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## FAVOR POSTAL BANKS

Public Sentiment Everywhere in Favor of Their Immediate Establishment.

## SENATOR BUTLER'S BILL.

Its Advantages Over the Chicago Record Bill Introduced by Senator Mason.

### President McKinley's Position.

The question of the establishment of postal savings banks is one that will be debated during the present session of Congress, and many advocates of this system for encouraging people of small means to save money in times of emergency are confident that a bill embracing the main features of such institutions elsewhere will be passed before the close of the Fifty-fifth Congress.

Postmaster General Gage has endorsed the idea of the system of postal savings banks strongly as possible, and in his annual report answered such objections to the establishment as have been advanced. But the Postmaster General, although the Postmaster General urged him to do so. His failure to endorse the scheme was not the result of any antagonism to the project, it is understood, but was merely because the President thought the subject should be further considered before acted upon. His failure to speak on the subject, therefore, does not deter advocates of the measure from going ahead with confidence, and their belief is that Mr. McKinley would not veto a postal savings bill if passed by Congress. They regard one of the closing paragraphs of the President's message as a full explanation of his failure to endorse postal savings banks, that paragraph being as follows:

"I am forced by the length of this message to omit many important references to affairs of the government with which Congress will have to deal at the present session. They are discussed in the departmental reports to all of which I invite your earnest attention." Since 1882 there have been introduced in Congress about twenty bills for the establishment of postal savings banks. Early in the last extra session of Congress Senator Marion Butler of North Carolina introduced a bill of this character containing many new features, which he believes would adapt the system to the peculiar needs of this country. Senator Mason of Illinois, an ardent advocate of postal savings banks, introduced in the Senate a bill for their establishment, known as the Chicago Record bill. During the extra session last spring Mr. Butler's bill was referred to the Senate committee on postoffices and post roads, of which he is a member. The committee referred the bill to the Postmaster General, requesting him to examine it and to return it to the Senate, with such recommendations as he thought proper. Although he has endorsed the project generally, he has not yet made specific recommendations regarding Mr. Butler's bill.

Last Monday Mr. Butler offered a slight amendment to his bill in the Senate in order to get it before that body for consideration. In presenting his amendment Mr. Butler said in part: "While the Peoples Party has from its birth advocated the establishment of postal banks, and is the only party that has ever declared for them in its national platform, yet they are today advocated by many prominent men in all parties. The popular demand for them has grown until it is no longer a party question. Seldom, if ever, has there been greater popular interest manifested than has been evidenced during the past summer and fall for the establishment of a system of postal savings banks. The proposition has been discussed by the press from one end of the country to the other, and I think it is safe to say that nine-tenths of the press, if not a larger per cent, heartily favor the proposition. I have noticed carefully the objections raised against the system. Necessarily they are few, and necessarily they are backed more with opinions and assertions than with arguments and facts. The objections are, as a rule, from a certain class of bankers who are interested parties and from a certain class of non-scientific Boardmen, who oppose every step toward progress and every reform, no matter how commendable. The following are the objections which have come under my observation:

First. That postal savings banks smack too much of paternalism. In answer to this we call attention to the fact that the Postoffice Department is paternalism, and that from such paternalism there is not only no harm, but, on the other hand, an incalculable benefit that could not be secured through private enterprise. Government itself is a necessary evil, and postal savings banks, like the Postoffice Department, is necessarily paternalism. Any form of government is paternalism. The only question is, how far shall the agencies of government be extended to give the greatest good to the greatest number? In other words, which are proper functions for government and which for private enterprise? In this connection I wish to quote from the argument in favor of postal

savings banks made by the Postmaster General in his last annual report. In the reply to the objection of paternalism he says:

"Other opponents cry 'paternalism.' All government is more or less paternal, in that it takes care of the interests of the people. Carrying the mails, excluding disease-infected vessels from the harbors of trade and commerce, preserving the peace, providing for public education, subsidizing agricultural colleges, maintaining agricultural stations, and making Weather Bureau predictions, are all of them paternalistic.

