

# The credit card

## THE CREDIT CARD the 30-second history

It all began with a lost cheque book. Financier Frank McNamara was having lunch with his friend Alfred Bloomingdale at Major's Cabin Grill restaurant, next to the Empire State Building in New York City, when they found neither of them had enough cash to pay the bill. The story goes that McNamara had to phone his wife and ask her to drive round with some money. But it was also a revolutionary moment. The two men spent the rest of the meal discussing an idea that could prevent that kind of inconvenience arising again. The following year, in 1950, McNamara launched the Diners' Club, the world's first credit card. But the real shift happened eight years later when a Bank of America middle manager, Joe Williams, organized the famous Fresno Drop, which involved sending 60,000 credit cards out to the inhabitants of Fresno, California, whether they had asked for one or not. It wasn't just the beginning of credit cards in the mass market – it was also the beginning of easy credit for the masses in the United States, which kick-started the consumer revolution. The Diners' Club was an immediate success but McNamara sold his interest a couple of years later and his business is said to have lost a great deal of money in the property market.

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### 3-SECOND BIOGRAPHIES

**EDWARD BELLAMY**  
1850–98

American writer who first imagined credit cards in his novel about the year 2000

**FRANK MCNAMARA**  
1917–57 \*

American financier who launched Diners' Club and the whole idea of credit cards

### 30-SECOND TEXT

David Boyle

*The idea for the credit card began in a restaurant and now almost everyone in the developed world uses one.*

**3-SECOND SURVEY**  
Credit makes money a flexible thing; credit cards made what was once just for the wealthy available to almost everyone – at a price.

**3-MINUTE OVERVIEW**  
If McNamara produced the first credit card, the idea emerged much earlier in an 1888 futuristic novel by American writer Edward Bellamy, called *Looking Backward 2000–1887*.

He imagined that everyone would get a money card on which the government would load their monthly allowance. The book was highly controversial and the British artist William Morris was so horrified that he wrote his own version (*News from Nowhere*) without credit cards.

