

THE OMAHA DAILY BEE

FOUNDED BY EDWARD ROSEWATER

VICTOR ROSEWATER, EDITOR

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CHARLES C. ROSEWATER, General Manager

Subscribed in my presence and sworn to before me this 17th day of May, 1917.

WHEN OUT OF TOWN: Subscribers leaving the city temporarily should have The Bee mailed to them.

All this war talk appears to be simply a flash in Japan.

There is at least one Orchard in Idaho that is known by its fruits.

Wisconsin has passed an anti-ticks bill. Another form of prohibition?

A New York paper notes the return of Thaw's brother-in-law, Thaw, Thaw. That name sounds familiar.

A scientist claims to have invented a machine that will raise the dead. He might try it on the populist party.

The green bug is said to have invaded Ohio. Parties searching for the Foraker presidential boom might dissect the green bug.

San Francisco finds its bonds do not sell well on the market. Bad government is always expensive, in more ways than one.

Attorney General Bonaparte has not determined whether he will close down the Umbrella trust, put it up, break its ribs or knock the cover off it.

It looks very much as if Mr. Harrison's "lawyers and subordinates" were still running the railroads in their relations to the public and patrons.

French consumers complain that their native wines are adulterated with acetic acid and red ink. France needs a pure food law, with a "Tama Jim" to enforce it.

The Aftonian Globe wants to know what has become of the girl who said she wouldn't marry the best man in the world. She kept her word and married a man from Kansas.

If the country demanded rhetorical candidates instead of logical candidates. Senator Beveridge and Colonel Bryan would head the opposing tickets next year without a contest.

"What," asks a Boston paper, "is more pronounced than the American's enthusiasm for his flag?" Nothing, unless it is his enthusiasm for the home team when it has a winning streak.

Abe Hummel has abandoned his appeal. His sentence has ten months to run, and he knows the New York courts could not be reasonably expected to act on his appeal for a couple of years.

Hotel porters in New York are striking for \$25 a month and tips, or \$14 a day without tips. Even the first class in arithmetic may figure out what portion of the porters' wages the hotel men expect the public to pay.

Mayor Schmitz of San Francisco is said now to be mayor "in name only" as a consequence of his conviction for extortion. Some other cities not so far away are ruled by mayors "in name only" as a consequence of schisms between the city council and other inmates of the city hall.

Publication and classification of the shareholders' lists pursuant to the Nebraska anti-pull law continue to throw sidelights upon the activity of various prominent citizens who volunteered last winter to go to Lincoln, to fight the terminal tax bill and other legislation applicable to the railroad lobby.

THAT TWO-CENT FARE VETO.

Railroad managers, through their publicity bureau and other channels, are making a determined effort to manufacture capital out of the veto by Governor Hughes of the 2-cent fare law passed by the New York legislature.

The veto came at a time when the railroads apparently are planning to make a concerted attack through the courts on the 2-cent fare laws passed by a number of states and this use of the Hughes veto is patently in the hope of influencing the public, if not the courts, in the proposed contests.

The railroad plan is a shrewd one, in some respects, calculated to deceive those not familiar with transportation affairs in New York or the conditions which led to the veto. For many years the principal railroad of New York has charged no more than 2 cents a mile, because that is a part of its contract with the state.

But the real motive of the governor's veto was to strengthen his utility bill, which he has succeeded in getting through the legislature after most determined opposition on the part of the railroads.

The situation in New York is peculiar to that state and distinct from other states in which laws have been passed reducing the passenger rates and the railroads are wasting effort attempting to make it appear otherwise.

THE COMING OF THE POSTMASTERS.

The annual meeting of the Nebraska Association of Postmasters is scheduled to be held in Omaha the last week in June and an effort is being made to carry out at the same time a suggestion originally offered by The Bee a year ago for a joint convention which will include the postmasters of Iowa as well as of Nebraska.

The success of these meetings naturally depends upon the attendance and the attendance depends upon the interest aroused among those who ought to participate. The postmasters of Nebraska have for several years maintained a reasonably strong organization, with annual sessions presided over by officers of their own selection and recognized by the Postoffice department by the assignment of department officials to explain particular features of the work.

The value of conferences of this kind for promoting the efficiency of the postal service through the exchange of ideas and experiences need hardly be emphasized. Almost all the great business undertakings which cover a wide geographical territory are coming to call in their men in the same line of work for periodical conferences, and the Postoffice department, as the biggest business establishment in the world, cannot fail to profit by pursuing similar methods as to associations in different subdivisions, providing they confine themselves to their legitimate scope and functions.

