failed.

This book is an excellent primer on the history of banking in the United States, as well as a compelling argument for a significant political proposal. I read this book with a couple of different brains. One was the brain of a girl who grew up "middle class poor" and experienced a lot of the instability Baradaran describes among the unbanked or working poor. In my understanding of our family's struggles, lack of credit was never a consciously felt harm. When we were strapped for cash, we never wondered how to get a loan or went to a payday lender--we either got help from our family, or we got evicted. If there had been an option to go to the post office and get a \$300 loan to make rent this month, would we have used that? Would that have helped? If my single mom had atrocious credit, would we have been eligible? In my version of poverty, the philosophy was ALWAYS to find some way to go without rather than incurring any debt, but I realize now as an adult that debt is a key path to many for building enormous fortunes. I'm left with a question--is debt ever anything but a death sentence for the poor? The answer to most of these questions is "I don't know." My poor person brain sees this whole notion of providing easier, safer access to credit to the poor as just a tiny band-aid on the problem of poverty, and lands me back at the conclusion that fighting capital directly through organizing workers is the best bet the working class in this country has. Postal banking seems like it would be a helpful addition, but not a vehicle for structural change. The other brain I used to read this book, though, was my history major, political brain, and that brain just ate it up.

The book has a very good history of banking in the U.S., but her main theme is based on a conflated model of banking that only someone isolated in an ivory tower could come up with. She claims banking has been based throughout much of our history on a "social compact" between

banks and the government authorities that charter them. She describes this compact as requiring private businesses to benefit the public but not themselves. She claims this compact was changed during the Clinton and Bush administrations and now banks only care about profit. Banks must get regulatory approval for many things and she says that approval should only be given if it benefits the public and not if it only benefits the bank. As an example of the abandonment of the compact, she mentions an application approved by the Federal Reserve that only allowed the bank to compete more effectively. I am a former regulator. A bank application would certainly be disapproved if it would harm the public, but it has never been the case that a change that would help the bank operate more efficiently or profitably could not be approved unless it somehow directly benefited the public as well. All bank regulators have always closely monitored bank profitability and always will. A bank that is not profitable could fail and a failed bank causes a lot of harm to its customers, shareholders, creditors and the community it serves. A failed bank can't serve any public needs or convenience. Conversely, the public always benefits if a bank serving that community is stable and financially sound and able to continue serving its customers in all economic conditions. A competent regulator would not deny an application that would benefit the bank unless it would harm the public.

[Download to continue reading...](#)

How the Other Half Banks: Exclusion, Exploitation, and the Threat to Democracy Bye Bye Banks?: How Retail Banks are Being Displaced, Diminished and Disintermediated by Tech Startups and What They Can Do to Survive Exclusion & Embrace: A Theological Exploration of Identity, Otherness, and Reconciliation The Faith of the Outsider: Exclusion and Inclusion in the Biblical Story At America's Gates: Chinese Immigration during the Exclusion Era, 1882-1943 Half Bad (The Half Bad Trilogy) Sexy Picture Book of a Naughty College Girl's first soft Striptease: Erotic half-nude pics of a young woman's half strip Half Wild (The Half Bad Trilogy Book 2) Half Wild (The Half Bad Trilogy) Plunder and Deceit: Big Government's Exploitation of Young People and the Future Ecology of an African Rain Forest: Logging in Kibale and the Conflict Between Conservation and Exploitation The Poverty Industry: The Exploitation of America's Most Vulnerable Citizens (Families, Law, and Society) From South Texas to the Nation: The Exploitation of Mexican Labor in the Twentieth Century (The David J. Weber Series in the New Borderlands History) Hacking: The Art of Exploitation, 2nd Edition The Valuation of Financial Companies: Tools and Techniques to Measure the Value of Banks, Insurance Companies and Other Financial Institutions (The Wiley Finance Series) Banksy. You are an Acceptable Level of Threat and If You Were Not You Would Know About it Rise of the Robots: Technology and the Threat of a Jobless Future Dark Pools: High-Speed Traders, A.I. Bandits, and the Threat to the Global Financial System Cyber War: The Next Threat to

National Security and What to Do About It Overconnected: The Promise and Threat of the Internet

[Dmca](#)