

The "Ghost" That Hypnotized a Bank President

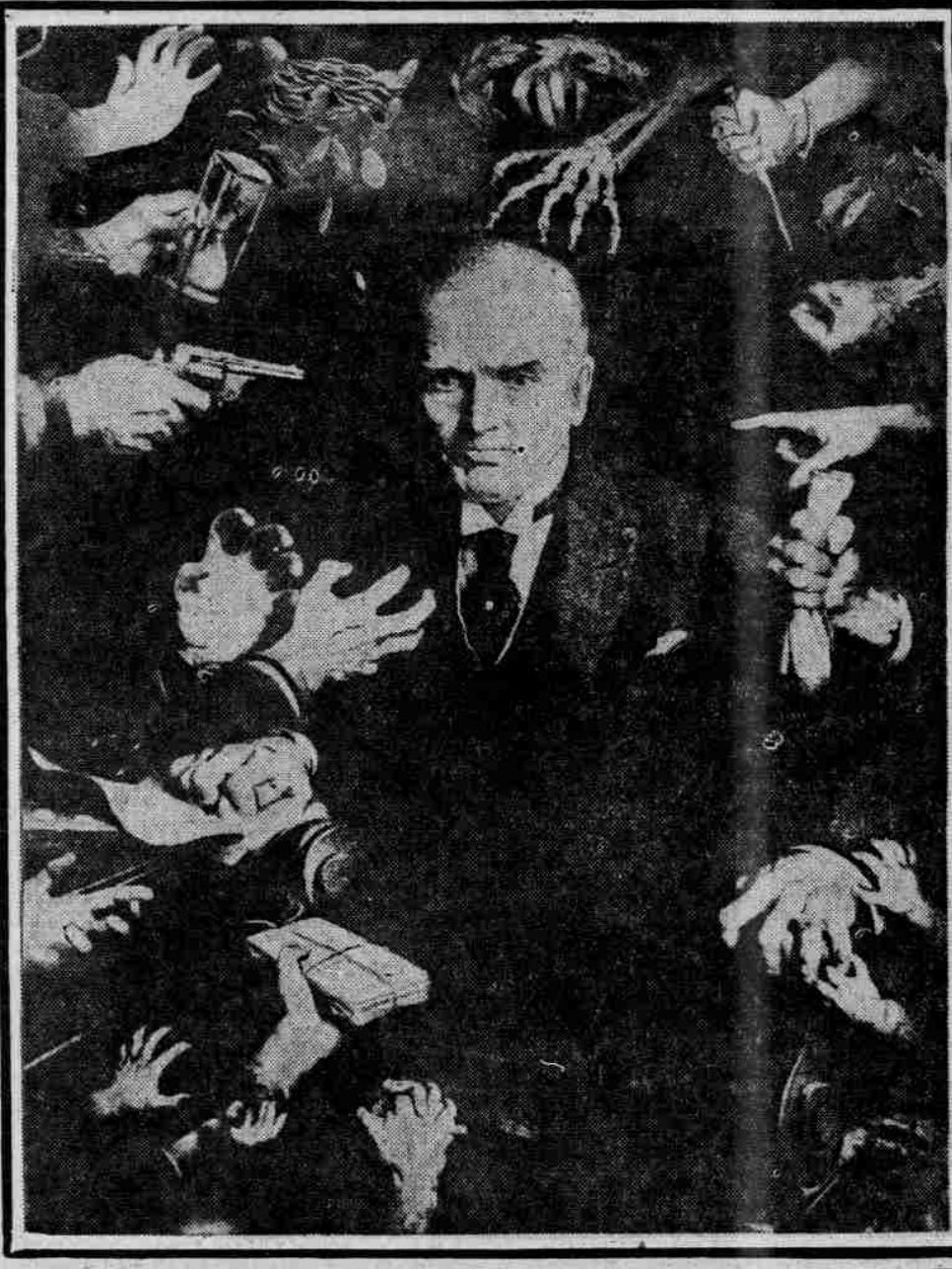
And How This Official, According to His Own Statement, Became Involved in a \$500,000 Defalcation, Because the Guilty Person Threatened to Commit Suicide and Haunt Him.



Albert H. Sporleder, Who, as President of the Milwaukee-Irving State Bank of Chicago, Is Said to Have Allowed a Shortage of More Than \$500,000 to Go Unreported Because He Feared He Would Be Haunted by Peacock's Ghost.



Clara Rahn, Secretary of Everett Peacock, Testified She Attended Meetings Where Plans for Getting Money Out of Chicago Bank Were Discussed.



William R. Leigh's Sensational Canvas, "The Reckoning," Which Represents Graphically a Man in the Grip of a Succession of Fear States. It Was Such a State of Mind, Chicago Neurologists Declare, That Prevented Sporleder from Exposing the Alleged Bank Shortage.