The Bee hopes, therefore, that the word will be passed along the line so that the joint Iowa and Nebraska meeting will see the postmasters of the two states here in goodly numbers to transact business and fraternize with one another.

MR. CORTELYOU'S TROUBLES.

Mr. Cortelyou, secretary of the treasury, has troubles and is really becoming pessimistic. His pessimism, however, is of an entirely different brand from that which has been bothering some of the Wall street speculators and captains of finance and industry. Mr. Cortelyou's trouble is due to the fact that the revenues of the government are so largely in excess of the disbursements that he does not know what to do with the surplus. It has been a settled policy, under republican administrations, for secretaries of the treasury to keep as much money as possible in circulation, to meet the legitimate demands of trade and industry and to prevent it piling up in the vaults of the Treasury department.

Just now Secretary Cortelyou has an available cash balance of \$259,452,237.45, according to balance sheets on the last of May, and has, as an added annoyance, a little matter of \$70,089,942 as the surplus of receipts over federal expenditures for eleven months of the fiscal year.

Ordinarily, when one person has a surplus some other fellow is short and eagerly anxious to get a portion of it. In federal transactions, when the government discovers that it has more money on hand than its business needs, the national banks are ready to take it and use it in their business. At this time the banks do not need this

money. The 5,429 national banks of the country, under the call of the comptroller of the treasury on May 20, reported total resources of \$5,476,501,434, a gain of more than \$7,000,000 in less than a year. They showed that individual deposits in national banks had increased from \$4,055,873,368 in May, 1916, to \$4,322,880,141 in May, 1917, a gain of about \$267,000,000. The government had \$50,000,000 on deposit in the national banks a year ago. Today it has \$170,000,000. Unofficial advices indicate that the deposits in the state and savings banks have increased even more rapidly than those in the national banks and the country is not caring a bit about Mr. Cortelyou's worry over what he shall do with his money.

To add to Mr. Cortelyou's trouble, other departments of the government are turning liabilities into assets and handing him money instead of asking him to make up deficits. The Post-office department, which usually runs on \$10,000,000 to \$20,000,000 behind each year, promises to break even this year and may show a profit. The customs receipts have increased to about \$1,000,000 a day and the receipts from internal revenue for the year ending June 30, 1917, are estimated at \$265,000,000, an increase of \$15,000,000 over last year. The situation is very gratifying to everyone except Secretary Cortelyou.

WHERE DOES THE GOLD GO?

Eastern bankers and financial organs are expressing considerable concern over the increasing exports of gold, which have reached \$10,000,000 since the movement started the last week in May and which, it is estimated, will amount to at least \$25,000,000 by the end of June. These financial experts contend that the bank reserves can not face such a drain conveniently and that a deficit of \$3,000,000 in the gold reserve fund may be looked for at the end of the month. This condition is not assuring, in view of the fact that the comptroller of the currency is already complaining that many banks in the east are not complying with the law in maintaining their lawful money reserves.

While this condition will probably right itself, discussion of it has started an interesting question as to what becomes of the vast amount of gold annually produced from the mines of the world. Of the new gold produced in the last ten years, a surprisingly large amount of it can not be located. The New York Journal of Commerce has compiled the following tables giving the world's gold production since 1896 together with the gold holdings of the government treasuries and banks of the leading countries including the national banks of the United States:

Table with 3 columns: Year, Gold production, Held by banks. Rows for years 1897 to 1916.

According to these figures, the banks and government treasuries hold less than one-half of the \$3,000,000,000 of new gold added to the world's supply in the last ten years. Director of the Mint Roberts estimates that gold to the value of \$50,000,000 is annually consumed in the arts, while it was less than \$60,000,000 ten years ago. Allowing, however, for the maximum figures for the whole decade, that would account for but \$800,000,000 of a missing sum of about \$1,700,000,000. It is contended that the people of the oriental countries are much given to the hoarding of precious metals and that this may account for much of the new gold apparently disappeared from the visible supply.

But the growth of the oriental countries in material prosperity is not marked enough to warrant the belief that they have absorbed and secreted such a large proportion of the gold supply. It is far more probable that the gold used in the arts is underestimated. Our unprecedented industrial prosperity in recent years must have added largely to such consumption of metal. At any rate, a difference of about \$900,000,000 exists between the visible supply of gold and the amount actually produced, and the great financial centers are now in active competition for all the gold available to add to their present stores.

The officers of the street railway company and the management of St. Joseph's hospital ought to try to get together before locking horns over the proposed erection of a street car garage under the shadow of the hospital buildings. There is no question but that the selection of this particular location by the street railway company must be more or less disturbing to the hospital. A way ought to be found by which this beneficent institution may be safeguarded without unduly interfering with the right of the street railway company to store its cars at the most convenient points.

