

## VIEWS OF AN EXPERT.

### Should Banks Be Made Liable for One Another's Debts?

Recognized Authority on Financial Questions Discusses Practical Bearings of Proposed Guarantee Plan.

(By George E. Roberts, former Director of the Mint.)

The proposal to require the banks of the country to guarantee each other's deposits owes its present strength to the financial disturbance of last fall. It is urged as a means of preventing panics, and there is no disagreement about the desirability of accomplishing that purpose. Most of us agree that a repetition of the conditions which existed last fall should be made impossible, but this is by no means the only way to do it, or the best way.

For years the advocates of comprehensive currency reform have pointed out that with \$14,000,000,000 of bank deposits in the country and only about \$3,000,000,000 of money all told in the country, both in the banks and out, there should be some method provided by which, on the basis of good assets, the supply of lawful currency could be readily increased to meet exceptional demands, whether such demands were due to seasons of unusual business activity or to alarm among depositors. Their foresight and arguments did not avail, but they are hardly to be swept off their feet now by impatient zeal for this new, and, as they regard it, ill-considered scheme. They stand for a complete and scientific treatment of the subject.

The guaranty of deposits is a crude and imperfect remedy at best. It does not recognize or attempt to cure the defects in our banking and currency systems, but aims only at persuading depositors not to draw their deposits. The losses to depositors by the failure of national banks has become an insignificant percentage, and is growing less every year, as a result of natural, evolutionary progress in banking. The standards are being constantly raised, and the efficiency of official inspection and supervision constantly improved. The true line of development is not by any revolutionary policy, but by holding individual bankers to yet stricter account, and at the same time enabling every properly conducted bank to readily obtain a supply of currency to meet all demands upon it.

The fundamental weakness in our currency system is in the fact that it is not readily responsive to the needs of the country. The legitimate demand for money varies from year to year, and from season to season in the same year. It is a familiar fact that there is a great deal more business to be handled from September 1st to December 31st each year than in any other four months of the year, but there is no more money in the country unless gold is imported for the purpose.

#### Would Lead to Reckless Banking.

As a remedial measure the guaranty of bank deposits is not only inadequate, but it is worse than inadequate, for it proposes to overturn the principle of individual responsibility by means of which the banking business has been raised to its present high standards, and upon which all individual and social progress is based.

The proposal contemplates that the public shall be relieved entirely from the exercise of judgment and discrimination in the choice of banks, and while it is highly desirable that all banks shall be made safe, to the end that even the most ignorant and offending may be protected, it is still true that an alert public opinion has great influence in maintaining proper banking standards. We cannot afford to do without that influence.

Under present conditions the investments, the personal habits, the general character and abilities of the banker are under the constant scrutiny of the community, and a matter of public interest. Notwithstanding occasional instances in which the public has been deceived, it may be stated as a general proposition that an unblemished character and a reputation for good business ability and conservative judgment have been necessary to success in the banking business. The public looks over the individual who is to receive, and invest and be responsible for its money with some discrimination, and the elimination of the unfit by the scrutiny and composite judgment of the community is a factor of the highest value in maintaining the standards of the banking business. It is, however, a factor entirely overlooked by the advocates of this scheme.

They calculate the insignificant percentage of loss to total deposits under present conditions, and assume that no greater losses would occur after character ceased to be a factor in the business, and all deposits were given blindly to whoever would bid highest for them. To the objection that this elimination of character as a factor in the acquisition of deposits must tend to promote reckless banking, reply is made that bankers will be deterred from recklessness by fear of losing their own money. The reply misses the point. All men are not deterred from recklessness by fear of losing their own money, but reckless men are now,

as a rule, kept out of the banking business by the unwillingness of the public to entrust money to their care.

