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CLEAR UP RAPIDLY

RELEASE OF CREDITS HELPS FINANCIAL SITUATION.

CASH FOR THE LOAN MARKET

Bank Statement Brings Out Funds Which Have Been Withheld But Which Are Now Available.

New York—The rapid clearing up of the banking situation and the release of the large supplies of credits to the money markets were the important features of last week's events in the financial world. The New York bank statement of the previous week gave the first decisive outline of the turn in the situation. The statement on Saturday showing a \$6,000,000 surplus has brilliantly confirmed the week's impressions. The effect has spread throughout the money markets of the world and has sent supplies back into the loan market with something like a rush. It was obvious that funds had been withheld through a lingering spirit of distrust of the banks' position or as a precaution against possible extra demands, were returning freely to central reserve points. The basis of credits is greatly expanded by this process. The surrender of the privilege of deposit of part of their cash in the reserve and central reserve cities and its recall home in the panic was the central factor in producing the crisis, and the retention of this cash was the cause for the prolongation of the crisis and the maintenance of the premium on currency.

The anxiety caused by that prolongation up to the end of the year may be said to be now completely dissipated, so far as accommodation to solvent business is concerned. New York has ceased to draw gold from London and rapid recuperation of the Bank of England bullion holding has followed. The Bank of France marked down its official discount rate from 4 to 3 1/2 per cent and market rates of discount receded in all the foreign markets. In New York the most important effect of the new developments was the springing up of an active demand for commercial paper, which effectively relieved the deadlock in that department and quieted the fears of widespread embarrassments in the mercantile world from inability to secure extension of large maturing obligations.

In the securities market the effect of this increase of facilities for conducting speculative operations has been pronounced. The resulting outbreak of speculation showed increasing animation and was stimulated by various professional devices and by the dissemination of rumors of important developments. The need of a large uncovered short interest was an important contributing factor to the rapid advance which developed and furnished the material for much of the demand forced by the bidding up of prices by the organized bull party in the market.

FORAKER FACTION AT WORK.

Trying to Control Party Machinery at Cleveland.

Cleveland, O.—A call was issued by the Foraker-Dick faction of the republican party in this, Cuyahoga, county for Saturday afternoon, in which it is stated an executive or controlling committee for the party will be chosen. Earlier in the day the leaders of the Taft faction filed a request with the board of elections asking that a primary be held to elect sixty-three delegates to the state convention. The Foraker-Dick faction leaders allege that the present county executive committee, which is composed of Taft adherents, is without power to act because it was chosen for one year and had served two years without reelection.

WANTS AN ENLARGED NAVY.

Richmond P. Hobson Will Wage Campaign in House.

Washington—Preliminary to the campaign for an enlarged navy, which he proposes to wage in the house, Representative Richmond P. Hobson offered a resolution providing for the appointment by the president of "a commission whose duty it shall be to investigate and report to congress on the best means of preserving the general welfare by the use and extension of arbitration and by the maintenance of armed forces."

MORGAN MAKES A PURCHASE.

Buy \$30,000,000 New York Central Trust Certificates.

New York—The New York Central, it was learned, has sold to J. Pierpont Morgan & Co. an issue of \$30,000,000 5 per cent equipment trust certificates which are guaranteed by the New York Central & Hudson River Railroad company and its allied lines.

MONEY FOR PUBLIC BUILDINGS.

Eighty Millions Will Be Needed for the Work.

Washington—"The Sixtieth congress has been in actual session only a few days, and more than 600 bills already have been introduced for the expenditure of about \$80,000,000 in proposed public buildings. If 20 per cent of that total is appropriated during the present session the people of the country may consider themselves lucky."

The foregoing statement was made by Chairman Bartholdt of the house committee on public buildings and grounds. "Government revenues," he said, "are falling short at the rate of about \$1,000,000 a month, due to the curtailment of the luxury purchases by the people in this time of financial disturbance and commercial depression. The 600 odd bills that have been introduced thus far call for the appropriation of about \$40,000,000 for the purpose in the District of Columbia, where there exist such crying needs, for instance, as a safe building for the archives of the government—priceless, unreplaceable in case of loss, and now scattered about all over the city in such peril as would cause the nation vast embarrassment if they should be destroyed."

Chairman Bartholdt organized his committee by the appointment of various sub-committees.