The Omaha Grain exchange announces that it will be equipped with all the latest improvements and mechanical facilities for doing business when it moves into its new quarters. Presumably this will include a herbarium for breeding little green bugs, cutworms and all the other incidents that have been found useful in raising corn and wheat on the Board of Trade.

If the Nebraska law providing for a state license for automobiles deprives the cities and towns of power previously possessed to exact an additional license fee for the use of

paved streets and roadways it will knock quite a chunk of revenue out of the local treasuries. But if the automobilists are, thus to escape paying a special license fee for the cities they ought to have their machines assessed up to the limit for taxes on the general property list, because in this way only will the municipal authorities be able to make them pay for the special privileges enjoyed within city limits.

Editor Noyes of the Washington Star says President Roosevelt owes much to the American newspapers. The obligation would appear to be mutual. No living man has equalled the president's record in furnishing good, readable copy for the press.

The dime museums are after a California miner who was carried 2,000 feet on a landslide and escaped injury. That's nothing. Colonel Bryan was buried twice by landslides and came out of them healthier and wealthier than ever.

The fact that the Omaha High school is this year sending out the largest class in its history must lend encouragement to those who are enlisted in the movement to make Omaha show up 200,000 population in the 1910 census.

The campaign for better street pavements is not confined to Omaha. It is being waged in nearly every considerable city in the country. That, however, is all the more reason why Omaha should not be the last in the race.

Whether monopolies are good or bad, it is a safe proposition that so long as the public schools form the groundwork for universal education in this country no one will ever get a monopoly on brains and intelligence.

President Cabrera of Guatemala hastens to assure the world that the report that he had been assassinated belongs in the same class with the report that Tom Platt has resigned from the United States senate.

One unfortunate feature of the president's criticism of "nature fakirs" is that a lot of cheap writers are getting advertising from it that they do not merit.

There Are Others. Washington Herald.

One of the probable senators-to-be from Oklahoma is blind. He will not be the only member, however, that has eyes but sees not.

Not a Fitting Abode. Indianapolis News.

Joachim Miller says jocularly that his mining ventures have been so successful that he has concluded to enter politics. He picks Oregon, and wants to be a United States senator. Perhaps stabled in the senate chamber would be in a box stall.

Something Will Happ. Chicago Record-Herald.

Japan is likely to become possessed of the belief pretty soon that the rest of the great nations have no present intention of permitting her to go outside of her own present borders for the purpose of being the most progressive country on earth.

Pass It Up to Dooley. New York Sun.

It is gratifying to be assured by Mr. Thomas G. Walker, representing the Japanese Association of America, that the outrage on a Japanese horticulturist at Berkeley has turned out to be a fusillade of stones by small boys. It seems to be a case for Mr. Dooley and not for the state department.

GEORGE W. LININGER.

Howells Journal: George W. Lininger, one of the truly good and great men of Nebraska, died at his home in Omaha last Saturday. He not alone knew how to make money, but he knew how to spend it for the benefit of his fellowmen. The latter accomplishment very few possess.

York Times: Omaha and Nebraska lost one of their best citizens the other day in the death of George W. Lininger. He was progressive, benevolent and public spirited, and refined and gentle in taste and disposition. His modest residence was by far the most elegant art gallery in the west and one of the very finest in the country. Mr. Lininger will be greatly missed by the better element of Omaha, who regarded him as a benefactor and friend.

Kearney Hub: Another of Nebraska's pioneer rich men, George W. Lininger, died last week. He was one of the strong centers of men who helped to make the Nebraska of today, who lived a useful and honorable life and made the world a great deal better and many people happier for having lived in it. Upon a monument reared to Nebraska pioneers who strove manfully and successfully and finished gloriously, the name of George W. Lininger, like Abou Ben Adhim, would lead all the rest.

Norfolk Press: In the death of G. W. Lininger Omaha loses one of her best friends and most enterprising and public-spirited citizens. No man in Nebraska has given more of his means to benefit and uplift the community in which he lived or took more pleasure in the giving. To him the value of a dollar was in the good to which it could be put, and he did so much in an unostentatious way that it will only be in the years that are to come that Omaha people will fully appreciate the value of his citizenship. His death is not only a loss to Omaha, but to Nebraska as well.

