

ting "balances," or "cash deposits," to be substituted for the difference.

Second: That, notwithstanding the reduced requirement as to cash on hand, not a dollar of the difference may be loaned or used at the place, town or city, where each bank is located, thus everywhere denying the same to local industry and enterprise.

Third: That even the two hundred and ninety banks in thirty-five "other reserve cities" as above, though themselves reserve agents for "country banks," are permitted to deposit in banks of New York, Chicago or St. Louis, one-half of their own 25 per cent reserves.

Fourth: That the law thus permits over one-half of all reserves outside of three central reserve cities, to be concentrated as deposits, and three-fourths of such deposits to be loaned.

Fifth: That \$19,073,100, being the total deposited as 5 per cent redemption funds in the United States treasury, is by law included as part of reserves against deposits, though totally unavailable therefor.

Boston and Philadelphia national banks, these not being "central reserve cities," constantly deposit about one-half of their reserves in New York banks. Such deposits were on March 28, 1904:

By Boston national banks \$19,026,305.79  
By Philadelphia national banks \$22,871,080.53

All national banks must make sworn reports of their condition at least five times a year when called upon by the comptroller of the currency. The varying percentages of reserves required, and permissions to substitute deposits with banks in reserve cities in place of lawful money on hand, necessitated classification by the comptroller as follows:

The central reserve cities, March, 28, 1904, had sixty banks.

These are the only banks compelled to keep in lawful money on hand 25 per cent of their deposits. Under the permissions of the law, banks of these three cities have become "reserve agents" or depositaries for a large proportion of the lawful money reserves, required to be withheld from local loan or use by 5,172 banks throughout the United States.

Such reserve deposits are treated by them as ordinary deposits, three-fourths of which may be and are loaned.

Other reserve cities, March 28, 1904, had 290 banks.

Under section 5,192 these banks are "reserve agents" or depositaries for a large portion of the 15 per cent reserves of 4,882 country banks; notwithstanding which, under section 5,195, they may deposit with banks in the above central reserve cities one-half of their own 25 per cent reserves, which they must withhold from local loan or use.

Country banks, March 28, 1904, numbered 4,882.

Under this head are included banks of the following cities of 100,000 to 350,000 population, viz.: Buffalo, Newark, N. J., Jersey City, Providence, Rochester, Toledo, Allegheny, Worcester, Syracuse, New Haven, Paterson, Fall River, Memphis and Scranton. Also banks of 114 cities below 100,000 population and over 25,000, and banks of all smaller cities and localities.

These are all required to withhold, from local loan or use, 15 per cent of their deposits, as reserves, of which three-fifths or 9 per cent (section 5192) are permitted to consist of deposits or "balances" with "reserve agents" in any of the thirty-eight reserve cities.

Reserve deposits are made to obtain interest, paid thereon by banks in reserve cities.

Up to 1898 such deposits did not exceed one hundred millions of dollars. Their great increase since then is

September 20, 1898.....	\$94,394,210 64
February 4, 1899.....	123,796,173 15
September 7, 1899.....	154,514,691 64
February 13, 1900.....	153,813,717 93
September 5, 1900.....	176,731,918 08
February 5, 1901.....	180,818,838 91
September 30, 1901.....	216,763,488 34
February 25, 1902.....	222,487,652 70
September 15, 1902.....	253,515,055 97
February 6, 1903.....	225,716,444 24
September 9, 1903.....	227,780,147 03
March 28, 1904.....	234,982,831 60

The casual reader should not confuse reserve deposits by national banks with their business deposits in the same institution; reserve deposits can not be used for ordinary business purposes. The amount—"Due from approved reserve agents," in central reserve cities, March 28, 1904, to 290 banks in "other reserve cities" was \$183,209,720.68—or business balances of \$62,595,121.31, in excess of \$120,614,599.37, their reserve deposits as above shown.

Reserves of lawful money should have been kept intact by every bank for the only justifiable purpose of law in compelling money to be withheld as reserves from public use—protection of depositors.

Better no compulsory reserves whatever than their wrongful distribution and use, and disbursement at favored localities.

And is it not a grave constitutional question whether money denied by national law to general public use, for bank reserves, can be permitted by law to be afterwards supplied in great volume for use at a few localities only? What is it but creation thereby of a fostering parent of trusts and false capitalizations, and a basic cause for unjust distribution of wealth?