#### Careful Banking Best.

Under present conditions there are compensations in favor of careful and conservative banking. There are people who are not influenced in their selection of a bank by the highest rate of interest offered on deposits, and who have their suspicions aroused by the tender of exceptional inducements. They know that such offers put a strain upon the business, and they deliberately prefer to place their money with a banker who will not subject himself to such strain. These depositors esteem safety above all other considerations, and they are numerous enough to exercise a very wholesome restraint upon reckless tendencies in the business. A banker now prizes the reputation of doing a safe business, and cannot afford to have a reputation for imprudence and speculative inclinations. And yet, although held in check by these powerful considerations, the pressure of competition carries the business near the danger line even now. There is too much competition for deposits, and the ambitions of the more venturesome members of the fraternity, and the pace they set, puts the whole system under strain.

But what are likely to be the conditions in the business when the public is no longer concerned about the management of a bank, and all the rewards for conservatism and restraint upon recklessness are removed? The considerations which in the past have tended to safeguard the business and advance its standards would be gone. The public would care nothing for the personality of the banker. Instead of looking to the institution which received the deposits, the depositor would rely on an outside fund. A banker might bet all the deposits on horse races without the fact becoming a matter of any concern to his customers.

And how would the conservative, prudent banker fare under these conditions? The legitimate reward for maintaining that character would be lost to him. He would get no deposits unless he bid as high for them as his rivals, for the government would stand behind the latter, and assure the public that they were just as safe as he, and tax him to make them so. In short the reckless and incompetent people, who are now either excluded from the banking business, or held in check by the distrust which a discriminating public feels towards them, would make the pace to which everybody else in the banking business would be obliged to conform or get out of the business.

#### Would Demoralize Business.

The hardest competitor in any line of business is the incompetent or dishonest man who does anything to get business. Such people get into the banking business even now, but their number and influence for mischief would be greatly increased if they were backed up by unlimited credit. In other lines there may be some question as to the quality or service offered by rivals, but all bankers deal in the same kind of money, and if deposits were made a joint liability, there is no reason why they should not go to the bankers who offer the greatest inducements to attract them. The careful banker would have no offset or protection against demoralizing competition, and he would be placed in the strange position of being liable for his competitor's obligations.

All efforts to make it appear that the interests of bankers are on one side of this question and the interests of depositors on the other are untrue to the facts. Nothing that in the long run is harmful to the banking business, that puts it under strain and tends to lower its standards, can be beneficial to depositors or the public. It cannot be advantageous to the community to have its savings and working capital pass into the hands of the venturesome class of bankers who will bid most for them. The actual waste and loss through unwise investments would inevitably increase. It would fall at first on the conservative bankers and penalize them. Instead of an elimination of the unfit, which is the true process of evolution, the tendency would be to an elimination of the best. Eventually the burden of increasing waste would have to be borne by all depositors and the whole community.

#### Oklahoma Trial Inconclusive.

The fact that the first bank failure in Oklahoma after the law went into effect, was followed by immediate reimbursement of the depositors, proves nothing as to the practicability of the system in the long run. The fact that the State banks of Oklahoma have gained deposits since the system went into operation, while national banks within the State have lost, if true, proves nothing as to the merits of the system. The law itself requires that all public deposits must be kept in banks that belong to the system, and this provision alone would cause a considerable transfer of deposits and influence some banks to join the system. The real test of the policy will come in its influence upon the banking business in the long run. Will it tend to secure more careful and prudent investment of the vast sums which the people of the country keep in banks, or will it tend to weaken the personal responsibility for these funds and divert them into incapable and wasteful hands. It is a superficial view which lays all emphasis upon the immediate results of the law and gives no consideration to its violation of fundamental principles and the consequences which must follow.

