

EARLY BANKS IN NEBRASKA

Foundation of the Great Financial Bulwarks of the State. ONCE A CRIME TO ENGAGE IN BANKING

First Legislature Made the Business Illegal and Then Provided a Way for Eviction of the Law. Few people know that at one time banking was a crime in Nebraska, and was punishable under the laws of the territory, as the following extract from the criminal code, passed by the legislature at its first session in 1856, will show.

Section 1564. Every person who shall subscribe to or become a member of, or be in any way interested in any association or company formed for the purpose of issuing or putting into circulation any bill, check, ticket, certificate, promissory note, or other paper of any bank to circulate as an extent of any territory, shall be punished by imprisonment in the county jail not exceeding one year, or by a fine not less than one thousand dollars.

The history of early banking in Nebraska bristles with many tales of disaster, but some financial institutions were founded at an early day which are still in existence, although in all cases the names have been changed, and in many cases changes in name have occurred several times.

Henry W. Yates, president of the Nebraska National bank, in a history of early banking in Nebraska speaks of the companies which caused banks to spring up in what was then very near a wilderness. He says:

"The organization and settlement of new states and territories supplied an exceptional opportunity for the increase of bank currency. Not only was capital in demand in these new sections to an extent which invited the issue of credit money, but another favorable feature was added. The more inaccessible the place from which the notes were issued, the more desirable became that place for the establishment of a bank, and in this manner the names of places, which in fact had scarcely any existence, became familiar throughout the country by reason of their bank notes.

"Nebraska opened up a magnificent field for this kind of business. There were no railroads within hundreds of miles, and travel by way of the Missouri river was slow, uncertain and consumed too much time to give the note issuers much concern or anxiety. To the currency attraction was also added that of speculation in town lots, and the two often went hand in hand.

Evading the Stringent Law. Notwithstanding the passage of the anti-banking act by the first legislature, banking thrived from that time forward in an uncertain sort of way. Other sections of the same act prohibited citizens in any manner from issuing notes under penalties, and declared void all such notes and obligations given to such companies contrary to the preceding sections. In the face of all these safeguards thrown about the people, however, several charters were granted at the same session, which, while purporting to be for insurance business, were really intended to cover banking.

The first one granted was that issued to the Western Exchange Fire and Marine Insurance company of Omaha. Later this institution occupied a very prominent position among the currency banks and became the official depository of the territorial government. The only words in its charter which could possibly have authorized banking were: "to receive deposits and issue certificates therefor." Consequently all its bank notes were issued in the form of certificates.

Kountze, Millard and Others. Kountze Brothers & Co. organized the First National Bank of Omaha in August, 1856. This was one of the first national banks organized in Nebraska. It was a national bank in the true sense of the word, and was organized at an earlier date than any other national bank in Nebraska until 1856, when it was merged with the national bank organized by the late J. A. Ward, National Bank in Denver and Central City, Colo., in 1862. During the construction of the Union Pacific the Kountze Brothers also opened a bank in Cheyenne, but this bank retired from business in a short time.

Later, Kountze Brothers, J. A. Ward, Kountze, opened a bank in his own name at 22 Wall street, New York. Later he was joined in the New York business by his brothers under the name of Kountze Brothers.

The name of the banking house of Barrows, Millard & Co. was early changed to Millard, Caldwell & Co. In 1865 the two Millard brothers withdrew from the firm and established the Omaha National bank, and the private banking house adopted the name of Caldwell, Hamilton & Co. This name was used until 1882, when the United States National bank was organized, and the private concern was merged with that institution. Ezra Millard withdrew from the Omaha National bank in 1884 and organized the Citizens National bank, which he retained until his death in 1890. J. H. Millard succeeded his retiring brother as president of the Omaha National, and still continues in that position.

A branch bank of one organized in Nebraska City was opened in Omaha in 1868 under the name of J. A. Ward & Company. Ward's bank in Nebraska City failed in 1872, but in 1870 the Omaha branch had been purchased by ex-Governor Saunders. Frank Murphy, B. B. Wood and others, and organized into the State Bank of Nebraska, which later became the Merchants National Bank of Omaha.

