

THE FARMER AND THE MORTGAGE.

The following letter was received not long since by the editor of *The Rural New Yorker*, a leading and conservative agricultural paper:

"There is near here a young farmer who has been trying to pay interest on a \$600 mortgage and accumulate enough to pay the principal. The interest rate was 11 per cent payable semi-annually. The debt was incurred to pay for the land—a quarter section—and to buy a team, plows, etc. It was for five years. The time expires this spring. The years 1889 and 1891 were the only good crop years of the five. This man now owes \$150 interest, some taxes and all of the principal. He has not personal property enough to pay the debt; neither would the land alone, if sold at a forced sale, bring the amount due. During the boom when the debt was incurred, the land, then raw prairie, was appraised at \$1,600. There are now 50 acres in cultivation. It being impossible to pay the debt and have anything left to start anew with, the farmer has made the holder of his mortgage this proposition: To give a deed to his creditor for the land, and to put 125 acres in cultivation; he, the farmer, to have three years' rent or use of the land, and to have the privilege of purchasing the land at the end of that time for \$1,200. The average rent here is one-fourth of the crop, in the bin.

"The owner of the mortgage, through his agent, refused this proposition, and will probably foreclose the mortgage, get the land and a judgment for the deficiency. Here is what I wish to know: Was the farmer's offer unusual, unfair or unbusiness-like? Would it not be better for the creditor to accept such a proposition? He could not lose anything. What does *The Rural* think of it?" W. V. JACKSON. "Comanche County, Kan."

This letter, with the following questions, was submitted to officers of farmers' organizations, politicians and others:

1. Was the proposition made by this farmer a fair one?
2. Should not such a farmer have the legal opportunity of settling his debt in some such manner so as not to lose his farm? In other words, would it not be wise to empower our courts to judge the fairness of such a proposition, and to compel the holder of a mortgage to accept a manifestly just offer?
3. Kindly favor us with any opinion as to the best way to relieve mortgaged farmers.

Commenting upon the way these questions were received, the editor said:

"The questions concerning the Kansas mortgage were referred to the leaders of the Grange, Alliance, Farmers' League, and to prominent Republican and Democratic statesmen who profess to ignore the demands of the various farmers' organizations. It was also sent to officers of some of the Kansas mortgage companies. The Republicans, Democrats and mortgage people have not seen fit to prepare a statement which they are willing should be printed. The discussion is therefore limited to the views of Grange, Alliance and League officials. . . . The number of men who are dissatisfied with the issues between the two old parties is legion. Why cannot one of the old parties be brave and strong enough to face manfully the real issues of the day? If they will not one of them will be ripped in two and made over to suit the people's needs."

The letter and the questions were submitted to the Lecturer of the National Grange and, as briefly as possible, he gave the views so generally held and advocated by members of the Grange upon this subject, as follows:

Question 1. "Was the proposition made by this farmer a fair one?"

"Without hesitation, yes; and a few holders of such a mortgage would probably accept such an offer, but as a rule, 'Shylock' demands the pound of flesh as 'nominated in the bond,' and that is the way some rich people get richer, and take from their neighbors the usury forbidden in the bible."

Question 2. "Should not such a farmer have the legal opportunity of settling his debt in some such manner so as not to lose his farm? In other words, would it not be wise to empower our courts to judge of the fairness of such a proposition and to compel the holder of a mortgage to accept a manifestly just offer?"

"Again, yes, and as between man and man, in accordance with the golden rule, and as an act of justice and humanity, it should be done; but, alas! many of us have to admit the sad fact that is growing more and more apparent, that 'the law grinds the poor, and rich men rule the law.' If we should attempt to get any such equitable law as that here proposed passed in any one State, at once capital would defeat it by threatening to withdraw all its investments in that State. A year ago last winter in five different State Legislatures (New York State was one), the farmers, as one means of relief from the depressed prices and high rates of interest, tried to get the legal rates of interest reduced, and in every instance were defeated by the above threat. If such a law as *The R. N.-Y.* proposes could be made national, applying to all States at one time, then the above threat would not avail, and the people, not capital, would rule. The Government now does what is proposed in the case of sales for delinquent taxes, by giving a certain time for the former owner to redeem his property sold for them. Some States have, in times of great depression, passed 'stay laws,' preventing the hardships of forced sales, and giving the debtor a chance with better crops, better prices, and better

times, to save his home.

Question 3. "Kindly favor us with any opinion as to the best way to relieve mortgaged farmers."

"The results of study and observation for long years (21 in close contact with farmers in every State in the Union, in good times and bad), have brought me to believe (as briefly as I can state them), that the following provisions would be of great advantage":

1. "A circulating medium of at least \$50 per capita, accessible to the people upon good security (real estate of one-fourth of its value included), without too many middlemen in the way of banks with high interest charges."

2. "A national usury law fixing the maximum rate of interest in all the States and Territories of the United States at not over three per cent per annum."

"The increased amount of money per capita would raise the price of all products, farms, labor, etc., and give the farmer the means (received from the sale of his crops) to pay off his mortgage."

"Statistics show us that for a long series of years capital and labor both together in all the industries—manufacturing, farming, mining, etc.—only earn an average of about three per cent per annum, and yet capital without labor earns on the average six per cent, and on that mortgaged Kansas farm it earns 11 per centum per annum. The result is that the whole country, the United States Government, the States, counties, cities, towns, railroads, farms, are bonded to pay to capital an average interest of six per cent, while all the industries with their own capital and labor only earn three per cent."

"This difference between the three per cent earned by capital and labor in the productive industries, and the six per cent earned by capital without labor, will, in time, absorb the entire industries and wealth of the country, and it is doing it very rapidly now as proven by plenty of good, reliable statistics.

"These are vital questions, the great heart questions now being considered by our people, and millions of homes depend upon the final issue. If the American farmer's home goes down (and the census shows a rapid increase of tenant farmers), then the basis of our Republic is gone."

Fraternally,
MORTIMER WHITEHEAD.

Solid Shots from Heavy Guns.

"Ancient India left specimens of art and records of development in science not reached by people of to-day, so it was with Greece and Rome, great centers of civilization and of progress yet the historian wrote their downfall. And what was the cause? You can read it in the history of their finances. Untold wealth in possession of a few and they became oppressors and seekers after power, until they robbed the masses of their homes, their ambition and their love of liberty, and they became the vassals of the rich."—*Ex-Gov. Luce, of Michigan.*

"The South is the agricultural garden spot of the world. Nature invites. Nature gives her richest rewards for the smallest labor expended. When agriculture fails in such a home there is something radically wrong with the fundamental constitution of society itself.

"Let our wise men see to it. The failure of agriculture under such conditions is the beginning of judgment day for your present social system. The city cannot live when the country fails to give supply. Let our politicians see to it. The country is ripe for a political revolution. The people are restless, discontented—in many cases despairing. And they have good cause for discontent and despair. These are the parents of political and social convulsions. The traditional party that denies these issues or avoids them is doomed to certain and speedy death. It is a problem for every Christian to take to heart."—*Rev. Thoma. Dixon.*

Couldn't Be More Natural.

Dobbins—Didn't you say that Sneaker was lynched?

Jobbins—Certainly.
"And yet you have just written his wife that he died a natural death."

"Why not? I tell you, my friend, you don't know those Texans. There's nothing comes more natural to them than to lynch a horse thief."—*Yonkers Gazette.*

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