Cladeks Column

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There is no mystery in the failure of farming to be made a proposition of big machinery, as has manufacture. It has simply been placed under tribute to the plutes in such a way as to preclude such action.

Manufacturing has been accomplished by more than concentration. Almost every merger, whether in manufacturing or transportation, carried with it the issuance of quantities of watered stocks, as well as large bond issues. These things gave the masters of these two industries control of the situation, including all other industries. Being able, through the use of the things they owned, to levy tribute off of all artisans, farmers and miners, there was no occasion for the bonanza farm.

Imagine the organization of farming on the same basis. Could there be watering of stock to the amount that was done with manufacture and transportation, and the asstance of bonds sufficient to pay for all the farm lands of Americn, followed by power to extract dividends and interest on all the air and water involved? The idea is preposterous. But the same result has been obtained by controlling the two branches of industry, manufacturing and transportation. Under the operation of the rule that he who owns a majority stock controls the whole thing, the plutes, by bonding two industries for enough to pay for them and capitalizing them for enough to lay tribute on the country to its full paying capacity, secured control of all things, just as surely as though they owned every foot of ground in America!

It matters not that the farmers may do intensive farming on a few acres—it simply adds to his productiveness, and they will be assessed all they can possibly pay. The plutes in effect own everything, in owning dividends, and there is no need of carrying ownership, a mere nominal thing, any farther.

For these reasons, the bonanza farm must be quiessant in America until conditions change, giving a reason for it.

After quoting Moody's Manuals, the highest capitalist authority, that five years ago twenty billions of the national wealth was under the direct domination of either Morgan or Rockefeller, and that at present it is easily thirty billions, or nearly one-third of the total wealth of the hation, the Lincoln, Neb., State Journal asks if competition is doomed, and reasons that it is, pointing out that this increase in trust holding is growing rapidly. It says: "One thing is certain, unrestrained monopoly cannot be tolerated. Neither a Rockefeller nor a Morgan can be trusted to apportion our living. It looks like a choice between competition and some degree of Socialism." The Journal evidently means a choice between private monopoly and some degree of Socialism. And that is the only choice we have. If something is not done in the next few years, no man can go into any business or obtain any employment, except upon the consent of a small group of great capitalists—it is either private or public monopoly. Will the Journal take sides and help to explain to the people the danger that confronts them? Or will it remain passive until the few have the nation securely by the throat? Are we to be a nation of cringing slaves to a few capitalists, or shall we throw off the old forms and put on new ones, as did our fathers before us, when they threw off slavery and feudalism? It is up to the Journal to help.

You are in favor of taking down the obsolete and building an up-to-date. You take a pride in having an old house torn down and a new and more modern one replace it; you like to discard an old machine and install a new one; you like to learn of better ways of doing things than your fathers used; you pay money to even see new devices and inventions. Yet you still cling to the old ideas of governmental functions, just as though we could make improvements in every thing but government! Do you think there is no new improvement possible in government? Have we reached the perfected state, so that no additional measures or principles can be applied? I should think you would as eagerly listen and learn of new and better governments as you do in other things—but you will not. Improvements have been studied out in government that would benefit you more than all the improvements in machinery and appliances that have even been invented. Couldn't you enjoy going out and watching the building of structures that were to be beautiful homes for you and for your children after you, without paying some private landlord a monthly tribute? O, if you could only think!

Insuring Bank Deposits

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their deposits as they were, and notwithstanding the advice and action of their correspondents, paid out cash in unlimited amounts to their customers, while during the same period, their correspondents locked up everything in sight and gave as their reason for so doing, that "they were afraid of the country banker."

There are many more of the country banks than of the large city banks, and if their deposits are not as great, neither are their liabilities. Yet in times of stringency, as in 1907, their reputation will compare favorably with the larger banks, and it is for the stability and protection of their capital, and for their profits and in their business that the "insurance of deposit" sentiment has been growing among them like the city bankers, they are inclined to look at the question from a selfish standpoint.

The insurance fund could be used only for paying deficiencies, after all assets are exhausted and assessments have been made against the stockholders as provided by law, therefore I am unable to see where there can be any inducement on the part of any one to do reckless banking, when, as now, their own capital is involved, and only depositors' deficiency is to be paid from this fund.

As it is now, if there is a failure in his town, the banker will discover that his deposits will shrink from the effects of loss and general confidence, while on the other hand, under the insurance plan, the depositor will find a ready market for his claim. So the remaining banks will receive the benefit and business of the failure. And the community in general, will not find their funds, which are necessary to conduct their business, tied up and unavailable for an indefinite period.

