

THE NEBRASKA INDEPENDENT

Publication of "THE WEALTH MAKERS" and "LINCOLN INDEPENDENT"

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If you are in need of a sewing machine it will pay you to read the insertions and advertisements of the Independent machine. See page seven.

The attention of our readers is called to the "Independent" Sewing Machine advertised on page seven. Read the letters of indorsement from those who have used it. If you are in need of a sewing machine you cannot find a better opportunity to secure a first class machine for so little money.

The Iowa legislature has taken an important step in the management of its state institutions. This consists in abolishing the different boards which control these institutions and vesting their management in one board of three members. Nebraska people will watch the success of this plan with interest. Those who have come into contact with our own state institutions as members of the legislature know the need of a fixed responsible body charged with their supervision. Other than a system of scattered responsibility—much of it placed upon state officers with other duties.

Another act just passed by the Iowa legislature provides that mortgage debtors shall retain possession of mortgaged property during the year which the Iowa law allows for redemption, and contract to the contrary being void. This act is occasioned by the occasion of loan agents in Iowa who place a clause in the mortgage by which the debtor is compelled to sign away his right to a year's redemption. We shall look for the Joe Jounson press of this state to raise the yell of "repudiation" and "assault upon the freedom of contract" as soon as they get this news.

The United States continues to interchange the most delightful compliments with Spain, and meantime are buying up all the warships in course of construction. England is on the lowest terms of friendship with all the powers, and springs her already enormous naval budget by a round million and a half sterling. Germany is packed full of peaceful dispositions, and her expenditure on warships is gradually to increase from 117 millions of marks in 1897-98 to 145 millions seven years hence. Holy Russia, which holds war in horror, is to spend an additional ten million sterling on new warships. Even Turkey is buying ironclads. In short, the whole Christian and Mohammedan world is scraping up its bottom dollar to float it in maritime engines of destruction.

The sentiment of the people of the United States is overwhelmingly in favor of a free Cuba.

The people will back the president up in any firm and courageous measures he may take for intervention in behalf of free Cuba, peacefully if possible, but with force if necessary.

No half-way measures will satisfy the people. They will not rest content with ignoring the Maine disaster if that is to be the end of the matter. Relief of the starving reconcentrados is all right as far as it goes—if the relief goes to the Cubans, and not to the Spanish soldiers—but that is not freeing Cuba and the United States cannot undertake to support indefinitely hundreds of thousands of persons kept in imprisonment by Spain.

We trust, we hope, we are inclined to believe, notwithstanding some reports to the contrary, that the president has all these things in mind.

During Mr. Meserve's incumbency he has made thirty calls for general fund warrants, amounting to the grand total of \$1,297,523.58, face value, upon which has accrued on the average about nine per cent interest. From February 2, 97 to April 26 there were ten calls. Then a suspension followed until June 24, because of the May school apportionment of over \$300,000 coming on to be paid. Then from June 24 to November 27, 1897, were twelve more calls, with a similar suspension until January 12, 1898, to facilitate the payment of the December apportionment of the temporary school fund. Since then eight calls have been made. By such prompt action in calling outstanding warrants whenever twenty to forty thousand dollars have accumulated in the treasury, a careful estimate places the saving to the state in the interest alone (at five per cent) at \$32,000.

NEW DEPARTMENT.

In this issue of the Independent appears a new department, "THE HOUSEKEEPER'S CORNER." It is conducted by a woman of ability; one who has raised a family and has had many years of practical experience in housekeeping on the farm, and later in the city. The department will be interesting and instructive. It is something for the women and to it we wish to particularly direct their attention.

PRINCIPAL NAVIES COMPARED.

It is interesting at this time to compare the fighting strength of the United States' navy with the navies of other countries. The British Empire has 75 line battleships and 13 in process of construction; 119 cruisers and 17 in process of construction; 60 coast defense monitors; 308 torpedo boats and 12 under construction and 76 other vessels of various classes.

France has 46 line battleships and 11 in construction; 51 cruisers, and 8 being built; 26 coast defense monitors; 257 torpedo boats and 38 in process of construction, and 102 unclassified vessels.

Russia has 30 line battleships and 10 in construction; 23 cruisers and 2 in construction; 34 coast defense monitors; 181 torpedo boats and 14 in construction; and 35 unclassified armor clads.

Italy has 20 line battleships and 6 in construction; 18 cruisers; 192 torpedo boats and 16 in construction; and 37 unclassified vessels available for war purposes.

