

A GRAVE CRISIS CONFRONTS THE RAILROADS

WAR HAS CLOSED MONEY MARKETS OF EUROPE TO THEM INDEFINITELY

In view of the fact that one of the railroads of Nebraska has already filed an application for an increase of rates with the State Railway Commission, it is the desire of all the railroads to utilize this opportunity for an intimate and frank discussion of the whole railroad question with the people of this state.

is manifest common interest we ought all of us to speak out in its behalf, and I am glad to join you in calling attention to it. This is a time for all to stand together in united effort to comprehend every interest and serve and sustain it in every legitimate way.

Railroads Lost Millions

The net operating income of the railroads of the United States for the year ending June 30, 1914, was \$120,000,000 less than for the previous year. The gross earnings for the year were \$44,000,000 less than for 1913—while expenses and taxes were \$76,000,000 more. But heavy as this burden was before, the great struggle across the sea, carrying in its wake the destruction of untold hundreds of millions of dollars worth of all kinds of property, renders the situation a thousand-fold more serious.

Manifestly, therefore, American interests, big and little, will have to come to the rescue—and before they will consent to do this American railroad securities will have to be re-established as a sound, respected and paying investment—and this on the basis of present railroad earnings, is impossible!

Why Railroads are Helpless In times of actual financial stress private industries are in position to very largely adjust their affairs to meet the emergency. They can advance the price of their commodities, cut their pay roll in half, or shut down altogether, and thus permit the storm to blow over without actual shipwreck.

President Wilson's Views That the situation is profoundly serious is manifested by the recent utterance of President Wilson to a group of eastern railroad executives. In his letter to Mr. Trumbull of the Chesapeake & Ohio he said: "You ask me to call the attention of the country to the imperative need that railway credits be sustained and the railroads helped in every possible way, whether by private co-operative effort or by the action wherever feasible of governmental agencies, and I am glad to do so, because I think the need is very real."

"They are indispensable to our whole economic life, and railway securities are at the very heart of most investments, large and small, public and private, by individuals and by institutions.

"I am confident there will be earnest and active co-operation in this matter, perhaps the one common interest of our whole industrial life.

"Undoubtedly men, both in and out of official position, will appreciate what is involved and lend their aid heartily to whatever it is possible for them to lend it. But the emergency is in fact extraordinary and where there

with railroad management in the past are somewhat responsible for the apparent gulf between the public and the transportation companies is perhaps true. Busy and harassed by the herculean tasks entrusted to their care, there has been too little contact between them and the people. Again, it is undoubtedly true that the world of railroad finance as well as other lines of industrial activity has had its share of excessive abuses—but just as the public does not hold the banking world or the minister responsible as a whole for the shortcomings of an occasional black sheep, so the hundreds of honest railroad officials throughout the country should not be condemned because of the misdeeds of the few.

Who Owns the Railroads?

In this connection it may be said that the railroad world is encumbered with a lot of phantoms which exist only in the popular fancy. For instance, because there have been some half dozen so-called railroad magnates whose names have figured prominently in Wall Street, many people have come to believe that the railroads of the country are largely owned by a few rich men. As a matter of fact, nothing could be further from the truth. Out of the colossal sum of twenty billion dollars invested in American railroad securities less than 5 per cent is now, or ever has been, in the hands of these men who have figured prominently in the newspaper headlines—while the other 95 per cent is in the hands of nearly two million investors, large and small, who in many instances have put the modest savings of a life time into these securities in order that they might lay away a competency for old age.

When, therefore, the value of these securities is depressed, or perchance destroyed, the hardship is ten-fold greater upon thousands of every-day citizens—upon the frugal mechanic in a New England factory, the widow with her life insurance funds, and the countless other citizens in every avocation and walk in life than upon the handful of millionaires, good or bad, who have figured prominently in railroad circles. Thus, for instance, the great Pennsylvania system has over 70,000 stockholders, while the Santa Fe has over 40,000, and the same ratio holds good in nearly all the other lines.

Many Other Investments Affected

But that isn't all. For many years railroad bonds were considered the safest and soundest investment in the country, and hence hundreds of millions of the assets of our great life insurance companies, banks, benevolent associations and colleges were invested in them, and the moment, therefore, that the soundness of these securities is affected the financial solidity of these myriad institutions is greatly menaced at the same time.

Carrying it a step further, it means that every holder of an old life insurance policy and millions of depositors in savings and other banks, and those interested in many fiduciary, benevolent and educational institutions are directly concerned in the present situation, which threatens to largely destroy the high regard in which an investment in railroad bonds was held.

In the impending crisis, therefore, not merely the fate of our transportation system is at stake, but along with it the very financial integrity of our entire investment world—and this only goes to show how vast and overwhelming our railroad industry has become—how they are not merely the giant arteries of agriculture and commerce, but how closely their welfare is woven into the woof and fabric of the entire nation. Among other things, it should remind us how interdependent we have come to be in this mighty republic of ours—that each is in truth becoming more and more his brother's keeper, and that we need to think and act carefully lest in our mistaken zeal we destroy those who, like ourselves, need whatever of this world's goods the toil and sweat of years has brought them.

