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THE FEDERAL LAND BANK AT COLUMBIA

VALUABLE EXPLANATIONS MADE BY THE PRESIDENT TO JOURNAL READERS

Primary Object of Bank is to Help Farmers Become Better Producers and No Money Can Be Had For Any Other Purpose—Local Associations Must Have Character, Permanency and Ambition.

Mr. W. S. Blakeney, President of the North Carolina Banker's Association, returned yesterday from an important meeting in Columbia which was called by Mr. J. H. von Engelken, president of the Federal Land Bank for this district. The president invited the presidents of the banking associations of the several States, the presidents of the agricultural colleges, and others, to meet with him in an advisory and co-operative capacity. Around the council board the purposes and plans of the board were gone into fully by President von Engelken, who asked for the co-operation of the various representatives gathered in making the work a success. Through Mr. Blakeney the Journal is able to give the following important statements and explanations by President von Engelken:

In the first place the farmer members of farm loan associations should understand clearly that no degree of success can be achieved in this office without the intelligent co-operation of the farm loan association members. One of the most essential things, and the one thing which it is necessary that members of farm loan associations should bear in mind constantly, is that the very foundation of the entire system demands conservatism. The fact that a system has been established to enable operating farmers to secure money for the purpose of improving their methods and increasing their yields should not be taken to mean that there is available an unlimited supply of money for any and all purposes. Farmers who are now applicants for loans should confine their borrowing requirements to a minimum; avoid, if possible, making application for the full of fifty per cent of the valuation of the property; avoid, also, the very considerable danger of planning too much at one time. Possible improvements to be made through the use of this system should be made gradually.

As a borrowing farmer you have in mind a number of changes or improvements on your property, make them one at a time. With the money that will be available from this bank complete a certain improvement on your property and demonstrate that it is a success and will increase your earning capacity, and then if desirable, undertake the next. It is just as important that any money available from this bank should be intelligently and wisely invested in your property as it is that proper appraisements shall be made in the beginning. Money borrowed for unwise purposes or for making changes or improvements which are not carefully thought out and which will not justify themselves in the future, thereby causing the borrowing farmer to lose that which he has borrowed, will bring about as distinct a financial loss to the borrower as if the money he borrowed had been wantonly wasted. It is well in all cases to take counsel with neighbors and friends before undertaking changes or improvements which will involve financial loss if mistakes have been made.

Appraising committees must bear in mind that they are charged with a double duty: the first to their association, the second to this bank. They must understand distinctly that they have to deal only with the value of land based on its earning capacity under present methods of farming. In other words appraising committees should value land either as if they were lending on it themselves or as if they were placing a value on it with a purpose of purchasing it for themselves for farming purposes. If appraising committees will give us as the value of a piece of land what they as farmers would be willing to pay for it as an addition to their own farms we shall be able to get the values we require for lending purposes.

The directors of farm loan associations are charged with the duty of admitting men to membership. They must understand clearly that prejudice, personal dislikes, or spite of a kind or another must under no circumstances enter into their calculations. They have to determine only whether an applicant is a man who will pay his debts if he can and also if the applicant is a good enough farmer to make money out of his farming operations. Ne'er-do-wells, land speculators, men of extravagant habits, careless, slipshod farmers have no place in this system. They must change their methods and raise themselves in the estimation of their neighbors before they can be safely admitted as participants in the benefits of the farm loan system. Farm loan association officers must bear in mind constantly that this is purely and simply a business proposition and that they assume, and must under the law assume, a certain financial obligation covering each loan that they make and each individual whom they may admit to membership in their association. If through lack of wisdom or foresight or judgment or if through careless and unwise appraisements it should happen that foreclosure of property is necessary, and upon the sale of such property the amount of the mortgage is not forthcoming, the other members of the association will be required to

pay the difference, each member up to ten per cent of the amount of his loan. There is no reason why any association member should ever be called upon to assist in the paying of the obligations of any of his neighbors, provided he uses ordinary, honest judgment throughout in the transaction of the business of the farm loan association.

