

Oklahoma Wildcat Banking and Bryan Guaranty Plan

At a meeting of the Historical society of this state a year ago, as its president, the agreeable duly deposed on me of introducing Mr. Bryan as the principal speaker. It was at that meeting that I heard him declare for the government guaranty of deposits which he then and there adopted. He distinctly said that the perilous scheme was not his own, and frankly stated that he had borrowed it from some respectable financial blockhead in Lincoln, whose name he gave, but which I have forgotten. Like the free silver terror and every other proposition he ever made in politics, he borrowed this new vote-catching device of government guaranty of bank deposits. He never made a serious proposition for a platform which he did not steal or borrow in his life. He perjured the free silver fraud from Mr. Bland of Missouri, who had largely created that monstrous invention to ruin the country, and then tricked him out of the nomination for the presidency in 1896, to which he was fairly entitled. Mr. Bryan is a populist—and worse. And he borrowed his government ownership of railroads from Tom Watson, Tom Tibbles and the other Toms.

Government guaranty of deposits is as dead as a mackerel in the state that will beat Mr. Bryan out of his boots next Tuesday as a prominent issue, but as the cunning scheme is relied on by Mr. Bryan to carry this state, Mr. Hitchcock to return to congress, there would seem to be a necessity for giving the new issue some attention.

No better scheme for wildcat bank swindles and legalized piracy was ever hatched than is this government guaranty scheme. I do not intend to argue it. I only mean to prove what I am saying by the only available proof which, in even a short time, has been given in the only place where there has been any experience with it, Oklahoma. Facts show that wildcat banking is already showing itself under the new order, as follows:

Up to September 21, seventy-five banks were organized. Twelve national banks have left the national system and have greatly reduced their capital. Any bank can be organized on a capital of \$10,000. One bank which had a capital of \$100,000 under the national system reorganized for \$10,000 under the state law, and not only retained, but increased its business. Seven other banks with aggregate capital of \$300,000 have reorganized for less than one-half that sum, or \$75,000. Deposits in banks have greatly increased—over \$3,000,000 from February 29 to July 15—and their loans have increased, showing \$1,644,000 over deposits. This tells the old, old story of wildcat banking revived in Oklahoma and foreshadows the early coming of an explosion that will smash things all over that country, with the poor, frenzied depositors chasing the bankers with shotguns. How and why? For the reason, among others, that the Oklahoma fund is only about \$100,000. New banks are being organized daily. Mr. Yates told the story of what has already happened in Oklahoma in his unanswered and unanswerable argument in the recent debate with Mr. Hitchcock. Mr. Yates said in that speech that one case is reported where a man just released from the penitentiary, to which he was sent as a public defaulter, is now organizing a bank and will have it in operation soon.

The president of a national bank, who was also a merchant, failed in business and went through bankruptcy. Naturally he had to sever his connections with that bank. He has organized a bank under the state law and is its president.

In many small towns, where only one bank and at farthest two could hope to make a living, as many as four are in operation. The bank commissioner was made to realize the danger of the situation and some weeks ago he turned down an application for a fourth bank in a town of less than 1,000 population.

The case, however, was taken to the courts and the decision was that if the papers of the proposed bank were regular and in legal form the charter must be approved. Of the forty-seven banks, forty-two have capitals of only \$10,000 each, the minimum under the law.

Another case is where a saloon keeper was driven out of business by prohibition. He organized a bank and it is now in full swing with \$30,000 deposits, three times the amount of his capital.

Another case is that of a man who failed in business for \$1,000 some years ago in Kansas. Shortly after he started again in his wife's name in Oklahoma. He failed again, and preferred his father-in-law for \$100,000. His creditors never received a cent, he then organized a national bank, but the highest deposits he ever obtained were \$27,000, upon a capital of \$25,000.

On July 1 of the present year he started a bank under the guaranty law and here is what he advertises, taken from his own circular:

"Open just seventy-one business days; deposits July 15, \$46,475.50; deposits September 23, \$111,812.25; deposits guaranteed by the guaranty fund of Oklahoma." This party has now three banks in full operation and has announced in the newspapers that he will soon have fifteen. His cashier is at this time under indictment for embezzlement.

But this is enough and more than enough to make plain the utterly dangerous character of wildcat banking in Oklahoma under the guaranty invention.

GEORGE L. MILLER.

Bank Guaranty as Vote Catcher.
WESTON, Neb., Oct. 28.—To the Editor of The Bee: The democratic party has worked the bank guaranty plank to a frazzle in order to catch votes.

The democratic party reads: "We favor a postal savings bank if the guaranty bank cannot be secured," showing their lack of confidence in guaranty banks and that it is being used as a vote catcher. The republican party favors a postal savings bank and sound banking laws.

