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## MILLIONS TO BE DEPOSITED IN SOUTHERN BANKS

Secretary McAdoo Will Put Between \$25,000,000 and \$50,000,000 at Disposal of Financial Institutions of the South and West to Help Move Crops—Senator Tillman Says We've Been Robbed for Years.

Washington, July 31.—From \$25,000,000 to \$50,000,000 of government funds will be deposited in the national banks of the South and West at once by Secretary McAdoo to facilitate the movement of crops. Federal, State and municipal bonds and prime commercial paper will be accepted as security for the money, upon which the banks will pay 2 per cent. interest.

The motive of Secretary McAdoo in establishing this new policy is to anticipate the money stringency in the late summer and fall, which invariably accompanies the marketing and movement of crops, especially when the harvest now beginning forecasts. He intends to take time by the forelock and prevent or minimize the usual tightness of money.

In a statement today the secretary made the significant answer that government bonds would be accepted as par as security for the new deposits and that the additional money would be placed only with the banks which have taken out at least 40 per cent. of their authorized circulation.

**HAVE GONE DOWN.**  
United States 7 per cent. bonds, serving as security for most of the national bank circulation, have been depressed recently to new low market records, dropping to 95½ during the past few days. The secretary's willingness to accept these bonds at par as security for the \$25,000,000 to \$50,000,000 of promised deposits and the inducement to the national banks to increase their circulation up to the 40 per cent. limit is expected to help in restoring the parity of the depressed 2s by creating a new market for them.

For the first time in history the government will accept prime commercial paper as security for deposits. This privilege will be granted, announced the secretary, in order to make these special deposits available to the banks on securities already within their reach.

**MUST BE GOOD SECURITY.**  
"The commercial paper submitted," added Mr. McAdoo, shall first be passed upon and approved by the clearing house committees of the cities in which the banks offering such paper may be located. All commercial paper and bonds must finally be passed upon and accepted by the secretary."

Approved commercial paper will be accepted as security for the deposits at 65 per cent. of its face value, and high-class state, municipal and other bonds, exclusive of government bonds, at 75 per cent. of their market value.

The additional deposits will be placed with the national banks in the two or three principal cities in each of the States where harvesting now is in progress and where the demand for money for moving the crops most conveniently can be met. The secretary said it would not be practicable to scatter the deposits among the smaller cities, especially in view of the character of the securities necessary.

The banks will be required to return the money to the public treasury when the crops have been moved. The present suggestion is, Mr. McAdoo said, that

15 per cent. be repaid in December, 30 per cent. in January, 30 per cent. in February and 25 per cent. in March next.

**TO START AT ONCE**  
"Steps are now being taken to carry out the plan," added the secretary, "so that the funds may be promptly available for the movement of crops." Names of banks to receive the deposits and other details of the arrangement will be announced later.

With the net balance in the general fund today amounting to nearly \$132,000,000, Secretary McAdoo has taken the stand that the government should anticipate the situation by placing deposits where and at the time they are needed.

If the full \$50,000,000 is deposited, this step will temporarily almost double the government's deposits with the banks, which now hold \$58,000,000 of federal funds.

Just as Secretary McAdoo was announcing his plan, Senator Tillman, of South Carolina, was issuing a statement declaring that unless Congress acted quickly to provide an emergency currency, the cotton planters of the South would lose a hundred million dollars through inability to get money to move their crops.

**WOULD BE ROBBED.**  
Senator Tillman declared cotton planters would "be robbed of a hundred million dollars more" on account of the inability of Southern bankers to get money from New York "pirates." He urged that some kind of a remedy be put through immediately to afford temporary relief, and that the house banking and currency committee "stop squabbling" and allow permanent currency legislation to be enacted.

Senator Tillman expressed the hope that the committee would work out a plan to inspire confidence in the business people of the country so they would lend money to the banks at 3 per cent. on satisfactory collateral.

"Secretary McAdoo is well informed as to the business conditions in the United States, and I am willing to leave it to his good judgment as to what collateral shall be required," said the senator. "Right now there is an emergency, and unless Congress acts promptly within the next 60 days, Southern cotton planters will be robbed of a hundred million dollars or more by the fall in price of their principal crop, due to the inability on the part of the Southern bankers to get money from New York at any price or on any collateral."

**BY THE THROAT.**  
"The New Yorkers have our people by the throat, as they have had them all these years since the war, and only Congress can give relief."

The Aldrich-Vreeland act, which authorized the printing of the \$500,000,000 now lying in the treasury, grants no relief at all to our people because of the conditions imposed. Relief can be extended only through associations of banks in regional groups. "If something is not done, I see no way of saving the people of the South from great loss, unless the banks take the law into their own hands as they did in 1907, and form clearing house associations and issue certificates as they had to do then. I am

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## A COLUMN OF STATE NEWS

Short Items of North Carolina News of General Interest to Scotland County—In Condensed Form For Exchange Readers—Gathered From Contemporaries

Up to August 1st, \$100,000 has been realized by the tobacco growers around Fairmont. It fell to the lot of several merchants of Goldsboro to be stung last week by a female check flasher.

