

There is another reason why the claim of the depositor is superior to the claim of the stockholder. The stockholder has a voice in the selection of the bank officials; the depositor has not. If any one must lose, therefore, as the result of bad management, it ought to be the stockholder rather than the depositor. And, I venture to ask, if the bankers will not trust each other why should they expect the depositors to trust the banks?

And there is still another advantage: By drawing money from hiding and by preventing runs on banks the guaranteed bank will greatly lessen the necessity for an emergency currency.

We are fortunate, however, in that we are not compelled to choose between justice to the depositor and justice to the stockholder, for as has been shown before, the plan which we propose not only does justice to both, but brings advantage to both. More than that, the plan which we propose protects the banker—and it is his only protection—against the establishment of a government bank, with indefinite encroachments upon the banker's business. With the guaranteed bank established, government savings banks would only be needed in the towns and villages where there were no guaranteed banks.

If we had to choose between the interests of the bank and the interests of the community, we would be compelled to protect the interests of the community first; but here, too, we are fortunate, for we are not driven to this alternative. That which protects the community protects the bank also, for when there are several banks in the community, the failure of one often causes a run upon the others, and the insolvency of one bank is such a menace to the solvency of others that the solvent banks often join together and assume the liabilities of the insolvent one for their own protection. As an illustration of this, I point to the action of the Chicago banks in assuming the liabilities of the Walsh banks, at a heavy loss to themselves.

There is another advantage which the guaranty of depositors brings to the banks—it protects the reserves deposited in other banks. During the panic last fall the reserves caused the most of the trouble. The small banks wanted to withdraw their reserves from the city banks, and the big banks in the cities were not prepared to meet the strain. With deposits guaranteed there would be no runs on local banks and no sudden withdrawal of reserves.

I have selected the capital of the state of Kansas as the most appropriate place for the delivery of a speech upon this subject, because your neighbor upon the south has been a pioneer in this reform. Her plan, as you know, has been such a signal success that deposits have been drawn across the line from your state into Oklahoma. The alarm caused by this invasion of your banking territory caused your governor to include in his call for a special session a recommendation of the passage of a law similar to that of Oklahoma. When the legislature met, however, the influence of the

large banks was sufficient to prevent the needed legislation, and your state still suffers. The people of Kansas have had an object lesson; they know the necessity for a law guaranteeing deposits. They have seen its beneficent results in a sister state; they have seen fifty-four national banks taking advantage of the state system and reaping a rich reward. I have made inquiry and find that many Kansas bankers favor the adoption of a guaranty system—three-fourths of those who have replied have declared for the guaranteed bank. They have heard the echo of the blow that has been struck at the national banks of Oklahoma by the Attorney General's ruling, which denies to such banks the right to share in the benefits of the state guaranty system—that echo being the surrender of charters by national banks which prefer to become state banks rather than surrender the benefits of the guaranty system. Four national banks have surrendered their charters and are now conducted as state banks while sixteen more have applied for state charters. Your people have also seen how the influence of a few big banks, concentrated upon a legislature, can defeat the wishes of the smaller banks and the desire of the depositors all over the state.

I submit that in this effort to make all banks secure, the democratic party is the champion of the farmer, the laboring man, the business man, the professional man, and the champion of the banker as well. No class is outside of the benefits of this law, for it bestows its blessings upon all.

Why has the republican party been so quick to respond to the demands of Wall street and so slow to yield to the demands of the masses? There are two reasons: first, the republican party has allowed itself to become the servant of the favor-seeking corporations, and, second, too many republican leaders look at questions from the aristocratic standpoint, the standpoint of the few—rather than from the democratic standpoint, the standpoint of the many. They legislate upon the theory that society is suspended from the top, and they fail, therefore, to understand either the evils that afflict the body politic, or the remedies that are needed. The democratic party, viewing questions from the standpoint of the whole people, easily sees that which republican leaders do not discover, and its remedies begin with the relief of the average man. This is the secret, if secret there be, of the primacy of our party in matters of reform.

When Solomon was invited to choose what he would, he asked for an understanding heart, that he might discern between the good and the bad, and he was told that, because he had chosen wisdom rather than riches or long life, he should have, not only wisdom, but riches and length of days as well. And so when a party determines to seek first that which benefits the common people, it finds that in acting in the interest of the common people, it also promotes the welfare of the smaller classes which rest upon the masses, for when the producers of wealth prosper, their prosperity is shared by every element of society.

## ANSWERED FROM ITS OWN EDITORIAL PAGES

SHOW THIS REPUBLICAN TESTIMONY TO YOUR  
REPUBLICAN NEIGHBOR—IT MAY HELP TO OPEN  
HIS EYES

In his speech of acceptance, Mr. Bryan said:

"So long as the republican party remains in power it is powerless to regenerate itself. It can not attack wrongdoing in high places without disgracing many of its prominent members, and it therefore needs opiates more than the surgeon's knife."

Reproducing this extract from Mr. Bryan's speech, the New York Press (rep.) says:

"What a shallow thing for a presidential candidate to say!  
What an unreasoning way for him to think!"

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"While Mr. Bryan's reckless charge falls flat from the weight of its own stupidity, it is of importance as showing the intellectual measure of the man who can fling it. Coming from a cart-tail orator in the heat of political battle nobody would waste contempt on it. Issuing, however, in the speech of a candidate for the presidency of the United States it will make people think twice before giving their ballots to a man who can stoop to such methods of winning votes. Across their minds will flash the question whether it may not be that there has been no real change in William Jennings Bryan, but that he is at heart, beneath the veneer and restraint acquired by defeat, still the catchpenny charlatan of the Boy Orator days, of whom the American people twice said they would have none."

Let us see whether the proposition is so absurd as the New York Press, in its present day attitude, would have its readers believe.

And for this showing we will confine ourselves to the utterances of the New York Press, including a speech delivered by its talented editor.

### "BLAZONED IN THE SKIES"

During the month of December, 1906, the New York Press printed an editorial from which the following extract is taken: "The American people are done with this system of unrestrained corporations depriving a whole nation of its rights and liberties while the corporate powers declare that their privileges are sacred as their protection in them by the constitution is indefeasible. And if the corporations and their legal retainers can not see what every one else sees blazoned in the skies, the American people are also done arguing with them. They have only the answer of Napoleon to the stupid Archduke of Austria who, slave of worn-out formalities, could not comprehend the fact of the French republic. 'France,' said Napoleon, just at the moment he was crushing the shell of Austrian pretensions under his irresistible heel, 'is like the sun; so much the worse for him who can not see it!'"

### "THROW THEM OUT"

In an issue during the month of March, 1907, the New York Press said: "Probably the special interests can jam through the subsidy loot measure. They don't spend years, brains and millions in acquiring a grip on legislative bodies without getting something back. But WHEN THIS JOB IS DONE THE AMERICAN PEOPLE CAN DO TO THE MEMBERS OF THE HOUSE PERFORMING