

WHEAT MOVEMENT BANKS' NEMESIS

Portland Money Was Marking More Riches When the Flurry Came.

STRAIN GREATER HERE THAN ELSEWHERE

Load of Responsibilities on Local Institutions Much Heavier Than in Other Coast Cities—Atmosphere Here Now Cleared.

Expressions of pained surprise have been heard in the last few days regarding the suspension of banks in the city of Portland, which was reputed to be the Gibraltar of north coast finances. It is now frequently said that Portland is not showing up favorably in comparison with the banks of other cities in the Pacific northwest. There is a good reason for the events of the last few weeks in financial quarters.

It should be remembered that Portland's responsibilities are a great deal heavier than those of the other banking cities. With the wheat crop of the northwest through this port comes the financial sinews through Portland banks for the cashing of accommodation paper in connection with the crop movement.

The financial stringency came on suddenly and unexpectedly at a time when the Portland banks were in the midst of the crop movement. Both of these momentous events occurring together is the real trouble underneath the Portland money stringency.

Banking Interests Safeguarded.

It should be borne in mind that, had not the wheat moving banks been burdened to their capacity with that task, they would have been in position to finance any ordinary commercial money stringency easily and gracefully. They were not found wanting when it came to the necessity of taking care of themselves and their wheat customers, but they were compelled to recognize the necessity of safeguarding their individual banking interests at the sacrifice of every outside interest.

The Merchants National bank was not a strictly mercantile bank, and its paper was almost entirely of a commercial character. It had but a limited amount of bonds of the nature required as security for "wheat money," as the new clearing house bills are termed. Its capacity to secure money in this manner was small compared to the capacity of the wheat moving banks, which are very large holders of bonds of the Al class, including state, city, county, school and government bonds.

"We consider that the clearing house bills now in circulation are as good as a clearing house bill," said a clearing house official. "The Merchants had not a large amount of the bonds of a clearing house nature to secure this currency. The other banks have piles of such bonds, and can back up an immense amount of this kind of circulating medium."

Financed From Other Quarters.

When the Merchants National found itself drained of currency and working capital for daily use, it was forced against the holiday conditions existing here, and could not call upon its clients for money due on demand notes. The client who had borrowed was perhaps in equally heavy seas, and could only reply:

"You bankers are not paying money; how can you ask us to pay you money?"

Thus the commercial debtor repiled to the bank's plea for payment of notes, even though they were secured by collateral paper, knowing that the banker could not well insist upon immediate settlement in the face of existing financial conditions. Everybody is playing a waiting game, and financial transactions of any magnitude await a general slack to normal conditions before resuming.

Headaches and Neuritis From Cold.

LAXATIVE Bromo Quinine, the world wide Cold and Grip remedy removes cause. Call for full name. Look for signature E. W. Grove, Sec.

Horse Thieves in Idaho.

Boise, Idaho, Nov. 13.—Two men giving their names as Arthur Fairfield and Frank Waldron, who claim their homes are near Nampa, Saturday hired a team and buggy from a local livery stable, drove to Caldwell and, it is alleged, sold the outfit to Liverman Campbell. It was soon ascertained that the team had been sold at Caldwell and officers were put on the trail of the two men. They were arrested and brought back to Boise and are now in jail to await a hearing.

CHARGES OF FRAUD IN BIG WILL CASE.

(Special Dispatch to The Journal.)

Olympia, Wash., Nov. 13.—During an entire day's session of the supreme court, taken up with argument on the merits of the John Sullivan million-dollar estate case, from Seattle, very strong language was indulged in by attorneys. Assistant Prosecuting Attorney R. W. Prigmore represented the state of Washington and King county in the endeavor to have the estate escheated; Walter A. Keene represented the claimant, Cornelius Sullivan; W. T. Dovel represented Administrator Terrence O'Brien; William E. Allison represented Margaret Sullivan Desmond, and George Donworth and A. B. Howe represented the Coeur d'Alene claimants. Charges were freely made of fraud, collusion and forgery. Most of these were directed against the interests represented by Attorneys Donworth and Howe. It was alleged that testimony had been cooked up, documents and signatures forged and other questionable work done in the interest of different claimants. All of the attorneys spent most of their time in pointing out the weakness of the case of each of the other claimants represented, and this fact was commented on especially by Attorney Prigmore in his argument favoring the escheating of the property to the estate.

SUCCEEDS LOCKWOOD ON DUBOIS' PAPER.

(Special Dispatch to The Journal.)

Boise, Idaho, Nov. 13.—Senator Frank J. Cannon of Utah spent the day in Boise in a hurried conference with Woodrow Wilson, the new managing editor of Senator Dubois' paper, the Idaho Scimitar, and with Mr. Arney, business manager of that publication. Mr. Bowen is a veteran newspaper man, was formerly private secretary to Senator Pettigrew of Sioux Falls, South Dakota, and comes to take the position with the Scimitar made vacant by the sudden tragic death of R. E. Lockwood, and Dubois.

