



Viewing Wreck of the Nonpartisan Bank

COMING less than three months after the conviction of its leaders, Townley and Gilbert, on charges of conspiring to preach disloyalty in the United States, the National Nonpartisan League—an organization of farmers through which political control of the nation was to have been achieved—again has emerged into an unfavorable limelight. The league's principal financial backer, the Scandinavian-American Bank of Fargo, has been declared insolvent, and the Bank of North Dakota, a Fargo depository founded by the Nonpartisan League State Administration, is under investigation. With the closing of the former the promoting efforts of President Townley and the unsound pecuniary policy of the league have been revealed.

Information furnished by the North Dakota State Banking Board shows that the Scandinavian-American Bank loaned \$143,824 directly to the Nonpartisan League, \$170,000 to one of the league's commercial companies which was to have brought consumer and producer together, \$66,182 to the league exchange, a corporation organized to finance the politics of the Nonpartisan League, and \$47,950 to a corporation organized to control a string of country newspapers. In addition, several hundred thousand dollars' worth of collateral appears to have been passed over by the bank to the companies while it was supposed to be held in the bank as security for other loans. Hundreds of thousands of dollars in post-dated checks made out by the farmers in favor of the league formed the principal collateral for the direct loan of the league. These post-dated checks, it is stated, represented about \$3,500,000 collected for political activity. "Excessive and without sound security" was the State Board's dictum.

No Surprise

These difficulties of the bank which has been aiding the Nonpartisan League "will surprise no one familiar with the wildcat schemes of Townley," in the opinion of The New York Tribune, which paper regards the disclosures as a "far more serious blow for the league than the conviction of Townley in Minnesota for preaching sedition."

That the counter charge of the Nonpartisan League supporters—to the effect that the action brought against the league's financial backer is a conspiracy to wreck the bank for political purposes—can carry no weight is the conclusion of "The Buffalo Express," which makes the prediction that "the Nonpartisan League will not be a noticeable factor in the next Presidential election" by reason of the exposure. "The Hartford Courant" draws attention to the extraordinary financial management of the insolvent bank by the following observation:

"The institution had a capital of \$50,000 with \$10,000 of surplus. Its liabilities exceed \$1,000,000. . . . The Nonpartisan League that has been organized for correcting all misgovernment, had borrowed directly, or through various of its curious subsidiary corporations, the little matter of over \$734,000. . . . As for the depositors, they come out all right in one sense, for the generous state guarantees the deposits in state banks, which means that all the people will be taxed to pay off those who otherwise would lose by those wildcat operations. The question is, how long the people will stand for such public generosity. It should be extended to whoever loses in any business."

The financial disclosures form a case of unrequited faith, in the opinion of "The Pittsburgh Gazette-Times," which sees in the result of aiding the league an unwarrantable venture on the part of the bank management.

The results of a socialistic experiment such as the league conducted in finance, observes "The Boston Herald," are calculated to bring on nothing else than "smash-ups." "The Herald" thus concludes:

"When men, or communities for that matter, set at naught the simple axioms of sound finance, a day of reckoning comes inexorably. This Fargo bank failure is an indication that it may also come quickly."

The failure of the Fargo bank may be taken as an indication of the manner in which the Nonpartisan League usually handles mat-

Reactions to Domestic News

Decrying the Mob Rule Spirit

MOB RULE, or decent, orderly government? Such is the question raised by the American press since sporadic outbursts in a dozen American municipalities within the last few weeks.

Lynchings and mob uprisings that have occurred with startling rapidity in widely separated sections of the country are regarded to a great extent as harbingers of conditions that might well cause alarm. They are seen, for one thing, as indicators of an increase in crime, which, statistics disclose, has quintupled in the last thirty years and has met no permanent check.

The race riots of Washington, Chicago, Knoxville, Omaha, Montgomery, and Elaine, Ark., stand out in the news of mob actions. Those at Montgomery and Elaine are the most recent. The newspapers see the Omaha riot, however, as the most deplorable and the most amazing of all race troubles that have occurred in years.

A symposium of press comment

on the Omaha and other race riots follows, classified under "North" and "South":

NORTH

Omaha World-Herald—
"Shameful as the Omaha riot was, it would be less serious if it were an isolated case. But it is not. Riots, for this cause or that, are occurring with disturbing frequency all over the land. The particular excuses on which they are based have existed before, when no riots resulted. The tendency to riot can be ascribed only to a general breaking of the moral fibre of the people, which seizes upon first one excuse, then another, for expression. That is the thing which the people of Omaha have to consider, no less than the particular incidents of the Omaha trouble."

