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A FEW HINTS TO VOTERS

Before casting your vote with the republican party remember some of these things:

First—The failure of the republican party to take steps to provide for electing senators by popular vote, and the refusal of the republican convention to endorse the reform.

Second—The failure of the republican congress to pass a bill providing for publicity of campaign contributions and the refusal of the republican convention even to endorse the reform.

Third—The failure of the republican congress to pass a postal savings bank bill and the hypocrisy of the party in endorsing this reform, which it had just ignored in congress.

Fourth—The passage by the republican congress of a currency bill which enables speculative banks to convert all sorts of securities into currency and actually reduces the margin of safety for depositors instead of increasing it.

Fifth—The destruction of representative government in the lower house, where the republican speaker and his committee on rules have all power and not even a majority can get a vote on a popular bill if the speaker refuses consent.

Sixth—The forty-nine per cent increase in the cost of living under the republican Dingley tariff and its trusts, while wages have increased only nineteen per cent.

Seventh—The refusal of the republican congress to amend this tariff although its iniquities are admitted and future revision has been reluctantly promised by its friends after the storm is over.

Eighth—The notorious fact admitted by Senator Aldrich, republican leader in the senate, that American tariff protected concerns sell their products abroad in competition with European factories at lower prices than they exact from American consumers and the refusal of the republican house of representatives to adopt an amendment to have our government agents report on these prices.

Ninth—The republican leaders pretend they favor a tariff sufficient only to compensate factories for the difference between labor cost in America and abroad, but the fact is that the republican tariff is more than sufficient to pay the whole labor cost. On steel products the labor cost fifteen per cent and the tariff is thirty-two per cent.

GUARANTEED BANKS

MR. BRYAN'S ADDRESS AT TOPEKA AUGUST 27

Mr. Chairman, Ladies and Gentlemen:

Why not make the depositor secure? The United States government requires the deposit of specific security when it entrusts money to a national bank, although it can examine the bank at any time; the state requires security when it deposits money in a bank; the county requires security and the city requires security; even the banks require security from the officials who handle money. Why should the depositor be left to take his chances?

Not only is the depositor without protection, but the security given to nation, state, county and city lessens his security. They are preferred creditors; they have a mortgage on the gilt edged assets and the depositor must get along as best he can with what remains. Why are the interests of depositors thus neglected?

A bank asks deposits on the theory that the depositor is sure of the return of his money, and the laws ought to make the facts conform to the theory. The depositor, the community and the banker himself will be benefited by legislation which will give to every depositor the assurance that that which is committed to the keeping of the bank will be available to meet his needs at any time. Such is not the case today, for while all banks are reasonably secure, they are not absolutely so. This statement can be verified in several ways.

First: The President has advocated a postal savings bank, and his postmaster general, in presenting an argument in its favor, pointed out that many millions are sent to European savings banks every year by Americans of foreign birth who prefer to trust the state institutions of the nations beyond the sea, rather than the private banking institutions here.

Second: It is known that a considerable amount of money is in hiding, the amount increasing with the approach of a panic or business depression. This money is not only withdrawn from active use, but is likely to be withdrawn just at the time when money is most needed and when the withdrawal will increase the financial disturbance. It is impossible to reason with fear; it is futile to tell men that they will probably get their money. The moment the depositors suspect a bank, they hasten to destroy its solvency. Distrust, and distrust alone, can explain the hiding of money.

Third: The increase in the issue of money orders, payable to the order of the purchaser, is another evidence that people are seeking greater security for their money. The banks will pay an interest upon deposits, and yet those who buy money orders prefer to lose the interest and, in addition to that, pay the price of the money order in order to secure the government's guaranty.

Fourth: National banks confess that their banks are not secure when they oppose the guaranty of state banks on the ground that it would lessen the deposits in national banks; and state bankers confess that their banks are not secure when they oppose a national guaranty system on the ground that it will draw deposits away from state banks. If you want to find whether banks are absolutely secure, ask the directors to give you their personal note to secure your deposit and you will learn that they will not bear the risk which they ask you to bear.

Fifth: The experience of Oklahoma furnishes conclusive proof that depositors do not feel that their money is safe in unsecured banks. On the 17th of December, 1907, the Oklahoma legislature enacted a depositors' guaranty law, which became operative February 4th, 1908. By the provisions of this law, all state banks, and as many national banks as desire to avail themselves of the law, are taxed one per cent on their deposits, and the money thus collected is put into a guaranty fund. The banking board is authorized to make additional assessments from time to time to keep the fund up to this amount, and is directed to take possession of any insolvent bank, pay the depositors in full, and reimburse the fund by collecting the assets of the failed bank. Five hundred and fifty-five banks, including fifty-four national banks, had come under the provisions of this law on the 14th of last May, leaving but 255 unsecured banks (all national) in the state. Statements are made by the banks in December and May. Between these periods the secured banks gained in deposits $4,237,765.22, while the unsecured banks, all national, showed a decrease in deposits of $1,101,807.86. A large part of this increase represented money brought from hiding or from without the state, but the decrease in the unsecured banks can only be explained in one way. *A large number of depositors withdrew their money from the unsecured banks, and deposited it in the secured banks,* and this, too, in spite of the fact that in order to prevent withdrawals, the unsecured banks, in some instances, offered a higher rate of interest than the secured banks were permitted to pay; and it must be remembered also that the banks which suffered a loss of deposits were all national banks. And to make it certain that the difference was caused by the guaranty law, the *secured* national banks gained, while the *unsecured* banks lost. While the deposits were increasing in the guaranteed banks of Oklahoma,