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## LAW IS AMENDED AS TO BORROWING

Ten Per Cent of Bank's Capital and Surplus Clause Does Not Apply to Cotton in Transit.

## IS NOT MONEY BORROWED

As Long As Goods Are in Shipment and Draft and Bill of Lading Together Limit is 25 Per Cent.

Columbia, S. C., Aug. 7.—The South Carolina Cotton association is in receipt of the following dispatch from Washington:

"The house of representatives has just passed a bill which would amend in two particulars the existing law so as to facilitate the carrying of cotton and other non-perishable marketable staples to a more liberal extent than has heretofore prevailed. The measure stands an excellent chance of becoming law.

"Representative W. F. Stevenson, of Cheraw, who is a member of the banking and currency committee, introduced bills looking to this end in consequence of request from the South Carolina Cotton association.

"The result was that the banking and currency committee reported a bill which provided that "drafts and bills of exchange secured by shipping documents conveying or securing title to goods shipped, and including demand obligations when secured by documents covering commodities in actual process of shipment, and also including bankers' acceptances of the kinds described in Section 13 of the Federal Reserve Act" shall not be considered as money borrowed and subject to the provision that no one person could borrow over 10 per cent of the banks' capital and surplus.

"Under ruling by the comptroller in 1917 it was decided that if such drafts were held by the banks for more than a reasonable time awaiting the arrival of the cotton or other merchandise they become promissory notes and subject to this 10 per cent provision. Under the present method of handling cotton, this ruling tied up the shipper of cotton and hampered the dealing in it very seriously.

"The bill which has passed the house would make it absolutely sure that as long as the goods are in shipment and the draft and bill of lading are held together, the 10 per cent limit does not apply. In addition to that the bill amends the law so that a farmer or a merchant may borrow on notes secured by shipping documents, warehouse receipts, compress receipts, compress receipts, etc., as much as 25 per cent of the capital of the bank, provided the warehouse receipts securing the note are worth 10 per cent above the amount of the note.

"In other words, with a warehouse receipt of cotton for \$10,000, a man can borrow \$9,000 and he can do enough of this to take up 25 per cent of the banks' capital and surplus, instead of 10 per cent as now allowed. Although the banking and currency committee has 13 Republicans and only eight Democrats, all but one member of the committee noted for the favorable report when it was proposed by Mr. Stevenson, the bill, by a majority of 240 or more votes against 40."

## TREASURE ISLAND GETS BOWER IN BAD

Aged North Carolina Man Charged With Obtaining Money to Recover Damages and Gold.

Washington, Aug. 7.—Captain Charles M. Bower, alias Steele, 81 Statesville, N. C., is locked up here by the police charged with obtaining various sums of money from Washington on a scheme to recover diamonds and gold from Cozas Island off the coast of Costa Rica. According to the complaint lodged against him, Bower represented himself as captain of the steamer Mary Die which, he said, was captured by pirates while carrying the treasure to Peru. Escaping from his capture, Bower claimed according to the complaint that he located the treasure in the cliffs of the island. The informants against him alleged that he was collecting money to finance an expedition to recover it.

## TAKE STEPS TOWARD CONTROLLING PRICES

Enthusiastic Meeting of Farmers and Business Men Held in Columbia Wednesday.

## ATTENDANCE WAS LARGE

Between Six Hundred and Seven Hundred Representative Citizens From All Over State Were Present.

An enthusiastic meeting of farmers and business men was held in Columbia Wednesday when the plan and scope of the South Carolina Cotton association and the relation of this association to the American Cotton association was fully discussed. Between 600 and 700 representative citizens from all sections of the state were in attendance. The chief addresses were made by United States Senator E. D. Smith, A. E. Elmore, of Spokane, Wash., representing the wheat growers organization of the Far Northwest, Governor Cooper and J. Skottowe Wannamaker, president of the association. Brief talks were also made by A. A. Protsman, field organizer for the association, and B. Frank McLeod, also member of the state organization.