Des Moines Register—
"The colored people as a whole are a useful part of every American community. They are industrious, they are not a burden on anybody, they are patriotic, they are trying to improve themselves and their position, they

have no more than their reasonable percentage of criminality inclined. They are here and they will continue to be here."

Boston Transcript—
"The spirit of mob rule, however prevalent, does not dominate the United States. Intelligent Americans, almost to a man, are behind the order which makes immediately available for dealing with riots, and mob outbreaks, the armed forces of the United States."

Seattle Post-Intelligencer—
"The Omaha incident, we rather think, is the beginning of the end of that sort of thing. . . . One can very easily see how this mob business will end. One conspicuous example of quick retribution will bring mob leaders to a realization of the risk they run. There never was a lynching mob that was not composed of cowardly ruffians, with only the courage of the pack hunting a lone victim. A squad of soldiers sends them scurrying like rabbits."

Los Angeles Times—
"Omaha is paying the price of permitting defiance of the law to be preached and practised within her gates, of permitting a gathering of vicious elements, of suffering men to be taught that a trade union is greater than the Union of the States. Experience has proved that an affinity exists between the walking delegates and the reds."

Hartford Courant—
"Within a couple of days a negro was lynched in one American city, a mayor nearly lynched, a \$1,000,000 courthouse burned and many persons killed and wounded, by a crazy mob, while in another community two negroes were lynched and in still another fifty armed men were scouring a woods for another negro. This did not all occur in the South. Nebraska in the West, Alabama in the South and New Jersey in the East are the states where the mobs operated. The disease of lynching, once so nearly confined to the South, seems to be spreading. Is it to become epidemic?"

Chicago Tribune—
"The Omaha riot seems to be even clearer and narrower in its meaning than the recent race riots in Washington and Chicago. If the first reports reaching us are true in their emphasis, it was a series of attacks upon white women which inflamed certain classes until they foamed into the wild mob which defied control. This is the race instinct at its deepest and most ungovernable stage. . . . But the Omaha riot ought also to be looked squarely in the face from

another point of view. It is more than another race conflict. It is another riot."

SOUTH

Atlanta Constitution—
"Again the spirit of mob violence has hurled defiance into the face of decency and law, and again the South looks on—not as a participant, but as a spectator—aghast, our regret of what has just taken place in Omaha being softened only by our thankfulness that there is no danger of any such enormous manifestation of gross barbarity and lawless frenzy occurring in our section."

Louisville Courier-Journal—
"The riots in Chicago, Boston, Washington, Omaha and a few other places—they have been sporadic—have tested the patience of the upright citizen. The War Department is wise in its measure. It moves the way to reveal to American mobs that the American government has abdicated none of its lofty functions and has no intention of doing so in favor of lawless agitators and criminals."

Montgomery Advertiser—
"All right thinking people deplore lynching, but it is wise to utter a solemn truth, with the old, old lesson brought home again, as long as there are attempts at rape by black men, red men, or yellow men on white women there will be lynchings. Lynchings will end in America when there are no longer attempts at assault."

El Paso Times—
"The disgraceful fact is that the American people have not yet learned to subordinate their passions to the reign of law and order. The worst of it is that there seems no solution to the problem. For more than 50 years since the negro has been free every influence has been exerted to make him a better citizen and to hold in check the passions of the white man against him. Despite all that churches, schools and newspapers can do, things are getting worse instead of better."

New Orleans Times-Picayune—
"The beast must be quelled, in the individual and in the mob. . . . To that end must be mustered the best thought of both races."

Richmond Planet (Negro)—
"The good colored people should continue to do all in their power to restrain and control the bad colored people and the good white people should unite in their efforts to restrain and control the bad white and colored people."



Wayside Points Of View

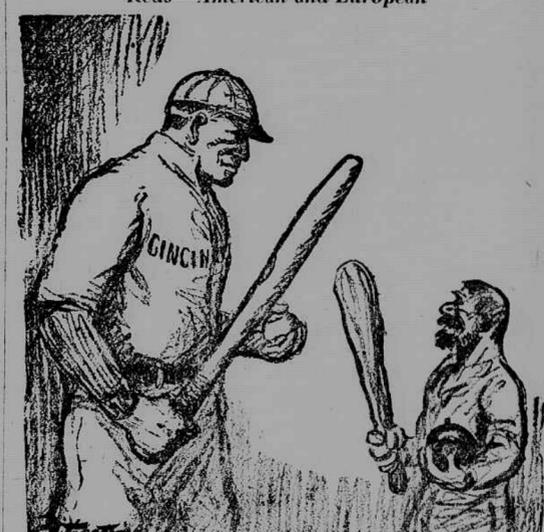
Thanks for the Ad, Champ
Champ Clark advised the people to "eat mush." Next day the price of cornmeal went up in sympathy.—*National Republican.*