Second. The second objection which I have noticed is that if postal savings banks should be established, that it would be a step in the direction of the Government operating the telegraph and other natural monopolies as public functions. In reply to this alleged objection we say: That it is an admission that postal savings banks would work successfully and be popular, and that their successful operation would be a strong argument for other reforms along the same line. This is an objection only with the monopolists. It is a strong argument in favor of the system with ninety-nine citizens out of every hundred.

Third. That the Government ought to go out of the banking business, and that postal savings banks would put the Government a step further into the banking business. In reply to this objection we say: That none except those who want to control the nation's money and use this powerful instrument of commerce as a means to force the whole producing world to pay tribute to the money changers can consider this an objection. With all who stand on the money question where Jefferson, Jackson and Lincoln stood, it is a strong argument in favor of postal savings banks.

Fourth. That the money collected through the savings banks scattered over the country would be concentrated and hoarded at Washington, and thus cause a contraction and congestion of the currency. In reply to this objection, we call attention to the fact that my bill now pending before Congress amply provides against any such danger or contingency, and it might be stated in addition that those who have made this objection, as far as my observation goes are those who have been striving to contract and congest the currency of the country for the last thirty years. They want the money deposited in private and corporate banks in order that they may control it at will. A proper postal savings bank system, like the one my bill would establish, will to no small degree prevent the very evils which national banks have been producing.

In this connection I quote again from the report of the Postmaster General answering the same objection: "Some affect to see the spectre of centralization in the postal-savings system. It is true that it operates directly to centralize capital, but only that it may be redistributed and thus put to use."

In another part of this admirable argument, referring to the same objection, he says: "It is claimed that it would take money out of communities already suffering for want of currency. On the contrary it would gather together the money now hidden and idle in every community, and enable each of them to get the use in bulk, at the shortest possible notice of all the reserve capital in the community. While the funds thus gathered from the community would probably be sent to the financial centers, they would be returned through safe and proper channels to move the crops and to perform their other customary duties."

Fifth. The 5 objection I have noticed during the past summer is, that private enterprise can furnish all of the saving banks necessary. In answer to this objection we call attention to the fact that in all the twelve Northern, Eastern, and Middle States, where population is densest and where private savings banks are greater in number, there are today only 620 mutual savings banks and 140 commercial savings banks, 760 saving banks in all, covering a population of over thirty millions of people, which averages one savings bank to every 40,000 people.

In those 12 States there are 5,720 money-order postoffices where there are no savings banks of any kind. Surely the people in these States need postal savings banks. In the 13 southern States there are only 2 mutual savings banks (which are the only real savings banks) and 110 commercial savings banks (which can hardly be called savings banks) 112 in all, covering a population of 18,000,000 people. There are in these States 3,980 money-order offices where there are no savings banks of any kind. And in the 16 Western States there are only 7 mutual savings banks and 420 commercial banks making 427 in all, covering a population of over 32,000,000 people. There are in these States 6,771 money-order offices where there are no savings banks of any kind. The Pacific States have 20 mutual savings banks, 50 commercial savings banks, 70 in all, covering a population of 3,000,000. There are in these States 862 money-order offices where there are no savings banks at all.

In short, the 33 Southern, Western and Pacific States have altogether only 939 savings banks, covering a population of over 52,000,000 people, or one savings bank to 54,000 population. Not one in five hundred of these people do or can deposit in any of these savings banks. Would this be the case if there were postal savings banks at every postal money order office? In Great Britain, where postal savings banks have long been in successful operation, one person out of every eight of their population has a deposit and bank account. That is nearly one depositor for every voter. Shall we wait fifty years, or one hundred years, or one thousand years, and

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## CHANDLER'S LETTER

The Republican Party Does Not Dare to Enact Financial Legislation.

## CRITICIZES SECRETARY GAGE

Cannot Retire the Greenbacks—More Probability of their Increase.