Special Banking Charters. The session of 1856 was prolific of bank charters. As banking was made unlawful under the criminal code, special charters were required from the state by concerns desiring to enter the field of banking. At this session the following banks came into existence: Bank of Nebraska, at Omaha; Platte Valley bank, at Nebraska City; Bank of Florence; Nemaha Valley bank, at Brownville; Fontenelle bank, at Bellevue. At the session of 1857 the following were added to the list: Bank of Tekamah, and Bank of the Soil. There were all the specially chartered banks doing business in Nebraska at this time. The last two banks named were chartered over the governor's veto, but six applications were made for charters which did not pass so readily, as the bills characterizing them were killed by the power of the veto of the chief executive of the state.

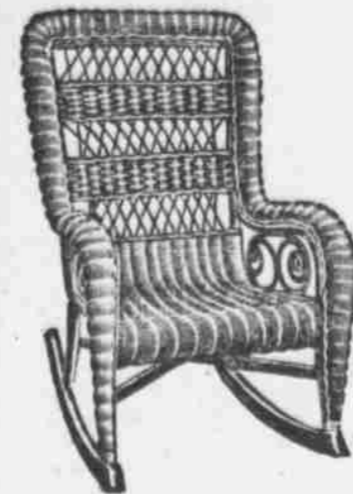
The banking business was finally made legal in the state by a repeal of the criminal code in its entirety. Later an amendment was passed exempting banking, thus retaining the law which made the business a criminal offense, but in the meantime a number of banks had been established and were transacting business.

A very interesting collection of bank currency issued by these institutions may be seen in the Byron Reed collection in the public library.

Example of Early Failures. The first of the early banking institutions organized in the state, namely, the Western Exchange Fire and Marine Insurance company, were: Thomas H. Benton, president; Leroy Tuttle, cashier; A. U. Wyman, assistant cashier. The two latter officers of the institution afterward became assistant treasurers of the United States and Mr. Wyman was later United States treasurer. For many years he was president of the Omaha Loan and Trust company in this city, which concern but recently retired from business. The bank in which Mr. Wyman was first connected failed in 1858. At the time of its failure it held assets amounting to \$38,683, the principal part of which was in notes and bills receivable. The cash on hand amounted to \$191.00 in specie and \$121 in bills of insolvent banks. It is said that nothing was ever realized for the creditors of this institution out of the notes and bills receivable.

David H. Moffat, now a millionaire banker and railroad man of Denver, was closely identified with the second bank launched upon the financial sea in this vicinity. He was teller of the concern. The name of the second venture was the Bank of Nebraska. It collapsed in 1859. It is said that it paid all of its liabilities, and that all of its notes, bearing the name of B. F. Allen, its president, were redeemed by his Omaha agents in full. He was the wealthy Des Moines banker, who afterward moved to Chicago and lost his fortune in the failure of the Cook County National bank of that city. Allen and his associates transferred their interests in the Bank of Nebraska to other parties, who attempted to continue the business, but it proved a failure in the end.

Richard & Wilhelm Carpet Co. SPECIAL SALE of manufacturers' surplus stocks. drop patterns and sample lines. A splendid opportunity is now placed before you. Extraordinary offerings in reliable housefurnishings. Reliable tellings of facts and genuine price reductions.



Furniture \$4.50 Rattan Rocker, like cut, heavy roll arms and back and roll rattan seat, strongly braced, with scroll work under the arms—in this special sale—each 2.95 \$6.00 Imitation mahogany Arm Parlor Rocker—special 4.75 \$7.50 mahogany finish large Arm Rocker—special 5.00

Stock Reduction Sale of Draperies Upholstery goods for curtains and recovering furniture comes in for its share in the Stock Reduction Sale. 500 yards of Upholstery and Curtain Tapestry Goods—each yard 1.15 and 2.00 per yard—Stock Reduction Sale price 79c

Dresser Like cut, made of select quarter-sawed oak, highly hand polished, has large oval French bevel mirror—a very special dresser at a special price—each 19.00