Or When
Race riots are like boils. It is never possible to tell where they are going to develop.—*Toledo Blade.*

Poet and Dramatist
At least the world should give d'Annunzio credit for dramatizing world politics.—*Chicago Daily News.*

Do It to Others
And the Golden Rule, that, too, is accepted with reservations if accepted at all. It takes away our "sovereignty" if we go the whole hog.—*Lincoln (Nebraska) State Journal.*

Reds—American and European



—From The St. Louis Post-Dispatch

As for Prices
Bright spot in high cost. One may still get five pennies for a nickel.—*Detroit Journal.*
Of course you can still get up and catch the early worm, but it costs just as much as the later variety.—*Memphis Commercial-Appeal.*

And Strikes
Strikes, it is estimated, have lost to labor twenty-five million dollars so far this year. Somebody has to pay for this, and nobody but the people pays for anything.—*Philadelphia Press.*
Amended proverb—Strike while the head's hot.—*Toronto Mail and Express.*

Now We Must Pay the Fiddler



—From The Omaha World-Herald

RAILROAD BILLS NOW BEFORE CONGRESS

FEATURES OF PLANS	THE ESCH-POMERENE BILL <i>Interstate Commerce Commission Plan</i>		THE SIMMS BILL <i>Railroad Brotherhoods or Plans Plan</i> [INTRODUCED BY REQUEST]		THE LENROOT BILL <i>The National Railroad Bill</i>		THE CUMMINS BILL <i>Plan of Senate Committee Chairman</i>		THE FRELINGHUYSEN BILL <i>A Modification of the Cummins Bill</i>	
	NUMBER OF BILL	DATE INTRODUCED	NUMBER OF BILL	DATE INTRODUCED	NUMBER OF BILL	DATE INTRODUCED	NUMBER OF BILL	DATE INTRODUCED	NUMBER OF BILL	DATE INTRODUCED
	H. R. 4378—S. 1156	JUNE 2, 1919	H. R. 8147	AUGUST 1, 1919	S. 2889	AUGUST 27, 1919	S. 2965	SEPTEMBER 2, 1919	S. 2998	SEPTEMBER 15, 1919
OWNERSHIP AND OPERATION	Private, by existing organizations.		Government ownership. Operation by corporation controlled chiefly by employees and paying out of operating receipts a rental equal to the fixed charges on capital employed.		One privately owned corporation under supervision of the Interstate Commerce Commission, the directors of which are to be selected as shown below.		Private ownership under Federal incorporation and control.		Private ownership and operation by "National" companies under Federal charter.	
MERGERS	Mergers permitted if in the public interest and if approved by the Interstate Commerce Commission.		All roads to be operated by one corporation for "public service and not for profit."		No provision.		Present railroad systems to be merged into not less than twenty nor more than thirty-five separate and distinct corporations.		Mergers and consolidations to be under supervision of Federal Transportation Board.	
REGULATION OF SECURITIES	Federal regulation of the issuance of securities.		Government bonds to replace railroad securities now outstanding on the basis of an official appraisal.		To be controlled by Federal regulating body.		Control and regulation by Interstate Commerce Commission.		To be controlled by Federal Transportation Board.	
CONTROL	Federal control to be broadened and intensified.		Continuation of powers of Interstate Commerce Commission. Directors of operating corporation to be selected, one-third from non-appointed or "classified" employees; one-third by appointed officers; and one-third by the President by and with the advice of the Senate.		Eleven directors appointed by the President of the United States from a limited number of candidates proposed by stockholders and various organizations (viz.: agricultural organizations, Interstate Commerce Commission, National Association of Railway Commissioners, U. S. Chamber of Commerce and railroad employees).		Board of Directors of each corporation, in addition to private ownership, representation, required to have at least two members representing the "classified" employees and two members representing the Government (the latter to be appointed by a newly created Transportation Board).		National railroad companies to have twelve directors, two of whom shall be employees representing brotherhoods, the remaining members to be elected by the stockholders, two of whom are to be nominated by the Transportation Board.	
RATES AND RETURN ON CAPITAL	Interstate Commerce Commission to determine just and reasonable rates. Commission may establish minimum as well as maximum rates. No guarantee of or limitation on return on capital.		Under regulation of Interstate Commerce Commission. When the Government's share of the distribution of net earnings exceeds 2% of gross operating revenues, a reduction in rates is to be effected to absorb the excess.		Existing Federal control over rates. Dividends to be not lower than 3 1/2% or higher than 6%. Government to guarantee not less than 3 1/2% and not more than 4% on capital stock of corporation.		The Interstate Commerce Commission to divide the country into rate districts, and, after hearing, to determine schedule of rates adequate to furnish a fair return on capital in each district. A Railway Transportation Board of five members to make continuous inquiry and report to Interstate Commerce Commission respecting adequacy of rates, transportation needs and facilities, state of railroad credit, etc.		Traffic sections created for determination of rates. One-half of net earnings in excess of 6% on fair value of property to be applied to company contingent fund and the remainder to a general railroad contingent fund. When the company contingent fund amounts to more than 6% of the fair value of its property, it is to retain only one-third of the excess above this 6%.	
DISTRIBUTION OF PROFITS	No provision regarding distribution or apportionment of profits.		Net earnings after payment of rental are to be divided, and one-half distributed to the Government for use in extensions, amortization, etc., and one-half distributed as a dividend to officers and employees in proportion to their annual wages.		After deduction of all fixed charges earnings in excess of maximum dividend requirements to be shared as follows: labor, 40%; stockholders, 30%; Government, 30%, to be used for reimbursement for funds advanced to corporation, any portion not so utilized to be held in trust by corporation as an operating reserve fund or for dividend or interest requirements.		"Excess" earnings over a fair return to be paid to the Railway Transportation Board, one-half of which is to be used for the betterment of laboring conditions of railway employees, and the remainder to be used for purchase of equipment or for loans to other railroads.		Whenever a company fails to earn 6% on its fair value it may draw on its contingent fund for the purpose of paying interest and dividends. The general railroad contingent fund is to be used for the purpose of making good any deficiency in any year on the aggregate annual operating income of railroad companies in each traffic section below 6% per annum on fair value of property.	
FINANCING	All financing (except issues of notes maturing in less than two years) to be approved by the Interstate Commerce Commission.		All financing is to be undertaken by the Government.		Existing bonds may be assumed by corporation. New stock with maximum annual dividends of 6% exchanged for existing stock as appraised by the Commission.		All financing to be authorized by the Interstate Commerce Commission with the recommendations of the Railway Transportation Board.		Funds in excess of \$50,000,000 accumulated in general railroad contingent fund to be used in national railroad development. A reserve fund of \$500,000,000 to be appropriated to finance railroads for ten years in case the contingent fund provided from earnings for this purpose is insufficient. Provision also to be made for advances by Federal Government to companies with weak credit from a fund of \$300,000,000 appropriated.	
JOINT USE OF TERMINALS, ETC.	To be under the direction and authority of the Interstate Commerce Commission.						To be under the direction and authority of the Transportation Board.		To be subject to the direction of the Transportation Board.	
WAGES	No provision.		Wages to be adjusted by district boards composed equally of "classified" employees and appointed officials. A central wage board to be provided with final jurisdiction over the broad questions of wages and working conditions.		Creation of labor mediation boards with equal representation for labor. Labor guaranteed the right to organize and bargain collectively.		A committee on wages and working conditions, composed of an equal number of representatives of the wage earners and of the companies to consider labor disputes. Its decisions to be certified to Transportation Board. Decision of Transportation Board to be final.		Wages to be adjusted by boards composed of an equal number of representatives of the railroad companies and the employees. Recommendations of such board to be binding, but in case of deadlock to be referred to Federal Transportation Board.	