Fremont Tribune: Geo. W. Lininger of Omaha is dead. Mr. Lininger was a successful business man; so successful that he could afford to travel extensively and buy works of art with a lavish expenditure. Nevertheless Mr. Lininger was not generally known as a successful business man. He so subordinated money-getting to money-spending that he had real fame as a collector and connoisseur of art. His gallery in his Omaha home is one of the best in the world. It was open to those who wished to see it and enjoy it with him. He possessed the artistic spirit and he indulged it as a life passion. His career is needed to teach that money is a blessing only as it ministers to something that elevates, ennobles and uplifts. There are the things needed and if money will not insure them, then money is a curse beyond what is needed to provide sustenance. There are not many devotees of art in this new, developing west and when one appears and buys down his work is worth while to give pause to pay at least a brief tribute to his worthy career.

THE DOWNFALL OF SCHMITZ.

Picturesque Career of San Francisco's Convicted Mayor.

Eugene B. Schmitz, the former mayor of San Francisco, who was tried and convicted of extorting money from licensed restaurants, occupies a unique distinction in the municipal history of the Golden Gate. He is the first labor union mayor San Francisco has ever had. He is the first mayor of the city that has ever been indicted and convicted of malfeasance in office.

The career of Schmitz has been a spectacular one, and many elements of the bizarre in the record of his office holding have served to raise him beyond a purely local fame. Since April 18 last there are men all over the country who have heard of the work that Schmitz did in the dark days after the fire and who hope that the one who proved himself such a big man in disaster is not guilty of robbing the city that he worked so hard to save from anarchy.

Schmitz was born in San Francisco of German parents. His father had come across the plains in the early days to find a fortune. He did not find it. Instead he became the father of a large family of boys and was hard put to it to give them a common school education. Gene Schmitz, as he is affectionately called by his partisans and patronage beneficiaries in San Francisco, set himself to become a doctor. His health forced him to give that up, and he followed a bent for music.

When in the fall of 1903 Schmitz became a local figure in politics by appearing as the candidate for mayor of the city on the newly born labor union ticket he was first violin and leader of an orchestra in the Columbia theater. He was not a good musician, but he was a good union labor man. The theater orchestra leader rode into power on the froth of one of the most bitter fights between union labor and its employers that San Francisco had ever experienced.

Once established at the city hall Schmitz began to surprise people by the sanity and sagacity of his rule. He gave many union labor men good jobs, but he did nothing radical or subversive. He was good to his brothers, among others. One of them became a member of the city's electrical department, and another was later put on the city almshouse board.

The new mayor had not been long in office when the name of Abe Ruef began to be whispered about, and the hand of Abe Ruef was occasionally seen for a fleeting instant behind the mayor's chair. Ruef was a lawyer who had the wisdom never to run for municipal office. He had the reputation of being a shady lawyer—people said he could pull off a trick in the courts that no other man could. He was credited with making lots of money through the handling of other people's estates.

Before Schmitz had been long in office the wise ones around the city hall learned that it was not Gene who was mayor, but Abe and Gene; and Abe's name was always spoken first. Abe set out to establish a Schmitz machine which could be strong enough to insure his re-election to office. All of the officialdom who owed their jobs to Schmitz, from the president of the Board of Education down to the tender of the municipal ducks in Golden Gate park, were herded together into the Schmitz club. Membership was practically compulsory. Membership entailed as its sole duty boosting for Schmitz. Ruef, it was learned later, was retained as the permanent attorney of the Schmitz club at \$500 a year. He never told why the club needed an attorney, but Abe persuaded the organization that it did.

At the expiration of his first term Schmitz was re-elected. Then scandals began to be unearthed in the offices filled by Schmitz. One of the San Francisco papers made a great splash about the theft of a black coat from the city fire department by a Schmitz appointee on the Board of Fire Commissioners.

This farce was quickly followed by the discovery of greater irregularities. Police graft in Chinatown gambling dens was found to be flourishing, but the police commissioners whitewashed the chief of police. The Board of Election Commissioners was found to be thoroughly rotten and to be working at irregular work at the primaries. A scandal arose in the fire department because of the peddling of questions for an examination for firemen by one of the fire commissioners.

Through all the storm of investigation and denunciation Schmitz rode securely, while many were free to say that the Schmitz administration had become rotten, there was no proof of Schmitz himself being corruptible until after he was elected again in November, 1915.

Though the republicans and democrats had combined to form a fusion party and had put forth their most strenuous efforts to beat Schmitz, the Schmitz machine served to overwhelm the fusionists. The fiddler mayor won by a big majority.

"The city is under the red flag; everything is up for auction," was the cry that was raised when Schmitz and his boss again found themselves called down tight in office. The figure seemed to find justification in facts.