### Denounces the Gold Standard League.

Senator William E. Chandler, a republican senator from New Hampshire, has written a letter to the Washington Post in which he severely criticizes Secretary Gage, the gold standard league, and the self-constituted monetary commission. He declares that if the republican party expects to win in the next elections it must not tamper with the financial problem. The present session should merely pass the appropriation bills, take care of Hawaii and Cuba, and adjourn as early as May.

In his letter Senator Chandler says: "If the secretary of the treasury and his gold standard associates will cease their demand for impossible currency legislation congress will pass the necessary appropriation bills and probably take care of Hawaii and Cuba. They will not be a serious party division during the session, and there will be an adjournment in May. Business will revive, the treasury receipts will equal the expenditures, the balance of trade will continue in our favor and the republican party will, in November, 1898, elect a majority of the house in the fifty-fifth congress."

"On the other hand, if Secretary Gage continues to press on congress a bill, the object of which he says is: 'First, to commit the country more thoroughly to the gold standard, and the immediate effect of which is to throw doubt upon the sincerity of the president's declarations in favor of continued efforts to secure bimetalism, a political turmoil will ensue, which will split the now united republicans into fragments, while it will unite and consolidate the now incongruous opposition. It is not possible to retire the greenbacks; there is more probability that a bill will be sent to the president to increase their amount."

"It is not possible to secure the passage through either house of a bill making the greenbacks into gold notes or authorizing bonds payable in gold. The effort to do either thing will probably result in the passage of a bill for the redemption of the greenbacks in silver dollars, and for the payment of all United States bonds in gold or silver coin, at the discretion of the president, who will be commanded to exercise his option for the advantage of the government and not for the advantage of the creditor."

With such an uproar in congress as these proceedings will create, with western congressmen embroiled therein, with votes as threatened by Secretary Gage, under angry discussion, it will happen that all business enterprises and funds and stocks will be disturbed, prices will fall, insolvencies will increase, and the republicans will lose the congressional elections in 1898, as they did in 1890, and beyond the hope of a favorable action in 1900, at which time, therefore, a Bryanite democratic president and congress will be chosen."

"Whether we are to have one of these results—political safety, or the other, political destruction—depends entirely upon the course to be pursued by Secretary Gage and those who are pressing him forward, namely, the gold standard league of New York and the self-constituted national monetary conference. "How much Secretary Gage cares for the republican party is not known. Whether President McKinley, whose good faith toward bimetalism is coming to the test, will stop his secretary in his insane career is not known. It is to be hoped he will. But no political situation has been clearer than the present to sound eyes since the republican party began its marvelous career forty-two years ago. There are times for all things. There is a time to move and a time to keep still, and now is the time to do so keep."

"It is simply political suicide for the republican party in this congress to affirmatively open the discussion of the money question. We ought to await the progress of international bimetalism, the advent of prosperity, and the filling of the treasury by the normal workings soon to be seen of the new tariff law. Shall we wait for these things or rush on to self destruction? President McKinley must decide. Will he act for his people or for his plutocrats? Upon his answer will depend the events of 1898. WM. E. CHANDLER. Dec. 18, 1897.

## ECKLES ON POSTAL BANKS.

The Comptroller of the Currency Tells of Their Success.

Comptroller of the Currency, J. H. Eckels, in his annual report, gave much consideration to postal savings banks, in order to bring all the information he possessed before the members of congress. The report contains the English postal savings bank law and says the growth of the system is remarkable in spite of the fact that the rate of interest is but 2 1/2 per cent and the investment of funds confined mainly to government securities.

There were 6,453,597 depositors in the Great Britain postal savings banks at the close of 1895, and 90 per cent of those belonged to that class whose deposits aggregate but \$30 annually. The other 10 per cent averaged \$525.

The report then quotes the laws of other countries and gives statistics showing the prosperity and popularity of postal savings banks there.