The only state where there is a law providing that the banks must create a bank guaranty fund is Oklahoma. It is in its experimental stage there. The Oklahoma law provides "that a levy of 1 per cent shall be made on the average annual deposits in the banks there."

The state of Oklahoma does not guarantee a single deposit; depositors must be paid out of the accumulated guaranty fund. If it is insufficient an additional levy shall be made upon and against the deposits of 1 per cent, and this may be continued indefinitely until all the funds deposited in the banks are exhausted, and the capital of the bank exhausted, to pay the depositors of the insolvent bank; provided all the other banks are solvent and not follow suit and go broke.

The state treasurer of Oklahoma is afraid of the guaranty law, for he requires a bond in double the sum of the state funds deposited in any bank there. If the guaranty law is good for the depositors, why not for the state funds? No individual depositor gets a bond from the bank; he must rely on the "guaranty fund."

The banking board considered it unsafe to issue a fourth charter to a bank in a town of 1,000 population (one bank for every 250 people.) The incorporators of the new bank commenced suit in the supreme court and the court decided that the banking board must issue a charter. They considered that there were too many "mush-room banks" springing up.

The guaranty fund in Oklahoma amounts to \$100,000; the deposits in Oklahoma banks are over \$13,000,000. The guaranty fund for depositors amounts to 1 cent on the dollar. If you have \$1,000 deposited in any bank in Omaha and are alarmed, withdraw \$19 and keep it in your pocket, and you have the same guarantee which an Oklahoma depositor has.

By reason of the wildcat banking which has developed and which was anticipated in Oklahoma, banks with a \$100,000 paid-up capital, and a large reserve fund on hand, distributed their reserve fund and reduced their capital stock to \$10,000, thereby limiting their liability as stockholders to the minimum. In other words, you formerly had your money in a bank with a \$100,000 capital and reserve fund as security; you now have a bank with a \$10,000 capital and no reserve fund.

The reason of this is because conservative bankers who had to come under the law made up their minds to only be liable for the smallest possible amount, for they are obliged to stand good for every other fellow's banking ability and deposits.

What does the republican party offer? United States postal savings banks. Let us amend the state laws so that care be exercised in granting bank charters. Capital must be paid in full. Upon failure of a bank, assess the 100 cents on the dollar provided for by our constitution against the stock and file with the clerk of the district court a list of stockholders, which shall operate as a lien on the property of the stockholders—the same as a judgment. Require bank examiners to give ample bonds, and any negligence or failure to do their duty shall make them and their bondsmen liable for all damages sustained by depositors. Wind up the affairs of the bank the same as if a retail merchant or manufacturer failed by selling the assets at once and not wait five years before bringing action against the stockholders for their liability on stock.

Banking is a business proposition like anything else and the man who starts a bank should be held liable on his stock the same as if he embarked in a commercial business, and the bank's affairs should be wound up at once as in a mercantile failure.

Some comparison has been made that guaranteeing bank deposits is like insurance. Not so. No insurance company, either fire, accident or sick benefit, would embark in the wholesale business of insuring frame, stone, brick and steel buildings at the same rate of premium. A different rate is placed upon an iron foundry or cement factory than upon a dry goods store, or a paraffine or oil works. But in Oklahoma any one can become a banker and get the benefit of the bank guaranty fund.

A life or sick benefit insurance company does not take in every person who makes application. The risks are selected, and those who fail to pass the medical examination are rejected as dangerous. Oklahoma allows any one to open a bank notwithstanding the banking board has refused charters, the supreme court said under the law they can come in and do business.

Insurance business is conducted on safe and conservative lines. Of course, if there is a general conflagration like the Chicago fire, or San Francisco earthquake, many insurance companies will go broke, some pay 20 cents on the dollar and some in full. And if there is a general panic in Oklahoma or a break in a chain of banks having \$1,000,000 of deposits fail, the 1-cent guaranty fund will not pay off but a very small amount or per cent.

The people should think this over carefully before being lead astray by the oracles and magicians of democracy. We think strict state laws will overcome much of the trouble in the minds of the people, and that a postal savings bank is the proper thing to protect the depositors. Only three democratic United States senators voted for the postal savings bank when it was introduced. How then, does the democratic party expect to give the public the relief set forth in their platform?

It is like the 16 to 1, free trade, militaryism, Aguirre, the second George Washington, the crime of 1873 and other false doctrines and predictions of the democratic party.

P. E. H.

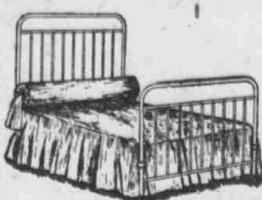
HOME FURNITURE CO.