The permissions or uses made of them have converted the plain demand of the law that banks "shall at all times have on hand," their reserves, "in lawful money of the United States," to its very opposite, and have made the entire national banking system a tender for money supply to three central reserve cities, and especially to Wall street and the New York stock exchange.

**The Quaker Reign of Grant.**

The friends of the Standard Oil company, the wild-cat speculators of Wall street and the apologists for corrupt political and business methods in modern life have endeavored to break the force of Mr. Lawson's exposures of "high finance" at the present time, on the grounds that he has been a part of the same "system" which he now so vigorously assails. But no such charge can be made against the great civic leader, Rudolph Blankenburg, whose high standing in social and public life gives special force to his bold and masterly exposure of the reign of graft and corruption in Pennsylvania, now being made in "The Arena." These papers give a vivid and compelling story of the rise and onward march of corruption and political debauchery under the Cameron-Quay machine and aided by the powerful corporations which have through the machinations of unscrupulous politicians ruled Pennsylvania as absolutely as an autocrat rules his realm. The February "Arena" contains the second paper of this notable series. It is devoted chiefly to the career of the late Matthew Stanley Quay and deals with the sprouting and spreading of corruption in the Keystone state. It contains ten portraits of leading statesmen and politicians of the period described.

Another paper in the February "Arena" of special interest to America's millions is the amazing exposure of the Armour Refrigerator-Car Trust conspiracy. Many facts dealt with in this contribution are so astounding as to be almost incredible; yet the most amazing of these confessions and revelations are those recently brought out under oath at the investigation conducted by the interstate commerce commission. The evidence thus adduced is further emphasized and illustrated by the testimony of other prominent citizens and by the citation of special cases, making the whole exposure one of the most appalling disclosures of oppression and moral turpitude that has yet been brought to the attention of the American people.

**An Unique Municipal Referendum**

Perhaps the most noteworthy application of the principle of Direct Legislation in California during the last election was in the city of Oakland. This city is the county seat of Alameda county, one of the wealthiest counties in the state. It has a population of about 80,000. It has long suffered from an insufficient and an impure water supply, furnished by a private corporation. The present mayor grasped the

difficulty energetically, and solicited and received proposals for a water supply to be purchased by the city. The board of councilmen of the city appointed a committee composed of the mayor and other prominent citizens, which considered the various proposals, eliminated all but two and recommended that those two be submitted to popular vote. Up to that time no one knew what the public feeling was.

The council passed an ordinance providing for the submission of the question to the voters. One proposition involved the obtaining of water from two certain creeks within the county limits; the other, the utilizing of a supposed artesian supply.

A statement embodying the merits of the two propositions was made in circular form. This circular, together with an addressed two-cent envelope and a voting card, was enclosed in a one-cent envelope and sent to each one of the 17,000 voters of the city. The voting card provided for either one of three votes "yes" to either one of the propositions, or "no" against both. The directions required the voter to sign his name and residence.

Replies were received from over 7000. Of these over 500 voted in favor of the totaled \$833.

favor of the artesian, and the remainder scattering. The cost of the vote totaled \$833.

The councilmen now know where they stand, so far as the will of the people is concerned. Steps will be taken immediately for a vote on bonds for the purchase and development of the supply, and it is believed that it will carry by a large majority.

**Not Too Much Cotton**

Editor Independent: Oh! what prosperous times we farmers are going to have, now that the people are spending a few million dollars in the west to increase the production of cotton and a few million dollars in the south to decrease the cotton production, and with a few million dollars tied up in retired cotton and with cotton and cotton goods practically cornered by the cotton exchange—the Wall street manipulators—and with hundreds and thousands of laborers out of work, out of bread to eat, out of clothes to wear, out of bedding to sleep on, out of spirits, out of courage, with all necessities of life cornered, with a few more fools to cry over-production we are going to have prosperous times. We are going to decrease our acreage of cotton and thereby give the speculators such a little handful of cotton to export, and speculate on at home, that they will put up the price a little. Then we are going to increase the acreage of corn, etc., and give the speculators such a big handful that they will decrease the price of the same fully equivalent to the increase in the price of cotton, and then we will cry under-production of cotton and history will repeat itself.