### NOTICE FOR PUBLICATION

Department of the Interior  
U. S. Land Office at Roseburg, Ore.  
Aug. 13, 1908.  
Notice is hereby given that William Doyle, of Bandon, Oregon, who, on Aug. 13, 1908, made Timber Application, No. 0798, for SE 1-4 NW 1-4, Section 35, Township 29 South, Range 14 West, Willamette Meridian, has filed notice of intention to make Final Proof, to the land above described, before G. T. Treadgold, U. S. Commissioner, at Bandon, Oregon, on the 2nd day of November, 1908.  
Claimant names as witnesses:  
Casius M. Doyle, of Bandon, Oregon;  
Cory Stillwell, of Bandon, Oregon;  
Alfred West, of Bandon, Oregon;  
Amos E. Had-nall, of Bandon, Oregon.  
BENJAMIN L. EDDY, Register.  
First Publication Sept. 3.

### NOTICE FOR PUBLICATION

Department of the Interior  
United States Land Office  
Roseburg, Oregon, April 28th, 1908.  
Notice is hereby given that Ralph M. Knight, of Roseburg, Oregon, who, on October 25, 1907, made Timber Application, No. 9788, for N 1-2 SW 1-4 SW 1-4 Sec. 1 NE 1-4 SE 1-4, Section 2, Township 30, Range 14 West, Willamette Meridian, has filed notice of intention to make Final Proof, to the land above described, before the Register and Receiver, at Roseburg, Oregon, on the 16th day of November, 1908.  
Claimant names as witnesses:  
Henry Miller, of Myrtle Point, Oregon  
J. L. Knight, of " " " "  
L. A. Marsters, of Roseburg " "  
William Page, of Klamath Falls, " "  
BENJAMIN L. EDDY, Register.  
First Publication Aug. 27.

### Notice For Publication

Department of the Interior,  
U. S. Land Office at  
Roseburg, Oregon,  
May 12, 1908  
Notice is hereby given that Charley A. Davis, of Bandon, Oregon, who on Jan. 2nd, 1903, made Homestead Entry, No. 12335, for S 1-2 NW 1-4, W 1-2 NE 1-4, Sec. 9, Township 29 S, Range 14 W, Willamette Meridian, has filed notice of intention to make Final five years Proof, to establish claim to the land above described, before G. T. Treadgold, U. S. Commissioner, at Bandon, Oregon, on the 19th day of September, 1908.  
Claimant names as witnesses:  
Sam Barrows, of Bandon, Oregon.  
" Haynes, of " " "  
" Dale Barker, of " " "  
" Lyman Davidson, of " " "  
BENJAMIN L. EDDY, Register.  
First publication July 2nd.

### NOTICE FOR PUBLICATION

Department of the Interior,  
U. S. Land Office at  
Roseburg Oregon May 23, 1908.  
Notice is hereby given that John J. O'Neil, of Bandon, Oregon, who, on May 21st, 1908, made Timber Application, No. 10094, for N 1-2 NW 1-4, Sec. 25, and SW 1-4 SW 1-4, Sec. 24, Township 31 S, Range 15 W Willamette Meridian, has filed notice of intention to make Final Proof to establish claim to the land above described, before G. T. Treadgold, U. S. Commissioner, at Bandon, Oregon, on the 19th day of September, 1908.  
Claimant names as witnesses:  
James P. Olsen, of Langlois, Oregon.  
" O. P. Haagenen, of " " "  
" John Doe Olsen, of " " "  
" Kite O'Neil, of Bandon, " "  
BENJAMIN L. EDDY, Register.  
First Publication July 2nd.