\$10.00 Golden Oak Arm Chair, finely finished and carved—special 7.50 \$6.00 Golden Oak Arm Chair, highly polished, neatly carved—special 3.50 \$20.00 solid mahogany Arm Chair, initial sack—special 13.50 \$6.50 mahogany finished Parlor Rocker—special 5.00 \$10.00 mahogany finished Rocker, initial back—special 8.75 \$11.50 mahogany upholstered seat Rocker—special 9.00 \$8.00 mahogany upholstered seat Rocker—special 6.75 \$6.50 mahogany finished Rocker, mahogany panel back—special 3.95 \$7.00 golden oak Arm Chair, high back—special 5.75 \$3.25 solid oak Arm Rocker, high back—special 2.85 \$2.75 Arm Rocker, wood seat, embossed back—special 2.00 \$2.50 Arm Rocker wood seat, embossed back—special 1.85

French Tapestry—all 50 inches wide—choice colorings and designs, lengths from 2 to 6 yards—regular price up to \$2.50 per yard—special—per yard 1.35 Wall Tapestry. Upholstering Goods, Portiere Goods—new styles—some our own importation—worth \$3.50—special—per yard 1.95 Silk Goblin Tapestries—very serviceable for upholstering—style for wall covering and portiere—worth \$4.50—special—per yard 2.95 Wool Tapestry—French Crochet weaves—good styles—worth up to \$6.75 per yard—special—per yard 3.50

Chiffonier To match above dresser, with top measuring 20 inches deep, by 30 inches long, has pretty French bevel oval mirror, made of quarter-sawed oak, hand polished, special... 17.50 Other very special dressers in this sale in curly birch, bird's-eye maple, oak or mahogany. Curly birch dresser with swell front, very large French bevel plate mirror. A sample dresser that in the regular way would sell for \$48.00, our special price... 35.50 Mahogany dresser, serpentine front, standard, neatly ornamented with carving, very choice design, pattern French plate mirror. A sample dresser, in the regular way would sell for \$40.00, special sale price... 27.00 Bird's-eye maple dresser, full swell front, very pretty pattern mirror, a sample piece and special... 28.50 Chiffoniers in oak, bird's-eye maple and mahogany in this special sale.

Special Sale on High Grade Iron Beds

\$34.00 heavy design Iron Bed, ivory finish with gold trimmed chills, heavy brass work—special... 27.50 \$23.00 four-post Iron Bed, in the ivory finish with gold trimmed chills, protected brass work—special... 18.75 \$50.00 Iron Bed, very heavy, massive design, fine ivory finish with gold trimmings and richly ornamented with brass work—special... 41.75 \$28.50 Iron Bed, massive design, richly ornamented with brass trimmings—special... 21.00 \$43.00 Iron Bed, massive design, porcelain, light blue and gold trimmed, richly ornamented with brass scroll work—special... 35.00 \$45.00 Brass and Iron Bed, with heavy chair seat, massive design, in blue and gold with brass ornaments—special... 38.00 \$32.00 Iron Bed, with the square upright filling of brass, iron work finished in blue and white—special... 27.00

Carpets \$1.30 Velvet Carpet—beautiful patterns in the new spring designs and latest color combinations—with or without border—in this special close-out sale—per yard in Axminster Carpet—high grade goods in Saxony Axminster—choice patterns and colors—regular \$1.30 goods—special in this sale—per yard... 95c Cream Grass Matting—the regular price of which is 60c per yard—in this sale we offer all of our Cream Grass Matting—special—per yard... 39c Japanese Cotton Rugs—greatly reduced in price for quick selling—\$3.00 6x7-foot Rug reduced to... 3.50 \$15.00 6x7-foot Rug reduced to... 10.50 \$30.00 7x10-6-foot Rug reduced to... 19.00 \$32.00 8x12 Rug reduced to... 21.00

Dining Tables \$30.00 Round Top Dining Table, made of select quarter-sawed oak, with new design—special... 24.75 \$25.00 Round Top Dining Table, quarter-sawed oak, golden finish—special... 21.00 \$12.00 quarter-sawed Oak Top Dining Table, special... 8.75 \$17.00 quarter-sawed Oak Top Dining Table, fancy design—special... 13.75 \$30.00 Pillar Dining Table, in weathered oak, special... 25.00 \$38.00 Mission pattern Weathered oak Dining Table, special... 33.75