Just a word now about over-production. There is no over-production of cotton, and never was and never will be. There is no over-production of any necessity of life and don't fear, boys, for there never will be. But let me tell you what we have got an over-production of, viz., of railroad lobbyist, of beef trust lobbyist, of cotton exchange lobbyist, of Standard Oil lobbyist, of steel-trust lobbyist, or hired politicians, and of a hundred and one other illegal corporations and combines. This, boys, is what drives down the prices of your products, but real over-production never does. Give us a real government of "equal rights to all and special privileges to none." Take the yoke of oppression off of the real people and you will see what we can consume. Each individual would not consume as much per annum as Mrs. Astor and others of her stripe and I think she and her stripe would soon decrease their consumption, but, boys, wouldn't we increase our consumption tremendously?

Talk about twelve million bales of cotton being an over-production for eighty million people? Regardless of exporting any cotton whatever, it would take, at least, fifty million bales of cotton to supply the homes of the United States with the necessary amount of cotton goods to make the home comfortable and tidy, in the way of beddings, hangings, coverings, etc. It would take another forty million bales to furnish the necessary amount of wearing apparel for the eighty million people. These amounts are regardless of the amount it would take to furnish the necessary roping, sacking, etc., that the people would buy if they were able to afford them; regardless of the eighty to one hundred million bales it would take to put the homes and people of the United States in immediate good shape so far as

**Nervousness.**

Read my offer—a full dollar's worth of my Remedy free to try—without deposit, or risk, or promise to pay.

Nervousness, fretfulness, restlessness, sleeplessness, irritability—all are the outward signs of inward nerve disturbance. The fault is not with the nerves which give you warning—not with the nerves which enable you to feel, to walk, to talk, to think, to see. But the INSIDE nerves, the automatic power nerves—these are the nerves that work wears out and worry breaks down.

I have not room here to explain how these tender, tiny nerves control and operate the stomach, the heart, the kidneys, the liver. How excesses and strains and overindulgence destroy their delicate fibers. How through a bond of sympathy, weakness in one center is conveyed to each of the other centers. How this same bond of sympathy produces the outward signs of nervousness which should warn us of the trouble within. I have not room to explain how these nerves may be reached and strengthened and vitalized and made well by a remedy I spent thirty years in perfecting—now known by druggists everywhere as Dr. Shoop's Restorative. I have not room to explain how this remedy, by removing the cause, puts a certain end to all forms of nervousness, inward and outward, including fretfulness, restlessness, sleeplessness, irritability. All of these things are fully explained in the book I will send you when you write.

In more than a million homes my remedy is known and relied upon. Yet you may not have heard of it. So I make this offer to you, a stranger, that every possible excuse for doubt may be removed. Send no money—make no promise—take no risk. Simply write and ask. If you have never tried my remedy, I will send you an order on your druggist for a full dollar bottle—not a sample, but the regular standard bottle he keeps constantly on his shelves. The druggist will require no conditions. He will accept my order as cheerfully as though your dollar lay before him. He will send the bill to me.

Will you accept this opportunity to learn at MY EXPENSE ABSOLUTELY how to be rid forever of all forms of nervousness—to be rid not only of the trouble but of the very cause which produced it? Write today.

For a free order for Book 1 on Dyspepsia a full dollar bottle you Book 2 on the Heart must address Dr. Book 3 on the Kidneys Shoop, Box 5940, Ra- Book 4 for Women fine, Wis. State which Book 5 for Men book you want Book 6 on Rheumatism

Mild cases are often cured by a single bottle. For sale at forty thousand drug stores.

**Dr. Shoop's Restorative**

cotton materials are concerned, we would make an average of an annual consumption of one-fourth of a bale of cotton for every individual in the United States. This would be an annual consumption of twenty million bales, absolutely regardless of any exports or overplusses. If any one doubts these statements, let them go to an average sized family and home and put everything in the way of cotton materials in all of its forms that is necessary to make home and people comfortable, tidy and convenient, then go to all other homes among the middle and lower classes of people and make an estimate of the difference of the amount of cotton materials they really have and the amount used in the well-prepared home and they will see that these estimates are not far from right. At last they are not over-estimated. No boys, producing much of the necessities of life never makes a people grow poor. The trouble is on the other end. Correct your government and everything of much importance will be corrected by it. Other things will grow correct.

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Is very often acquired, though generally inherited. Bad hygiene, foul air, impure water, are among its causes. It is called "the soil for tubercles," and where it is allowed to remain tuberculosis or consumption is pretty sure to take root.  
**Hood's Sarsaparilla**  
Removes every trace of scrofula. Get Hood's.  
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