Germany has 22 line battleships and 4 in construction; 18 cruisers and 7 in construction; 13 coast defenders; 151 torpedo boats and 1 under construction; and 18 unclassified vessels.

The United States has 13 line battleships and 5 in construction; 27 cruisers; 13 coast defenders; 8 torpedo boats and 15 in construction; and 24 unclassified war ships.

Spain has 8 line battleships and 4 in construction; 12 cruisers and 6 in construction; 13 coast defenders; 60 torpedo boats and 3 in construction; and 96 unclassified vessels.

Japan has 7 line battleships and 7 in process of construction; 15 cruisers and 4 in construction; 6 coast defenders; 29 torpedo boats and 22 in construction; and 17 unclassified battleships.

It will be seen that neither the United States nor Spain rank very high in naval equipment. There is not much difference in the strength of the American and Spanish fleets, but it is generally believed that the superior ability of the American seamen and American officers would enable them to win an easy victory over the Spaniards, if actual hostilities should be commenced. The weak point in the American navy is in torpedo equipment but a large number of cruisers serves in a measure to cure this weakness. Not only this, but the United States, if necessary, could purchase a large number of these as they are inexpensive; falling in this, they can be constructed in 90 days time. On the whole this nation has nothing to fear from Spain.

There will be no halt in the fight for lower railroad rates in Nebraska until they are secured. If the corporations knew the strength of sentiment among the great mass of people on this point and their knowledge of the railroad problem they would pursue a different course. The mass of people do not want to "confiscate" any property. They simply insist that railroads must become public servants and furnish the public service without discrimination against persons or places and at rates commensurate with the average returns from other lines of industry. If the corporations will do this it is well. If they won't the people will find means to take possession of the roads at the price they are worth—not at all what they are capitalized.

BANKS IN NEBRASKA.

The annual report of the State banking board is just from the press. Facts given therein furnish a good text for comment and thought upon the present banking system.

First for the facts: There were 398 state and private banks with their doors open doing business the first of December, 1897—a reduction in number of 16 since the year previous. Besides these there were 103 national banks transacting business in Nebraska. These last are not subject to control of the banking board, being examined and supervised by the treasury department at Washington.

These banks had loaned out \$13,405,374. They actually had of their own money to loan out \$7,353,278—just about even half. The other half, of course, belonged to the people who had "confidence" enough in the banks to put their money in them. This simply calls attention to the great fact that underlies all banking, to-wit: That banks are organized not upon their own money, but upon the expectation of other people's money; that they do business not upon their own funds, but upon those of the community, where they are located; that in essence they are public institutions

exercising public functions, with their present management entrusted to corporations and private individuals.

Another interesting fact appears on analysis. There are 400 banks which loaned out about \$8,000,000 of funds belonging to other people—an average of \$20,000 apiece. The reports to the banking board do not show what part of this is time deposits (on which the banks pay interest) and what part is open deposit (on which the banks pay no interest). Usually the general deposits exceed the time deposits. But taking the banks of Nebraska, big and little, this average sum of \$20,000 community money loaned out at bank rates of interest will come very close to paying the bank's expenses. The proportion of community money loaned out, as Dr. Hall, secretary of the board, shows, is much smaller than it has been for some time past.

In fact, the banks themselves report their "current expenses and taxes paid" item for the year 1897 at \$444,798—an average of \$1,109 to each bank. In view of this sworn statement, the proposition appears doubly reasonable that the profits on the loaning of community money pay all the bank expenses and leave a profit to the corporation or individual managing the same in Nebraska.

Another phase of the report is of interest. The amount of deposits in these banks was \$13,502,940. The actual amount of cash in the banks was \$1,573,062. That is, the banks had one dollar in cash to pay nine dollars of deposits with. The only wonder in connection with the present banking system is that more of them don't fail.

For under our system the only way a bank can meet a sudden demand of its depositors is by placing the securities where it can borrow money on them. When the demand is general, as it was in 1893, the result will be what it was then—the banks in the financial centers quit paying cash and use illegal bank paper or "clearing house certificates." The little banks which cannot defy the law are entirely at the mercy of their depositors. So that while in prosperous times the banks make their living off the money of their depositors in times of crisis they must owe their existence to the forbearance of their depositors.

The undivided profits of these 398 banks was \$882,896—a total of nearly \$2,000,000 profits upon an original investment of \$7,855,278 capital stock, besides the dividends paid.

