

The Plattsmouth Journal

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THAT legend "In God We Trust," which used to made the dollar of the daddies good, has given away to more practical, the commercial "trust" in the banks.

Now that the election is over it is to be hoped that the hens will begin to lay. We want a pumpkin pie for Thanksgiving, and it takes eggs to make pumpkin pies. Yum! Yum!

JUDGE TRAVIS carried every ward in Nebraska City, both first and second Sacauce precincts, and both north and south Paimyra. Judge Jessen's own ward went against his friend Root.

THE secretary of the U. S. treasury admits that he cannot distribute the surplus drawn from everybody's business so as to satisfy everybody. Then why go on drawing it from business?

Now is the time to stand by your bank if you want your bank to stand by you in leaner times. Keep up your balance, deposit your unnecessary currency and show yourself a good citizen. The velocity of bank circulation is almost as important as its volume, and no sensible man should in these times hobble a dollar in its movement.

THE democrats of Otoe county elected Finigan district clerk, Young for county clerk, Wilson for county judge, Pierce surveyor, while the republicans get the balance. The greatest surprise was the defeat of Donovan for re-election to the office of sheriff.

THE Journal is informed that the foreman of the Hugh Murphy quarry, near South Bend, refused to permit the employees under him to go to polls Tuesday to vote. Such contemptible human beings are worse than the slave-drivers in the days of slavery in the south.

GOVERNOR SHELDON is unfavorable to an extra session of congress, and is in favor of a third term for Roosevelt. A blind man can see his reason for the latter. The governor has evidently come to the conclusion that Teddy is the only republican that can be elected.

A PHILADELPHIA paper "founded by Franklin A. D. 1728" circulates westward to some extent with the editorial conclusion that politics would be purer "if the people elected just one officer, charging him with full authority and complete responsibility." The answer has been in cablegrams from Berlin announcing that the German people think of the purity of this system, as it has been represented by the Eulenbergs and Moltkes, who made their "charmed court circle" around the Kaiser as a representative of this Philadelphia idea.

If Secretary Cortelyou would get west a bit more frequently he might grasp the fact that the United States are not bounded by the Atlantic Ocean and the Alleghany mountains. No New York man living in the national capital can altogether escape the influence of the Wall street atmosphere, so the Secretary of the Treasury, like other federal officials, seems to think that the eastern frontier is about all there is to this country worth thinking about. All the rest of it is expected to go on in paying in currency for shipment east without getting any back in return.

THE greatest difficulty in the way of the federal incorporation of great interstate corporations, proposed by Governor Cummins, of Iowa, is that it would be unconstitutional, as he admits, and that the amendment which would make it lawful will be long in coming. Another is that his well-meant scheme could not be made to work as he has planned it. Governor Cummins shows a better appreciation of our dual system of government than President Roosevelt has done in seeing the necessity for safe-guarding the rights of the states to regulate business or transportation done wholly within their own limits. His words on this subject coincide with what the Journal has repeatedly said. His desire to preserve the rights of domestic regulation for which the people of the south and of other states are contending, could not, however, be realized under any form of federal incorporation. Under the existing system the state of Nebraska possesses, and exercises, the right to name the conditions upon which a corporation chartered in any other state shall do business in Nebraska. An undesirable corporation it can exclude altogether by refusing it a license, or by revoking a license once granted. This important right the state would lose in the case of a corporation created by the federal government. Congress would license the corporation, and it would thereby be authorized to do business in every state under the same conditions. The objection to such a system is that certain corporations might be welcome in half a dozen states, and highly objectionable in the others. There is no occasion for an amendment to the federal constitution such as Governor Cummins desires.

In less than sixty days we will never know that there has been a financial flurry.

UNDER our strenuous administration they called it a financial "flurry." Under Cleveland they called it "panic." It spells just the same in Dutch.

THE Burton screw is no longer loose in the Taft machine in Ohio. It has dropped completely out and Mayor Johnson, of Cleveland, has it in his vest pocket.

CARRYING three of the six states in which governors were elected, and certain to recover another, the democracy has reason to be satisfied with Tuesday's work. It gives excellent promise for the future.

ONE financier's exclamation, "Hell's to pay in New York," is given a speedy answer by the Houston Post: "Make out a clearing house certificate for the debt at once. The country has no money to burn just now."

THERE seems to be quite a lot of building and improvement going on in this locality, all of which is proof positive that our people do not fear any panic, and as long as we don't fear it we will have no panic.

Notwithstanding that the banks are going to the wall through the country, the banks in Plattsmouth are solid as a rock. And the best of it is that the people have absolute confidence in their integrity.