It is the purpose of this office to give to each farm loan association when its charter is granted the standing of class A, which is and will be the highest standing an association can attain in its transactions and affiliations with this bank. To maintain this standing it is necessary that a farm loan association shall exercise judgment and care in the transaction of its business and that it shall avoid the necessity of having to foreclose on any piece of property offered as security. The first foreclosure which any farm loan association may have to make officially will reduce its standing to Class B, and as a class B institution it will find itself subject to much more strict supervision as regards appraisals by our official appraiser and a much more conservative attitude on the part of the officers of this bank in transacting its future business. Should it occur that this same association is required to foreclose a second time, then it will decline to the class C standing and from that time on and as long as the association remains in that class it will become necessary for the officers of this bank to transact business with such an association with a degree of caution which will prove to be rather burdensome to the association in question. To secure quick action and to facilitate its dealings with this bank every association should determine to retain its standing as a class A association at all hazards.

Charters.

We are receiving daily hundreds of letters asking when we shall be in position to charter farm loan associations. It must be understood, that before a farm loan association can receive a charter from the Farm Loan Board at Washington it will be necessary for our official appraiser to visit such association and pass upon their appraisements and their prospective loans. When this official appraiser makes his report to us we will in turn examine it and will send it to Washington with our recommendation, and the Farm Loan Board in Washington on the 15th will issue the charter if in its judgment ours the transaction of the farm loan association are sufficiently conservative and are legitimate. At the present time the Farm Loan Board at Washington has not appointed any particular appraisers, and once these appraisers are appointed, in the very nature of things they must reach some associations before they do others. They cannot serve all at the same time, neither can all the associations be the first on the list. It will take some time to cover the entire ground. Associations may rest assured, however, that no unnecessary delay will be allowed by this office and that all be reached and will be served as quickly as it is possible for us to take care of the business.

Borrowers.

Many requests are being made upon us for information as to who can borrow under the provisions of the law. The law specifically reads: "No loan shall be made to any person who is not at the time or shortly to become engaged in the cultivation of the farm mortgaged." This means distinctly that borrowers must be the men who are operating their farms either themselves or with hired labor. They must also be residents of the territory in which their farm is located. For the present a man living in one state and owning a farm five or six hundred miles away will not be considered as an operating farmer and is not eligible to membership in a farm loan association. The question is repeatedly asked whether or not a farm owner who has on his farm a share tenant can borrow through this system. We are expecting at any time a ruling from the Farm Loan Board in Washington on this point, and we are inclined to believe at this time that the board will rule that such a man is an operating farmer, since his profits from the farm depend on the result of the operations of that farm, and he should be considered as much a farmer as is the tenant who actually does the work, providing that as the owner of the property he participates with his tenant in the expenses and participates also on some agreed basis in the profits, if there are any. A man living in town or in the country owning one or more farms which he lets out for rent at so much per acre is not eligible as a member of an association, and cannot borrow on such farms through this association.

Length of Time for Borrowing.

It is recommended by this bank that all loans be made for a period of thirty-six years. Loans made for this period can be paid off by adding one per cent per annum to the interest rate. It will be no hardship on any one to make a loan for this length of time even if he should desire the money for a shorter period, inasmuch as the law distinctly provides that any portion or all of the principal can be paid at any interest date after five years. If loans are made for thirty-six years throughout the district the uniformity will very much facilitate the work in this office. If any of the information given above is not quite clear we shall be glad to answer communications from you at any time and go into further explanations. Remember, however, that our appraisers, before they go to

TALK OF PEACE IN GERMANY HAS BEEN ABANDONED

Gerard Makes Report—State Department Presented Scene of Unusual Activity With the Returned Diplomats Reporting to Their Superiors. Washington, March 14.—Former Ambassador Gerard, fresh from Berlin, reported to the state department today that when he left there was every evidence that Germany was fully intended carrying out her ruthless submarine campaign, regardless of the prospect of war with the United States, and that talk of peace had been abandoned.