### NOTICE OF STREET ASSESSMENT

Notice is hereby given, that on the 28th day of February, 1908, the Board of Trustees of the Town of Bandon, Coos County, State of Oregon, did pass an Ordinance authorizing and directing the improvement of that portion of Atwater Street between Columbia Avenue and Little Street (otherwise known as Pacific Avenue), which cost of improvement was by said ordinance directed to be assessed to the property fronting on such street, and to be entered in the Docket of Town Liens, which assessment is \$1.18 per lineal foot.  
This notice will be published for the last time upon Thursday the 10th day of September, 1908, and the law provides that all such street assessments will be due and must be paid on or before five days after the last day of publication of such notice, and further provides, that upon failure to make such payment, execution may issue, to be levied upon such property and the same sold for delinquent taxes.  
The assessments are as follows: In the Woolen Mill Addition to Bandon. Lots 1, 3 and 4, block 7, total frontage 193 feet at 59 cents a foot, assessed to D. P. Strang, \$113.87  
1st 7, block 2, J. J. O'Neil 119 feet \$70.21.  
An unplatted tract situated between Block 2 of the above addition and Block 6 of the Woodland addition, belonging to the Bandon Manufacturing Company, frontage on Atwater St. 74 feet \$43.66.  
Dated at Bandon, Oregon, August 27th 1908.  
C. R. WADE, Recorder.

### NOTICE OF PUBLICATION

United States Land Office,  
Roseburg, Oregon, June 2nd, 1908.  
Notice is hereby given that Charles D. Lamb, of Bandon, Oregon, who on June 2nd, 1908, made Timber Application, No. 10116, for SE 1/4 of SE 1/4, Section 21, Township 30 South, Range 14 West, Willamette Meridian, has filed notice of intention to make Final Proof, to establish claim to the land above described, before G. T. Treadgold, U. S. Commissioner, at Bandon, Oregon, on the 24 day of September, 1908.  
Claimant names as witnesses:  
N. R. Smith, of Hare, Oregon;  
C. R. Smith, of " " "  
" C. C. Fisher, of Bandon, " "  
" William Smith, of " " "  
BENJAMIN L. EDDY, Register.  
First Publication July 9th.

### NOTICE FOR PUBLICATION

United States Land Office,  
Roseburg, Oregon, Sept. 10, 1908.  
Notice is hereby given that Lovina C. Rockwell, of Bandon, Oregon, who, on Sept. 22, 1908, made Timber Application, No. 01447, for Lots 1 and 2, Section 3, Township 30, Range 14W, Willamette Meridian, has filed notice of intention to make Final Proof, to establish claim to the land above described, before G. T. Treadgold, U. S. Commissioner for Oregon, at Bandon, Coos County, Oregon, on the 8th day of December, 1908.  
Claimant names as witnesses:  
Amos E. Had-nall, Russel A. Kent, Robert Walker Jr. and George Cox, all of Bandon, Coos County, Oregon.  
BENJAMIN L. EDDY, Register.  
First Publication Oct. 8.

### NOTICE FOR PUBLICATION

Department of the Interior  
U. S. Land Office at  
Roseburg, Oregon, September 4, 1908.  
Notice is hereby given that, as directed by the Commissioner of the General Land Office, under provisions of Act of Congress approved June 27, 1906 (34 Stat., 517), we will offer at public sale to the highest bidder, at 11 o'clock a. m., on the 23rd day of October 1908, at this office, the following-described land:—NE 1-4 NW 1-4, sec. 17, T. 30 S. R. 14 W., W. M.  
Any persons claiming adversely the above described land are advised to file their claims, or objections, on or before the time designated for sale. Not coal land.  
BENJAMIN L. EDDY, Register.  
First Publication Sept. 10.

### Timber Land Act June 8, 1908.

NOTICE FOR PUBLICATION  
United States Land Office, Roseburg, Ore.  
Sept. 22, 1908.  
Notice is hereby given that Samuel Hunter, of Bandon, Oregon, who, on January 19, 1903, made Homestead Entry, No. 12377, S. R. 0418, for lots 2 & 3, SE 1-4 of NW 1-4 SW 1-4 of NE 1-4, Section 5 Township 29, South, Range 14 W, Willamette Meridian, has filed notice of intention to make Final five year Proof, to establish claim to the land above described, before G. T. Treadgold, U. S. Commissioner, at Bandon, Oregon on the 13th day of October, 1908.  
Claimant names as witnesses:  
Abraham Corson, of Bandon, Oregon.  
Joseph Young, of Bandon, Oregon.  
Henry Foran, of Bandon, Oregon.  
Edward E. Oakes, of Bandon, Oregon.  
BENJAMIN L. EDDY, Register.  
First Publication Aug. 13.