Mr. Eckels gives the following table, which shows the growth of the system in the countries where postal savings banks are in operation:

No. of depositors.	Deposits.	Average deposit.
United Kingdom 6,453,597	\$488,244,875	\$75.82
France 2,488,075	180,691,705	60.56
Italy 2,986,788	89,724,485	30.97
Australia 474,885	70,038,375	147.54
Holland 983,370	53,983,274	72.18
Austria		
Savings dept. 1,110,091	22,124,125	19.98
Banking dept. 28,968	27,370,964	961.50
Hungary		
Savings dept. 275,565	5,439,088	19.68
Banking dept. 3,767	3,634,108	964.72
Canada 175,353	29,282,784	285.36
India 653,925	28,412,460	43.45
Netherlands 499,963	18,587,451	37.12
Sweden 408,288	10,098,745	26.20
Cape Colony 46,872	7,676,370	178.75
Totals 16,846,750	\$1,016,847,480	\$61.19

## COST OF THE N. Y. CAMPAIGN.

Enormous Sum of Money Raised by the Republicans and Tammany.

It is almost impossible to conceive of the enormous amount of money that was expended in the recent Mayoralty contest in the city of New York. As in every other great city, there are thousands of voters in the city of New York who sell their "time," "influence" and vote, to the highest bidder. Tom Platt for the republican and Richard Croker for the Tammany democrats, were bidding for this support. The price paid was enormous. The republican committee wanted \$3,000,000.

General McAlpin reported that it would be impossible to raise that amount in New York, mainly on account of the defection of rich men to Low, Secretary of the Interior Cornelius N. Bliss, at General Tracey's request, saw many of the rich recluses at the Union League Club one Sunday and from what he learned became discouraged. He saw Senator Platt immediately afterward, and the appeal for outside aid resulted from their meeting.

Senator Platt telegraphed his appeal to Senator M. S. Quay, Senator Mark A. Hanna, George S. Cox, at Cincinnati, Joseph H. Manly at Augusta, Senator Henry Untch Lodge and Senator W. E. Mason.

In addition to this list of State bosses he appealed in person to E. R. Grinby, the Florida boss; John S. Clarkson, the Iowa dictator and to General Harrison, of Indiana, Senator Thurston, of Nebraska, and other influential republicans who were in New York.

From the republicans state committee Platt had already received the whole of last year's surplus, about \$150,000. He called upon a million for \$360,000 more. He assessed a committee from the local corporations and candidates, making a total of \$1,500,000, just one half of the amount which Platt and his committee started out to raise. He called upon the leading bosses to raise the other half and apportioned the amounts which each should raise as follows:

Matthew S. Quay	300,000
Mark A. Hanna, G. S. Cox, Ohio	300,000
Henry Cabot Lodge, New England	300,000
William E. Manly, Lincoln	300,000
James S. Clarkson, Iowa	300,000
To be added to:	
Assessed from the national committee	150,000
Fledged by national committee	350,000
Assessed on corporations & candidates	1,000,000
Grand total	\$3,000,000

Platt appealed for aid upon the claim that not only the republican organization of New York city, but republican organizations in all cities would be jeopardized by the New York assault upon Bossism. He enlisted the interest of the administration state bosses by promising to them the New York delegation in the next republican national convention.

The whole of this great sum was available in New York a week before election and was spread broadcast in every election district to round up the floating vote for General Tracey. But it was without avail. Tammany had all the money it wanted and was better organized. Such an enormous sum of money could not be honestly expended by either side. It was raised by promises of legislation favorable to great corporations and other moneyed institutions.

The populist party proposes the only effective remedy for the boodle evil. It is direct legislation by means of the initiative and referendum. Under that system the politicians could promise to grant special legislation and valuable franchises, but they would find it difficult and frequently impossible to fulfill the promise. The great corporations would not contribute so liberally for such an uncertain return.

## WHERE TO PRACTICE ECONOMY.

Congressman Maxwell Favors Dispensing With Unnecessary Clerks.

Last week when a bill providing for an appropriation to pay the salaries of a long list of clerks, assistant clerks and messengers for the committees of the house, came up for consideration, congressman Maxwell offered several amendments to strike out of the list many of those that are entirely unnecessary, and have no duties to perform. His amendments were all rejected and the

house continued to provide places to be turned over to political favorites.