The former ambassador did not see President Wilson because the President still is confined to his room, but he conferred at length with both Secretary Lansing and Counsellor Polk, and went over with them in detail events leading to the break in diplomatic relations between Germany and the United States. Mr. Gerard reported that German officials apparently considered the effects and consequences of submarine ruthlessness before proclaiming it, and so far as he could learn were confident of its success. When he left Berlin, however, the campaign was only in its second week and the Germans were still predicting the destruction of a millions tons of shipping a month, the amount admitted by Teutonic experts to be essential for an effective starvation blockade of England. Since then, however, the average destruction has been below half that.

Food conditions in Germany when Mr. Gerard's party left were reported as serious, but not necessarily critical. This question is looked upon by the American government as very important because of its bearing upon the possibility of future peace moves by Germany in the near future.

The former ambassador arrived here from Key West, Fla., shortly after noon, and was met at the station by a group of officials including Counsellor Polk and Assistant Secretary Phillips, of the state department; Secretary McAdoo, Secretary Tumulty and Senator Hughes of New Jersey. A formal statement was given out by Mr. Gerard saying that he would make his report to the government, and would not talk for publication. During the remainder of the day and night he held to this determination. He remained over here tonight, and will go to New York late tomorrow in time for a formal reception to be tendered him there Friday.

The report made by the former ambassador to the state department was understood to deal particularly with the treatment accorded himself and other Americans following the break in diplomatic relations, the efforts of the German government to get him to reaffirm the old treaty of 1828, with extensive changes, the general attitude of the German government and public towards submarine warfare, peace and relations with the United States, and conditions in Germany.

The department presented a scene of unusual activity with the many returned diplomats who accompanied Mr. Gerard reporting to their superiors. Some of them will be kept at the department, and others will be given new posts.

While officials are extremely anxious to learn the personal opinions of men fresh from Germany, there is not the slightest disposition to feel that the international situation can be affected in any way at this time. Germany is believed to have shown herself in the series of sinkings such as the Laconia, the California and many others, including the American steamship Algonquin today reported sunk without warning, to be utterly unmindful of the country's rights or its possible participation in the war.

Regarding food conditions one of the best observers who has reported to the state department in months, said that 20,000,000 people directly connected with the army or government, another 20,000,000 people in the rural population and about 8,000,000 wealthy people are well fed, but that the balance, about 20,000,000, are in a serious plight.

A Good Ticket.

For Mayor and Aldermen we suggest the following ticket:
For Mayor—J. D. McRae.
For Alderman, ward one—A. M. Secret.
For Alderman, ward two—T. C. Collins.
For Alderman, ward three—W. E. Funderburk.
For Alderman, ward four—C. E. Houston.
For Alderman at Large—G. B. Caldwell.
These men are progressive but not radical; they are wisely conservative, but no standpatters. They would give us a good common sense government, which we would all be proud of, and which would amply take care of all our interests.—Citizens.

work, will be thoroughly schooled in the law and will be able when they reach you to give full information on any points that are not now clear. As no association can transact any business until it secures its official charter, little can be gained at this time by any great amount of correspondence. This does not mean, of course, that we will not at all times endeavor to reply to all letters as promptly as we can and provide our friends in the country with all information that they may require to enable them to bring their temporary organization to such a point that the appraiser when he reaches the ground can handle the situation promptly and effectively.

AMERICAN STEAMER SUNK MONDAY BY SUBMARINE

There Were No Lives Lost, and the Washington Unofficial View is That the Incident Does Not Change the Situation Between U. S. and Germany.

The American steamship Algonquin which sailed from New York for London February 20 with an American crew on board was shelled without warning by a German submarine and sunk on March 12. All on board were saved. The vessel was owned by the American White Star Line and was recently transferred from British registry.