All bills for the purchase of grounds or the erection of public buildings in the District of Columbia, Alaska, Arizona, New Mexico, Hawaii, Porto Rico, the Philippines and Wisconsin will be passed upon by a sub-committee headed by Chairman Bartholdt (Missouri).

RECEIVERS TAKE CHARGE.

No Change in the Management Is to Be Made Just Now.

St. Paul, Minn.—The Great Western on Thursday formally passed into the hands of the receivers. For the present at least there will be no change in the personnel of the officers and C. H. Smith has already appointed as his representatives in the operation of the road the present heads of departments.

Kentucky to Honor Lincoln.

Louisville, Ky.—Governor Wilson will shortly send a special message to the legislature commending the passage of a bill providing for an adequate appropriation and the appointment of a state commission to direct the Lincoln centennial. The 100th anniversary of Lincoln's birth falls on February 12, 1909, and preliminary plans made by the Lincoln Farm association for the celebration of the event at Lincoln's birthplace in Larue county, Kentucky are now well under way. President Roosevelt will deliver an oration.

Fortification Bids Rejected.

Honolulu—The award of bids for material for the fortification of Pearl harbor has been held up for the reason that it is believed the lowest bidder is a dummy for some Japanese contractors. It is probable that all bids will be rejected and that the War department will conduct the work.

Dr. Hanna to Be Appointed.

Rome—Cardinal Martinelli, chamberlain of the sacred college, has been entrusted with the task of presenting before the congregation of the propaganda, which will meet next week, the matter of the appointment of a coadjutor, archbishop of San Francisco. Cardinal Martinelli declares that he is ready to support the nomination of Rev. Edward J. Hanna of Rochester.

One Term at a Time.

Washington—Senator Gore of Oklahoma introduced a joint resolution providing that no person shall be eligible to be elected president of the United States for more than two terms in succession.

Affects American Stock.

London—The Chicago Great Western receivership and rumors of distress to other railroads effectually kept down fresh business in American stock transactions and induced professional realizing, which kept values under parity in the forenoon.

Lemieux Pleased at Result.

Ottawa, Ontario—Hon. Rodolph Lemieux said to the Associated Press that he was perfectly satisfied that his mission to Japan on behalf of the Canadian government has been an entire success.

CATTLE MEN COME UNDER BAN

Grand Jury Indicts Prominent Men on Fencing Charge.

Denver, Colo.—Among the indictments returned by the federal jury is one against Ora Haley, a cattleman who is charged with illegally fencing 10,000 acres of range land near the Colorado-Wyoming boundary. William H. Hawks and J. I. Rawl were also indicted on similar charges.

A DISCOURAGING WAIT FOR UNCLE SAM.



EXTORTION IS NOT A CRIME FRAMING A CURRENCY BILL

SO DECLARES THE COURT IN THE MAYOR SCHMITZ CASE. FINANCIAL MEASURE PROPOSED BY MR. FOWLER.

Held That Schmitz and Ruff Committed No Crime in Taking Money From French Restaurants.

San Francisco—The district court of appeals handed down a decision setting aside the judgment in the case of former Mayor Eugene E. Schmitz, convicted of extortion in the French restaurant cases. Abe Ruff also benefits by the ruling of the upper court, for, according to its decision, he pleaded guilty to an act that was an offense against the laws of the state.

According to the appellate judges, the compelling of French restaurants to pay big "fees" to Abe Ruff was not a crime, even though Ruff divided the "fees" with the mayor.

After discussing the point the court reversed the judgment against Schmitz on the grounds that no acts constitute a crime had been proved against him. Abe Ruff, who pleaded guilty to extorting money from the French restaurants, is therefore equally guiltless.

The decision wipes out the French restaurant cases and pending charges of extortion against Schmitz and Ruff must be dismissed. Both are now entitled to release on bail. If they obtain the necessary bondsmen they can remain at liberty until such time as a jury finds them guilty on one of the indictments charging them with receiving bribes from corporations. Owing to the number of cases against them the bail, figured at \$10,000 a case, would reach an enormous figure.

The decision was written by Justice Cooper. The opinion comments on Judge Dunne's ruling and says he erred in admitting hearsay evidence.

In treating of the second contention of Schmitz's attorneys that there was no threat to do unlawful injury the court declares that:

"We are clearly of the opinion that the indictment is insufficient because it does not allege or show that the specific injury threatened was an unlawful injury." It is not an unlawful act, reasons the court, to threaten to hold up the licenses of the restaurant keepers or actually to do so.