"Y" Found Jobs for 26,143 Ex-Soldiers

EMPLOYMENT for 26,143 returned soldiers has been obtained to date by the Eastern Department of the Y. M. C. A. alone, according to an announcement by the National War Work Council. Assistance also has been given 10,648 in obtaining work, while thousands have been aided in obtaining the government allotment, in recovering mileage, and in many other ways.

Similar service is being performed by the several other departments of the "Y." The Eastern Department includes only the states of New York, New Jersey, Pennsylvania, Maryland, Delaware, Virginia, West Virginia and the District of Columbia.

Two hundred special demobilization secretaries are at this task in the cities of the Eastern Department, with fifty secretaries who operate in the rural communities. They have the cooperation of local committees and business men. The men placed by the rural secretaries are not included in the 26,143.

This work was begun immediately after the armistice was signed, when the National War Work Council met in Atlantic City to plan reconstruction, and particularly to look after the need of caring for discharged soldiers and sailors.

If the man has no vocation the "Y" helps him make a choice and provides the necessary training. The special secretaries of the Eastern Department have already advised 25,284 as to what pursuit to follow and have placed 1,400 in the War Department Vocational College. The "Y" itself conducts lectures and classes on industrial and business subjects.

Here and There

American silk factories are now turning out products worth \$200,000,000 yearly, against \$250,000,000 at the commencement of the war. In 1900 our output of silks was only \$100,000,000.

What is said to be the largest herd of buffalo in the world—2,900 head—is to be found in the Buffalo National Park, at Wainwright, Wyo.