Senator Simmons has recommended J. W. Bailey of Raleigh for Collector of Internal Revenue for the Eastern District.

Rueben Bowles of Statesville was killed by falling from an excursion train returning from Norfolk. His head was crushed.

Pitcher Waymack of the Asheville team, while practicing Saturday, lost use of his pitching arm and is out of the game for the season.

The automobile drivers of the State of which there is recorded 9,573, paid into the State treasury for license during June and July over \$46,000.

Fire of unknown origin destroyed four automobiles belonging to Mr. E. Norfleet at Seagate between Wilmington and Wrightsville Thursday.

Deputy Sheriff R. L. Bain of Greensboro was shot and almost instantly killed by Jim McLeod, a desperate negro he was attempting to arrest Saturday.

The citizens of Fayetteville banqueted Maj. E. J. Hale, the newly appointed minister to Costa Rica Friday night. Mr. Hale left Sunday for Washington to make ready for his new duties.

W. L. Dockery, a negro mail clerk who shot and killed Frank Perry, a negro hackman at Monroe several weeks ago, was Saturday convicted of manslaughter and sentenced to three years in the penitentiary.

Ben Hazel, a 55 year old negro of Guilford county, after having evaded the officers for four years, has been arrested in Coatesville, Pa. Hazel is charged with the murder of his wife and will be returned to Guilford county for trial.

By agreement between the State and J. F. Harris of Concord, who has been charged with aiding and abetting in the sale of whiskey in that town, Mr. Harris gives up his license and is to dispose of his stock of whiskey at his drug store within ten days.

In a shooting scrape in Charlotte Saturday night, Mrs. R. A. Duncan, wife of a groceryman was wounded. The affair happened in front of her husband's store between two negroes, "Big" Alexander and "Son" Caldwell. Mrs. Duncan, Caldwell and a negro woman were shot in the duel.

Robt. Beaver, a young white man of Caldwell county while fleeing from the officers was shot and killed. The peculiar circumstances connected with the case is that the officer did not fire at the fleeing man, but discharged his pistol in the air, and the death can only be accounted for from a glancing bullet.

A report from Washington reads: The postoffice department has ordered an inspection of the postoffice at Mount Vernon Springs in Chatham county. It is a fourth class office paying \$150 a year. The present postmaster is a child, the incumbent having moved away and resigned. Kicks over the service have been made. Mrs. Decie H. Brooks is the only applicant for the job.

## CONDENSED NEWS FROM EVERYWHERE

Column of the Week's Happenings Throughout the World Told in Brief—Gathered From Our Contemporaries and Boiled Down For Our Readers.

Norfolk, Va., suffered a \$100,000 fire loss Sunday morning. An American owned street car system has been put in operation at Panama.

Two bales of New Georgia cotton sold at Savannah last week for 18 cents per pound.

Henry Lane Wilson, ambassador to Mexico, has resigned, his resignation taking effect October 14th.

Recently a seat on the New York Stock Exchange sold for \$38,000, the lowest price since 1890.

Köbert T. Lincoln, son of President Lincoln and former secretary of war, celebrated his 70th birthday Friday.

In 1,623 automobile accidents happening in this country from April 2 to May 23, 269 persons were killed and 1,595 injured.

Yesterday and today Columbia, S. C., held a "Welfare Conference for the Common Good of the People of South Carolina."

Washington City was swept with a terrific cyclone Wednesday of last week resulting in three deaths and thousands in damages.

While trying to quell a hop riot in Yuba county, Cal., the district attorney and two deputy sheriffs were killed and six others were wounded.

According to the State Treasurer of Michigan, it is costing the State \$12,500 per day to maintain the National Guard in the copper mine strike country.

Alleging that the word, "policewomen" is not suggestive of enough dignity, it has been decided to call ten female additions to Chicago's police department, "social service workers."

Judge A. W. Cooley of the New Mexico Supreme Court and the most prominent of Dr. Friedman's patients to take his cure for tuberculosis is dead of the disease. He was 40 years old.

Despite the fact that he was thrown from his horse and killed Friday night H. F. Remley of Hickman, Ky., received enough votes in an election Saturday to elect him judge of the county court.

Henry Lane Wilson, U. S. Ambassador to Mexico while escorting two women friends to a train in New York was touched by pickpockets and relieved of his wallet containing \$128 and some valuable papers.

Reduction in express rates which will cost the companies fully \$26,000,000 a year—approximately 16 per cent of their gross revenue, were ordered Monday by the interstate commerce commission to become effective on or before October 15th.

John McGibbony, of Waycross, Ga., was almost instantly killed by his niece, Lula Gardner, aged 13, Saturday night. McGibbony tried to play a joke by refusing to give his name after he had knocked on the door at his home. The girl fired through the door with a shotgun.

A negro attacked a family of eight near Cairo, Ga., Friday night as the family slept. The brute used an axe in his mad destruction and two of the family are expected to die, while the other six members are more or less mutilated. The negro escaped.