24TH AND L STREETS, SOUTH OMAHA

Sells Furniture 20% Below Omaha Prices SPECIALS THIS WEEK



A \$5.00 Sanitary Spring—
\$3.75



Large line of
Brass and Iron Beds
in new plain styles at
ONE THIRD Below Omaha Prices



Solid OAK CHIFFONIER
With Mirror
\$4.75 AND UP



Solid Oak Dresser, with mirror, for \$6.75
With full size mirror, **\$7.50**
\$16.00 Dresser, like cut, \$11



An \$11.00 fifty pound Felt Mattress—
\$6.50

APES DO REASON, HE SAYS

German Scientist's Studies at the Berlin Zoo.

THEY ARE NOT OUR ANCESTORS

Intelligence of a Chimpanzee in Escaping from a Cage—Orang-Utans Less Bright—A Cycling Ape.

An ape reared from babyhood at the Biologisches Institut in Amann, German East Africa, has accomplishments of a bicycle rider. There was demand from Berlin for a gifted specimen of the anthropoid ape and he has now been added to the collections in the Zoological Garden of that city.

Perhaps it is not very remarkable that an intelligent ape with innate love for feats of balancing and gymnastic stunts on the branches of trees, should learn to ride a bicycle. His trainer reports that his patience and time were not overtaxed in reaching him to ride.

"I TOLD YOU SO" About Dangerous Hair Dyes!

In 1906 and 1907 I published in the leading papers of this country a large advertisement called "Dangerous Hair Dies" in which I set forth the dangers and disadvantages from the use of strong two-bottle dyes and particularly the lead and sulphur preparations with the thick sediment.

Now does it not seem significant that as soon as the pure food laws went into effect, makers of various preparations, which I warned you against at an earlier date, were forced by the new laws to change their labels and correct their unreasonable claims, and in many cases they have even changed their formulas and no longer claim to restore the color to gray and faded hair.

I have not changed my formula of the truly wonderful colorific preparation called Mary T. Goldman's Gray Hair Restorer, because it always was, and still is harmless and good. It will convey to gray or faded hair the color that it originally was in a week or 10 days without making the hair appear dyed. It is clean, and the treat-

ment is as simple as combing a little water onto the hair. As it contains no lead or sulphur, there is nothing to wash or rub off and it does not make the hair greasy, nor yet harsh, just leaves the hair to appear as it was in a natural state.

I believe we are selling more of Mary T. Goldman's Gray Hair Restorer than all similar preparations put together, in spite of the fact that we do not advertise much, and advertise now only because we want the credit for exposing the worthless preparations long before the food and drug laws proved that I was right without the question of a doubt.

On request we will send to those interested a copy of our advertisement referred to above, called "Dangerous Hair Dies," which gives information worth knowing for those whose hair is gray or faded.

Mary T. Goldman's Gray Hair Restorer is \$1.00 per bottle and will be sent direct by express, prepaid, on receipt of price. Address: Goldman Bldg., St. Paul, Minn. It is also for sale and highly recommended by Sherman & McCoull Drug Co., 16th and Dodge Sts., and Owl Drug Co., 16th and Harney St.

ficiently observant of obstacles in the road but he is improving.

Just now the German public is most interested in the studies that Dr. Alexander Sokolovski has been making of three anthropoid apes at Stellingen, near Berlin. His scientific specialty is zoological psychology and he has been observing the life of two orang-utan, male and female, called Jacob and Rosa, and an unnamed chimpanzee. He has convinced himself that these animals have not only instinct but also elementary reasoning powers.

Difference in Temperaments.
The three animals are excellent friends, but there are marked temperamental differences between the chimpanzee and the orang-utans. The former is full of life and is doing something every waking moment. The latter are more quiet, sit peacefully for long periods on the floor and when they attempt the swinging bars they are slow and more cautious than the chimpanzee, who is reckless. He likes rough and tumble play with Jacob, but Rosa is his favorite. There seems to be a perfect understanding between them and she is his dutiful servant in many of his original performances.

To facilitate Dr. Sokolovski's studies the keepers gave a good deal of latitude to the three animals. The chimpanzee especially has had his own way to an unusual extent. He acts more naturally when he does not know that he is under human observa-

tion, and for hours every day he has been apparently by himself though watched every moment.

Some of the most interesting results of Dr. Sokolovski's studies grew out of the chimpanzee's desire to escape confinement. He does not like it, though his two friends seem content with their lot.

They occupied a part of a very large wire cage, more than half of which was used as the summer sleeping place of the giraffes. The board partition dividing the cage into two compartments was high, though it did not extend to the roof. Nobody dreamed that the chimpanzee could surmount this wall, but he did, and it was one of his three successful attempts to get out of his cage.

