

**NCUA Board Member Michael E. Fryzel Remarks**  
**CUNA Governmental Affairs Conference**  
**Washington, D.C.**  
**March 21, 2012**

Good morning. It is a pleasure to be with you again at the CUNA Governmental Affairs Conference. Every time I come here I am re-energized by what I see and the people I talk with. I know you are as well and that you gain new energy from your exchange of stories and ideas.

This is one of the most important conferences of any kind in the nation. Where else can persons representing 91 million Americans -- nearly one-third of our population -- gather in harmony and good spirits to learn, listen, and discuss? Where else can persons gather to share ideas on how best to improve the nation's largest kind of self-help, not-for-profit, democratically run cooperatives? And, to also tell Congress, the Administration, and credit union regulators how you believe the whole system can be made better to serve those 91 million Americans, attract even more members, and improve financial services in countless communities from Maine to Kansas to Hawaii.

Credit unions began in many instances with a coffee can and just a handful of persons around a lunch table, putting up five, ten or twenty dollars. Credit unions now hold nearly one trillion dollars in deposits and are close to overtaking savings & loans by becoming the second largest sector of financial services in the United States. This is an astonishing achievement.

But, of course, achievement and work are in American blood; rooted deep within our DNA. Aristocracies in Europe believed that the most important factor defining your station in life was the family you were born into -- noble or peasant.

But America believed that what mattered most were the goods or the services you could deliver to others. It was what you could make or do that others wanted which defined your station in the world. To put it simply, it was the work you could accomplish in order to satisfy the demands of other people; the more you did, the higher you rose. In 1861, in an address before Congress 10 blocks from the building we are in today, Abraham Lincoln reflected on labor. Lincoln, who himself had split plenty of logs to build fences, said in defense of work: “Labor is prior to, and independent of, capital. Capital is only the fruit of labor, and could never have existed if labor had not first existed. Labor is the superior of capital, and deserves much the higher consideration.”

When Theodore Roosevelt rode on the train carrying him and the coffin of the assassinated President McKinley from Buffalo to Washington, D. C., in 1901, Roosevelt noted the respectful crowds that lined the tracks. He also noted that, once the train had passed, those same men and women did not linger or gather in groups for talking; instead they turned to go back to their work. Roosevelt’s biographer Edmund Morris wrote that Roosevelt had just observed “evidence of America’s passion for work, its impatient refusal to loiter a moment longer than necessary,” that America was “the most energetic of nations.”

In the emergency of World War II, Michigan automakers built on farmland outside of Detroit the Willow Run manufacturing plant that soon employed 40,000 workers. They built from scratch and rolled out to the wide factory door, one B-24 heavy bomber every 63 minutes; pilots waited at the door to taxi the planes to the runway and fly them off. And the Kaiser shipyard in Richmond, California, north of Oakland, worked around the clock to build 14-thousand-ton Liberty Ships from scratch to completely fitted with lifejackets in just 42 days; one they finished in four days and 16 hours. So amazing was the production of our factories that a manager at the Willow Run plant suggested inviting our enemies to on-site inspections of the production under the theory that upon witnessing it they would sign a peace agreement on the spot.

This was by no means the end of our astonishing success through work. Consider what the United States has accomplished since the end of World War II. It built up the middle class and educated a generation with the GI Bill, bound the nation together with a 47-thousand-mile interstate highway system, checked aggression on two continents, extended civil rights to women and minorities, sent men to the moon, landed a space craft on Mars as well as sending others past Jupiter and Saturn, and put a computer on the desk -- or in the purse or pocket -- of every worker in the nation.

Just as astonishing, the credit union movement built itself from coffee cans, a few people around a lunch table, and paper ledgers to a financial services system of \$950 billion in assets and 91 million American participants. It is the preeminent example of how people can succeed by cooperating, by setting as a mission to help one another.

Just think of what you have achieved in the last three years. You weathered a financial crisis larger than any since 1929. You repaired your own system, without costing American taxpayers a single dollar. You extended credit at a record pace when other financial institutions were drying up their credit. You saw some very dark days and you said we have the best financial services system in the nation and we are not about to let it fail our members and the American people.

You are the inheritors of this great tradition, of this great engine of growth, strength, and change. But you are more than inheritors, you are now the engine itself. The question is: What are you going to do with the opportunity that now lies before you? You could be timid and merely idle. Or you could put the pedal to the metal. I urge the latter. The opportunity is great: To show the rest of the nation that self-help, not-for-profit, democratically run cooperatives are the best means of helping *all* Americans gain access to high quality, low-cost financial services. Set your goal as having every American family have an account at a credit union.

When Lyndon Johnson addressed the United States Congress in November 1963 on the death of President John Kennedy, he said “This is our challenge. Not to hesitate, not to pause, not to turn about and linger...but to continue on our course so that we may fulfill the destiny that history has set for us.”

Let this be your challenge: Grow membership until you have every family in America using the cooperative services of a credit union. Show the nation and the world that credit unions focus not on profits but on raising the standards of living of their members and of their communities and that by virtue of their mission and their deeds they deserve the trust of all Americans.

But that is not the only challenge I think you should accept. If you believe in your hearts -- and I think you do -- that not-for-profit, democratically run cooperatives, are a model for championing the classic can-do work ethic and achievement that has distinguished America since its founding, then take the reins and lead the way.

If you believe that America is still the strongest and most resilient nation in the world then you must show it by being the strongest and most resilient sector in financial services.

If you believe that America can again produce the goods and services that people will demand worldwide, show it by producing the products and services that are of the highest quality and the lowest price.

If you believe that America rose to its great level of achievement because of people helping people, show it by being the preeminent people-helping-people organizations in the nation.

If you believe that America can employ all its people who want to work, then lead the way by helping businesses and building communities.

If you believe that America can again achieve greatness, lead the way.

You all know the Margaret Mead quote: “Never doubt that a small group of thoughtful, committed people can change the world. Indeed it is the only thing that ever has.” You are not a small group. You are a large group, but holding an idea -- self-help, democratically run cooperatives -- that has yet to gain the traction it deserves in our huge economy. You have shown that people helping people is a way to success and to build strength. Now use your strength to take bold steps.

Now is the time for credit unions to make their move. You have weathered a bad storm and come out the stronger for it.

Take this moment to show and to lead America back home with the values and work ethic that made it the greatest nation in the world.

Take this moment to show and to lead America back home to the pride in itself and its achievements that have marked its history.

Take this moment.

I urge each of you to do your part, as members of the premier financial service movement in the country, to use the credit union philosophy to bring America home to its tried and tested values of work, achievement, and helping others.

Thank you for listening and may God bless America.