### NOTICE FOR PUBLICATION

Department of the Interior  
U. S. Land Office at Roseburg, Oregon,  
Aug. 4th, 1908  
Notice is hereby given that Samuel Hunter, of Bandon, Oregon, who, on January 19, 1903, made Homestead Entry, No. 12377, S. R. 0418, for lots 2 & 3, SE 1-4 of NW 1-4 SW 1-4 of NE 1-4, Section 5 Township 29, South, Range 14 W, Willamette Meridian, has filed notice of intention to make Final five year Proof, to establish claim to the land above described, before G. T. Treadgold, U. S. Commissioner, at Bandon, Oregon on the 13th day of October, 1908.  
Claimant names as witnesses:  
Abraham Corson, of Bandon, Oregon.  
Joseph Young, of Bandon, Oregon.  
Henry Foran, of Bandon, Oregon.  
Edward E. Oakes, of Bandon, Oregon.  
BENJAMIN L. EDDY, Register.  
First Publication Aug. 13.

### Notice For Publication—Isolated Tract

PUBLIC LAND SALE  
Department of the Interior  
United States Land Office  
Roseburg, Ore, Aug. 28, 1908.  
Notice is hereby given that, as directed by the Commissioner of the General Land Office, under the provisions of the act of Congress approved June 27, 1906 (34 Stat., 517), we will offer at public sale to the highest bidder, at 10 o'clock a. m., on the 23rd day of October next, at this office, the following tract of land: NW 1-4 SW 1-4, Sec. 15, T. 30 S., R. 14 W., W. M.  
Any persons claiming adversely the above described lands are advised to file their claims or objections on or before the time designated for such sale.  
Not coal land.  
BENJAMIN L. EDDY, Register.  
J. M. LAWRENCE, Receiver.  
First Publication Sept. 3.

### NOTICE FOR PUBLICATION

Department of the Interior  
LAND OFFICE at Roseburg, Oregon  
August 27th, 1908.  
Notice is hereby given that Charles F. W. Blumenrother, of Bandon, Oregon, who, on February 24th 1902, made Homestead Entry, No. 11822, S. R. 0749, for S 1-2 NE 1 4 Sec 23, SW 1 4 of NW 1-4, NW 1 4 of S W 1-4 Section 24, Township South, R 15 West, W. M., has filed notice of intention to make Final five year Proof, to establish claim to the land above described, before G. T. Treadgold, U. S. Commissioner, at Bandon, Oregon, on the 12th day of November 1908.  
Claimant names as witnesses:  
James F. Almbangh, of Bandon, Oregon,  
Wallace E. Pomeroy, of Bandon, Oregon, William Noesberg, of Bandon, Oregon, Robert Hunt of Bandon, Oregon.  
BENJAMIN L. EDDY, Register.  
First Publication Sept. 24.

### NOTICE FOR PUBLICATION

Department of the Interior,  
Land Office at Roseburg, Ore.  
August 10, 1908  
Notice is hereby given that Charles A. Brown, of Myrtle Point, Oregon, who, on August 10th, 1908, made Timber Application, No. 0721, for S 1-2 SW 1-4 Section 1 and E 1-2 NW 1-4, Section 12, Township 30 South, Range 13 W, Willamette Meridian, has filed notice of intention to make Final Proof, to establish claim to the land above described, before G. T. Treadgold, U. S. Commissioner, at Bandon, Oregon, on the 2d day of November, 1908.  
Claimant names as witnesses:  
Viola M. Gouley, of Myrtle Point, Oregon  
Louis Sell, of Myrtle Point, Oregon  
James Gouley, of Myrtle Point, Oregon,  
Earnest Schneider, of Myrtle Point, Oregon,  
BENJAMIN L. EDDY, Register.  
First Publication Aug. 27.