## SPEECH OF CHIEF JUSTICE CLARK AT FAYETTEVILLE

Speech of Chief Justice Walter Clark at Fayetteville at a Banquet to Major E. J. Hale, of the Fayetteville Observer, Who Has Recently Been Appointed Minister to Costa Rica.

I appreciate the honor of being asked to attend on this occasion when the good people of this historic town have met to pay a tribute of respect to one of your most distinguished citizens. I shall not abuse the occasion by speaking long, when so many better speakers are present. Indeed I shall be short. When we were children one of the conundrums asked us was, "Who is the shortest man named in the Bible?" You will remember the answer was, "Bildad, the Shushite." I am told by those who have studied the revised version that Peter was the man, for he said, "Gold and silver have I none," and you know that no man can be shorter than that. I shall not forget the definition given by a school boy in Raleigh when asked to give the meaning of "elocution." "Why," he replied, "that is the new way in some of the States they have of putting a man to death."

Your historic city has, like ours, the honor of bearing the name of a great man. Indeed, we have always admired the foresight of Sir Walter Raleigh in selecting the same name which we bear with so much credit to our State and to ourselves. It was a high school boy in Raleigh who recently wrote this compendium upon Sir Walter Raleigh. He said: "Sir Walter Raleigh was a hero and a great traveler. He took a voyage and he discovered America. He then took another voyage and he discovered Virginia, then he discovered the potato. Then he discovered tobacco, and then he called his men around him and said, 'My friends, be of good cheer, for we have this day lighted a flame in England which, by the grace of God, shall never be quenched.'" The little fellow got matters slightly mixed, as did the descendant of the "Pilgrim Fathers" in addressing that society on one occasion. He pictured that gloomy day in December, 1620, when the Mayflower cast anchor off the "iron-bound shore," where famine guarded the solitary coast and winter barricaded the realms of frost, the pilgrims landing with the snow beating in their faces, and how, "in the scowl of heaven, each face grew dark as they were speaking." He said that these stern men on landing "fell on their knees—and then they fell upon the aborigines."

Your city does well to bear the name of this splendid soldier, the hero and patriot, who at 19 years of age was a major general in our army, and the friend of Washington. Nearly 50 years later, in 1824, in his old age, he revisited this country, and, as you know, he was entertained at Raleigh and in your city. A gentleman who was at the reception given him there told me that the General had one question which he asked every man who was presented to him, "Are you married or single?" If the man answered meekly that he was married, the General with a beautiful smile would squeeze his hand and say, "'Appy man, 'appy man.'" If he, however, shamefully admitted that he was a bachelor, the General would slap him on the back and say, "Lucky dog, lucky dog." I am told that you still have some public men who can take the bright view of every proposition and know how to satisfy your people

with their conditions.

But LaFayette is not the only name that is associated with that of your town. For nearly 100 years, throughout North Carolina, whenever Fayetteville has been named, our people have thought of Hale, father of sons. And whenever Hale has been mentioned, the thought has been of Fayetteville. As Webster said of the Constitution and the Union, "They are one and inseparable." Nearly 100 years ago E. J. Hale took charge of the "Observer" in this city. By his sterling integrity, his public spirit, his thorough identification with the best interests of your town and State, he built up a paper which at the breaking out of the war was probably the greatest single influence in North Carolina. I well remember that the late Chief Justice Merrimon, one of the great Whig leaders, told me that in 1862, when it was necessary to select the very best man for the nomination for Governor to oppose the growing discontent among our people, he came by stage coach to Fayetteville to consult Mr. Hale as the wisest head and the greatest influence in the party, having been selected by a conference of the leaders for that purpose.

B. Vance, then, then, then, Vance was little over 30 years of age. The Observer came out for him and Vance was nominated and elected. You will all agree that a wiser choice could not have been made. Throughout the South and Southwest, as well as in North Carolina, the Observer was a tower of strength to the Confederate cause. This was so well known that when Sherman's troops reached Fayetteville the chief object of their hostility was the Observer, to whose buildings they set fire.

There was no place in North Carolina that was more strongly Confederate in its feeling than Fayetteville. It sent two full companies to the First or Bethel regiment, and during the war it furnished more commanding officers of regiments, and indeed more officers, than any county in the State, and probably more men in proportion to population than any other town in the State. Though it did not furnish a general officer, it is well known that our distinguished guest of this evening, Major Hale, was recommended and endorsed for that position by Lane's brigade, of which he was adjutant general. I am sure that he deserved the promotion and would have conferred honor upon the position.

After the war the elder Hale, with his two sons, removed to New York. But McGregor's foot could not rest far from his native heath. After their father's death his two sons returned to Fayetteville and their powerful aid was felt in the fight for good government and for the restoration of Anglo-Saxon supremacy, which, by the way, I once heard a little darkey style "Angry-Saxon" rule. On the election of the first Democratic President, Major Hale was offered the post of Minister to Turkey, which he declined, and but for covert opposition, I am told, would have been appointed Minister to Russia.

It is to his foresight and powerful influence that we owe the great river improvements by

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