Over all the tenderloin there sprang up protected cafes, where the closing hour was never heeded and where the side entrance for "ladies" was nailed up as superfluous. A wide open town was the order. Wide open meant that the police could not hear the songs and shouts of women that made Turk and Eddy street a bedlam in the small hours of the morning; that they could not see the lights streaming through the windows of the three-room saloon piled high over innocent French restaurants on the ground floor.

The red flag hung over every 16-cent theater that wanted to get a permit from the Board of Public Works for remodeling and that hired Ruef as its attorney to secure the coveted right. Prize fight managers who wanted to pull off exhibitions contrary to the law worked under the red flag. It was the symbol of the red flag that floated over the "municipal crib" on Jackson street before the fire and defied the securing of an injunction from the courts.

The fire came when San Francisco was in the height of her folly. "You can get everything in France, you find in Paris and get it cheaper," was the equipment of one sporting character which was used as the subject of a sermon by one of the preachers and which inspired a new editorial attack on the part of one of the papers. The town had run mad under the red flag. Then came April 18. In the first hours after the earthquake, when the red tide of flame had commenced to eat into the vitals of the city, the mayor sent out automobiles to all parts of the city bearing messages to the most prominent citizens. "Will you serve on an emergency committee for the preservation of law and order?" the messages read. The basement of the partially ruined hall of justice was named as the meeting place for the committee.

It was in the selection of the men to compose this emergency committee that Mayor Schmitz first showed that the imminence of anarchy as a result of the appalling disaster had jarred him out of his rut into

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where, as a young man, McKinley delivered his first political speech on the evening of September 3, 1857. The woman physician of Iowa who broke up an engagement with an undertaker by sending him a bill for professional services rendered while he was ill has destroyed the possibilities for a splendid joint business arrangement.

Frank W. Berkshire of New York has been ordered to El Paso, Tex., as immigration commissioner for the Mexican border with instruction to keep out undesirable. This raises the El Paso post to the same rank as New York in immigration matters. The large influx of Japanese, Chinese and undesirable aliens of all classes from Mexico led to the step.

PASSING PLEASANTRIES. "My husband," said the doctor's wife, "is a bad pill for the lawyer's bite, proddy, 'tis a bad bar gain."—Baltimore American.

"Hello!" exclaimed the first traveling man, "still in your old line, I suppose?" "No," replied the other. "Not 'What are you in now?" "Hard luck,"—Philadelphia Press.

"Have you seen the latest thing?" asked his friend, who came along after he had been standing forty-five minutes on a subway platform. "No," he said. "I'm waiting for it now. I'm married to it."—Judge.

"Does your son 'commence' this month, Mr. Smithers?" "No, he's laid. He'll have to commence over again next fall."—Cleveland Plaindealer.

"It is a very peculiar summer," said "Yes," answered the man whose mind is always on figures. "It is the first summer I can recall when the Beet trust was putting up prices instead of the Ice trust."—Washington Star.

"Is Sue Bratte married yet?" asked the returned traveler. "Of course," replied the native; "give her a little time, will you?" "Eh? What are you talking about?" "Why, the wedding will took place six weeks ago."—Philadelphia Press.

PERSONAL NOTES. A famine is approaching in Cuban cigars. Fortunately we are able to produce "something equally as good" in this country. American horses at the London show have accomplished nothing, unless to prove that Americans can be good losers. Secretary Root will leave Washington on June 21, for his country home near Utica, where he will spend the summer, remaining probably until the date of his Mexican trip.

Time expended in sociological research is not always wasted. Chicago experts have differentiated the hobo, the tramp and the bum, whom common ignorance had regarded as a single entity with howal titles. The effort to purchase the John Howard Paine "Home, Sweet Home" cottage at Easthampton, L. I., has failed and it is likely to be removed to a new site and completely remodelled for a dwelling house. Citizens of New Berlin, O., are devising ways and means to raise money to erect in that village a monument to the memory of the late President McKinley. The monument will stand in the public square.

Success Magazine. The man who wins is the man who does. The man who makes things hum and buzz. The man who works and the man who acts. Who builds on a basis of solid facts; Who doesn't sit down to mope and dream, Who jumps ahead with the force of steam, Who has the time to fume and fret, But gets there every time—you bet.

The man who wins is the man who wears. A smile to cover his burden of cares; Who knows that the sun will shine again, That the clouds will pass, and we need the rain. Who buckles down to a pile of work And never gives up and never will shrink 'Till the task is done, and the toll is great, While the temples throb with red blood's heat.

The man who wins is the man who climbs. The ladder of life to the cheery chimes Of the bells of labor, the bells of toil, And isn't afraid that his skin will split, If he face that shine of the glaring sun And works in the light till his task is done. A human engine with triple beam And a hundred and fifty pounds of steam.

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