According to advices from Plymouth the German submarine opened fire upon the Algonquin from a distance of 4,000 yards, firing about 20 shells. These were not sufficient to sink the steamer, so she was boarded by the men from the submarine who placed four bombs and the Algonquin was then blown up. The crew was given plenty of time to leave the vessel.

"It was just after daylight on Monday when we were attacked," said the captain of the Algonquin, as quoted by the Press Association. "There was no warning. The submarine started fire at a range of three miles. When about 25 shells had been fired at the Algonquin, of which four hit her forward, the crew decided to take to the boats, and pulled away from the sinking vessel.

"Then the submarine approached, and with only her periscope showing, sailed around the steamer several times. Finding that the crew had abandoned the ship, the submarine came to the surface. Some of the Germans boarded the Algonquin and placed bombs aft. These were exploded and within a quarter of an hour the steamer disappeared.

"I appealed to the submarine commander for a tow towards land, in view of the roughness of the weather, but the German gruffly replied: "No, I am too busy." The crew pulled away in their boats, none being injured by shellfire, but all suffered from exposure.

"All personal effects and the ship's papers were lost." In the absence of details as to the destruction of the steamer Algonquin officials withheld comment but the unofficial view was that nothing in the incident changes the situation between the United States and Germany.

President Wilson already has taken steps to place the nation in a state of armed neutrality, which with the breaking off of diplomatic relations with Germany is practically the last measure possible short of war. American ships now are being armed to defend themselves against unlawful submarine attack. The general view today is that arming of ships is the only answer to submarine operations short of a declaration of war, which may be made only by Congress. Consul Stephens, at Plymouth, reported the sinking of the Algonquin in the following dispatch: "Steamer Algonquin of New York, from New York for London with foodstuffs, sunk by German submarine 65 miles west of Bishop's (rock) March 12, 6 a. m. Captain reports vessel not warned and sunk by shell fire. Crew of 27 all saved in own boats. Submarine refused assistance. No other boats in sight.

AERONAUTICAL STATIONS ALONG ATLANTIC COAST

Joint Army-Navy Board is Studying Coast Preparatory to Locating Stations.

Washington, March 13.—A joint army-navy board is studying the Atlantic and Gulf coasts preparatory to the establishment of eight aeronautical stations, which, besides having two dirigibles and six or eight seaplanes each for aerial patrol work probably will serve as bases for the new 110-foot coast scout boats of which the navy will order more than 100 in a few days.

Sixteen dirigibles and a sufficient number of seaplanes already have been contracted for and officers and men for the air service are being selected to be sent to the station at Pensacola, Fla. for training a dirigible for the station is about ready for delivery.

The eight stations will be distributed along the coasts to cover strategic areas to be determined by the board. Each will require six officers and 40 men.

The only station site already definitely selected is that at Coco Solo, near Colon, Canal Zone, for which an appropriation of \$1,000,000 to establish a joint aviation and submarine base was asked of the last Congress. The project is expected to go through at the coming special session. Funds for the other stations will also be asked at that time; but the department has emergency appropriations sufficient to begin the work at once. The dirigibles are to be determined within four months.

At present no stations for the Pacific coast are being prepared. The immediate plans require the training within the next four months of 50 officers and 350 men at Pensacola in handling dirigibles. Crews for the seaplanes are already under training, but their number will have to be increased largely without delay.

In providing boats to aid in the task of guarding the coasts, navy experts would prefer a standard type 130-foot steel boats for patrol and submarine chasing work, but in the interest of speedy construction has determined on the 110-footers with wooden hulls. Later orders will be placed for some small submarine chasers ranging from 50 to 85 feet in length.

PROF. G. M. GARRISON DIED THIS MORNING IN NORFOLK HOSPITAL

Well-Known Educator Expired After Suffering For Several Years—Was Only Thirty-Eight Years Old.

