

MAKE NEW YORK SEND CASH WEST

Cortelyou Swings Club Over Them.

WITHDRAW GOVERNMENT FUND

Transfer Deposits to Western Banks if Needed.

BUT GOTHAM LOOSENS UP

Stock-Gambling Center Pinches the West by Standing Off Demand for Money Lent—Enters Labored Denial of Charge.

enough to meet the drafts sold in the primary course of business. They have brought paper for rediscount to their New York correspondents in large amounts, and the principal difficulty of the New York banks has come from the demand for currency to be shipped against the balance created by these rediscounts. As the rediscounts have been in the nature of an accommodation and have not brought a cent of currency to the discounting banks, they do not feel that they should be called upon to supply currency in large amounts under existing conditions.

Ships All She Can Spare.

The best possible judgment is used in meeting these country demands for currency. It is a not unusual experience to have a demand for currency, but a portion of what is asked for, ranging around one-half, is usually shipped, the proportion varying according to the



Governor James F. Smith, of the Philippines, Who Gave Secretary Taft Farewell Banquet Yesterday.

cash strength of the bank calling for additional currency or the supply demanded for legitimate purposes. Special favor is shown to the small interior banks, where there is no clearing-house, because it is realized that they are not in a position to count upon co-operation and the use of clearing-house certificates, as in the case of communities having a number of strong institutions.

It is admitted that the cotton movement is seriously checked by the lack of small bills and silver to pay the small growers and by the inability of the Southern banks to handle the immense volume of business accumulating at Southern points. The grain shipments are in better shape owing to the gold secured by the banks of Minneapolis and St. Paul, and arrangements for paying cash in New York on grain bills. The New York banks feel bound to retain a certain portion of reserves to guard against possible contingencies, because they fulfill in substance the function which is fulfilled in London by the Bank of England, in Paris by the Bank of France, as the ultimate resource in emergency.

Over \$40,000,000 Gold Coming.

The aid which is being rendered to the situation is indicated by the fact that the total engagements of gold have now reached \$40,000,000. The total was materially increased today by the announcement of several purchases which had not heretofore been made public. Of the amount engaged, the sum of \$21,311,000 has already arrived, including \$12,365,150, which was laid down from the Lusitania this morning. This gold will afford the banks of nearly \$30,000,000 in loans, and will materially assist the New York banks in their efforts to meet the pressure for currency throughout the country.

The fact that practically \$30,000,000 in currency disappeared from the New York banks within a week, as indicated by the last bank statement, is considered sufficient evidence that the New York banks are doing their best to meet the demands upon them. The total drain of last week is computed upon the basis of an actual loss in cash of about \$30,000,000, in face of the fact that \$20,000,000 of public money had been poured into the New York banks. It is not possible to determine what proportion of this \$30,000,000 went west and what proportion went into hoards in New York. It is estimated in some quarters that about half of the amount was shipped to Western banks, but other bankers put the proportion somewhat lower, leaving the balance to be accounted for by hoarding.

May Sell Canal Bonds.

One of the measures which have been a subject of some consultation between Secretary Cortelyou and leading bankers here has been the sale of a block of Panama Canal bonds.

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WEALTH OF WEST REMAINS INTACT

Richer Than Ever in Available Capital.

NEED ONLY UNBLOCK WHEELS

Only Few Weeks Till Money Will Flow Freely.

NO LOSS BY SPECULATION

Banks Push Sales of Crops, but the Farmers Are Able to Hold for Rise—The West Refused to Buy Watered Stocks.

CHICAGO, Nov. 8.—The financial situation of Chicago and the Northwest is mainly a matter of unblocking. That is to say, the ordinary facilities of commerce and the transaction of banking business have been curtailed by the shortage of currency. The bankers are taking steps to return to normal conditions. They did not consider it safe yet, however, to begin the payment of currency money when demanded and checks on the clearing-house for small amounts are now in preparation to be used as current money. It is almost certain that these checks will be issued on Monday and several million dollars of them will then be available.

