of the bank are selected by the directors and the directors are chosen by the stockholders, and the stockholders would lose all of their capital, all their surplus and then they would have to respond to the 100 per cent liability before any other bank could lose anything; wouldn't that be enough to make the officers careful? If that isn't enough, suppose we try the criminal law and see if that will make them careful. What has been the difficulty with our banks? Our financiers will tell you that the banks that have failed have failed in almost every instance because the officers of the bank have violated their trust and used the money of other people to advance their own private interests! Isn't that true, Mr. Gage?

Mr. Gage: Yes, sir.

Mr. Bryan: Isn't that true Mr. Baker?

Br. Baker: Yes, sir.

Mr. Bryan: Why hasn't it been remedied? Because the managers of the bad banks don't want to be restrained and the good bank isn't anxious to have the other ones restrained, because the good bank can point to the recklessness of the other and draw away deposits.

I am not supposed to know anything about banking, and yet these distinguished men, who have shed lustre on the banking business, admit that I have put my finger upon the sore place in the banking system. Now when we make all the banks responsible for each bank then they will be interested in effective regulation. We will find them favoring legislation that will protect the public from a missappropriation of funds. We have been asking for this regulation all the time. I introduced a bill in congress to increase the penalty for embezzlement where the amount was large; I supposed that I would have unanimous support. I supposed the stockholders would be glad to hold over their officers the danger of a longer penal term if they were dishonest and took money, but I could not get that through. (Laughter.)

I welcome the prospect of guaranteed banks, because I think it will enable us to get some regulation that we need. For instance, I think it might help us to pass a law to make more than directory the rule that a bank shall not loan more than one-tenth of its capital and surplus to one person. A man testified in the case of a Chicago banker last summer that that law was merely directory; that if an examiner found that a bank was loaning more than ten per cent to one man, the department would send him a formal letter calling his attention to it, and then if he did not correct it by the next examination, he might expect to be forcibly reminded by another courteous letter. Is that good banking? Is that safe and sound finance? If one-tenth of the capital and the surplus is all that ought to be loaned under our present system, if it is the judgment of those who make the law that the loan shall not exceed that, then I insist that we ought to make a criminal law, to compel the officers to do that which they were directed to do by the authorities. (Applause.) Wouldn't that be a good law, Mr. Gage?

Mr. Gage: Yes, sir.

Mr. Bryan: Would not that be a good law, Mr. Baker?

Mr. Baker: Yes, sir.

Mr. Bryan: My friends, if I keep on I will be in standing after a while. (Laughter and applause.) Now I think there is another thing that we ought to have. I think more of the reserve ought to be kept in the bank and less loaned. Isn't that right?

Voices: Right again. (Laughter and applause.)

If more of the reserve is kept in the bank, the bank can be allowed to keep a part of it in bonds upon which emergency notes can be borrowed from the government. It was the deposit of western and southern reserves in New York that caused the stringency to spread throughout the country. Now, I want to remind you that for forty-seven years our laws have been made by financiers, and yet we reach the condition which confronts us today, and eminent bankers admit here in your presence, that I, a farmer from Nebraska, can suggest changes that your financiers did not think of, or at least, did not put into law. (Laughter.) Why?

A Voice: You ought to be right part of the time. (Laughter.)

Mr. Bryan: Thanks, it is a concession that I appreciate, and I wish I could return the compliment by saying that our financiers have been right even part of the time. (Great applause and laughter.)

Now there is another safeguard. I would like to see a law that would make it a criminal offense for any bank official to become a gambler upon the stock market. Don't wait until he has lost or committed suicide, but make it criminal to begin. Save the man's life, and his honor and his family by protecting him from the temptation.

I read, a few years ago, that a bank official found that the market had gone against him and shot himself; and another official who was associated with him in the bank came in and found him dead, and knowing that he had shared in the dead man's speculation he shot himself and fell dead across the body of the other man.

In Iowa, not long ago, I was told that within a radius of, I think it was one hundred miles, ten bankers had committed suicide as the result of speculation. It would be a mercy to these men to protect them from this temptation. The man who has in his keeping the money of others ought to be protected, as far as law can protect him, from the temptation to gamble. Am I not right?

Voices: You are; you are.

Mr. Bryan: Again I am right. (Applause.)

Now I am afraid that I have talked over my time. (Cries of "go on, go on.") When you say, "go on, go on," I am reminded of a fellow down in Kentucky who was making a speech. He had to leave on a certain train. When he saw the time was near for his train to depart, he said: "My train will go in a moment now," and they said, "go on, go on." And he talked until his train had gone. Finally he stopped and said: "You see, gentlemen, that I have been persuaded by your entreaties to miss my train." They said, "Why, we told you to go on." (Laughter and applause.) I am not sure just what you may mean by "go on." (Laughter.)