ALWAYS WAS SICK.

When a man says he always was sick—troubled with a cough that lasted all winter—what would you think if he should say—He never was sick since using Ballard's Horehound Syrup. Such a man exists.

Mr. J. C. Clark, Denver, Colorado, writes: "For years I was troubled with a severe cough that would last all winter. This cough led me in a miserable condition. I tried Ballard's Horehound Syrup and never had a sick day since. That's what it did for me." Sold by all druggists.

MORGAN, THE BOULDER OF WALL STREET

Magnate Is Looked Upon as the Financial Savior of His Country.

SOME THINGS YET TO BE DONE FOR FUTURE

Prestige and Authority Now So Great That Needed Reforms With His Backing Can Be Carried to Fruition.

Wall street, in fact the whole of financial New York, may be said to have been bowed by the adulation that is being bestowed upon the people of Manhattan island upon the pronounced success attending his efforts of two weeks ago to avert a panic which threatened the whole banking system of the metropolis.

It was from Mr. Morgan's library at Thirty-eighth street and Madison avenue, rather than from his office at the corner of Wall and Broad streets, that the panic of 1907 has been held in check and finally stopped.

Situation Most Dramatic.

Nothing in the financial history of this country has been more important or more dramatic than the all-day and all-night conference in Mr. Morgan's library of the leading bankers and financiers of New York, who, led by the ardent veteran of many financial battles, devised means and laid plans for saving the industrial and commercial fabric of the nation.

Can Go Still Further.

"Now Mr. Morgan having performed this service has it within his power to go still further and make to Wall street and the country a contribution greater than any other financier has made since the days of Alexander Hamilton. His name is already written in the history of American finance in large letters; but he has the opportunity to put himself among the number of the few immortals, if he will follow up the service which he has already performed by taking the lead in the establishment of certain mighty financial reforms.

"Already in the financing of the panic something has been done in this direction. Most notable of all has been the elimination from clearing-house banking of exponents of sensational and speculative finance. Something more is now needed. It is one thing to face and beat down a great panic, but it is a still higher thing to effect such changes and devise such methods as will make other panics less common and less dangerous.

"Mr. Morgan's prestige and authority are now so great that any stand which he may take in behalf of financial reform can be put through, whereas at some later period it might be impossible even for him to do much in that direction. We need in this country some system of emergency circulation to be issued either under the authority of the secretary of the treasury or of some representative banking institution like a federal clearing-house or a central bank.

Changes in Exchange Methods.

"We need such changes in stock exchange methods of clearances as shall make the inevitable and legitimate speculation of Wall street less burdensome upon the money market. We need to eliminate the abuses of banking competition, and especially to put the practice of payment of interest upon deposits, particularly those of reserve institutions, on a safer and more proper basis.

"We need also to consider the desirability of increasing the rates of interest on deposits, and also to look into the subject of drawing some proper distinction between cash deposits and check deposits, cash payments and check payments.

"These and other banking reforms are vital to the future progress of the country. Now is the time for some strong leader like Mr. Morgan to undertake them."

SEES BRIGHT SIDE TO SUDDEN FLURRY

Present Conditions Brought About by Numerous Wobbly Features for Year Past—Forgets to Put Any Blame on Frenzied Fakers.

"Hysteria panic" is the very apt and telling name applied to the present financial disturbance by the Wall Street Journal.

There have been many eruptions of hysteria throughout the country, more or less violent, during the past year, all of which were much less harmful than the present manifestation, but all leading up to it and all directly and intimately connected with it, thinks this able advocate of vested interests and high finance.

Discussing the milder forms of hysteria, political, financial and otherwise, that have run their course during the year the New York paper says: "A few months ago on the east side of New York, public school teachers were mobbed by the ignorant population because they had adopted sanitary measures for the benefit of their pupils; in a number of states governors and legislators have made hysterical attacks upon the railroads and other corporations. A United States judge has inflicted a hysterical fine against a corporation which had violated law, even our worthy president in his zeal for national righteousness and the establishment of the square deal, had delivered two or three hysterical speeches, holding the nation responsible for the hysteria which resulted in the worst manifestations of the malady.

"But all is not dark and forbidding to the Wall street paper as is shown by the following list of favorable developments which followed the article on the 'Hysteria Panic':



Eilers Piano House

Announces the First PIANOLA RECITAL

Of the Season of 1907-8, to Be Given

FRIDAY EVENING

November 15, at 8:30

At Eilers Recital Hall

Park and Washington Streets.

MR. LOUIS P. BRUCE

At the Pianola, Assisted by MISS KATHLEEN LAWLER, Soprano.