Prof. G. M. Garrison, well-known Union county school teacher, died this morning about ten o'clock in a Norfolk, Va., hospital, where he was undergoing treatment. He had been in ill health for a number of years, but he had gone to the hospital very hopeful of being materially benefited. His family had high hopes of his recovery, and there was general surprise when a message was received early this morning stating that his condition was very low. Mrs. Garrison was making arrangements to go to Norfolk tonight to be at his bedside when another message was received announcing his death.

The body will arrive here tomorrow morning, and will be taken to the home of his wife at Unionville. Funeral services will probably be held Sunday morning, and interment will be in the Unionville cemetery.

Prof. Garrison, after receiving a diploma from Wake Forest College in 1901, began his teaching career at Unionville. Later he went to Oklahoma City, Oklahoma, where he taught for several years. He then came back to this State and was Principal of the Marshville schools for a while. He also taught at Granite Falls. He was an excellent teacher, and was universally admired and respected by both his students and patrons. His death moves one from the county who was a force in the training of our boys and girls for better citizenship.

The deceased was a son of the late E. M. Garrison. He is survived by his wife, who is a daughter of Prof. O. C. Hamilton, and one son, two years old. He is also survived by his mother, who lives with the deceased's only brother, Mr. J. E. Garrison at Waxhaw. He is survived by several half brothers.

Prof. Garrison was a man who possessed an eviable personality. He was kind and generous, ever ready to do his part in every worthy measure and undertaking. His heart and interests were devoted to education, and this he made his life work. And too, the cause of education loses one of its strongest adherents and workers in the passing of Prof. Garrison.

BEGGAR OVERSHOT HIS MARK WHEN HE COMPLAINED OF ARM

Mr. R. K. Helms Could Sympathize With Him a Little, Yet He Knows How to Work, While the Beggar Doesn't—And Who is the Joke On?

Beggars sometimes have a heart of their own after all their ravages on the soft spots of sound, well-fixed people. Not often, of course, as they are usually a rather insolent lot, especially the class of professional beggars who go from one town to another plying their trade.

There was a one-legged beggar on the streets of Monroe Wednesday. He walked on crutches, and claimed that his left arm was broken. He was standing near Ayer's market making pitiful pleas for a penny from those passing up and down the street. Mr. R. K. Helms, who also had the great misfortune to lose an arm, came by. The beggar, not noticing his armless steve, made the usual plea for his penny. Mr. Helms, without any hesitation, reached his hand in his pocket and gave the beggar the requested penny.

After making many profuse thanks for the penny, the old beggar commenced complaining of his misfortune and the hard life that he led. Mr. Helms listened patiently and sympathetically, until the beggar commenced to complain about his broken arm. Without uttering a word, Mr. Helms turned around in front of the beggar and exhibited his empty sleeve. The beggar's eyes began to gleam; his face plainly showed he was astonished and perplexed. With an air of resignation, he pulled out a dime from his pocket, and started to hand it to Mr. Helms. "Here you take this," the beggar requested. Mr. Helms of course refused the coin.

Now the point is, who is the joke on; Mr. Helms, or the beggar?

Look For the Play Tonight.

This variety show will be something to make you shake your rizzles. Several changes in casts, costumes, ceremony and concert will be made to suit your taste. Good fire and warm dressing rooms for brides and grooms. Admission, adults 25; children, 10 cents.

Big Contract for Fighting Craft

Contracts for what is believed to be the largest single order for fighting craft ever given by any Nation were placed yesterday by the Navy Department. Private builders undertook to turn out four great battle cruisers and six scout cruisers and pledged themselves to keep 70 per cent of their working forces on Navy construction. In response to an appeal to patriotism by Secretary Daniels, the major shipbuilders have agreed to accept 10 per cent net profit on the battle cruisers, whose cost will represent about \$76,000,000 of the total sum involved in yesterday's contracts. A fifth battle cruiser will be built at the Philadelphia Navy Yard so as not to strain the limit of facilities of private establishments.

