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FRIDAY, AUGUST 28, 1908.

THE REPUBLICAN CONVENTION.

There is nothing to be said against the ticket that the Republicans nominated in this town yesterday. Mr. J. Elwood Cox, their nominee for Governor, a Quaker and a gentleman, is in all points of dignity and character the equal of any man in the State.

Mr. Cox's associates on the ticket are, like himself, worthy North Carolinians. We have arrived at that condition in our politics where no party dares to offer for office a candidate who can be successfully attacked. Without intending to vote for a man on their ticket, we still want to congratulate our Republican friends upon offering to the electorate so fine a lot of gentlemen.

ANOTHER CONTRIBUTION.

The Observer has great pleasure in acknowledging, this morning, a contribution of \$5 to the Bryan campaign fund from Mr. Plummer Stewart, of the Charlotte bar. Mr. Stewart, in enclosing his check says: "I think Mr. Bryan's speech on the tariff ought to be read by every voter of this country, and if read and studied there will be a great Democratic victory this fall. I am glad to note that you are lending the influence of your paper for the election of Mr. Bryan."

Mr. Bryan's action in requesting, through Speakers' Committee Chairman J. H. Atwood, that Mayor Rhett, of Charlotte, deliver several speeches in outside States would seem to show clearly enough his opinion of the charges made by primary opponents against Mr. Rhett as a party man. It would seem to show, among other things, that the Democratic presidential candidate does not look upon men who represent constructive ideas as necessarily tainted with Republicanism. We find the incident very gratifying indeed.

As our Washington correspondent states in remarking upon the case of the North Carolina man found in Washington with a case of leprosy brought back from the Philippines, this disease is neither so fatal nor so contagious as consumption, but he might have added that on such points our imaginations are too much for every one of us.

MR. BRYAN AND BANK DEPOSIT GUARANTY.

Mr. Bryan's speech at Topeka, Kan., yesterday upon the subject of "guaranteed banks" would call for more than passing attention even if it had not been delivered by a presidential nominee of one of the two great parties. It was a singularly strong and lucid discussion of a public question which has suddenly sprung into the first rank of importance. In arguing the principles involved, it was open to little reasonable exception; in the plan of operation outlined, it was much less fortunate.

Right at the beginning, any one who approaches the subject of bank deposit guaranty with little previous information upon the subject needs to avoid being intentionally or unintentionally misled by either set of disputants. He needs, first of all, to understand that the word "guaranty" here does not mean any pledging of the public credit but simply a system of co-insurance under the already supervising government's care. The term used is rather unfortunate. Bank deposit guaranty contemplates simply that the protection now demanded for and enjoyed by all Federal and State deposits, as well as all private notes, shall be extended, in an appropriate manner, to everybody's deposits. It involves nothing socialistic; we cannot believe that the charge to this effect, almost entirely abandoned even at the present early stage of controversy, was ever made in good faith. There is yet another snare prepared for the inquirer's feet by interested opponents of the guaranty or co-insurance plan. A systematic attempt has been made to prejudice the affirmative side of the question through slighting or studiously contemptuous treatment. It is made to appear that this idea comes without any intellectually respectable sponsorship; that real authorities upon matters financial unite in regarding such proposals with impatience. These tactics have been pursued most conspicuously by certain large New York banks. Evidently voicing a fear, not lest the large banks of the country receive injury but lest they receive benefit in less degree than their smaller competitors, Wall Street bankers of impressive size have spoken loudly and intemperately for the negative. And yet the fact is that notwithstanding the opposition from special motives thus encountered in some high quarters the guaranty or co-insurance idea represents the best, soundest and most public-spirited financial thought of the United States. The Fowler currency bill came from the hands of men, both in and out of Congress, who are entitled to speak with the very highest authority upon financial subjects, and it made full provision for deposit co-insurance. In defeating the whole of this bill and substituting for it the Aldrich "stock-speculation measure"—a scheme which the financial and business interests of the country outside Wall Street's atmosphere almost unanimously condemn—those financial influences now most actively opposed to deposit co-insurance played the chief part. On the same side with the Fowler bill's sponsors in favoring the co-insurance idea and resenting the Aldrich outrage are such high authorities among distinctive business and financial journals as The New York Journal of Commerce—editorially the highest and most trustworthy of them all, in our opinion. It is equally absurd to charge either that deposit co-insurance is socialistic or that it lacks the very best financial sponsorship.