But meanwhile the coffers of the banks and the pockets of individuals have been somewhat replenished by the importation of over \$6,000,000 of gold, and the deposits of the United States Government in National banks have been increased several millions. Seemingly, it is a question of a few weeks at the longest when money will be freely in circulation.

West Richer Than Ever.

There is no manner of doubt that the Northwest is richer now than ever before, not merely in fixed assets but in immediately available capital. This is a small illustration. It may be mentioned that the shipments of wheat and flour for 19 weeks of the crop year amount to \$2,833,000 bushels against \$8,656,000 the corresponding period last year, and the amount of money received for this product is much greater per unit than last year. It is to be assumed that shipments from this time on will be less active than heretofore, because the supply of currency is small and many of the farmers refuse to accept checks.

This very fact, however, shows that the producing class is financially strong enough to sell when it gets ready. The country banks have more currency than ordinarily at this time of the year, but are holding it for fear it will be hoarded by individuals if paid out. The excess of shipments of currency over receipts in Chicago during October was \$24,711,510, against \$16,765,000 the corresponding month last year. The banks in Chicago are treating country banks as they do individuals, that is, giving them the little currency they must have and holding the remainder for future needs.

The banks in Chicago also have been calling loans to grain men to some extent in order to force the produce to market. The consequence has been a decline in the price of agricultural products. The amount of money that can be realized to the West from agricultural products is well indicated by the fact that the visible supply of wheat in this country is now over 42,000,000 bushels, as against 37,000,000 bushels a year ago, while the price is materially higher.

West Did Not Buy Stock.

The situation in the West generally is better than in some other parts of the country, by virtue of the fact that speculation has been on a very small scale for two or three years past. As long ago as the Fall of 1905, and again in the Autumn of 1906, the strongest appeals were made to Chicago and other parts of the West to buy stocks at the high prices then prevailing. These appeals fell on deaf ears. There was no buying except of the smaller sort. When the

break of last March came, therefore, and again during the collapse of last month, few losses were incurred in the West. There has not been a whisper of danger to any of the well-known brokerage houses in Chicago, and the extent of the losses in stocks from a speculative point of view is measured by the misfortunes of two or three capitalists and the common run of 100 share operators.

West's Position Strong.

The situation is therefore a very strong one, and the immediate future depends only on the skill and luck with which the banks steer this section of the country out of the maze of clearing-house checks and payroll checks into the normal condition when current money will be as abundant as it was before the panic came on. Thus far the affair appears to have been



Senator W. B. Herburn, of Idaho, Whose Protest Against Monopoly of Government Deposits by New York Banks Has Caused Threat to Send Money West Under Threat From Secretary Cortelyou.

managed with much ability and with discretion.

BANKERS MAY BE PROSECUTED

District Attorney Admits Inquiry, but Has Not Decided.

NEW YORK, Nov. 8.—Reports that criminal prosecutions, as a result of conditions disclosed by the present banking situation in this city, are imminent, gained widespread circulation in financial circles today. It was said that representatives of the Controller of the Currency, who have thoroughly investigated the affairs of two National banks which have been prominently mentioned in connection with the present trouble, found conditions which led them to make unusually minute reports, the precise nature of which has not been disclosed.

When United States District Attorney Stimson was asked about the matter, he said that no decision has yet been reached to prosecute any one in connection with the recent bank trouble. He said also that any such decision would be made here, and not in Washington. Mr. Stimson said:

"Since the bank troubles in this city became acute in the last three weeks, my office has followed them with the same care that it always tries to give to all matters within its jurisdiction. As yet there has been no decision or determination arrived at to prosecute any individual whatever, and any statement to the contrary, whether in a newspaper or elsewhere, is wholly false."

ONLY ONE FIRM RESISTS

Stafford Manufacturing Company Denies It Is in Trust.

CHICAGO, Nov. 8.—Plea of not guilty of violating the Sherman anti-trust law were entered in the Federal Court today by the E. H. Stafford Manufacturing Company, E. H. Stafford, its president, E. M. Stafford, treasurer, and G. B. Bentley, a director. Trial was set for January 5.

The company is the only concern fighting the allegations that a school and church furniture combine existed. All the other concerns pleaded guilty and were fined.

Horgan Wins Billiard Match.