These figures furnish instructive food for study. The object of this presenting them here is not to attack banking institutions but to direct attention to what they really are—community concerns and dependent for existence upon community confidence. In other words they are public institutions run by private persons for private gain. The only voice the public has in their management is what it secures through the state banking board. This is chiefly in the power of examination which compels these agents of the people to submit their books and assets to inspection by a state officer. Dr. Hall asks for the grant of larger powers to the board for the protection of depositors. Among other things he calls attention to the fact that over \$3,000,000 of the assets of state banks are deposits with national banks over which the state banking board has no power of examination or even inquiry.

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Written constitutions were intended to be perpetual charters of freedom to those possessing them. In practice they have become bars to progress and strongholds for commercial tyranny.

The current toward enlightened socialism is a great deal broader, deeper and stronger than politicians reckon. There are a surprising number of republicans who believe in these principles. The time is not far distant when the struggle for public ownership of all monopolies will be the issue. Every populist should be a missionary toward that time.

Sending Relief.

Nebraska has made a good showing in furnishing relief to the starving Cubans. The state has contributed through the relief commission appointed by Governor Holcomb, seven cars of food and provisions. The 25th of this month a car containing 30,000 pounds of flour, 150 pounds of beans, 100 pounds of meal and four large boxes of clothing was sent to Stephen Barton at New York to be forwarded to Consul General Lee at Havana. Acknowledging the receipt of the provisions, Mr. Barton stated that the contributions from Nebraska had been more liberal according to the population than any other state.

Companion Wanted.

A widow lady from 45 to 50 years old and partner with from \$300 to \$500 to invest in a poultry and stock ranch in Wyoming. For further information address box 234, College View, Neb.

GOLD STANDARD POSTAL SAVINGS BANKS.

Nothing has been done at Washington toward passing any of the postal saving bank bills introduced in that body. Nothing is likely to be done.

The doorway of relief to the people does not turn on congressional hinges.

Just now, however, a different kind of doorway is turning. Secretary Gage last week wrote a letter to Senator Walcott, chairman of the post-office committee in which he directly takes the ground that no postal savings bank bill should pass until a money standard (which should be the gold standard) is fixed by congress for the repayment of deposits. As usual with those of his class Secretary Gage is concerned lest the poor depositor shall not get back money as good as he puts into the postal savings banks. He says:

"If one of the humble parties to the proposed contract should ask the postmaster agent to whom he should hand his accumulated earnings, now as good as gold: 'Will my money, when I draw it out, be in gold, or in its fair equivalent? What answer will you authorize your agent to make? At present he can make no specific answer. When this element of uncertainty shall be removed, when the standard of payment can be clearly defined and permanently settled—whether that standard be gold or silver—then the savings of the humble classes may be, with their consent, taken over by the government on terms clearly and plainly stated. In my opinion it cannot, with proper regard to national dignity and a due regard to the trustful public, be done before."

This letter means that until the passage of an act establishing the gold standard and bank currency in this country the present administration will oppose the passage of a postal savings bank bill. And this is to be done in the interest of the "poor depositors of America whose savings have been squandered by the millions by savings bank corporations.

There was once a boy who was taken by his parents to see the picture "Daniel in the Lion's Den." The boy began to weep. "Don't cry they didn't eat him," began the relatives. "Taint that," said the boy. "I was crying cause Daniel wasn't big enough to go around and the little lions won't get any."

INVESTING THE SCHOOL MONEY.

The board of educational lands and funds has purchased \$180,000 of Douglas county refunding bonds, paying a premium of \$10,219 as an investment for the permanent school fund. This accomplishes what Governor Holcomb and Treasurer Meserve have been striving for, viz the investment of the permanent school fund of the state in interest bearing securities. There is now invested \$3,917,472 of permanent school fund. The interest and proceeds from the investment of this fund is the principal source from which the money for the semi-annual school apportionment is derived.

In addition to the above the board has also invested \$32,500 of the permanent university fund, \$16,000 of the normal endowment fund and \$40,000 of the agricultural endowment fund, which makes a total of more than \$4,000,000 of educational funds. At the state of Nebraska has invested in interest bearing securities.

The funds of the state are better invested than ever before. Each apportionment of the school money under the present administration has been larger than any before in the history of the state. The apportionment next June promises to be still larger. All warrants registered and out standing against the university have been called in and paid, and warrants against that fund are cash, are now paid as soon as they are issued. The general indebtedness of the state has been reduced more than half a million dollars. Warrants on the general fund of the state command a premium of one and one half per cent, a thing never known in the history of the state. All this has been brought about during the administration of Hon. John B. Meserve, the populist treasurer from Red Willow county.