Porch & Lawn Furniture

Special showing of Porch and Lawn Furniture, displayed on our main floor. \$1.50 Porch or Lawn Seat, 42 inches long—special... 1.20 \$2.00 Porch or Lawn Seat, in red or green, 4-foot—special... 1.50 \$2.40 Porch or Lawn Seat, in red or green, 5-foot—special... 1.75 \$2.80 Porch or Lawn Seat, in red or green, 6-foot—special... 2.00 \$8.00 Lawn Swing, four-passenger, special in this sale—each 6.75 Other special values in Porch Chairs and Rockers, in double reed and cane seat, maple frames—\$2.25, \$2.00, \$1.75, \$1.50 and... 1.25

Special Sale Stock Rugs

We are selling out a lot of Rugs we have made up from remnants of carpets—prices extremely low. See sizes and prices. Bring measurements of your rooms. Wilton Velvet—10-6x13-3... 37.00 Wilton Velvet—10-6x13-2... 37.00 Brussels—10-6x12-3... 32.00 Brussels—10-6x12-4... 32.00 Axminster—10-6x12-6... 32.00 Brussels—10-6x12-0... 32.00 Axminster—10-6x12-0... 32.00 Brussels—10-6x12-6... 32.00 Brussels—10-6x12-0... 32.00 Axminster—10-6x12-0... 32.00 Brussels—10-6x12-0... 32.00 Axminster—10-6x12-0... 32.00 Brussels—10-6x12-0... 32.00 Axminster—10-6x12-0... 32.00 Brussels—10-6x12-0... 32.00 Axminster—10-6x12-0... 32.00

Dining Chairs

\$3.00 over-stuffed Leather Seat Dining Chair—solid oak—special... 5.75 \$2.75 box frame Dining Chair, golden oak, special... 2.85 \$1.00 box frame Dining Chair, weathered oak, special... 2.55 \$1.45 Dining Chair, cane seat, special... 1.45 \$1.0 Dining Chair, wood seat, special... 85c

Couches

SPECIAL SALE SAMPLE LINE OF COUCHES. \$22.00 Velour Upholstered Couch, plain top, special... 17.50 \$17.50 Couch with tufted top, special... 14.75 \$15.50 Couch with claw feet, oak frame, special... 13.75 \$13.75 Couch, oak frame, tufted or plain top, special... 11.85 \$13.00 tufted top Couch, oak frame, claw feet, special... 10.75 Other Couches in this special sale at \$7.25, \$8.00 and \$9.25.

SLEEP For Skin Tortured Babies and Rest For Tired Mothers In Warm Baths with CUTICURA SOAP



And gentle anointments with CUTICURA Ointment, the great Skin Cure, and purest and sweetest of emollients. It means instant relief and refreshing sleep for tortured, disfigured, itching, and burning babies, and rest for tired, fretted mothers, when all else fails.

ENVY PROMPTS A MILD KICK

Male Pedagogue Returns an Indictment Against Women Teachers.

BOYS SHOULD BE TAUGHT BY MEN

Education and Success Linked in Figures—Facts About the New York Decision Permitting Teachers to Marry and Teach.

A committee of the Male Teachers' association of New York City, appointed to investigate the effect of woman teachers on boys, has just made public its report, which is classed as an education daisy from premise to conclusion. The committee discovered that 90 per cent of the boys pupils leave the public schools without coming in contact with the personal influence of a male teacher. "The great preponderance of women teachers," says the report, "is tending to weaken the character of American boys, and the modest recommendation that in all large cities only male teachers be employed for boys above the age of 10 years. The chairman of the committee naively declares it to be 'the experience of every male teacher that when he takes hold of a class of boys who have had nothing but women teachers, he finds them a group of little women.' A statement which most teachers in charge of a group of typical young Americans would find it difficult to corroborate. The biased point of view is strongly evident in the unqualified declaration that the influence of women teachers is 'detrimental to the upbuilding of strong manhood.' 'This oral proclamation is interesting,' comments the Boston Transcript, 'but it is hardly likely to upset the substantiated fact that the influence of the personality of a refined, cultured woman of balanced nature is conducive to the development of the best qualities of manhood—honesty, civility, good manners, good fellowship and high aspirations. That there are incompetent women teachers is not to be gainsaid. But the history of the country, as every thoughtful, impartial person knows, has yet to prove the failure of the American woman as a teacher of American youth, juvenile and adolescent. And the question of economies will doubtless preclude any early substitution of high-salaried men in places which women are filling with devotion and ability at a nominal remuneration, desirable as it might be from many points of view, to secure for educational service, on equal planes, men as well as women of high personal attributes and devotion to duty.'

