

Walter Wellman Sounds a Warning

Walter Wellman, Washington correspondent for the Chicago Record-Herald (rep.) has recently made a trip through the country and, as a result, is greatly impressed with the popularity of the guaranteed deposits plan. Following are extracts from an article written by Mr. Wellman and printed in the Record-Herald of Thursday, April 9:

What have the republicans to offer the country as an offset to this plank as a means of winning votes? The Aldrich bill?

In any consideration of the chances of the parties in the coming struggle for control of the government these highly important facts must not be overlooked. At the present time, it is true, the republican leaders have little conception of the significance of this issue. They do not realize the advantage which advocacy of deposit guarantee is sure to give the democracy. But they will realize it before the campaign is over. If they fail to provide an adequate offset, either by legislation or by a like declaration in their own platform, they will regret it before election day next November.

Mr. Bryan never did a shrewder thing in his life than when he filed a caveat upon the suggestion of compulsory insurance and guarantee of deposits in national banks. The leaders of the republican party at Washington may go on with their heads in the sand; the big bankers who do not want the little bankers to gain the advantage of equal security may poo-poo as much as they like; the historians may point out that the idea is not original with Mr. Bryan; the theorists may sneer at what they choose to call a socialistic proposition. These things do not change the facts. And the facts are that deposit insurance and guarantee under the supervision of the government and at the expense of the banks or their customers has taken a deep hold upon the public—a hold so deep that if one political party favors it and the other does not, the first gains a distinct and possibly decisive advantage in the coming campaign. And Mr. Bryan was clever enough to make sure that his name was associated with the idea.

There are two things the people of the country everywhere are talking about: The recent panic and means of preventing more panics, and the making of a new president of the United States. What statesman politician, candidate or leader has brought forth an idea that links the two things together in the opinion of the masses of people? Mr. Bryan and Mr. Bryan alone. Call it a clever adaptation of another man's idea, or imitation, or plagiarism, or what you choose. The fact remains that Mr. Bryan has filed a caveat. The people are willing to give him a patent. It stands before the country as the Bryan idea. Many other men have advocated the same thing much more ably than Mr. Bryan, conspicuous among them being Mr. Revell of Chicago. Some, indeed, advocated it before Mr. Bryan did. But it was Bryan who gave it life and vogue and caught the attention of the country with it.

That most delightful and lovable of men, the late John Hay, used to tell me a little story of a farmer friend of his who put it:

"It doesn't make half so much difference what a man says as it does what he set when he says it."

Mr. Bryan sat in the right place. And he said what the majority of the people believe is the right thing.

Then the panic came along. It shocked men into thought. It filled the country with thinkers, students, all convinced such disasters were preventable and that, being preventable, they must somehow be prevented. But how? By what means? Most people thought it was to be done by some currency tinkering, more money or an elastic currency or an emergency currency. But who put his finger on the right spot? Who came forward with the suggestion which struck the hard-headed, every-day, sensible American people as the one thing that would do it? None other than this same visionary Mr. Bryan.

No matter where Mr. Bryan got the idea, no matter in what particular form men think the idea should be worked out in practice, the fact remains that the principle has taken deep hold upon the country and that Bryan has eternally linked his name with it. He sat in the right place. He spoke at the right time, at the

psychological moment. It was inspiration or luck. It vastly improved Mr. Bryan's chances to win the presidency; and how much it has improved them will be more apparent as the months roll along than it is at the present moment.

If anyone doubts that this principle of deposit insurance has taken possession of the country he should travel through a dozen states, as I have done. He should talk with men from all walks of life. He should read the correspondence on this and kindred subjects which has poured in upon writers for the press, like myself, who have taken the lead in trying to express the current thought of the people—the thought of today which points the way to the legislation of tomorrow. The people have perceived that the trouble with the present banking system is the isolation of the units; the facility with which confidence in one of these units, standing alone, may be impaired; the rapidity with which confidence dissolves once dissolution has begun; the magic way in which it overruns the country, from ocean to ocean. They have perceived that the government, having compelled the banks to make absolutely safe one-twentieth of the system, that represented by the circulating medium or money, should now compel the banks to make absolutely safe the remaining nineteen-twentieths represented by the deposits. They have perceived that as government compels safety of note issues through the maintenance of a guarantee fund at Washington, so it should compel safety of book credits by the maintenance of a guarantee fund somewhere, both under government control, and both at the expense of the banks or their customers.