REPUBLICANISM IN PENNSYLVANIA.

Since the exposures of republican rascality and misgovernment in Nebraska made by the present populist administration, the machine organs east and west which had predicted ruined credit and general destruction are sure to follow populist victory have been busy explaining that through an "accident" two or three bad men got into office as republicans and that the party should not be held responsible for their misdoings.

Apparently an "accident" of the same nature as the Nebraska, one has happened in Pennsylvania. Last year there was an uprising in that state against the corrupt rule which controls its politics that gave Dr. Swallow the independent prohibition candidate for state treasurer 120,000 votes and made the republican ticket, for the first time in years, successful by only a minority vote.

This year the rebellion is still growing. John Wannamaker, who a few months ago called down some standard criticisms upon his head by stating that prosperity had not arrived

yet, although it was over due by the McKinley time card, has been telling some plain truths about the present republican state administration in Pennsylvania. Some of the statements he made read so much like the state of affairs found in Nebraska that we begin to wonder whether there is a general uniformity of plan on the part of those patriots who have been engaged in saving the credit and good name of the country from "dishonest extract or two from Mr. Wannamaker will bring this out. He says:

"For the past five years, the average amount of state money on deposit at privately owned banks has been in the neighborhood of \$5,000,000, and on this stupendous sum not one dollar in interest has been paid to the state. One private bank in Philadelphia, with a capital of only \$150,000 but with a president who has been one of Mr. Quay's lieutenants, has continuously carried a deposit of state money ranging from \$300,000 to \$1,200,000.

Doesn't that read for all the world like a transcript from Nebraska's experience before the pops came in and ruined the credit of the state? But wait, listen to the further statements of Mr. Wannamaker:

"On January 1, no less than \$3,500,000 of money due to public schools the previous June was still unpaid, yet all this time the state had on deposit in the favored banks an average balance of \$4,579,900."

Isn't that familiar music to Nebraska ears? Doesn't it sound like an old time symphony of 1894-5 when Governor Holcomb was trying to get the school children's money invested and the republican state board of educational lands and funds was trying to keep it in the hands of their speculating friends? But let us go on:

"For fifteen years the control of the office of state treasurer has been the citadel of Senator Quay's power; it is believed to have yielded annually a campaign fund of not less than \$100,000, mortgaging individual bankers and affording unlimited credit."

It certainly does look as though the two machines—one in Pennsylvania and one in Nebraska—were worked on the same wire. Mr. Wannamaker goes on:

"The last legislature was kept without committees for nearly a month that chairmanships might be bartered for votes in the senatorial contest; after its organization was completed, the legislature padded the pay rolls, created commissions (costing \$750,000 in salaries), and ordered junketing investigations, until the cost of all these things, united with the unwillingness of the machine to pass the Bliss bill taxing beer, led to a cut of \$1,000,000 in the appropriation for the public schools.

Evidently the fellows who protect Pennsylvania from "repudiation" and destruction have the same idea as their co-partners in Nebraska—that if anything is to suffer it had better be the school children as they cannot vote. The people of Nebraska send their devout commiserations to the people of Pennsylvania in their shame and suffering and the hope that there as here a union of all reform elements may drive the plunderer from power.

RAILROAD PASSES.

There are few things more coveted by the average citizen than a railroad pass. They long for it, not so much for its value, for there are many things more valuable, but as they say at Methodist experience meetings, "because it affords a joy and satisfaction that worldly goods cannot buy." It is regarded as a badge of dignity. As the politician would say, it is "recognition." Men who are given passes and accept them and ride upon them are not required to make any pledges or promises of future favors to the corporation that issues the pass. It is complimentary of the official standing of the recipient. When a friend visits his neighbor, he is frequently invited to "take dinner." It is a complimentary invitation. It is not a bribe in any sense of the term. It is a courtesy, an expression of friendship. It is not a business transaction. A railroad company can furnish a public official with a pass as easily as most individuals could treat one of their neighbors to a cigar. Where you invite your neighbor to have a cigar, do you do it to bribe him? Do you do it expecting ever afterward to hold him under obligations to you? When you accept a cigar from a friend or newly-made acquaintance, do you become "obligated" to him? Whether a "dinner," a "cigar" or a "pass" bribes a man depends entirely upon the character of the man receiving it. He would indeed be a disreputable man who would accept a "complimentary dinner" from one of his neighbors as a consideration for doing an injury to another of his neighbors. We do not say that there are not men mean enough to do it. Perhaps there are, but no honorable man would accept it in such a spirit. No one, however, would say that the dishonorable act was in accepting the dinner, but rather that it was in doing the wrong to pay for it.