THE calamity which has overtaken Kentucky in a breaking out of its republicanism is not confluent. It is merely the varioloid form, which leaves few marks and makes the temporary sufferer immune from future attacks.

OUT of the large number of lady candidates for county superintendent of schools. Miss Jennie Weeth, candidate upon the democratic ticket in Sarpy county, was the only one defeated. Shame on the democrats of Sarpy county.

PRESIDENT ROOSEVELT may be still in possession of his "profound conviction" that he is entitled to name the Mayor of Cleveland from the White House. In that event Cleveland probably will be willing for him to keep it for his own personal comfort.

WHEN money raised by unnecessary taxation cannot be spent in colonial fortifications or in powder fast enough to prevent an unnecessary surplus from being locked up out of the reach of business it explains what Jingoism means when he says: "We've got the ships, we've got the men, we've got the money, too."

THE News desires to congratulate the gentlemanly male residents of Cass county. They refused to vote for Editor Farley, but wisely chose Miss Foster for county superintendent of schools. The News has long had the pleasure of Miss Foster's acquaintance and we are sure the voters of Cass made no mistake in placing her at the head of schools of Cass county. —Nebraska City News.

THE Fremont Tribune thinks that the old Populist idea of government warehouses for crops upon which to issue currency doesn't look so bad now. Well, well. In addition to laying themselves open to the charge of "stealing all the democratic planks," are the republicans going back to resurrect the old Populist platform also?

THE gain in New Jersey and the holding of Maryland and Rhode Island put the democratic party in good shape to make a strong fight in the presidential election of next year. It refutes the silly claim of republicans that theirs is the only party which has a chance to win in 1908. It destroys the fiction that the democracy has become a party local to the south.

THE republican party as a whole is making no demand for Mr. Taft to hurry back from Asia. Speaker Cannon is now ready to take charge of Republican interests in this country, and as the returns of November this year indicate that the next House of Representatives will not need a republican dictator Speaker Cannon can give his whole attention now to substituting himself for Mr. Taft as a party dictator for the department of the exterior.

THE most extraordinary case of "prosperity failure" appears in the New York divorce suit not yet decided where the petitioner alleged that when he failed for lack of ready money, his wife had \$2,500 in cash assets accumulated from his pockets at night as the result of her saving habit during thirty years. The case is unfortunately too late for the Federal census which is to sum up all possible causes of matrimonial failure as another forward step in the process of bringing the wisdom of Washington to bear on everything, possible and impossible.

LOOK at the broad acres of yellow corn, the golden pumpkins, the fat sleek cattle on the prairies, the busy bidders in the barnyard, the \$125 mules and the \$250 mares, the tons and tons of finest hay, and the thousand and one things we have in Nebraska to coax the dollars from the grasping millionaires of the pampered, pap-fed east, and then

ask yourself in reason why should we talk of a panic because the enemy gamblers of the east have fallen out over the fleece of the lately sheared "lambs?"

New York bankers seem to be growing more cheerful. Good!

"HELP thy neighbor as thyself!" Spend your surplus currency with your home merchants, and you will be doing this.

THANKSGIVING only about two weeks off, and it is said that turkeys are very scarce, and what there is are roosting very high in the financial tree-tops.

IT is good indeed to hear that Wall street is "more cheerful." Having already regained confidence with the assistance of Secretary Cortelyou, it will soon become cheerful enough, no doubt, to begin to use its unprecedented roll of United States government assets to pay its debts to those who created the assets.

WHILE the Washington officials who handle the unnecessary surplus are discussing the disinterestedness of their motives in using it to relieve the distress of those who did not pay it into the treasury, unnecessary taxation keeps up its continuous strain in demands for more money from the business of those who do pay it.

WITH Roosevelt president, with splendid crops and General Prosperity riding up and down of the rivers, creeks and hollows in the country, this threatened panic should cause some people to put on their thinking caps and sit up and take notice of events. Now if Cleveland was responsible for the panic of 1893, wouldn't it be just as reasonable to believe that Roosevelt is responsible for the present panicky financial condition? "What is sauce for the goose is sauce for the gander!"

THERE is one reason, if for no other, why the state capital should be removed from Lincoln. It would be the means of "weeding out" a lot of old political rats that have grown gray pap-sucking in and around the state house. Some times they remove houses to get rid of rats, and if the removal of the seat of government will rid the taxpayers of the two-legged rats that have rendezvoused around the state house for lo, these many years, and grown fat at the public crib, for Lord's sake remove the capital.