Everette Peacock, Former President of the Bank He Is Charged With Looting



A HALF MILLION dollars has disappeared from a Chicago bank and a ghost is charged with being the chief accessory after the fact. Legal responsibility for the shortage rests with Everett R. Peacock, a former president; Albert H. Sporleder, who succeeded Peacock, and several others. But the real responsibility, according to Sporleder and several Chicago neurologists, is chargeable to a wraith and the most intangible sort of wraith at that.

It was Peacock who manipulated his account at the Milwaukee-Irving State bank in such a way as to bring about the illegal withdrawal of the missing money. Testimony to this effect has been placed before the state attorney.

But when Sporleder became president of the bank and discovered the irregularities he went to Peacock, he says, and threatened him with exposure unless immediate restitution was made. Peacock answered by telling Sporleder that if he didn't keep quiet, he, Peacock, would kill himself and that his ghost would stand on Sporleder's doorstep and haunt him.

Dread of Exposure.

Sporleder, much shaken by the threat, went back to his bank and thought it over. He decided after a while to say nothing and that perhaps matters would get better. Instead of that, he says, they got worse. A shortage of \$260,000 in overdrafts mounted to nearly half a million by the time affairs got so bad that the bank examiners caught the irregularities and the directors were notified.

Details of the "check-kiting" operations whereby the overdrafts in question were made, were conveyed in statements made to the state attorney by Peacock, Sporleder, Miss Clara Rahn, Peacock's secretary, and Harold W. Anderson, former cashier of the bank. The state attorney announced that he would ask for the indictment of Peacock, Sporleder, Anderson and several others.

Sporleder's statement of the threat made by Peacock came at the end of his detailed confession to the state attorney. He said:

"When I first took over the bank I found several irregularities, but they were not for large sums. Mr. Peacock was one of the largest depositors and I thought it best to carry him along, even though some of the things were distinctly shady.

"Finally, when the full magnitude of the situation came to me, I went to Mr. Peacock and told him that unless he made immediate restitution and straightened things out I would have to put it all before the bank directors and the state attorney.

"Do you remember the Paul Stensland bank case?" he asked me. He knew that I had lived within a few doors of the Stensland home and could not help but know of it.

"You remember that a broker committed suicide because of that case," he continued. "If you want my ghost on your doorstep, go to the state attorneys and the directors. I'll kill myself if you do. I can't face the world if the crash comes. You can save me if you will. Without you I haven't a chance and I'll kill myself as sure as the sun rises, if you force the disgrace."

"After that I thought things might come out all right and went along with him. Instead of coming out all right, however, they all went wrong and I became involved deeper and deeper."

What passed through Sporleder's mind between the time Peacock made his threat and his final decision to stick by his predecessor, even Sporleder hasn't been able to tell with any accuracy. But from the known facts, Chicago neurologists and psychologists who have been interested in the psychological aspect of the case, have reached certain interesting conclusions.

Sporleder was not a man who was known to be superstitious. Under ordinary circumstances he would have laughed away the thought that anyone he had known might come back and haunt him. What gave him pause at first was the possibility that Peacock might end his

life. He evidently took seriously this threat.

As he sat turning over this possibility in his mind, however, the ghost thought kept recurring with greater frequency. The association between Peacock's death and his reappearance as a ghost grew closer and closer, as Sporleder's mind revolved in an ever-narrowing circle, until what was considered at first as childish and fantastic was now accepted as credible.

And once the ghost was accepted, the possibilities of what might happen to him if Peacock should die and haunt him, became manifold and terrible. His mind passed through a succession of fear states in which he imagined himself being dogged to his grave by unforgettable shapes and beings.

After a while, of course, Sporleder brought himself back to a comparatively rational state of mind, but the harm had been done. He had developed what the psychoanalysts call a complex. He could never think rationally on the subject of ghosts. Whenever he tried to, his subconscious mind would interfere and he would pass off again into a succession of fear states.

Thus it was that Peacock's threat prevented Sporleder from making an exposure of the bank shortage. According to those psychoanalysts who follow the Freudian school, there are many cases in the history of psychic research where rationalist and materialistic persons have been brought to believe in ghosts and their power to inflict harm, within a comparatively short span of time. In fact, it is an exceptional human being who couldn't be brought to such a state if conditions were right. And once those standards of judgment which kept him from being what is called superstitious were destroyed, he would straightaway become a prey to fears.

The reason for this, they declare, is that every human being has an inherent wish for immortality. When some of them are normal, they may conceivably tell

themselves that personal immortality doesn't appear to be logical. But if certain unnatural conditions are brought to bear upon them, the wish to be immortal will become stronger than their rational processes and what they would ordinarily call unreal become real. For the wish has become a belief.

In Terror, Confesses.

Those who believe in personal immortality are more easily led to a belief in ghosts, it is declared. It is often the case that the mere removal of the influences of one's normal environment will bring this about.