The public official who will accept a pass as a bribe, or consider it as

such is worthy very little confidence. Those who impeach the honesty of a public official for accepting a pass have so little confidence in that official that they would not hesitate to impeach his motive if he refused a pass. They would say that he refused to accept it to make himself more popular with the masses of the people. That his object in refusing it was to secure his own re-nomination and re-election to public office. No one would say that a public official did not want a pass. All of them want them. It is human nature to want them. The man whose motive in accepting a pass was bad, would have an equally bad motive for refusing one.

There are two ways in which to cure the pass evil, for an evil it is. The first is to reduce railroad rates to such an extent that the companies will be compelled to call in the greater number of passes and charge for transportation in order to earn a sufficient amount to pay dividends. The second remedy is to be found in government ownership and operation of the railroads. When the railroads are owned and operated by the government as the postal system, all persons will enjoy equal privileges and not until then.

HARDY'S COLUMN.

Cuba—Spain's Cussedness—Thurston's Pop Speech—Election Bribe Money—

Washing—Water Instead of Wine—Silver Dollars—Dogs.

The Cuban question is still uppermost in the minds of the people. The court of inquiry found that the Maine was destroyed by outside explosives. The president recommends nothing, and has probably fainted clear away. Wish we had old Abe again. McKinley is a limber man, about like Greeley. And yet the money power think he is a bold, conservative, war like, hesitating. He would do first-rate for a primary school teacher. Three years more, two hundred thousand more women and children, will have starved, in our own national door yard. But what does Wall and Lombard streets care for that. War is bad but there are other things worse.

The way Spain has treated the old men, women and children in Cuba is enough to stir the blood of ages. The most revolting measures were adopted by Weyler, known as the concentrator. It was nothing more nor less than driving all the non-combatants into villages and cities where they would be starved. It was death for man, woman or child to be seen out cultivating the ground or in any way gathering food. More than two hundred thousand have actually died of starvation and thousands more are just ready to die.

Senator Thurston has tried his hand at making pop speeches again. Once before, he made a speech that the pops printed by the thousand and scattered broadcast all over the land. The following is a part of the speech he made last week on the Cuban question.

"Against the intervention of the United States in this holy cause there is but one voice of dissent; that voice is the voice of the money-changers. They fear war. Not because of any Christian sentiment against war and in favor of peace, but because they fear that a declaration of war or the intervention which might result in war would have a depressing effect upon the stock market.

Let these men whose loyalty is to the dollar stand aside while the men whose loyalty is to the nation come to the front.

"The 7,000,000 freemen who voted for the republican party and for William McKinley did not mortgage the honor of this nation for a campaign fund, and if the time ever comes when the republican party hesitates in its course of duty because of any undue anxiety for the welfare of the accumulated wealth of the nation, then let the republican party be swept from the face of the earth and be succeeded by some other party by whatever name it may be called, which will represent the patriotism, the honor, the loyalty and the devotion that the republican party exhibited under Abraham Lincoln in 1861."

Don't that sound like a pop orator? Has John only just discovered that the money power has McKinley by the throat? Has he just learned that the republican party and this administration were mortgaged in advance to raise the twenty millions for Hanna to use in the last presidential election? The senator's patriotism got the start of his loyalty to party, in that speech, that was all.

We were delighted, to read, the other morning that the republicans had decided to run the coming reform city election without money. We thought that did look like reform, sure enough. But before the meeting was through it was thought best to raise one or two thousand for election purposes, the mayor and the charter fund.

How many times must the republican wash in order to be clean? They have washed twice a year, but seem to grow dirtier instead of clean.

The growing disrespect and disgust for distilled brewed and vinous liquors is seen in the use of clear spring water, from the spring where Linsendrunk, in christening the war ship, Kentucky. A bottle of water instead of wine was broken. It was once thought a scurrage must be celebrated with wine in order to have any possible show of happiness in the married relation. Sentiment is changing.

It is estimated that not less than twenty millions of silver dollars are now in circulation that never saw the inside of Uncle Sam's mint. They are of the same left and makeup, nine parts silver and one of alloy. To disguise their newness they put them in-