The trouble with the co-insurance idea now being advocated by Mr. Bryan with Oklahoma as object-lesson does not lie in the idea itself but in the crudity of its form. Here Mr. Bryan loses the excellent company just mentioned, and The Observer must beg to draw somewhat apart likewise. So clearly defective is the Oklahoma law that the banks operating under it will ask the next Legislature for four very important changes and will probably be granted them. There is fairly general agreement that the guaranty fund should not be tied up in State warrants; that some limit should be placed upon guaranty fund assessments; that double security should not be required for State funds; and that interest-bearing deposits should be exempted from security. Even with these changes, it remains to be seen how the scheme works out; Mr. Bryan, we think, is pointing with pride much too early. But matters like this are of minor importance in comparison with the question of uniting national and State banks in a common system of co-insurance, obligatory upon one class and optional with the other, and the even harder question how 7,000 national banks scattered all over the country without any effective mode of associated action can safely answer for each other. To give good results, the co-insurance plan must be combined with much closer relations than those now existing. It will not and cannot deserve the reproach of necessarily encouraging reckless methods provided something like the clearing house idea is applied to the whole country; otherwise it very possibly can and will. Increased government oversight, which the Oklahoma law provides to some extent by such measures as limiting the rates of interests payable on deposits, does not alone solve the problem. Granting that State co-insurance systems would be separate and would follow the same general lines, let us see what has been proposed by close and disinterested students of the problem.

The Fowler bill of last winter, contemplating a genuine system of bank credit or asset currency, provided for a fund to insure the payment not only of notes but of deposits. Most vitally important among the parts of its mechanism was the organization of redemption agencies by districts under the management of boards chosen by the banks of each district, the chairman of each board of management to act as a deputy comptroller for his district. Through examiners representing the boards of management the associated banks within every district would become responsible for the capable and honest management of all their number, bearing a certain proportion of the loss from failures before the general fund was drawn upon. A system like this would not only promote no reckless banking but would bring recklessness to the verge of absolute impossibility. The necessity of greatly increasing the government's supervisory powers would also be avoided. Bank deposit guaranty such as the Fowler bill contemplates could not fall to prove of the utmost public benefit.

Co-insurance of bank deposits is coming some day, whether or not a postal savings bank system, with its limited uses, has already been inaugurated. The insincerity of the opponents of co-insured deposits in attacking it as paternalistic becomes evident when we see them attempt to gain favor far a genuinely and extremely paternalistic substitute. Through deposit protection bank depositors can gain assurance that losses, however rare, will not fall upon any of them with crushing force—will not, in fact, fall upon them even in the smallest possible degree. Through deposit protection the banks will increase their deposits greatly and they and the country will enjoy a security of untold advantage against panic. These are the objects which Mr. Bryan has in view, and they are thoroughly good objects. We do not think, however, that the country's present banking organization, or rather lack of banking organization, will serve the ends desired. There must be changes, of whatsoever precise nature, going decidedly further than those which he proposes. The time, in short, will not be ripe for the project as a matter of practical statesmanship until much ground has first been cleared. That it is ripe as a matter of practical politics, especially in the farther West and Southwest, where people are notoriously prone to go off at half-cock, we have little doubt. It may easily be the means of Mr. Bryan carrying several States. The co-insured deposits idea may prove decisive in this presidential campaign, which possibility forms one of our excuses for the length of these observations upon the subject.

If The Savannah News finds The Augusta Chronicle and The Augusta Herald floating down stream to-day it will please take them in charge and notify us as promptly as possible.

INSANITY CAUSED BY CORN.

South Carolina Alienist Has Discovered the Origin of Pellagra. Paris Cable to New York World. Traveling with United States Senator Tillman, who is at present staying at the Hotel Albany, is Dr. Babcock, superintendent of the South Carolina Insane Asylum.