ENVOY PROMPTS A MILD KICK

423 had also high school training, and 325,613 had also college or other higher education. Chancellor W. W. Smith of the Randolph-Macon college has compared these two sets of figures and deduced from them certain facts bearing upon the influence of education with regard to success in life. He writes that:

From the 1,377,023 Americans without education no notable appears. From the 11,054,326 of common schooled or irregularly schooled Americans came 1,888 notables, or one for every 832. From the 67,452 high school Americans came 1,927 notables, or one for every 49. From the 325,613 college trained Americans came 7,799 notables, or one for every 42. 'It thus appears,' remarks Dr. Smith, 'that the uneducated boy failed entirely to become notable; that a boy with only common school education had one chance in about 8,000; that high school training increased this chance nearly twenty-two times; that college education gave about ten times the chance of a high school training.'

Married Women Teachers. The decision recently handed down by the New York court of appeals in the case of People ex rel. Murphy against Maxwell, holding invalid the provision in the bylaws of the Board of Education, adopted by the school board of the borough of Brooklyn, which provides that a female teacher in the public schools by marrying thereby loses her position, has been much discussed in school circles.

There are seven of these teachers now employed in the Batavia schools; in some cases many teachers go from room to room in their work. They are not assistants or substitutes, but rank with the regular teachers and receive the same pay. They do not in any sense do the pupil's work, but show him how to do it for himself, and thus the great achievement of learning how to study, how to concentrate the mind, often unlearned until college is reached, here is taught at the very beginning of school life. The Journal of Pedagogy unreservedly approves the plan thus proposed.

A rather wide observation of public school conditions justifies in saying that there may be seen in Batavia a healthier, happier, more industrious body of teachers and pupils than are to be found in any other public school system in America. The first impression one gets is that of an abounding physical and intellectual life. Although the teachers and pupils work as hard in the Batavia schools as elsewhere, there is no complaint about overwork and nervousness, and there is trustworthy evidence that the health of pupils entering school in a physical condition below the normal has shown a decided change for the better.

FRATILE OF THE YOUNGSTERS.

WHAT do you like most about going to Sunday school, my little man?' asked the benevolent stranger. 'Coming home,' promptly replied the little man. 'Yes,' said Farmer Hayward, 'that's the best of it. I was a good boy, but I was a very good boy.' 'Well, that's pretty good, for her, isn't it, uncle?' ventured his little niece from the city, timidly. 'When she was younger, of course, she laid two or three eggs every day.'

groves misconduct, insubordination, neglect of duty, or general inefficiency. The court of appeals held that these provisions are exclusive, and that a teacher can be removed only in the manner therein prescribed, citing Steinson against Board of Education, 156 N. Y. 431.

Revolution in School Work.

Batavia, N. Y., without intending it, has worked a revolution in school methods, according to the Journal of Pedagogy. There was complaint of overcrowded schools there, and the board asked for extra teachers temporarily to relieve the situation. The request being granted, the superintendent concluded to use them in a new way. He set them not to hearing recitations like the regular teachers, but to giving individual instruction to pupils that were behind in the course and were a drag on the whole school. The experiment was to quote the report of the state superintendent, a startling and instantaneous success. Discouragement, which is the bane of school life, disappeared from all faces and tears from all eyes. The backward children soon became forward, so to speak, and in many cases pressed the bright lights and leading pupils of the class room so that these had all they could do to keep up their old standing.

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OUT OF THE ORDINARY.

A rare case of longevity is cited in the lives of Mrs. Helen C. Boyer, Henry N. Spencer, John R. Spencer and Mrs. Fanny Spencer, brothers and sisters, all living in Noank, in the town of Groton, Conn., whose ages aggregate 323 years. Frank Rockefeller, the millionaire, made a special trip to Kansas City, Mo., at an auction sale of unclaimed railway baggage. Neither trunk nor suitcase was identified, bore any marks of identification. Ekersson was about to throw the garment away when he discovered the treasure carefully wrapped in oiled silk. The lucky buyer is 65 years old and will at once take a vacation in Europe.

asked what she had learned.

'Well,' said Eloise, 'they caught a man—I forgot his name—and hung him, and I am glad they did, too.'

'Why, Eloise! How shocking!'