Did the Chicago clearing house apply this method of reasoning at the time of the failure of the Chicago National Bank? Did the clearing house say to Mr. Walsh, "You have done fraudulent banking, and it would encourage others to do the same if we paid your depositors." No, like sensible men, looking out for their own interests, they wisely paid the depositors, and substantially applied the principle that we are advocating today.

The Iowa State Bankers' Association in the past years, has been interested in, and has accomplished much in matters pertaining to their financial welfare. If we had deposit insurance, it is reasonable to suppose that they, being financially interested, would interest themselves in weeding out fraudulent banking. This would become an important feature of their business, and I will vouch for much cleaner banking, when these competent men, many of whom I have served with on committees, interest themselves in this matter. They are much better informed as to the banks and their management than it is possible for a few men to be, on whom all the responsibility and duty of investigation now devolves.

The question has been frequently discussed of late.

The item of the cost of this insurance is conceded to be so comparatively slight that our opponents do not usually argue from that standpoint.

The comptroller's report shows that the loss is about one-twentieth of one per cent on the average yearly deposits of national banks since they have been in existence and for the last ten years it has been very much less, so the loss is but nominal.

I do not like to pay for other peoples' deficiencies and crime, but do we not do so and do it willingly when we patronize fire, burglary, fidelity and numerous other forms of insurance? Would not the banker decline or decrease the line of credit to the merchants who refused to insure against fire because he was opposed to paying for the carelessness and crime of others?

We must look at both sides of the ledger and cut out all sentiment and nonsense and not depend so much on the length of our pedigree.

We must not forget that such men as Bigelow, Stensland, Crocker and many others, up to a short time ago, could outshine the most of us in that respect, and that now and then our depositors remind us of this at a time when we try to convince them that they are perfectly safe and call their attention to our reputation and standing in the community. We can not depend too much on our reputation, as we have witnessed time and time again that general confidence declines more rapidly than Wall Street stock when there is something special doing.

Runs are common even among the largest and the oldest banks, and only

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A MIRACLE FROM THE SEA.

How a Ray of Sunlight Gave Inspiration to a Genius.

By EMMA ARCHER OSBORNE.

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On a summer day, one calculated to make the average mortal glad if he were near the sea, the beach at Cragshead was deserted, save for a solitary man who, in waiting attitude, paced the yellow strip of sand with long, springy steps.

He was tall and strongly built—a man of twenty-eight or thereabouts—and with broad shoulders. His feet and hands were large, and the latter bore evidences of common toil.

To his left lay Cragshead, an estate of great acreage and beauty, but as he strode on he never so much as turned his head toward it.

Near the Inlet, the adjoining estate, he seated himself on a bowlder and took from his pocket a letter which he unfolded, scanning it anxiously the while. Rapidly his eyes covered its contents. They were brief, and he had read them so often it was not necessary to follow word for word. The letter ran:

> Dear Phil—Do, please, put your pride in your pocket and come to the dear old beach once more. Come today, for I must see you. Yours, ISABELLE.

"I wonder what it is now," he mused impatiently, and he slowly tore the letter into fragments and cast bit by bit to the caprice of the breeze.

Then he raised himself and looked out upon the sea.

"I'll win out yet!" he cried ironically. "I'll fetch them over! But not for all the Benton millions would I give up my work—good, hard work. Oh, the satisfaction of living one's own way! The wholesome joy of earning one's own bread! The freedom from being eternally branded 'a rich man's son!'"

"Phil! Phil!"

A girl in a white dress came running down a pathway in the rocks. She ran with such speed that the suspicion of love attached to her little white shoes. There was no interval of waiting on the part of the man. The brawny figure of Benton hurried to meet her, and their greeting was affectionate, for he took her in his arms and kissed her. She looked at him like one who trusted in him and loved him.

"I'm so glad you have come," she cried happily, "even though it is the eleventh hour. Tomorrow it would have been too late."

"Too late! What do you mean?" he asked, drawing back sharply. The look in his eyes had been tender. At her words it grew alert and tense.

"What do I mean?" she repeated. "Why, is it possible you have not heard? Haven't they told you? They said they had."

"I have not heard anything. I have not seen any of them since the—since father died. Tell me, Isabelle, what new foolishness is brewing."

"Take me away with you now—today, Phil," she begged. "They are determined that I shall marry Donald. Mother has her heart set on it and threatens all manner of things when I rebel. Donald is positively persecuting in his attentions, and I loathe him—even though he is your brother. I cannot help it. Think of the injustice of the will. He gloats over it."

She spoke rapidly, excitedly, glancing now and then in the direction from whence she had come as if in fear of being interrupted before she had finished her plea.

"So that's the latest deviltry?" he blurted, and held her hands so tightly that he hurt them. "They're going to throw me down again, are they?" His voice grew hard as the look in his face.