Dr. Babcock during his tour has made observations of a peculiar mental disease called pellagra, and his findings may have a great economic influence in the Southern portion of the United States. Dr. Babcock had noticed the presence of the disease in various Southern States, particularly Georgia and the Carolinas, and even as far west as Texas. Before his departure from America pellagra was thought to be unknown there, and it was some time before Dr. Babcock diagnosed it. During his travels in Italy Dr. Babcock had several interviews with Dr. Pavone, who is the head of the Italian board of public health, and is the recognized European authority on pellagra. He gave Dr. Babcock facilities for examining cases of pellagra in Italian hospitals, and as a result of his investigation Dr. Babcock is certain the American disease is pellagra. The disease is caused by eating diseased or fermented corn. It is particularly rife in the Lombardy district, where not enough space and air are given to the corn. The economic importance of Dr. Babcock's discovery was explained by Senator Tillman. He said that after the civil war the South abandoned corn growing on a large scale because such high prices were obtainable for cotton. The South, he said, was therefore compelled to import corn from other States which were not nearly so favorable for cotton growing. Some of this corn, he said, is diseased in the pith, that is the nitrogenous part, but as the outer, starchy part is still good all is ground up for hominy or meal. This is the origin of pellagra in the Southern States. To stamp it out there must either be a rigorous inspection of corn or the South must put up a barrier against corn grown in other States and revert to corn growing itself.

HIS LITTLE WAY.

Chicago News. You ought to hear him brag and blow when everything is spun and spick. He wants to let the people know that he's the boy to turn the trick. But when he sort of fizzes out because he didn't show much sense, you'll see how quick he'll turn about and lay the blame on Providence. If he should make a lucky deal, some fortunate investment pick, his swelling pride he'll not conceal. Yes; he's the boy to turn the trick, but if his stock should chance to fall, his vanity has still defecated. It wasn't foolishness at all—He shoulders it on Providence. With everything it's just the same. His self-assurance makes one sick. The credit he will always claim—He is the boy to turn the trick. But when there's trouble in the air, you'll find him making the pretense of thinking it's not his affair—He puts it all on Providence.

WORTHY FLOODS PAST.

ALL STREAMS ARE GOING DOWN. The situation on the Railroads is getting better. Although it will require several days to get schedules back in order—Crops in This Section Badly Hurt, But Not to Such an Extent as in Other Sections of This State and in South Carolina—Roads and Streets Washed and Will Demand Considerable Outlay in Repairs.

The worst of the flood is over and all the streams are now subsiding. It will require two or three days for the rivers to get back into old form, but the creeks will have run off all extra water to-night. Those interested have started to look around for the damage wrought to property, and there is no doubt that they are finding it even worse than was at first anticipated. Train schedules are beginning to be renewed with some sort of regularity and both the Southern and Seaboard officials are thinking that the situation can be cleared up without further serious delay. The Catawba began to fall at an early hour yesterday morning and has been going down ever since. All the bridges and trestles over it are safe this immediate community, notwithstanding the fact that many had narrow escapes.

CROPS BADLY HURT.

"Cotton is curtailed in my estimation anywhere from 10 to 25 per cent," said a leading farmer of the county yesterday. The larger part of the damage to this crop will result from rotting bolls and a rank growth instead of steady development. Corn is also greatly damaged. The lowland crop is ruined altogether and considerable damage has been wrought upon the fields out of reach of rising water. The weather for the next week or ten days will have a lot to do towards making or unmaking the cotton production. In some parts of the county the excessive rains of the week have turned the stalks yellow, which means that growth has been stopped. In some fields the effect is different. The rains will stimulate the stalk to greater growth, but at the same time prevent the ripening of the bolls which ought to be opening. This counts seriously in the production.

ROADS GREATLY DAMAGED.

