

The competence of cookie banks

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I think it was when the big national bank lost my mother that I first began to realize I would be better off doing business with a small local bank.

The recent blizzard of incompetence atop today's biggest banks has made me happier than ever to be doing my banking with people who live in the same town. For one thing, they have more civilized ways of bribing me as a customer.

Oh, like the big banks, the people at my small local bank try to buy my affection. The big banks throw lavish Las Vegas parties for potential customers. The small local bank does something similar, though on a smaller scale. Several times a year, it gives cookies to me and to its other customers. And sometimes they have dishes of candy. If you don't take more than a couple of pieces they won't slap your fingers.

It's all a matter of scale. If you are a high roller with the potential of doing millions of dollars worth of business with a big bank, you get to go on extravagant junkets that may involve you in shady practices like arranging loans for people who are incapable of repaying those loans.

The best thing about the local bank is that it has never lost my mother. But some years ago, when I was doing business with a local branch of big chain bank headquartered in another city, my brother and sister and I were closing our late mother's business affairs. We inquired about some detail and, for a few days, the bank couldn't find our mother in its filing system.

Worse, when they did finally find her, she had been cut in two. They had part of her file in one cabinet and the other part in another cabinet. That's an untidy way to file a person's mother.

But that wasn't my only grudge against big banks. I was ahead of my time in that I lost faith in the banking giants long before today's spectacular failures. I dote on capitalism but I have a lot against people who are lousy at capitalism, especially when dealing with my money. The big bankers have done more to make capitalism look bad than Karl Marx.

When I was banking with the big boys, I applied for a home-improvement loan. The people who worked in the local branch of the big bank had known me well for

years. But they didn't have the final say about the loan. That decision was sent away to distant headquarters where someone who had never met me made the decision.

The decision was yes. But it took two months.

I finally realized I needed to shift my vast fortune of several hundred dollars to a locally-owned bank run entirely - top to bottom - by friends and neighbors who knew me well.

So the next time we needed a rumpus room alteration, I went to that local bank and applied for the loan. The loan clerk filled out the paperwork and took it to the bank president - who was sitting at a nearby desk in the same building. The president took a glance at the application and immediately said yes. I had the money two days later.

And they gave me cookies.

It's funny how a person's friends in life include the clerks and tellers and barbers, jolly, good-hearted people we see frequently who make us feel warm and fuzzy. I have exchanged quips and weather reports and family stories with the home-town bank personnel over the years to the point of recognizing them as friends - competent friends. President Obama should put them in charge of clearing the mess made by the overpaid hacks at the top of big banking.

That's especially true if Obama likes cookies.

Those cookies and the people who give them are worth more to me than extravagant junkets, more than a weekend in Las Vegas where the consequences of ethical incompetence among big banks doesn't stay in Las Vegas but infests the whole national economy.

Small community banks never offer trips to Vegas. They never offer me bloated loans I wouldn't be able to repay if I were crazy enough to want such a thing. And they keep their cookie costs low.

They are honest, frugal businesses and many of them are thriving.

There's a lesson in there for Congress and the big banks.

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