Within the next few weeks a statewide campaign for membership is to be conducted in every county. Farmers who join will be assessed 25 cents per bale on the basis of the 1917 crop. As the membership is for three years 10 cents a bale will be collected for the two succeeding years. Meetings are to be held in each county when strong addresses are to be made, setting forth the program of the association. Provision is also made for membership of professional and business men and bankers.

**Must Have Funds.**  
Throughout the meeting it was emphasized that the organization would be futile without adequate financial backing. Mr. Elmore explained that the wheat and fruit growers had combined in the West and had assessed themselves \$10 an acre. The faith the farmers had in their organization would be tested by the measure of generosity with which they come up to its financial needs.

No action was taken as to fixing a minimum price, although somewhat strenuous effort was made by E. W. Dabbs to have the organization go on record as estimating 50 cents a pound as a reasonable price. A meeting of all the state associations in the cotton belt is to be held about September 1, at which time one of the chief objects will be to agree upon a minimum figure.

What was possibly the most far-reaching effort of the day was the resolution calling on each county to buy all cotton that would be rushed to the market early in the fall before a minimum price had been set. Lang D. Jennings, of Sumter, led the fight for the adoption of this resolution, arguing that there was always a large block of cotton which was sold at the opening of the season, which cotton was sufficient to meet the immediate needs of the manufacturers, and would thus prevent control of the market by the growers. Mr. Jennings made an eloquent plea for the resolution, saying that no one would stand to lose a dollar and that each county was financially able to take care of the cotton hurried to the market. The resolution was adopted.

Another resolution was adopted calling on the president of the State Bankers association and the presidents of the chambers of commerce of Columbia and Charleston to call a meeting of bankers and business men of the state with the purpose of forming a trade acceptance corporation in South Carolina. Such a corporation was formed a few days ago in Georgia with a capital of \$2,000,000. It is estimated that a capital stock of from \$750,000 to \$1,000,000 would be necessary for the South Carolina branch.

**Governor Optimistic.**  
Governor Cooper was the first speaker. He was wholly optimistic as to the outlook for the cotton growers. The brightest days were just ahead. The success of the organization depended upon the support which the farmers gave it. Moral support was

(Continued on Page Eight.)

## THE EMPLOYEES WANT CAPITAL ELIMINATED

Demand Tri-Partite Control of Railroads Composed of Public, Operators and Employees.

## FAR-REACHING PROPOSAL

All Revenue in Excess of Guarantee to Owners is to Be Equally Divided Between Public, Operators, Wage-Earners.

Washington, Aug. 7.—Organized labor came out Monday with the unequivocal demand that private capital be retired from the railroads.

A tri-partite control composed of the public, the operating management and the employees is demanded instead.

Addressed to the American public and signed by the engineers, the firemen, the conductors and the American Federation of Labor, a formal statement was issued announcing this proposal, which will be carried before congress.

"It marks," says the statement, "the step by which organized labor passes from demands for wage increases to demands that the system of profits in industry be overhauled."

This sentence sums up in a few words the proposal of which there have been hints and indications, but which is now laid before the country for the first time. Everywhere in official Washington it is recognized as the most serious and far-reaching proposition the country will be called on to face.

Characterizing the proposal as "labor's bill," it is put forth as remedy for the high cost of living, because, the railroads are the key industry of the nation. It demands "genuine cooperation and partnership based on a real community interest and participation in control," of which President Wilson spoke to congress, and which the statement says has been ignored by labor and the private owners of the railroads.

"We ask," it says, "that the railroads of the United States be vested in the public; that those actually engaged in conducting that industry, not from Wall Street but from the railroad offices and yards and out on the railroad lines, shall take charge of this service for the public."

## Demands in Brief.

Briefly, labor's plan demands:

That private capital be eliminated from the railroads.

That the private owners receive from them government bonds "with a fixed interest return for every honest dollar that they have invested."

That the tri-partite control heretofore referred to be established, in corporations which shall lease the roads and in which the public, the operating managements and labor shall be represented equally.