In his statement to the state attorney, Everett Peacock admitted that he had looted the Milwaukee-Irving State bank

for \$488,000. He further admitted that he obtained an additional \$155,000 through loans from six other banks and that of the entire \$623,000 he said account for only \$25,000. When these overdrafts were put through, Peacock was president of the Peacock Seed company. He said that he and Albert Sporleder had at first realized money on checks that were no good and that the checks had been covered by money raised from the conversion of stock and bonds belonging to the bank.

Harold W. Anderson, the cashier, said: "I was ordered to pay the money to Mr. Peacock by Mr. Sporleder on checks drawn by Mr. Peacock for various amounts ranging between \$500 and \$10,000. There were no funds to cover these

checks, which, on Mr. Sporleder's order, I carried as cash assets.

"The checks were presented by Charles P. Gascon, secretary of the Peacock company, and were in the name of the firm. The thing started in April, 1921, and went on for a long time."

After questioning Mr. Peacock, the state attorney sent for Miss Clara Rahn, Peacock's secretary. She admitted that there were irregularities practiced in the handling of the Peacock account at the bank for a year and a half past.

She said she had been present at conferences between Mr. Sporleder, Mr. Peacock, Mr. Gascon and Harold W. Anderson, former cashier, at which methods for taking money from the bank were discussed. She said she had, on

order from Mr. Gascon, signed fictitious names to checks which were later cashed at the bank. She told of minor transactions, but insisted she knew nothing of \$500,000 worth of hidden assets as charged by the prosecutor.

When the directors first found out about the shortage, the missing amount was immediately made good. In his statement of the case made for the benefit of depositors, State Attorney Edgar Jonas said:

"It is only fair to the board of directors to point out that, while the shortages exist, it is not the depositors who will lose. The directors and the stockholders are the victims. The bank, I believe, can and always could pay dollar for dollar to its depositors."

THE HAND ON THE SHOULDER -- BY MEREDITH NICHOLSON

(Continued From Page 3.)

Searles was not a place where social matters could be discussed comfortably. A buzzer summoned Marian to take dictation, and she was unable to parley longer.

"This is the very limit! I'll go, but it's the last time. Don't you dare come here again!" But she laughed as she setzed her notebook.

"It's all so perfectly wonderful!" said Frances, with her most innocent air. "Paul and I are so happy about it!"

"Get out of my office!" commanded Marian. The motor trip proved to be the pleasant of excursions. Marian's determination to maintain a severe dignity yielded under Mrs. Adams' cordiality and good humor. Paul declared that his father's speech was the best he had ever delivered, and Paul himself, at the dinner served in the courtroom of the new building, acquitted himself well when called on unexpectedly to say a few words as a lawyer who had lately fought in the defense of America. "I'd call this a perfect day," said

Frances as they started on the homeward drive by moonlight.

Frances and Paul changed their plans suddenly and decided to be married in June. In spite of the rush of pre-nuptial entertaining, Frances found time to look in upon Marian now and then at the office.

"You're certainly making it hard for him!" said Frances one noon over a department-store luncheon. "Mrs. Adams was terribly peeved that you refused her invitation to dinner. She's awfully keen about you! There's something queer about you, Marian; nobody seems to hate you! But what's going to happen if you dodge the dear man every chance you get. He's getting desperate."

"It isn't pleasant to be dodging a man you admire, of course," said Marian. "But you ought to see that the gulf is too wide. Oh, not his years, but ten thousand other things!" "I believe you're in love as much as I am," said Frances. "And isn't love wonderful!"

"No, it's perfectly awful!" Marian retorted.

The night of the wedding Mrs. Adams took charge of Marian, carrying her to the Dennings and keeping close beside her.

"You needn't be afraid of any of these people. If you find them staring at you it's only because you're so handsome."

Just before the bride and groom left, Marian saw Paul and his father standing apart, talking earnestly, but both were smiling. And in the most natural way in the world the right arm of John B. Fearing stole across Paul's broad shoulders and clung there a moment.

Marian heard someone saying: "It's not often you find father and son as close as they are. You might think they were brothers."

There was dancing on a platform built out from the veranda, and Marian was awaiting the first of the partners Mrs. Adams' enterprise had enlisted for her, when John B. Fearing walked toward her. "Waiting for Bob Reynolds? Well,

cut the dance and I'll apologize later. I made Paul and Frances a promise that I'm going to keep unless you run away from me."

He was leading the way down the veranda steps, slowly and composedly, and with nothing to indicate that he was bent upon anything more important than showing a dark-eyed girl the stars. No one seemed to take note of them, and in the box-bordered walk, away from the lights and music, Marian felt suddenly that the rest of the world had gone away and left her.

"I didn't know it could happen," Fearing was saying quietly. "I thought I was beyond all that. Every day you fill my mind and heart. You came at a time when I needed help, though you didn't know—you couldn't have known. I love you; I love you very dearly. I should be so proud of you—Marian!"

It is possible that Bob Reynolds, madly searching the premises for his missing dancing partner, did not see their first kiss, Marian suspects that he did.

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