THE campaign is over and the News would like to ask a question that it has asked before but never received an answer. Here is the question: Why should a state official be paid his salary in advance? Just why a state official should be permitted to draw his salary three months in advance and for services he has not rendered, is something we could never understand. Here is an opportunity for republican papers to do some explaining. —Nebraska City News. But will they? Not much. Suppose a state officer draws his salary three months in advance, and dies in two weeks afterwards—who is the loser? The taxpayers of the state, or his successor in office? There is no law for such procedure, and such a custom should cease. Usually a laborer is satisfied to get his salary after he earns it. And why not state officials?

THE reason for the big advance in paper is the formation of a merger which proposes to take in all the mills of the country. Once this is accomplished the newspapers will be at the mercy of corporate greed. In connection with this matter we note that many papers—republican as well as democratic—are clamoring for the removal of the tariff from wood pulp as a means to keep the price of printing paper within reasonable bounds. A delegation of the leading publishers of the country appeared before President Roosevelt a few days since to enlist him in their behalf, and he promised to aid them in their effort to have such tariff removed. The move is a good one but it is too selfish. If the taking off of the tariff will cheapen paper to the publishers, will not the taking off of the tariff also cheapen clothing and food products to the consumers? We are in the publishing business and want our raw material as cheaply as we can get it consistent with the interests of those who produce it, but that interest should not be so protected by law that it can lay its extortionate hand on us and make us pay tribute far in excess of a legitimate profit. And that is exactly what all of our highly protected interests are doing. And what is better still, the people are beginning to see it. Mergers, whose other name is trusts, are designed to destroy competition and their best ally is a protective tariff.

ONE way in which everyone can aid in the alleviation of present financial conditions, locally speaking, is to spend your surplus cash right here in Plattsmouth. Of course there may be certain articles that is impossible to get here. Yet, while this is the fact, there are many articles you have been in the habit of going to Omaha to purchase, that can be bought here. All money possible should be kept at home for local circulation. Other towns are doing this, and why not Plattsmouth? Buy at home, pay out what currency you have at

home, and we will have no trouble in getting along until the present financial conditions in the land pass over. Every person can help some, and they should do so in the manner suggested by the Journal—send no money away from Plattsmouth for goods that can be had at home.

PRESENT FINANCIAL TROUBLES

An Idea of the Situation and How It Applies Locally

There are many people who do not understand why financial troubles should exist at the present time when the west is teeming with plenty of the products that should bring plenty of money and prosperity westward. The explanation is plain enough when the average reader can fully understand the mode in which the banking business of the country is conducted. In the present state of affairs Wallace's Farmer hits the nail on the head when it says that the practical suspension of currency payment on the part of the banks of the principal cities of the west no doubt came as a rude shock to most western farmers and business men. While everybody in the west knew that New York was having quite severe financial trouble, it had not been supposed that it would effect western interests to any extent. The action of the New York banks suspending currency payments there, however, brought trouble to us in the west very quickly. We will endeavor to give our readers a working idea of the situation at the present time.

Banks in small towns and villages do not for obvious reasons care to carry any large surplus of cash in their safes. Whenever, therefore, they accumulate more cash in their safes than they need for the ordinary conduct of their business they send the surplus to a bank in some convenient nearby city, Omaha, for example. The Omaha bank pays them a small interest on this surplus cash and stands ready to send it back to the country bank whenever the latter calls for it, by letter, phone, or telegraph.

Banks in cities like Omaha, in turn, keep their surplus cash in the larger banks in the same city, or in Chicago, or New York, and when they need this they call upon the banks with which they have it deposited.

The Chicago banks in the same manner send the surplus cash to their correspondent banks in New York City.

When business is running along in a normal way the money flows back and forth between these different banks as it is needed to meet the business transactions of the country.

The country banker finds that his cash on hand is running lower than it should to meet the demands of his customers so he calls up the Omaha bank in which he has surplus deposited and tells it to send out by express five thousand or ten thousand or more dollars in cash. The Omaha bank in turn calls for some of its surplus cash from the bank in Chicago with which it is deposited, and Chicago calls from New York. This is the best and safest way for the banks to handle their cash.

For some weeks past there have been panic conditions in New York. These conditions grew worse until the people became frightened and began to draw their money out of the banks and store it away. This caused several small banks in New York to close their doors, not because they were not sound financially, but because they did not have enough cash on hand to stand a run. The closing of these banks frightened more people and the situation grew daily worse until the banks of New York got together and determined to refuse to pay out money, but instead to pay demands for cash in clearing house certificates, checks and drafts. In every large city the banks organize what is known as the clearing house. The strong banks in the city, and, in fact, practically all of the banks, are members of this clearing house. It keeps track of the conditions of each bank and stands ready to help any bank which belongs to it and which for any reason gets into financial difficulty. Next week we will explain more fully the purpose of the clearing house. For the present it is only necessary to say that a clearing house certificate has back of it the combined resources of all the banks which belong to the clearing house. It is like a check drawn by a man who has money in the bank to pay it—absolutely good, and for all practical purposes just as good or better than actual cash.