ST. LOUIS, Nov. 8.—John G. Horgan defeated Thomas A. Houston, 50 to 47, in tonight's game of the National three-quarter billiard tourney. Horgan's high run was 5 average; St. Houston's high run 4, average 3. Jesse Lean defeated Frank Day, 59 to 55.

FIRE AT SUPERIOR ENTAILS BIG LOSS

\$2,500,000 Damage on Lake Front.

ELEVATORS AND MILLS BURN

Intense Heat Thwarts Efforts of Four Fire-Tugs.

GREAT GRAIN DESTRUCTION

Flames Originate in Great Northern Storage Plant, Containing 600,000 Bushels of Grain, Which Is Entirely Consumed.

DULUTH, Minn., Nov. 8.—Fire of an unknown origin tonight destroyed the Great Northern elevator "A" in Superior, together with 600,000 bushels of grain, principally wheat, all of which was fully covered by insurance. The elevator was owned by the Great Northern Railroad but was leased to the A. D. Thomson Company of Duluth.

The sparks soon ignited the Grand Republic Mill on Tower Bay slip, the Great Lakes Dredge & Dock Company's dock and the Duluth-Superior Storage Company, which contained the finishing plant of the Webster Chair Company. At midnight it looked as though all would be completely destroyed, entailing an estimated loss of \$2,000,000.

Fire Gains Headway.

The fire started at the southwest corner of the elevator dock, and before it was noticed had communicated to the elevator. An alarm was turned in and four fire tugs responded, but owing to the intense heat they were driven out of the slip and devoted all their energies to saving the adjoining property.

The steamer W. A. Parent and W. A. Rogers were in the elevator slip loading wheat and the latter was to take out 300,000 bushels of wheat tomorrow. The steamers Dulca, Alva and Chill, were on the opposite side of the slip at a merchandise dock and were pulled out by tugs to save them from destruction.

Check Spreading Flames.

The Globe elevator, owned by the Peavey Company was on fire, and for a time it looked as though it would go, but the firemen succeeded in extinguishing the flames. The flames also spread to the sawmill property of the Britton, Kilmick & Barber property, but this likewise was extinguished before any serious damage was done.

At 1 o'clock the fire seems to be under control, although still burning fiercely in some of the burned districts. The combined departments of Duluth and Superior are combating the conflagration. The property destroyed at this hour is as follows:

List of the Losses.

One Great Northern elevator, Mankato flour mill and elevator, Freeman mill and elevator, Grand Republic mill and elevator, Commander mill and elevator, 20 dwellings and several small warehouses lining the bay front. The flames have communicated to the St. Paul & Western Coal Company's dock and the office of the shipbuilding company is destroyed. It is now estimated that the damage may reach \$2,500,000.

KESWICK IS SWEEP BY FIRE

REDDING, Cal., Nov. 8.—Fire shortly after midnight, at Keswick, burned the Gillespie House, the Kalamazoo House, the Hollister House, the Opera House, three saloons, L. Maxini's large general store and half a dozen or more dwellings. Total loss \$30,000; insurance very small.

Historic Church Burns.

MONTREAL, Nov. 8.—The Roman Catholic Church at Longue Pointe, probably the oldest church in the Province of Que-

BREAK NO BREAD WITH HIS RIVAL

Chanler Will Not Be at Bryan Dinner.

TOM JOHNSON IN HIS GLORY

Will Delight to Follow Bryan, Not to Lead.

CHANLER STILL CANDIDATE

Only Possibility of Surprise Would Be Peerless One's Declining and Passing the Honor Along to a Man More Modest.

WASHINGTON, Nov. 8.—(Special.)—Mayor Tom L. Johnson, of Cleveland, will, and Lieutenant-Governor Louis Stuyvesant Chanler will not, be a guest at the Bryan dinner to be held here November 26. The dinner is being boomed to the limit with beating of tom-toms as the greatest political feast that ever has been perpetrated. The sponsors for the affair are doing their utmost to have it understood that some great message will be delivered to the country by Colonel Bryan on the forthcoming occasion, and they are raking the country with a fine-tooth comb to gather in Democrats of National prominence to deliver Bryan speeches and make it appear that the National Convention need be only a formality.