The city and county streets and roads have been damaged considerably. Chairman W. M. Long, of the board of county commissioners, stated yesterday that the county was hurt to the extent of \$1,000 or more in washed roads and ruined bridges. The same is true of the city officials, although they will have to expend nothing in new bridges. The streets, however, are badly washed, the entire upper stratum of gravel having been carried away during the flood. Great holes have been cut in some of the county's roads and almost all of them will new work be necessary in filling up the excavations made by the rains and repairing breaches to the macadam. The repair force of the convict camps will go to work to-day on the worst of the roads and put it in order just as soon as possible. While this bridge is being built, it is likely that the people of that section can ford the stream at this point.

SITUATION WORSE DOWN THE LINE.

While the rain here has been unprecedented and new high marks have been made by all the streams in this territory, there is no questioning of the statement that the worst range of the storm was farther down the line. South Carolina and upper Georgia sections have suffered greater damage to their crops and bridges. The rainfall has been greater down there, the streams have risen higher, and, of course, greater destruction has been wrought to crops and property in general. The Columbia State pictures are almost inconceivable condition of things on the streams in that section. Both the Seaboard and Southern have lost more property in the high water in this State in the destruction of bridges and general demoralization of traffic.

TRAFFIC STILL TANGLED.

While everything possible is being done by the railroads to straighten out the affairs since the rain, it will require some time yet to get the situation back to normal. The Southern is getting its schedules in pretty fair shape again so far as they are concerned. The Columbia State pictures of its South Carolina divisions several days will be required in putting things back in order. A number of trestles has been swept away by the rush of torrents and these will be replaced only after considerable time and expense. The same applies to the main line of the Seaboard running both from Hamlet and Monroe. Trouble has been met on both these divisions, which has necessitated a detouring of through trains. This road was spared the loss of its bridge at Mount Holly, although hardly any hope has been entertained for it since Tuesday. It was put to a tremendous strain. The trestle over Marlpin creek between the city and Matthews was also saved by means of heroic efforts on the part of the road gang which stayed by it all the time. The trestle over the River and Rutherfordton have again been practically resumed. The greatest damage to the Seaboard tracks was near Rockingham, where one of the spans of the long bridge over the Pee Dee river was washed away. This will put traffic between Monroe and Hamlet out of business until sometime tomorrow when the engineers hope to have the bridge repaired.

SOUTHERN OFFICES HERE.

The G. M. Parks Company, of Fitchburg, Mass., to Open Southern Office in Charlotte With Mr. B. S. Cottrell in Charge. The Southern offices of the G. M. Parks Company, of Fitchburg, Mass., manufacturers of turbo-humidifiers, will shortly be opened in Charlotte, with Mr. B. S. Cottrell in charge. The G. M. Parks Company is one of the well-known special machinery manufacturers of the North and the bringing of its Southern offices to Charlotte is in line with the policy pursued by other progressive firms that cater to the Southern trade. Mr. Cottrell will arrive in the city in a few days to perfect all the arrangements looking to the opening of the Southern offices here. The coming of this and every other new machinery concern to Charlotte but calls attention to the need of a special office building set apart for their use, particularly those which look after the Southern textile trade. As the case now stands the cotton mill machinery offices, the cotton mill supply offices, yarn commission offices and all the rest are scattered here and there throughout the city. It is a well-known fact that these offices pay handsome rentals, cost being disregarded so far as appointments and fixtures are concerned. A building such as that suggested would not only be a good financial investment to the builders, but a credit and ornament to the city.

TRICKS OF ART FAKERS.

Explanation of the Way in Which Experts Are Sometimes Swindled. Cincinnati Times-Star. The revelation of the alleged picture faking, which it is charged, has been going on for years in the shops of certain art dealers in New York, has led to a flood of tales of their tricks. Every one who knows, of course, that picture faking is widely practiced, but few believed that the presumed experts had been taken in, as it seems they have.