Complimentary Tickets for Reserved Seats May Be Secured by Application at any time Previous to Concert at



353 Washington, Corner Park.

CALLS DISTRESS HYSTERIA PANIC

Wall Street Journal, Defending Looting Stock Jobbers, Gives Its Version.

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Industrial conditions throughout the United States while showing a quieter tone than a few months ago, are still far from being panicky despite all that has been said of recent date. To be sure there has been some falling off in orders for manufactured articles, but this is always the case for this time of year. Orders for fall and winter are usually filled in late spring or early summer. This is the midseason in almost every line, so comparisons are hard to make with nearby periods and yet do justice to present conditions.

Every day shows a clearer sky in the eastern financial situation. Call loans and interest rates are decreasing and are now almost at the normal point for this time of year. Yesterday call loans were selling in New York as low as 6 per cent. Then again money is much easier to secure than it was a few weeks ago at 100 per cent.

While several concerns have been sent into the hands of receivers in the east, due to temporary embarrassment, their trade compares most favorably with this time of season in previous years. The report of the business done by the Westinghouse Machine company in the first six months of the fiscal year ended October 1, shows that the sales were several hundred thousand dollars in excess of the sales in the corresponding period a year ago.

The steam turbine department alone, says the New York Commercial, shows an advance of 10 per cent over last year and the stoker business was 16 per cent greater. The steam engine and gas engine departments held their own.

The Westinghouse receivership has had little or no visible effect upon new business. The company reports that several good orders for turbine equipment have been booked within the last few days, among other orders two 60-horsepower turbo-generators to be installed in the Imperial Steel works of Japan.

It is a notable fact that in the stress of the last week or 10 days only sympathy and admiration has been heard in financial circles for George Westinghouse. It has been pointed out time and time again in the course of the week that here is an instance of the way in which a financial storm strikes where the blow is least merited.

"There are few men," said a banker the other day, "who have done more to create wealth in this country or in the world at large than has Mr. Westinghouse. People ought to remember that in the present situation Mr. Westinghouse's credit is not impaired nor his business character impeached. He is one of the victims of the epidemic

Men of Portland

It's but reasonable to suppose that there would be a slight falling off of business. The incentive now must be greater to induce men to buy than at ordinary times. We haven't got a lot of surplus stocks, auction stocks or bankrupt stocks—we've only the stock of I. Gevurtz & Sons, a stock of the finest of hand tailored clothes for men. For two days, Thursday and Friday, we offer the men of Portland an opportunity that hasn't been approached by other stores, now or in recent years. For TWO DAYS ONLY pick out the one you like best—

- Of all \$15 and \$17 Suits for . . . \$9.65
- Of all \$20 and \$22 Suits for . . . \$12.65
- Of all \$15 and \$17 Cravenettes for . . . \$9.65
- Of all \$20 and \$22 Cravenettes for . . . \$12.65
- Of all \$15 and \$17 Topcoats for . . . \$9.65
- Of all \$20 and \$22 Topcoats for . . . \$12.65
- Of all \$20 and \$22 Overcoats for . . . \$12.65

BOYS' KNEE PANTS SUITS

Marked \$3.50 . . . \$2.45 Those Sold at \$4.50 . . . \$3.45

Seasonable, stylish clothes for men—suitable for dress, for street and for business wear, are the garments included in this tremendous sacrifice.

Tomorrow and Friday at the House of Good Clothes

I. Gevurtz & Sons

ON YAMHILL

INDUSTRIES ARE LITTLE IMPAIRED

Reduction in Manufactured Articles but Nothing of Unusual Order.

MUCH SYMPATHY FOR WESTINGHOUSE

Receivership, However, Has Had Little Effect on Business and Plant Filling Many Large Orders for Huge Machinery.

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of distrust. It is the credit that has existed in all good securities that is impaired, not Mr. Westinghouse's individual credit. The irony of the situation, though, is that this man who has done so much for humanity should be one of the first to receive the

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Corner Second and Stark Streets PORTLAND, ORE.

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- JOHN W. BLODGETT, Grand Rapids, Mich.
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- W. W. MITCHELL, Cadillac, Mich.
- E. N. SALLING, Manistee, Mich.
- W. H. WHITE, Boyne City, Mich.
- J. WENTWORTH, Bay City, Mich.
- G. W. EARLE, Hermansville, Mich.
- G. K. WENTWORTH, Chicago, Ill.
- N. F. WHEELER, Endeavor, Pa.
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- A. W. COOK, Brookville, Pa.
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- C. C. BAKER, Portland, Oregon.
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OUR NEW POLICIES OFFER ALL THAT IS BEST IN LIFE CONTRACTS EITHER TO BUY OR SELL.

Low Non-Participating Rates High Cash Values

SUPERIOR INDUCEMENTS OFFERED TO RELIABLE ACTIVE AGENTS. Apply to JESSE B. SHARP, Manager of Agents, 214 Lumber Exchange Bldg.

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