"Any one," reads the decision, "has the right to go before the board of police commissioners, if that body will hear them, and object to the granting of licenses to sell liquors to a person who is keeping a place in violation of the law. He has the right to threaten to do so. He would not be morally justified in obtaining money to induce him not to carry out his threat, but if he did receive money under such circumstances, he would not come within the provisions of the statute. It is necessary to crimes to allege that the act was unlawful."

Strong Plea for Canteen.

Bath, N. Y.—Resolutions asking congress to restore the canteen have been passed by the trustees of the Soldiers' Home. Major McConnell says the re-establishment of the canteen is an absolute necessity.

NEBRASKA IN LYNCH ZONE.

State Gets Into Class of Those That Hang Without Trial.

Omaha—For the first time in a number of years Iowa and Nebraska appear in the list of states which have reported lynching during the year of 1907, the list having just been received in Omaha. The Nebraska lynching was early in September when Loris LeRoy Higgins was hanged at Bancroft. The lynching in Iowa was at Charles City, when an insane farmer was hanged for killing his family.

The new state of Oklahoma, a territory during 1907, enters the list of states reporting lynchings. Alabama jumped from five in 1906 to thirteen in 1907.

BISHOP WORTHINGTON IS DEAD.

Head of Nebraska Diocese Passes Away in France.

New York—Word has been received in this city of the death at Mentone, France, of George Worthington, bishop of Nebraska, who recently took charge of all the Episcopal churches on the continent of Europe, where he resided. On account of heart trouble the bishop had been unable to live in the high altitude of his dioceses for a long time. His work in Nebraska has been carried on by the Right Rev. Dr. Arthur L. Williams, his coadjutor.

Second Bishop of Nebraska.

The second bishop of Nebraska, Rt. Rev. George Worthington, D. D. LL. D., was born in Lennox, Mass., October 14, 1840. He graduated in Hobart college in 1860 and at the Central Theological seminary in 1863. He was admitted to the diaconate in the Church of the Annunciation in New York, June 28, 1862, by Bishop Horatio Potter, who advanced him to the priesthood in the Church of the Transfiguration January 29, 1864. His charges were St. Paul's, Troy, N. Y., as assistant; Christ church, Ballston, Spa, N. Y., and St. John's Detroit, Mich., he being pastor of the last named church for seventeen years, ministering to a devoted and attached congregation and having one of the largest communicant lists in the church. While in Detroit he was a deputy to the general convention, president of the standing committee, examining chaplain to the bishop and a leader in church activities in both city and diocese.

When he was called to St. John's the parish had 436 communicants and when he left it had 1,400.

During the vacancy of the Michigan see, 1878-9, the clergy of the diocese elected Dr. Worthington bishop, but he declined. Notwithstanding this declination they elected him twice afterward.

In 1883 the house of bishops appointed him bishop of China, which he declined also. In 1884 Nebraska elected him bishop of this diocese and he declined, withdrawing his name by telegram from the convention. The convention then elected the Rev. E. N. Potter, who also declined. In November, 1884, a second special was called and a second time Dr. Worthington was elected bishop. This time he accepted and was consecrated in his parish church on St. Matthias' day, February 24, 1885, by Bishops Coxé, Hare, Glespie, McLaren, Perry, Seymour, Harris and H. C. Potter.

LIABILITY ACT HELD VOID.

Supreme Court Rules Out Law Intended to Protect Trainmen.

Washington—That the congressional act known as the "Employers' Liability Law," is not in accordance with the constitution of the United States, because it goes beyond the bounds permitted in the regulation of interstate commerce, was the conclusion reached by the supreme court of the United States in deciding two damage cases coming to the court from the federal courts of Kentucky and Tennessee, which were brought under the provisions of the law.

NEW MEXICO ASKS STATEHOOD.

Delegation to Visit Washington in Its Behalf at Early Date.

Washington—A petition for support of the bill for the admission of New Mexico to separate statehood was received in a letter from Chairman W. S. Hopewell of the New Mexico statehood league to Representative Fuller of Illinois, and referred to the committee on the territories.

Special Session for Kansas.

Topeka, Kas.—Governor Hoch has announced that he would call an extra session of the legislature January 16, to consider the enactment of primary election and rate regulation measures.

FOUNDATION FOR INQUIRY.

Maryland Man Wants to Know About Brownson Incident.