He sprang to his feet and stood glowering at Craigshead.

"They have taken my birthright from me; they have maligned my good name; they have scoffed at and scorned me, humbled and belittled me immeasurably, merely because I choose to follow my own inclinations in the matter of occupation. But I swear they shall not take you from me!"

The girl's face brightened as she stood beside him.

"Then I shall go with you—today!" she exclaimed, clinging to him. "In spite of all I can say or do, mother is giving a dinner tomorrow to announce my engagement to Donald. In a month we leave for Europe, and it is arranged that I shall marry him early this autumn. Oh, it is unendurable! It seems as if I shall die if I do not escape it all!"

"I will not take you away," he snapped, yet tenderly catching at and restraining locks of her yellow hair that the breeze was playing with. "I never stole anything in my life, and I positively refuse to steal my wife. Donald already has everything that rightfully belongs to me, but he shall not have you, my Isabelle—I say he shall not have you!"

His voice was tremulous with anger, though his eyes dwelt fondly on her tear stained face.

"I would go with you voluntarily—gladly!"

"No, no! It would amount to the same thing, dearest," he replied in a determined voice. "There shall be no elopement for us. And when we marry it shall be with your mother's consent. Besides," he added, with sudden dejection, "I cannot now provide a suitable home for you. I couldn't ask you to live on my present income."

"That doesn't matter," she broke out graciously. "There's my income. We couldn't use half of it."

She caught his reproving look and flushed. "You are so delightfully independent, Phil!" And she smiled a wan little smile, which was quickly followed by a look of distress.

They conversed long and earnestly, and when they parted he admonished her to "be brave and to trust in him." A mighty portion of his strength of character seemed to have been cast upon her, for with each and every step that took her farther and farther from him her will and her trust increased. It was with blazing eyes and with clinched little fists that she re-entered the halls of the Inlet, muttering to herself: "I shall not yield to them. Let them do their worst!"

A month had passed. The man was again on the sands of Cragshead, but he was alone. A big ship was slipping swiftly down the channel toward the open sea. If the vision of the gazer on the beach could have reached far enough he would have seen a forlorn little figure on the ship with straining eyes turned in his direction.

"Oh, to know what to do!" he sighed, turning at last from his vigil.

He paced the sands with heart and brain afire in an effort to conceive an avenue to wealth. Six weeks before he had laughed at poverty. It was different now since the homemaking instinct had been keenly aroused within him.

For generations the Benton men had engaged in professional careers or as capitalists. From the time Philip Benton could use his hands and brain he had displayed a penchant for the baser metals. When a baby he reached for the chandeliers, for the buckles on harness, for the wheels of his carriage. When a child he took to hammers and nails, bits of glass and the like. He dissected watches and clocks while his brother Donald rode his pony. He constructed embryonic machinery while Donald played tennis. He sought out the motive power of engines and steamships while Donald visited art galleries and indulged in polo, and on entering his university had disappointed the family by selecting a course in engineering and metallurgy instead of adopting the law and the classics.

By every means devisable pressure was brought to bear to induce Benton to abandon his distasteful vocation, but to no avail. Instead, he applied himself the more diligently to the hot, noisy, greasy machine shop, keeping apart from his kin altogether. It was but little wondered at therefore when, at his father's death, the name of this pariah was not included in the list of heirs and beneficiaries.

In bitterness Benton had listened to the reading of his father's will, and in bitter defiance he had held his peace. There was general surprise that he did not enter legal protest, but he was no money worshiper, and he found solace within himself and his purpose—and Isabelle. Isabelle Fielding had been his greatest comfort and inspiration.

"One Benton, alone and unaided, laid the foundation of all their wealth, and I guess I can at least take care of myself," he had remarked derisively.

It had therefore been a matter of pocketing pride when, at Isabelle's bidding, he had again visited the beach at Cragshead. But it was withal a pleasure and doubly so to meet again the girl he loved at the dear old trysting place. Isabelle had played with him there in their childhood days, and it was there they had repeatedly told their love each for the other.

And today he had irresistibly been drawn there to watch the ship which carried her out to sea with the cruel object of snatching her from him.

Long after the vessel passed from view, even after her smoke had merged with the mists of the ocean, Benton remained, his attitude was that of dejection.

His career as a mechanic was satisfactory, as mechanical careers go, for a learner. His university preparation and steady application had made him apt for advancement, and his inventive genius augured good. But so occupied had he been in the pursuit of invention that marriage had seemed remote. Now he smiled bitterly when he thought of tenderly nurtured Isabelle Fielding living on his meager income. True, she was rich, but he would support his wife himself. He would not have it otherwise.

Once since that first day he had met

(Continued next week)