Break for Liberty.
In a corner of the cage against the wooden partition was a large box in which the apes slept and so heavy that they could not move it. One day the chimpanzee jumped up on this box and seemed to be critically examining the partition. He jumped into the air again and again with arms stretched above his head, but he could not bring his fingers within three feet of the top of the wall.

ting on the door of the cage. He observed with much apparent interest that when the keeper entered the cage he handed a bunch of keys, one of which he inserted in a padlock. The keeper sometimes gave him the keys because he was so gravely curious to examine them one by one, and often he would strain up against the wire to look at the padlock outside, for the idea seemed to dawn upon him that it had something to do with getting into or out of the cage.

One day Jacob managed to break the wooden piece on the swing and this put an end to the present means of escape of the chimpanzee. The bit of tough hardwood was about three feet long and it had broken so that one end was almost a point. Dr. Sokolovski could scarcely believe his eyes when he saw the ape thrust the stick outside of the wire, push the bit end up through the staple that held the padlock and then try with all his might to force it out. The keeper was notified, the performance terminated and the chimpanzee was deprived of his new implement.

One of the peculiarities of this fellow was his sympathy for everything human excepting his keepers. Jacob and Rosa would blandly extend their hands for a cordial shake with the public while the chimpanzee lurked behind for a good chance to snatch off the headgear of the visitors. Spectacles aroused his greatest ire and he had a way of swiping them off the nose with a sort of backward claw that hurt and almost stunned the victim.

Dr. Sokolovski advises that a number of young men trained in zoological or comparative psychology be stationed in the native homes of these animals to make a thorough study of them. He does not think that the anthropoid ape was the direct ancestor of the human race, but he believes man originated through some striking differentiation from them.

At any rate in physical structure and in mental process they are the nearest approach which the brute creation has made to man. They are worthy of the most minute study, and with the present methods of investigation Dr. Sokolovski believes it will be possible to reveal their whole life history and to learn just what they are.

Kicked Him In.
"Now, Willie, you know I told you not to go in swimming, and yet you have been in the water."
"I know it, ma, but Satan tempted me."
"And why did you not tell Satan to get behind you?"
"I did, and he kicked me in."

Vibrate Your Back

The Great Nerve Centers of the Body are in the Spinal Column.



Mechanical vibration applied to the proper nerve centers generates new life and gives instant relief to any pain or ache due to congestion. The best vibratory machine to use is the celebrated **ARNOLD VIBRATOR**, which manages by mechanical means. If you have poor circulation, get a vibrator today. You will be surprised to note the marked improvement you will gain in strength, health and general vitality by using the Arnold Vibrator on the spine, chest and body each day. Books explaining the proper use of vibration and purposes intended are given to those who call at M. Monheit, 1411 Farnam St., Omaha, Nebraska.

AUTHORS

Having books, manuscripts, novels, poetry, history, genealogy, anything that goes to make salable books—are invited to correspond with **Cochrane Publishing Co.**, 1108 Tribune Bldg., New York.

THE KING OF DIARIES

LAIRD & LEE'S Diary and Time-Saver—1909

The only Diary in the World kept strictly Up-to-date. A daily reminder for Lawyers, Doctors, Merchants, Farmers, Teachers, Travelers, Clergymen. The Daily Reminder is perpetual calendar; Astronomical Signs for every day in the year; 20th Century Historical Events; Times in Various Cities of the World when it is noon at Washington, D. C.; Was Paper Heavy and Thick Holder; Facsimile of Clauses of U. S. over 10,000; Electoral Vote and Political Information; Cash Account, and Memoranda Pages.

SAVES TIME, MONEY AND WORRY
16 Maps, in four colors, of American Battleship Cruise, United States, the World, and Panama Canal (with history)—made especially for this work. 25c. Morocco leather (black or red), gilt edges. 25c.

Sold at bookstores, news stands, on trains, or direct. **LAIRD & LEE, Publishers** with an **CHICAGO** office.

TO-NIGHT Cascares
THEY WORK WHILE YOU SLEEP

Jetter's

GOLD TOP

The Perfect Beer Commands Attention

Because of its purity, healthfulness and unsurpassed flavor.

The lady with a case of **GOLD TOP** is always prepared for unexpected guests, for what could be more welcome than a glass of cool sparkling foam-crested Gold Top.

We will send a case to your home.

Jetter Brewing Co.

O m a h a. Headquarters, HUGO F. BILZ, 16th and Douglas, Tel. Doug. 154. Co. Bluffs Headquarters, T. E. M. C. H. E. L. L.

Tel. No. 8, South Omaha, 105 Main Street, Tel. No.