Washington—Representative Gill of Maryland offered a resolution designed to open the way for a congressional airing of the Admiral Brownson incident. The resolution, which was referred to the committee on naval affairs, reads:

The secretary of the navy be, and he is hereby requested, if not incompatible with public interests, to furnish the house of representatives for its information copies of all letters, reports, orders and so forth, in the Navy department in connection with the appointment of Surgeon Charles F. Stokes as commander of the United States hospital ship Relief and also all letters, reports, orders, and so forth filed in the Navy department in connection with the resignation of Rear Admiral Brownson as chief of the bureau of navigation.

To Protect Harbor Defense.

Washington—The senate passed a bill to protect the harbor defenses and fortifications of the United States from malicious injury.

HIS GUARANTEE BILL

INTRODUCED IN THE HOUSE BY CONGRESSMAN HINSHAW.

PROVISIONS OF THE MEASURE

There is a Tax of One-Twentieth of One Per Cent on Deposits Until Ten Millions Are Raised.

Washington—After much study of financial matters Congressman Hinshaw has completed his bill for guaranteeing deposits in national banks and introduced it in the house. It provides that the banks shall pay to the treasury an annual tax equal to one-twentieth of 1 per cent of the deposits, and that this tax shall be suspended whenever the money raised exceeds \$10,000,000. Whenever a national bank fails, the treasury department is to take over its affairs, paying the depositors in full and turning all the assets of the bank into the treasury fund. The bill also limits the deposits that national banks shall receive to ten times the capital stock and surplus combined.

In speaking of the bill Mr. Hinshaw said:

"There were in the 6,625 national banks of the country in 1906 \$4,055,000,000 deposits and in 1897 \$1,779,000,000, and for the ten years from 1897 to 1906, inclusive, the average was a little less than \$3,000,000,000. A tax of one-twentieth of 1 per cent upon the deposits of 1906 would produce \$2,000,000 per annum. The losses from national bank failures amount to \$1,000,000 a year. The tax of one-twentieth of 1 per cent upon a bank having deposits of \$200,000 would amount to \$100 in such years as the tax is levied; upon a bank with \$500,000 deposits \$250, upon \$1,000,000 deposits \$500; sums which, to the ordinary banker, would be insignificant when compared to the perfect security both to depositors and banker. A law of this kind would, in my judgment, effectually prevent panics and the recurrence of the lack of confidence which was probably the cause of the late financial disturbance.

"This would in no way interfere with the action which the several states would probably take likewise to insure the depositors of state banks as Oklahoma has already done. Postal savings banks would be a step in the right direction, but it seems to me that the method here proposed would be effective of full and absolute security.

"Suggestions would be gladly received upon the details of this measure. This question is now receiving much consideration from various members of congress, but it is difficult yet to say whether any legislation can be accomplished."

Endorse Bryan.

Guthrie, Okla.—The democratic state central committee here unanimously endorsed W. J. Bryan's candidacy for the presidency and decided to hold the state convention on February 22 at Muskogee.

THAW'S SECOND TRIAL BEGINS.

Plea of Insanity at Time of Crime Entered by His Attorneys.

New York—One hundred taismen are under orders to report on each of the three first days of the second trial of Harry Thaw, which began Monday. Thaw was called to the bar at 11:27 o'clock. His appearance showed little or no change from last year. As soon as Thaw appeared, his chief counsel, Martin W. Littleton, announced that the former plea of not guilty entered by his client would be amended to read: "That the defendant was insane at the time the deed was committed."

WILLIAMSON CASE REVERSED.

United States Supreme Court Decides in His Favor.

Washington—The case of former Congressman J. N. Williamson of Oregon, charged with unlawfully cutting timber on the public lands in Crook county, Oregon, in conspiracy with 100 others, was decided by the supreme court of the United States in favor of Williamson. The United States circuit court for Oregon imposed a fine of \$500 and sentenced Williamson to prison for ten months, but the supreme court reversed that decision and remanded it for a new trial.

French Prince Sues Count.

Paris—In fulfillment of his intention, announced on Friday, Prince Helle de Sagan has filed suit on the ground of assault against Count Boni de Castellane in the criminal court, asking one franc damages. The action will be taken up before the court on January 21.

Senator Allison Ill.

Washington—Senator William B. Allison of Iowa is ill of grip at his home in this city. The senator's condition gives no cause for alarm.