One explanation of the manner in which this was accomplished was made the other day, however. "Mr. A. went to the art shop of Mr. B.," said the narrator, "to purchase a painting he had noticed in the window. He examined this painting very closely, and, although he had his doubts of the integrity of the dealer, he became convinced that the painting was genuine. 'I'll take it,' said he, and gave the dealer a check. It was received with many thanks, and a clerk summoned. 'Box this painting and send it at once to Mr. A.' the purchaser, said the dealer. 'No,' said the purchaser. 'I'll carry it.' The dealer protested. He couldn't think of burdening his customer, etc. But his protest had no effect. Finally, as a last resort, the dealer said: 'If you fear that some mistake may be made and a copy substituted, write your name on the back of the canvas.' The purchaser did so, and then his fear of the dealer returned in redoubled form. 'I'll carry it,' he said, and carry it he did. When he got it home he found that a copy had been slipped beneath the actual painting, which was a real original. Had he depended upon the written name he would have been swindled out of a very handsome sum, as the copy would have been delivered to him and his own signature would have been the dealer's best evidence against any charge of fraud. This episode had much to do with ruining the business of one of the most prominent art dealers here."

MANY OFFICES RENTED.

Handsome Offices in Realty Building on the Square Going at a Lively Clip—Half of the Fine Building Has Been Rented and Will Be Occupied as Soon as Finished, Which Will Be the First of the Year. From the splendid success which has been met in renting offices in what is to be the handsomest building in the State, it is no idle prophecy that the skyscraper will not stand completed on the square many weeks before it is entirely occupied by various concerns. The officials of the Charlotte National Bank, to which the structure belongs, are almost daily receiving enquiries from prospective renters and many have signed contracts to enter the building the day that it is opened. It is stated as a sure thing that half the offices have been assigned already. Among those who will take quarters there are several lawyers, and a greater number of physicians. Many of the physicians have rented suites of rooms and will have hand-to-day the same thing. Other professional men of the city will abide there amid the finery which will adorn that edifice. The Standard Oil Company, which has lately decided to remove its central offices of the Carolinas from Columbia, S. C., and Wilmington, has engaged a half of the eleventh floor and will bring here about 26 men as a clerical staff. It is presumed that the Southern Power Company will occupy the whole of the twelfth story and the other half of the eleventh. Other corporations having offices here will make their homes in the building.

DESTROYERS WILL BURN OIL.

Bids to Be Asked For Ten New Vessels at Limit of \$800,000 Each. Washington Dispatch, 19th. Before the end of this month the Navy Department will invite bids for the construction of ten oil-burning torpedo boat destroyers of the swiftest and most efficient type. Not more than three of these boats will be awarded to any one bidder, and the limit of cost for each is placed at \$800,000. The government has been slow to take up the practical use of crude petroleum as a fuel for warships, although commercial interests, especially those of the oil companies, have been quick to install oil burners on steamships. The new battleships provided for by the last session of Congress will have tanks for oil to be used as auxiliary fuel when extraordinary speed is required. It is admitted that the introduction of oil will give a greater steaming radius than can be had with coal. Some adaptation must be made to render oil burning practicable for naval vessels. For one thing, the oil cannot be sprayed under the boilers with either air or steam, as the weight of the compressor plants would be out of the question. Consequently the oil is fed under about 300 pounds pressure, and when it emerges from the feed pipe the result is a spray of fine particles of oil. The lack of oil supply stations will probably result in the limitation of the usefulness of the oil-burning boats to the coast of the United States.

FOR THE OBSERVER. A DEMOCRAT.

We thought it all a joke at first, But now we must complain! Somebody did the weather man, And bring him back again! To stop this fearful, awful pour Of unrelenting rain! You wonder why he went away And left old Pivvlat? To hold his unmolested sway? Ah, I can answer that—At least I'll bet my life and love That he's a Democrat. But bring him back here, G. O. P., And tell him please to stop This cloud and rain—enough's enough—Don't want another drop! If you can't find him, call for me And I will call a cop. —OSCAR BOLAND.

AN INCREDULOUS CONTEMPORARY.

Washington Herald. "Springfield, Ill., dispatches of these August days must make good reading for Atlanta, Ga.," says The Charlotte Observer. But we don't think they do; and we don't believe The Observer thinks so, either. Japan Minister of War, Tokio, Aug. 27.—Baron Jurato Komiya, former Japanese Ambassador to England, has arrived here to-day to assume the post of foreign minister in place of War Minister Kerauchi, who was filling the office temporarily.

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