That the time has come when the citizens of Nebraska and the country generally should do some serious thinking in connection with this great and vital question there is not the slightest doubt, and hence we appeal to the people to read the foregoing articles carefully and thoroughly—and since all the essential facts and

figures quoted will be taken from the public records they will be easily capable of verification. Especially do we hope that farmers whose market facilities and land values are so critically affected by the railroad problem will follow the articles closely—for Agriculture and Transportation are easily the nation's two greatest and most fundamental industries.

(Paid Adv. To be continued next week.)

CORRESPONDENCE

HUBBARD.

Sam Larsen, Joe Hartnet and Bert Francisco were city passengers last week.

The Assembly is holding revival meetings in the Danish hall this week. No matter if it is a toy of the cheapest kind or a handsome present for the wife or sweetheart, we can supply your wants. Everything for Xmas, at O Anderson Co's.

Mr and Mrs Made Nelsen, of near Waterbury, were in Hubbard Saturday.

Don't forget the date of the annual meeting of the Dakota County Farm Management association to be held here Wednesday, December 23rd.

Fancy groceries of all kinds, at O Anderson Co's.

The Danish Sisterhood held their annual election of officers last Saturday. Initiation will take place in January.

Mr and Mrs A Larsen and daughter, Augusta, were Sioux City shoppers the first of the week.

Christmas gifts for the little tots and the big folks, for the old and the young, in endless variety, at O Anderson Co's.

Mr Mundy and daughter, Johanna, returned Saturday from a several months' visit with the former's brother at Badwater, Wyo.

Mr and Mrs Weir spent Sunday with the latter's parents.

For warm clothing of all kinds, go to O Anderson Co's.

Louis Larsen was in Sioux City this week.

Fred Bartels was one from here who saw Santy in Sioux City Tuesday.

The best brand of overshoes on the market at O Anderson Co's.

Mr and Mrs Varvais were called to Winnebago Tuesday, their daughter, Mrs VanHouten, being critically ill at that place. Mrs VanHouten lost a little baby about a week ago.

Shop early, and select your Xmas gifts where you can save money and get better goods than going to the city. O Anderson Co.

Tom Graham was a city passenger Tuesday.

The holiday season is nearly here and we are now showing an elegant assortment of toys. See our stock before it is picked over. O Anderson Co.

Miss Agnes Larsen is reported to be much improved in health, which her many friends will be pleased to know.

We want your butter and eggs, and will pay the highest market price, O Anderson Co's.

The Danish Brotherhood and Sisterhood will have their Christmas festival, Saturday, December 26. All Danish people cordially invited.

JACKSON.

Mrs John Brady expects to leave the last of the week for Sioux City to spend the winter with her daughter, Mrs O A Barrett.

Paul Sharp and family last week moved to Charleston, Okla, where they expect to make their home.

C K Heffernan had a load of hogs on the market one day the last of the week.

Mrs James McHenry returned to her home at Plainview, Nebr, last week, after spending a few days with relatives here.

W Plinkleman and wife, who were keeping house for C K Heffernan the past month, went to Wynot last Friday.

A high mass of requiem was celebrated here by Rev Fr O'Sullivan Tuesday morning for the repose of the soul of the late Dr B J Leahy.

William J Kennelly departed last week for Fort Worth, Tex, to visit relatives.

Mrs M Leahy, sr, is on the sick list this week.

Mrs Sutherland and daughter, Marie, of Ponca, spent the week end in the Jas Sutherland home here.

Lee Wagner spent Sunday with friends in the city.

Will Hungerford, of Goodwin, Nebr, had a load of cattle on the Sioux City market Tuesday.

Mrs Frank Rush and baby expect to leave Saturday for Chicago to spend the Xmas holidays with her parents.

James Kennelly has been appointed substitute rural carrier vice Frank Kennelly, resigned.

Helen Erlach, who is teaching school at Maxbas, N D, is expected home for the holidays.

HOMER.

Mrs Tom Allaway is on the sick list. Miss Sophia Knudsen came Monday to visit her sister, Mrs John Harris.

Sam Brown has a telephone installed in his home.

The Busy Bees met with Miss Daisy Thacker last Thursday night.

Will H Ryan is home from Omaha, where he is serving on the federal jury, for the holidays.

Henry Loomis returned Tuesday of last week from a visit with relatives in Wynot, Neb.

Tom Ashford was a visitor in Sioux City Tuesday of last week.

OSCAR J. HOBERG 410 PIERCE STREET MARTIN HOTEL Sioux City, Iowa Jeweler

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Let's get the real Christmas spirit Be a good fellow—make one less fortunate—happy Christmas day. Find the 'Feller that needs a friend'—Be one to him. Find the home Santa Clause misses—Make him go there. And then—Our Christmas will be thrice merrier. Everybody now—for the very best day of our lives.

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NOTICE FOR BIDS. Notice is hereby given that on before January 1, 1915, sealed bids will be received at the county clerk's office for furnishing books, letterheads, envelopes, stationery and blanks, as follows: Records, 8 qr. plain, each. Records, 8 qr. ruled, printed heads, loose leaf, McMillen patent back. Records, 8 qr. plain, printed heads, loose leaf, McMillen patent back. Records, 8 qr. printed, loose leaf, McMillen patent back. Records, 8 qr. plain, each. Records, 8 qr. ruled, printed. All books must be made of the best linen ledger paper, full Russian binding, to open flat, and to correspond with books now in use.