Of course it is true that in addition to deposit safety for stopping fear and panic, withdrawals and runs, there must be something else. The whole system is wrong. It is badly balanced. It is strong as a rock in one place, weak as a bed of sand in another. The reserve system breaks down because it rests upon an inadequate stock of money. The supervision of banks and enforcement of law and disciplinary power are lax and ineffective, with the result that bad banking, while not frequent, is too much in evidence. All these things are seen and understood by men who take trouble to study out the whole business. But what the masses of the people see is that if the depositors are made safe by an insurance fund ample for the purpose there need be no more panics. They can not understand the reserve and currency problem so well; these are complex. But the rock of safety in protection of all depositors is a simple fact which the consciousness of the country has grasped.

It is a fact which seems destined to be an important part in the impending presidential battle.



SOUTH DAKOTA CONVENTION

The democratic state convention for South Dakota met at Mitchell April 7. Following is the Associated Press report:

It was midnight before the democratic

state convention finished its work of electing eight delegates to the national convention. At the beginning of the evening session a fight was precipitated over the manner of choosing the delegates, there being a division as to whether the districts should elect the delegates or the convention as a whole. On roll call the election was left with the districts. Colonel W. A. Lynch of Huron was elected permanent chairman.

The platform adopted at the night session favors the abolition of the tariff on all trust-controlled articles, a graduated income tax, an inheritance tax, a law compelling all foreign corporations to appear and stand trial before state courts; demands the vigorous enforcement of the criminal law against trusts and trust magnates; urges tariff reforms and instructs the delegates to the national convention to vote for the nomination of William J. Bryan, first, last and all the time and for nobody else.

Henry Volkmar of Millbank started a fight over the positive instructions for Bryan, urging that the convention should permit the delegates to have a second choice. He offered an amendment to the effect that delegates be instructed for Bryan so long as his name is before the convention and then to use their best judgment in selecting a second candidate.

When pressed for a second choice Volkmar named Governor Johnson of Minnesota. A dozen speeches were made against the possibility of voting for Johnson, and then former Senator Pettigrew took the platform and denounced the attempt to create the first break in the solid support for Bryan. Volkmar's amendment was defeated practically unanimously.

Andrew E. Lee was endorsed for governor. The following delegates were elected to the Denver convention: S. W. Ziebach, First district; R. F. Pettigrew, Second district; Andrew F. Foley, Third district; Edward E. Leehan, Fourth district; Dr. H. J. Rock, Fifth district; Judge Davis Moore, Sixth district; Frank M. Stewart, Seventh district; W. L. McLaughlin, Eighth district.

Alternates: C. M. McCullom, First; P. I. Pixley, Second; William Madden, Third; Zach T. Sutley, Fourth; John Parrott, Fifth; Frank Tracey, Sixth; A. J. Colgan, Seventh; J. D. Hale, Eighth.



THE HOME OF WASHINGTON

Elsewhere in this issue will be found an address delivered by Mrs. Charles F. Manderson of Omaha, vice regent of the Mount Vernon Association. This address should be carefully read because it tells briefly of the work done by women of the country to preserve Mount Vernon, the home of Washington. This has been a magnificent work, prosecuted under discouraging conditions but persevered in by patriotic and hearts that naturally associate "home" with ideas of patriotism. It was only natural that the good women of this association should consider the home of Washington as the best memorial of the Father of His Country. The history of the association is full of interest—as full of interest as it has been full of work and struggle.

What the Democratic State Committee of Wisconsin is Doing

The Wisconsin democratic state committee is circulating throughout that state printed slips under the headline, "Democratic Literature," and containing suggestions as follows:

"A great many requests are being made from democrats throughout the state for democratic literature. For this purpose The Commoner should be utilized by us from now on. In the line of literature it supplies every party need.

"It is the one great exponent of democratic policies and principles published in the Union and in its weekly visits explains all pending issues and gives full and complete information on all current subjects of a political character.

"In our efforts to extend the circulation of The Commoner we should take special pains to get as many liberal or independent republicans as possible to subscribe for it, and at the extremely low price of 60 cents per year, or 30 cents for six months, very few, who take an intelligent interest in public affairs, will refuse to subscribe.

"Every present subscriber for The Commoner, every chairman of a democratic committee, all committeemen and democrats generally, are urged to join hands in a determined effort to secure from five to ten republican subscribers in each voting precinct. There are here and there, throughout the state, many well to do democrats who will pay for at least five Commoners to go to their republican neighbors for six months or a year. These democrats should be appealed to.

"During the past few weeks there has been a wonderful increase in The Commoner circulation in Wisconsin and if this work will be earnestly and enthusiastically taken up and pushed by local democrats, as it ought to be, it will tell its own story when the votes are counted next November. Will you do your share?"