

THE FINANGIAL DEPRESSION.

By Hon. G. M. Lambertson, Ex-Assistant Secretary of the Treasury.

[Written for THE COURIER.]

NO single cause has produced the present financial condition. The excessive purchase of silver and the fear of unlimited coinage were largely responsible for the panic of last summer. But failures in Europe and other countries, overtrading in many lines, undue expansion of credit, wild speculation, extravagance in living, together with impending changes in the tariff, also contributed to the stampede of public confidence.

It is of little value for the purpose in hand to speculate about causes. We must deal with results. If a man is precipitated from a high eminence it makes no difference what is the cause of the fall. The injury is the same, no matter what the cause. He is at the bottom of the declivity, and it will take a long time to heal his bruises, and regain the height from which he fell. From an era of prosperity we have been suddenly plunged into a condition of profound distress. It will take some time to regain our lost ground. Just how long no one can tell.

Public confidence, which received such a rude shock by the panic of 1873, was not fully restored until we resumed specie payment in 1879. I have a distinct memory of that panic. The condition of affairs was gradually improving, almost inappreciably, before specie resumption; but from that date it went forward with a bound. Unless the disaster following the passage of the Wilson bill is greater than can now be apprehended, I think our affairs will improve more rapidly than they did following the panic of 1873.

In the first place we have more money. The volume of money in circulation then, exclusive of gold and silver, was about \$756,000,000. Now the volume of currency is \$2,283,780,208.00; the amount in circulation is \$1,690,675,152.00, and the per capita, estimating our population at 67,910,000 is \$24.90.

In 1873 neither gold nor silver was in circulation, both being at a premium, and our paper money was depreciated. Gold was worth \$1.13 and the greenback 13 cents less than a dollar. Now our paper money is on a par with gold and silver.

In 1873 our bonded indebtedness was about \$2,000,000,000, while now it is, in round numbers, \$625,000,000. Then the South was just beginning to recover from the devastation of war, and the North from the expenditure of more than three billions of dollars to conquer the South. In this western country, and particularly in Nebraska, the difference is even more marked.

In 1873 the current rate of interest on farm loans was 12 per cent. and a commission of ten per cent. was charged by the broker negotiating the loan. Now a farmer can borrow the same amount of money for half what it cost at that time.

Throughout the eastern portion of Nebraska the farm loans generally defaulted in 1874-5. I remember foreclosing for clients a number of mortgages in Nemaha, Pawnee and Richardson counties, and the best land brought only ten dollars per acre. Now, in the eastern part of the state at least, the farmers are paying their interest, and foreclosures are few, and the land that then sold for only ten dollars per acre now readily brings from \$40 to \$50 per acre.

Another encouraging feature of the situation is that land values remain steady in marked contrast with the depreciated value of lands following the stringency of 1873. It will also be remembered that in 1874 we had not only great financial stress, but also the grasshopper pest and the worst drouth Nebraska ever experienced. The days following these events were the darkest in our annals. The grass-hoppers that clouded the sun for days, darkened our future for years, and the gravest doubts were raised in the east whether Nebraska would ever become an agricultural state. Emigration remained at a stand-still for almost five years. Happily, all that distrust is gone, and it is universally conceded that no country is blessed with more fertile lands or a richer soil than Nebraska.

These are the encouraging phases of the times which lead me to hope that a marked improvement will sooner follow this panic than the former.

It is well not to take too optimistic a view. Public confidence is rudely shocked, capital is timid and money shy of investment. All wild cat schemes will go to the wall, bubbles will be pricked, and inflated values levelled to their intrinsic worth. Liquidation has commenced. It will go on. The laws of trade, like the laws of nature, are pitiless. There will be more failures, more assignments, more

foreclosures, and many men, firms and companies will go to the wall. We may, and should, regret the dire necessity that forced this state of affairs. But it is well to face the unwelcome facts, and by care, vigilance and the strictest economy, endeavor to avert the consequence of unwise and imprudent ventures.

More than that, it is the duty of every creditor to hold his hand as long as possible against the honest and deserving debtor. He should not force bankruptcy as long as there is a fighting chance that the debtor can retrieve himself. He should renew loans and accept interest when it is possible to do so. His motto should be press the dishonest, but protect the honest debtor.

MUSICAL.

It is said that Frank Daniels will appear in comic opera next year.

The Oratorio society of this city is rehearsing every Monday evening. Although the customary May festival will be omitted this year, we understand a miscellaneous concert will be given.

The Apollo club, of Omaha, is arranging to give a concert at Boyd's theatre about the middle of April.

The Mendelssohn Musical society of one hundred voices, under the direction of Mr. O. B. Howell, and the Orchestral club of twenty-five musicians under the direction of Mr. Wilhelm Lamprecht, will give a complimentary concert at the Lansing theater Wednesday evening April 18th.

Mr. William Leonard Gray will begin a series of eight lectures on the history of music at the Conservatory of Music on Monday at 4:30 p. m. These lectures will be free, and those interested in music are cordially invited to be present.

"Pinafore." will be given by local talent in Beatrice next month.

A reception to Remenyi, the violinist, will be given at the Conservatory of Music from three to five on the afternoon of the concert, March 27th, giving an opportunity to students and others to meet the famous artiste.

The church choirs of the city are preparing Easter music, and some fine music may be expected in at least two or three of the churches.

The Wahoo Choral Union is doing active work, and holding weekly rehearsals.

Lincoln musical circles will soon have a rare treat afforded them in the playing of Mr. Oliver W. Pierce. He has been for more than a year the pupil of Mowakowski, from whom he has received the highest testimonials. Mr. Peirce will be heard in a recital the week following Easter.

Miss Daisy Tuttle will give a musical recital at the Y. M. C. A. hall Wednesday evening, March 21.



TWO SOULS WITHOUT A SINGLE THOUGHT.