Now I have said what I have upon this question because I believe it should be presented. It is not necessary to wait until the election is over to find out what ought to be done. Take a plan that appeals to the common sense of the average man and you need not be afraid to present it before election. The people of this country are the most intelligent people in the world. They want to do what is right. Some of you misunderstand our people. (Laughter.) You think we are anarchists. You think we want to injure the country. I think I am a fair representative of the average man out in the west, at least I have been able to keep in touch with him in spite of all the newspapers. He and I get along pretty well together. Why? Because I have tried to appeal to the hearts and consciences and judgment of these men. You have said that we are arraying class against class. It is false.

You have accused us of disregarding property rights. That is not true. The man who defends human rights is the best defender of property rights. (Applause.) The man who prosecutes the wrongdoer is the best friend of honesty. (Applause.) And all that we have asked is that you view this great question from the bottom and not from the top.

There is a theory that God selected a few men and endowed them with greater wisdom and fitness, and then put the country in their hands. That used to be the theory. First, it was the king who could do no wrong; then it was the aristocracy that ruled; now it is the democracy.

These men, whose deposits make your banking profits; these men whose deposits are the basis of your fortunes—these men ought to be considered—not only their interests but their opinions. You like to persuade a man that the bank is a good place to deposit his money, and if his judgment is good when you are trying to persuade him to deposit his money in your bank, trust his judgment a little when he wants to regulate the methods to be employed by those who have charge of his money. (Applause.) We will have to meet this issue sometime, and we may as well do so frankly and boldly now. If our finances had been conducted as they ought to have been, there would have been no stringency now. If you tell me that you need an elastic currency, I will take your word for it, but if you tell me that you object to it unless you can hold both ends of the elastic, I will tell you that you do not need it as much as you thought you did. Trust the government, the representatives elected by the people. These men, acting in the open and responsible to their constituents, are more trustworthy than those who act behind closed doors, and are responsible to no one but themselves. I think you will have to consider the opinions of the voters on this question, whether you try to settle it now or by a commission selected for the purpose of preparing a bill that you would not present before the election. It must come before the people and you might as well take them into your confidence first as last.

If you want this elastic currency let the government issue it and control it, and you will have no difficulty about the security. Then lay upon the banks the responsibility for making the banks safe. If the banks say that they do not want to be held responsible for other banks, my answer is that if your bankers will not trust each other, they should not expect the people to trust them with their money. (Applause.)

The slight tax that this plan contemplates would be more than compensated for by the money drawn from hiding that you could then loan out and on which you could charge interest. This is a system that protects the depositor, protects the community, and gives the banks a large advantage at a small price.

I thank you for this opportunity to speak to you; it is the first I have had. I have been talking for many years, and this is the most respectable crowd that I have ever talked to in my life—(Laughter and applause)—that is, measured by New York standards. (Laughter.) It is no more respectable, however, than the people among whom I live! The man who toils by the day, who goes out in the morning and works all day, who commences in the spring and works all summer, though his hand be hard from work, and his clothing not of the latest cut—he is a respectable man, and I have been addressing respectable audiences all over the country, but this is the most highly financial audience that I have yet addressed. (Applause.)

And if I have exceeded my time limit and spoken with an earnestness for which I should apologize, just remember how long I have waited for the opportunity, and remember also that I may never have it again. (Prolonged applause.)

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### DEMOCRATIC WEEKLIES

Publishers who patronize ready-print houses and who believe that the reproduction of The Commoner cartoon each week and two columns of Commoner editorials and paragraphs would please their readers and promote the cause of democracy could probably secure such service by requesting it of those supplying them plate matter. The Commoner would gladly furnish without charge galley proof of editorial matter and matrix of cartoons to ready-print and plate houses or to others who desire them.

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### THE REAL POLITICIANS

The Commoner again calls the attention of its readers to the sentiment expressed by Matthew Arnold:

"Because these things, right and wrong, are really what do govern politics and save or destroy states, the few who keep insisting on the good of righteousness and the unprofitableness of iniquity are the only real politicians."

This sentiment will be reproduced from time to time in order that the readers of The Commoner may become familiar with it. If the democratic party is to be a power for good in this country it must "keep insisting on the good of righteousness and the unprofitableness of iniquity."

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### LET IT SPEAK FOR ITS OWN

The New York World says: "The World is willing that Mr. Bryan should be the republican candidate for president. It is as the democratic candidate that we object to him."

But, according to the World's political record, it ought to have considerable to say concerning the republican nomination. It will learn in due time, what it now seems unable to perceive, that it has no influence whatever with the democratic party freed from the special interests which the World seems so faithfully to serve.

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### CHAIRMAN LLOYD

James T. Lloyd of Missouri was chosen chairman of the democratic congressional committee at a caucus held February 11. Mr. Lloyd represents the first Missouri district. He was elected to the fifty-fifth congress to fill a vacancy and has since been regularly re-elected. Mr. Lloyd is a true and faithful democrat and his colleagues made no mistake in trusting him with great responsibility.