CZAR OF RUSSIA HAS BEEN OVERTHROWN

MOST ASTONISHING NEWS OF THE WORLD FOR LONG TIME

News of Revolution Reached the Czar at the Front and He Rushed Back Only to Abdicate—News Regarded as Favorable to Allies—Armies and People Have Joined in Revolution.

The Czar of Russia has abdicated his throne! His younger brother has been placed upon the throne by the leaders of the revolution, and a new National Cabinet has been announced. The news was received in London as favorable to the Allies, and a dispatch from that city says:

The news that "great Russia" had joined the democracies of the world, and that one of the three great absolute rulers of the world had resigned his throne in accordance with the demands of his people, was received here with unalloyed joy. There has been no illusion here about Russia. Particularly in the last year it has been well understood that the situation there has been the people against the throne.

"The people and the army are all for the war and against Germany" has been the word which came from Russia from all channels repeatedly. That the court has been enshrouded in a pro-German atmosphere and that the Emperor was a weak man under the thumb of his wife and also under the domination of several members of the bureaucracy, some of whom were influenced only by the tradition of the old bureaucracy and others of whom were informed by and in the pay of German diplomats, also had been reported.

The people now in control of the destinies of the great Empire of Western Europe are Russians who are anti-German and pro-Russian to the core, so the Russian developments are regarded here as wholly to the benefit of the Entente Powers in the war.

The Emperor hastened back from the front only to find that the revolution had been successful, and that a new Government was in control. The Empress, who, it is alleged, has been influential in the councils opposed to the wishes of the people, is reported to have fled or to be in hiding.

Although considerable fighting took place, it is not believed that the casualties are large. The early period of the uprising bore the character rather of a mock revolution. Cossacks charging down the streets did so in a half-hearted fashion, plainly without malice or intent to harm the crowds. The troops exchanged good-natured salutations with the workmen and women, and as they rode, were cheered by the populace.

Long lines of soldiers stationed in dramatic attitudes across Nevsky Prospect, with their guns pointed at an imaginary foe, appeared to be taking part in a tableau. Machine guns firing rounds of blank cartridges seemed only to add another realistic touch to a tremendous theatrical production.

Until Sunday night, this pageant continued without serious interruption. Then in a flash the whole scene lost its theatrical quality; it became a genuine revolution.

Regiments Mutinied.

The regiments had received an order from the commandant to fire upon persons assembled in the street. This caused immediate disension among the troops, who did not understand why they would be compelled to take violent measures against fellow citizens whose chief offense was that they were hungry and were asking the government to supply bread. Several regiments deserted, and a pitched battle began between the troops who stood with the government and those who, refusing to obey orders, had mutinied.

A long night battle occurred between the mutinous regiments and the police at the end of St. Catherine Canal, immediately in front of the historic church built over the spot where Alexander II was killed by a bomb. The police finally fled to roof tops all over the city and were seen no more in the streets during the entire term of the fighting.

Still, on Monday morning the government troops appeared to control all the principal squares of the city. Then came a period when it was impossible to distinguish one side from the other. There was no definite line between the factions. The turning point appeared to come about three o'clock in the afternoon. For two hours the opposing regiments passively confronted each other along the wide Liteiny Prospect in almost complete silence.

From time to time, emissaries from the revolutionary side rode to the opposing ranks and exhorted them to join the side of the people. For a while the result seemed to hang in the balance. The troops appeared irresolute, awaiting the commands of their officers, who themselves were in doubt as to what they should do.

Desultory firing continued along the side streets between groups of government troops and revolutionists, but the regiments upon whose decision the outcome rested still confronted each other with machine guns and rifles in readiness.

Joined Revolutionists.

Suddenly, a few volleys were exchanged; there was another period of silent suspense, and the government regiments finally marched over to join the revolutionists. A few hours after the first clash, a entire sec-

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