### NOTICE OF FILING OF PLAT OF SURVEY

United States Land Office,  
Roseburg, Oregon, Sept. 10, 1908.  
Notice is hereby given that the E 1-2 of sec. 21 and the N 1-2 of sec. 28, in T. 26 S., R. 10 N., has been surveyed and the plat of survey will be filed in this office on Friday, October 23, 1908, at 2 o'clock p. m., and on and after such day we will be prepared to receive applications for the entry of the unreserved and unappropriated lands therein.  
All persons are warned, however, that the said N 1-2 of sec. 28 is patented land and the said S 1-2 of sec. 21 is embraced in an unanceled railroad selection and a timber and stone entry of record.  
BENJAMIN L. EDDY, Register,  
J. H. LAWRENCE, Receiver.

### The Eagle Saloon

Formerly ANCHOR BAR  
ALVIN MUNCK, Prop.  
Is now Located in Fine New Quarters East of the Postoffice  
Choiceest Wines, Liqueurs and Cigars  
BILLIARD AND POOL TABLES  
COURTEOUS TREATMENT  
Call and See MUNCK

## A. Mc Nair, the Hardware Man.

BRIDGE & BEACH Stoves, Ranges and Heaters have in them so many excellencies that they are now acknowledged the greatest sellers on the coast and they are growing in favor every year. We have the exclusive agency in Bandon for these household and office necessities, and prices range exceedingly modest in either case.

TINNING AND PLUMBING A SPECIALTY.

Our Assortment of Hardware, Tinware and Edged Tools is Most Complete.

## Hotel Gallier

Rates \$1.00 to \$2.00 per day. Special rates by week or month. Sample Room in Connection.

Bandon Oregon

J. E. YOUNG W. C. PARKER

## YOUNG & PARKER

Parkersburg and Bandon, Manufacturers of

### White and Red Cedar Shingles

Wholesale and Retail Shippers

Special Attention to Local Trade

## FRED T. TUTTLE

A full line of Confectionery, Fruits, Cigars, Tobacco, Soft Drinks, Etc.

NEWS STAND IN CONNECTION

Next to Vienna Cafe - BANDON, OREGON

## I. A. TURNELL

### EXPERT PIANO TUNER

Tuning, Repairing, Regulating and Modulating  
Organs repaired and General Overhauling  
Carry a Full Line of Repairs and Supplies  
Permanently located in Bandon.  
Tuning \$4.00; all other work similarly reasonable  
ALL WORK GUARANTEED.  
Leave orders at P. B. Hoyt's Barber Shop.

C. T. BLUMENROTHER, Notary Public.

## Bandon Real Estate & Loan Co.

All Kinds of Real Estate Bought and Sold.  
Money Loans Negotiated on Approved Security. All U. S. Land Matters a Specialty and Promptly Attended to. Pension and Insurance Agency. Bond Brokers. Trans-Atlantic Steamship and Railroad Ticket Agency.

Office—Rooms 2 and 3, Up Stairs  
New Denholm Building,  
Bandon, Oregon.

## YOUR ATTENTION

Is called to the fact that COL. C. T. BLUMENROTHER of Bandon, Oregon will insure Sawmill men, Loggers, and other kinds of workmen against sickness, accident or death at reasonable rates. It will pay you to call on him and see what he offers in that line.

Fire Insurance Burglary Insurance

## SHIELDS & KENNEDY, Blacksmiths and Wagonmakers

Wagons of All Kinds Made to Order Horseshoeing a Specialty  
Job Work attended to promptly and all work guaranteed to give satisfaction. Prices reasonable. Shop on Atwater Street, Bandon, Oregon.

## THEO. NEWHOUSE

### THE BOOT AND SHOE MAKER

Is prepared to make BOOTS and SHOES at SHORT NOTICE and at REASONABLE PRICES.

REPAIRING NEATLY AND PROMPTLY DONE  
EXPERT WORKMANSHIP GUARANTEED