In submitting his amendment, Mr. Maxwell said:

"Mr. Chairman, I move to strike out, in lines 16 and 17, on page 3, the words 'assistant clerk, \$2,220.' I wish to say in support of my motion that I am always glad to aid any person to obtain employment in some worthy business so that he may be enabled to support himself and those who are dependent upon him. And where it is apparent that the services of anyone are necessary, and he has been faithful in the performance of his duties, I certainly shall not vote to abolish his position. My sympathies are with the man or woman who earns a living by honest labor. A government, however, is a great business institution, and so far as at least as employment is concerned, should be conducted on business principles. We are acting here not for ourselves, but in a trust capacity for the people of the United States.

The bill provides for one clerk to the Committee on Appropriations. To that we do not object, and the salary allowed (\$3,000) ought to secure a man of a high order of ability. It would seem that this one clerk could perform all the duties except those of the committee itself, which cannot be delegated. There is a very large number of these appointments. Thus, in page 3, lines 17 and 18, we find: 'Messenger, to be appointed by the committee, \$1,440.' The duties of messenger to a committee certainly cannot be very onerous, and could readily and easily, I believe, be performed by the clerk. Here would be a saving of \$3,460 in one committee, without, so far as I can see, impairing the efficiency of the service in the slightest degree. It will be found that this surplus of employees runs all through the bill, and that the aggregate amount of salaries proposed to be paid runs up into the hundreds of thousands of dollars, if not millions.

The evil, too, appears to be constantly growing, so that unless it is checked we may reasonably expect a considerable increase of the number, with but little for them to do. Shall we not restrict the number to those absolutely essential to perform the duties required? That certainly is our duty. There is great complaint of a deficit in the revenue, and on that proposition ground the appropriation for pensions was \$25,000,000 less than three years ago. Let us drop needless expenditures and there will be sufficient revenue to sustain the Government."

The house promptly voted down the amendment and continued to make places for thousands of useless clerks. As Mr. Maxwell says, it is the needless expenditures of the government that has been and is yet the most important factor in causing the deficit in the treasury.

## TO LEGALIZE THE TRUST.

Railway Pooling Bill Will Undoubtedly Pass The Present Congress.

The railroads, as every one knows, are anxious to get permission from congress to continue their combination known as the railway trust. This trust is now operating in defiance of the decision of the supreme court of the United States, for the corporations say that this decision does not apply to them. Their anxiety for the passage of a pooling bill is a little inconsistent. But, as the pooling bill is bound to go through, the enemies of the railroad despotism have resolved to affix to the pooling bill a provision giving more power to the Interstate Commerce Commission. That commission is now a worthless bit of machinery, and benefits only the corporations. The railroads will not permit the commission to be endowed with power to enforce its own decisions on the ground that the Populists may get control, and thus ruin the "welfare of the shareholders." The federal judges have been repeatedly asked to issue injunctions to enforce the decision of the supreme court, but this they will not do. The judges are afraid of the railroads. It will be a test of the present congress to observe how it conducts itself on the subject of the pooling bill. If it passes, we may expect the handing over of the country to the corporations. If the pooling bill is not passed, it will show that there is still some honesty in congress. But as there are now twelve railroad presidents in Washington, two of whom are members of congress, the outlook is not promising.—Twentieth Century.

## RELIEF FOR KLONDIKE MINERS

Congress Makes An Appropriation Of \$200,000 for Supplies and Transportation.

Both branches of congress have passed a bill making an appropriation of \$200,000 to be expended in the purchase of supplies and transportation for the relief of miners in Alaska. The money is to be expended under the direction of the secretary of war, who is also authorized to use the United States army to carry into effect the provisions of the act. When the bill gets into the hands of the conference committee a provision will be added giving the war department authority to use the military arm of the government in the execution of the relief measures.

The department officials want specific authority as to using the military arm for civilian purposes. The office to have charge of the expedition has not yet been selected, but the selection will not come from the highest rank of the army. The war department authorities will draw officers and men from the activities of garrison life and give them a mission in which courage and daring will be required.