On Saturday the New York bank notified the Chicago banks that they could not draw their surplus cash which they carried there, except in drafts, checks, or clearing house certificates; in other words, the New York banks told the Chicago banks that they could not have the actual money which they had on deposit there, but they could have the evidence of the money in either of three forms mentioned. The Chicago Clearing House Association met to determine what should be done in the matter. They found themselves in the position of being called upon to furnish the money they had belonging to other banks but not being able to get their own money which they had on deposit in the New York banks. Under this condition of

affairs it would only be a question of a short time when the money in the Chicago banks would be taken out, and none coming in to replace it. The Chicago banks, therefore, determined to adopt the policy of the New York banks and suspend the cash payments. This passed on the trouble to the banks in cities like Omaha which carry a balance in the Chicago banks. They in turn found themselves in the situation of being unable to call in the money which belongs to them in the Chicago banks, and unless they took measure to protect the cash they had in their own vaults at that time it would soon be paid out and none coming in to replace it. Therefore, the Omaha clearing house adopted the same policy and notified the people of the state that no money would be sent out, but that drafts and checks would be issued as heretofore. This passes the trouble on to the country banker; he has cash in the Omaha banks, but on the adoption of this resolution by the clearing house cannot get it; he may have \$50,000 in one of the Omaha banks but if not able to draw a cent of it. Unless the country bank happens to have in its safe enough cash to meet the needs of its customers the customers will find themselves in the same position as the banks—they will have the money deposited but they cannot draw it out.

The foregoing is a plain statement of the actual situation. The question that will arise in the minds of our readers is, What am I going to do about it? Our answer to the question is, You should do nothing about it. Just go right ahead and attend to business the same as usual. Do not go to your banker and draw out your money. This is the worst possible thing that could be done. Don't get excited; it will not help matters a bit. Simply go right along in the usual way until this flurry blows over.

It is of the utmost importance that every farmer in the west keep level-headed and avoid giving way to panic or inciting panic in others. The agricultural people were never in better shape than now. They owe less and have more money in the banks. So far as we know the banks were never in better shape. The world needs everything that is produced on the western farm, and will have to pay a good price for it. The soil remains, the climate remains, the means of transportation remain, the world's wants in the way of grain and meats remain, and the farmer has the wherewithal to supply them.

Untold disaster will certainly result if farmers and business men who have deposits in the bank make a grab for them and hide them away or put them in old stockings. The thing to do is to transact all your business through checks until this flurry is over. If you owe anybody and have money in the bank, give him your check. If he wants to pay someone else part of it, let him deposit it in the bank and pay with his check. We really do not have need of any currency for small change.

The place where the currency serves the country best in the banks. If this course is pursued there can be no serious disturbance, only inconvenience, which will pass away in due time; and the more cool-headed farmers and others are the sooner it will pass away. Bear in mind that 95 per cent and more of the business of the country is done through checks and drafts anyhow. One hundred per cent of it should be so done for the next few weeks, and we hope by that time that everything will go on just as it has been.

Havelock Items.

The following items were clipped from the Havelock department in the Lincoln News: G. R. Olson, of Plattsmouth, was in Havelock for a short time yesterday on business. R. B. Windham, of Plattsmouth, was in the city yesterday, looking after some business interests. This week the nine hour rule went into effect at the shops. Ten hours has been the schedule for several months. Charles Messersmith and wife, who were recently married in Friend, are in Havelock, visiting Mr. and Mrs. Joel Messersmith, the groom's parents. They will make their home in Lincoln.

Returns from Dakota.

Mr. and Mrs. Robert Troop, who have been living in Gregory, S. D., during the past summer, on their farm there, returned home this evening and will make their home at their place south of the city, which they have had rented to Joseph Peters, Mr. Peters having built a place in the city, and will occupy it soon, moving there the first of next week. Mr. Troop thinks that the country where he has been living one of the finest farming districts to be found. Grains of all kinds grow in abundance, though the seasons are a little short for the full maturing of the larger varieties of corn. They grow a kind which yields a good crop and matures in time to get out of the way of frost.

A Reliable Remedy for Croup. Mrs. S. Rosenthal, of Turner, Michigan, says: "We have used Chamberlain's Cough Medicine for ourselves and children for several years and like it very much. I think it is the only remedy for croup and can highly recommend it." For sale by F. G. Fricke & Co.



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Plattsmouth, Nebraska

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Two good five-room cottages with lot and barn each near the shops \$800
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