'I don't care, I am,' persisted Eloise; 'cause if they hadn't, not a sinner would have been saved.'

Johnny's papa is what Johnny terms a "railroad magnet"—which may account for the fact that the infant's idea of heaven is to be on a celestial railroad terminal, subject to the usual terrestrial delays. The other evening papa and mamma overheard the following conversation in the nursery:

Mabelle (who had been in a brown study for some minutes)—Johnny, didn't grandma go to heaven before we were born?

Johnny (noncommittally)—She started. Mabelle—Then how is it we didn't meet her?

Johnny (assuming the paternal manner)—She hadn't arrived when we left. Maybe she didn't make connections.

George is 4 years old and has just arrived at the dignity of his first knickerbockers—with suspenders, just like papa wears. They were the pride of his heart, and at night he would take them off his trousers and clasp them tight in his arms when he went to bed. His mother found them there the other night, and as they seemed to be making the little chap uncomfortable she took them away and laid them on a chair by his bed.

The next morning he had a long interview with his mother.

'Didn't you tell me, mamma,' he said, 'that angels watched everything I did?'

'Yes, George.'

'Are they watching me when I sleep?'

'Yes, my son, they watch over you always, whatever you are doing.'

'Do they come right in my room at night?'

'Yes, dear, the good angels are everywhere, always.'

The exodus of the Lancashire, English, cotton workers who have started for Canada is likely to ruin thousands, and be the greatest calamity since the war was begun by the civil war of 1862. Numbers of emigrants are taking capital of from \$25 to \$50.

An onion saved the lives of Rev. W. B. O'Meara, a Roman Catholic priest, in 1890. He, Doyle, who have just returned to their home at Sioux Falls from a fishing trip on the coast of Kampanka. The two were in a doorway of a cottage during a severe electrical storm. Mr. Doyle picked up an onion, took a bite and, thinking it poisoned, stepped outside to spit it out. Another "deaf" followed, and a few seconds later a bolt of lightning struck the cottage, almost destroying it, and shattering the iron frame in which they had been standing.

LABOR AND INDUSTRY.

Extended experiments in Paris, France, show that in a given period of labor the total quantity produced is increased by intervals of rest, especially when short resting intervals are multiplied. Rest acts as a stimulant.

The Vanderbilts of the railroads have lately perfected a pension system for their employees, and it is expected that a direct result of any railroad or industrial corporation in the country. The plan will effect about \$50,000,000 railroads, who are employed on the twelve lines of the system.

Co-operation has proved a decided success in the farming communities as a direct result of an increase in the value of the land, and the fact that the date of the inception of the co-operative movement, to over \$200,000,000 in 1903.

While central trades union organizations in all sections of the country are planning Labor day parades for the 1st of September, the Chicago Federation of Labor is contemplating a new departure to take the form of a great outdoor picnic and demonstration, where the holiday can be enjoyed as a holiday.

The New York Central has effected the largest reduction of men in its shops and repair works that it has ever made. Fifteen per cent of its working force have been laid off. This is in addition to the reduction of 10 per cent made last fall.

There are 2500 masters and pilots, 6000 seamen, 4000 lumber shovels, 5000 vessel unloaders and 4500 marine cooks who are starved for work. The smaller boys interested in the settlement of the differences between the Lake Carriers' association and the men.

Changes in the rates of wages in England during April affected 6,000 persons, of whom 1,500 received advances and 4,500 sustained reductions. The net result was a decrease in wages of nearly \$2,000,000 per week. The principal change was decreases in the wages of 10,000 blast-furnace men and 3,000 iron and steel workers. Changes affecting 86,000 persons were effected by conciliation boards, and 27,000 under sliding scales. The remainder were effected by the parties themselves or by representatives.

John Mitchell, the president of the United Mine Workers, was talking one day about poor men and their troubles. "I remember," he said, "hearing my breaker boys once discuss socialism, reform and kindred topics. The smaller boy said: 'What is the thing that they call "division of labor"?' do you know? Oh, yes, I know, I do. The other boy said: 'Well, what is it?' said the first. 'Division of labor,' said the big boy. 'Is that this. You are working hard with the minehammer. I come and say we'll have a division of labor. You say you agree to that. Then, afterward, you keep banging away with the minehammer the same as before, only I go right' for you now at each stroke.'