## HITCHCOCK ARRESTED

Editor of the World-Herald Charged With Contempt of Court.

## CANNOT SOLICIT BUSINESS.

He Tells the Court What he Thinks About the Matter.

### Free Speech Suppressed.

The privilege of attending to one's own business in a legitimate way, and taking advantage of favorable public opinion as an element to which reference may be made in soliciting patronage, has been attacked in a violent manner by one of our Nebraska judges.

Newspaper publishers have long enjoyed unquestioned right to refer to complimentary mention or resolutions bearing on the merits of their publications, and have used such testimonials in soliciting business. No objection has ever been made to such a practice, for the simple reason that no one has ever dared attempt closing a man's mouth against his own interests by an injunction from the courts. But as the injunction business has prospered so marvelously under the McKinley regime, we are not surprised to see it employed to trample down the last vestige of individual right.

The board of fire and police of Omaha adopted a resolution some time back denouncing the World-Herald to be the paper having the largest circulation in the city of Omaha. The Omaha Bow immediately commenced action in the district court of Douglas county asking for an injunction restraining the board from circulating this resolution, and stopping the World-Herald from publishing it or using it in soliciting advertising.

Judge Kaysor issued the order of injunction at the Be's request.

The publisher of the World-Herald, Gilbert M. Hitchcock, replied to the court in an open letter in which the following ideas were expressed: "I consider this to be an attempt to abridge the liberty of the press. I believe it to be lawless. I believe it to be malicious. I shall resist it by all lawful means in my power. I notify you that the World-Herald is a constitution of the country which will not be run by injunction."

"In order, therefore, to put this matter to the test I hereby publish, as I have the right to do, the resolutions of the license board, taken from its record."

"I propose to have advertising solicited for the World-Herald in the future, as it has been in the past. If you can enjoin me from transacting my business as you now attempt to do, then no business enterprise is safe from judicial tyranny."

Mr. Hitchcock was immediately arrested and brought before the court to show cause why he should not be punished for contempt.

The Be's daring thrust at the liberty of its competitor found a willing tool in Judge Kaysor, and the case stands without a parallel in the history of this country. The publication of liquor licenses was the foundation for the trouble. These are usually published in the paper having the largest circulation in the city, and the Herald referred to the resolution of the fire and police board in soliciting the license notices. There was nothing official in the resolution, but it simply expressed the opinion of the board, and it is plain from its suppression by injunction that the American people have lost the privilege of expressing their opinion on any subject.

"The freedom of speech and of the press" guaranteed by the constitution of the United States has been knocked sky-high by E. Rosewater and Judge Kaysor. What is law? Where does law leave off and anarchy begin?

## Comparing Tariff Bills.

Defenders of the Dingley tariff rise to the dignity of the occasion with assertion for lack of argument.

Chairman Dingley asserts that "in time" his famous deficit producer will bring in sufficient revenue to meet the expenses of the government, and he defiantly adds that those who criticize the tariff "dare not make comparisons between the first months of the Wilson act and the first months of the present act."

This assertion is made in the face of the fact that comparisons have been made right along showing the failure of the Dingley act to procure as much revenue as the Wilson measure, which was so roundly condemned by republicans.

As an example of the comparisons which have been made, Chairman Dingley's attention is called to the following figures, showing the revenue which was secured by the two tariffs during the initial four months of their operation:

Wilson act.	Dingley act.	
First month	\$1,564,291	\$2,071,793
Second month	11,363,119	7,748,100
Third month	11,363,119	5,718,484
Fourth month	11,363,119	9,368,081
Four months	\$45,452,656	\$32,856,468

This presents a balance of over \$14,000,000 in favor of the Wilson bill. It should also be remembered that the revenue secured by the Wilson bill for the time in question was collected when business was paralyzed by the panic of 1893 while the Dingley bill was operating under the glorious influence of the McKinley prosperity which is so much vaunted by the republican press.

Truly, as Mrs. Malaprop would say, "comparisons are odorous" to Chairman Dingley.—Chicago Dispatch.