Only One Sensation Possible.

The only thing that really could cause a sensation at the dinner would be to have Mr. Bryan decline the nomination and name his legate. The funny thing about the programme is that in the list of National leaders who are to attend, according to the announcements, are found some statesmen and politicians who are known to be associated with Bryanism, but who think Mr. Bryan must be nominated again to get him out of the party's way in the future.

Mr. Johnson has been coddled by Mr. Bryan, but against the possibility that he may be favored by the Nebraska, if the latter does not want to run, is the balancing statement that Mr. Johnson does not desire to make the race. Mr. Johnson, it is believed, is sincerely for the "peerless leader."

Chanler Thinks He's Candidate.

As to the case of Mr. Chanler, who is reported to have declined an invitation owing to a "previous engagement," it is declared that he takes his own Presidential boom seriously and could not consistently, as a candidate for the nomination, break bread with Bryan boomers and applaud the proffering of the leadership to his rival. The New York Democrats will be conspicuous by their absence at the dinner. They are bent on defeating Mr. Bryan for the nomination next year, but the serious-minded New York leaders regard their own Chanler boom as a fatuous makeshift.

BREAK RECORD FOR 1906

Harriman Lines Did Big Colonist Rate Business to Oregon.

Colonist rates from Eastern points to the Pacific Coast expired October 30. These rates were \$2 from Chicago to Oregon points and \$25 from Missouri River points. The general passenger department of the Harriman lines in Oregon received yesterday the report covering the last week in October, and was able to give figures for the month, with the exception of the sales made on the last few days. John A. Scott, assistant-general passenger agent, said that those sales might run up to several hundred, many persons delaying their journey for various reasons until near the expiration of the time limit.

According to the report there were 2017 reduced rate tickets sold at Eastern points to Oregon territory of points adjacent thereto. In the corresponding month last year there were 1372 colonist tickets to coast points, showing a gain of 644. For the months of September and October, not counting those still uncollected or at least not reported, the number of colonist arriving was 4229.

In October colonist tickets were sold as follows: To Portland, 230; to points in Oregon, south of Portland, 301; Hood River, 13; The Dalles, 13; Pendleton, 11; La Grande, 3; Baker City, 4; Walla Walla, 35; Lewiston, 15, balance scattering.

PROSECUTE SANTA FE AGAIN

Rebating Railroad to Be Tried on Another Indictment.

LOS ANGELES, Cal., Nov. 8.—Following close upon the heavy fine imposed upon the Santa Fe Railroad Company by Judge Wellborn in the Federal District court yesterday, U. S. District Attorney Lawler announced today that he would proceed at the coming January term of court to prosecute the road upon the remaining indictment of ten counts charging rebating.

Santa Fe attorneys are busy preparing their appeals of the cases upon which the company was sentenced yesterday.

New Oregon Postmasters.

WASHINGTON, D. C., Nov. 8.—(Special.)—Postmasters appointed: Oregon—Tule Lake, Jennie Dunn, vice M. R. Bassett, resigned.

Washington—Julia, George W. Kline, vice E. W. Craig, resigned.

Edmond—Samuel F. Street, vice L. L. Austin, resigned.

HARRY MURPHY CASTS A HOROSCOPE TELLING WHAT WE WILL BE TALKING ABOUT NEXT YEAR



HEEDS DEMANDS FROM WEST

New York Ships Currency When Treasury Deposits Are in Danger.

NEW YORK, Nov. 8.—The leading New York banks are exerting themselves actively today to meet the demands of their country correspondents and depositors for currency. They declare that the suggestions made from several Western sources that they are not meeting legitimate demands for currency from the West are entirely unfounded, and that they are, on the contrary, taking every practicable measure to meet the West and South. One of these large banks, with several thousands of correspondents, has depleted its reserve by about a quarter during the last few weeks to supply currency where it is most needed, and has made large shipments to banks in San Antonio, Galveston, Memphis, Mobile, Atlanta and other Southern points.

The country banks have been allowed to draw down their balances to a point which affords in many cases hardly