That the public, the operators and the wage-earners share equally all revenue in excess of the guarantee to private capital, by granting to the operators and the employees one-half the savings which are expected to be made by such a perfected organization, and the public the other half as consumers, either by increasing service without adding costs or by reducing costs.

"This role originates with labor," says the statement, "because labor happens to have firm organization through which it may become articulate."

The trainmen are not represented in the statement because W. G. Lee, president of the brotherhood, was out of the city, but it was said they would join in it.

## Text of Statement.

The statement follows:  
"The inuendoes in telegraphed dispatches from Washington, appearing also in the speech of Representative Blanton, of Texas, that the railroad unions are 'holding up congress and the government' may as well cease. This appeal is made to the American people direct. It invokes the judgment and common sense of public sentiment, of all the public which earns a wage or a stipend. We recognize that the only way in which we can exist under the present system is to demand further increases in wages.

(Continued on Page Two.)

## A TIP FROM UNCLE SAM



To His Nieces and Nephews: "Beware of the man who offers you some thing 'just as good' for your Government securities."

## STRIKE LEADERS CLAIM 250,000 MEN ARE IDLE

Secretary of Federation Declares Men Are Determined to Stay Out or Get Demands.

Chicago, Aug. 7.—More than 250,000 railway shopmen of the country are idle tonight as a result of the strike called Friday by the federated railway shopmen's union, according to statements of leaders of that organization tonight after receiving reports from all sections. The officials said the strike is spreading, with no indication of immediate settlement.

John D. Sanders, secretary, declared the men will remain on strike until their demands for 85 cents an hour for machinists and 69 cents for helpers are granted. He said that regardless of what the international officers of the various unions may be doing at Washington, the rank and file of the men have determined not to recede from their demands, with back pay to January 1.

Mr. Sanders said no men will be removed from the wrecking crews and that no violence will be tolerated.

Union committees are touring the railway systems to see that the strike orders are carried out and hundreds of telegrams are being sent to various districts. Mr. Sanders said that by Monday virtually every railroad in the country would be affected by the strike.

Advises received by the union show that on the southeastern lines 36,000 men are out, Mr. Sanders said.

## WILL FORBID SALE OF CANNED SALMON

Grocers Purchase Lot of Unwholesome Food and the Same Has Been Condemned.

An order was issued by the state department of agriculture, commerce and industries Tuesday forbidding the sale of 12,000 cases of canned salmon bought by grocers from the war department.

The goods have been found unfit for public consumption and the sale will be forbidden. A number of cans have been taken to the state laboratory for examination by the state chemist and the condition of the food has been found to be dangerously unwholesome. The goods were bought by a group of about 20 grocers in the state among whom the 12,000 cases were distributed.

## Note to Roumanians.

Paris, Aug. 7.—The supreme council has sent a note to the Roumanian authorities begging them to conform to the conditions of the entente and not to embarrass any previous decision the work of the interallied commission sent to Budapest.

## ATTORNEY GENERAL AFTER THE PACK

They Are Accused of Violating the Anti-Trust Laws of the United States.

## WILSON TO OFFER PROSECUTION

First Development in Drive to Force Down the High Cost of Living Affects the Five Packers.

Washington, Aug. 7.—Anti-trust suits against the great meat-packing firms were announced yesterday by Attorney General Palmer as the concrete development of the government's campaign to reduce the cost of living.

Armour, Swift, Morris, Wilson Cudahy, who have been pictured in the investigations of the federal commission and before congressional committees as a great combination, control of food products, are again haled before the federal grand jury by special prosecutors.

The evidence in hand, Attorney General Palmer declared, "is a clear violation of the anti-trust laws."

Whether the prosecutions civil or criminal the attorney declined to state, mere that the law provided for.

The history of all the anti-trust prosecutions does not show a single individual serving a jail sentence for them. There are evidences government hopes for some present campaign.

**Hunting Profiteers.**  
While he was announcing the prosecutions, Attorney General Palmer was unleashing special agents on a country-wide profiteering and food hoarding. Prosecutions come under the control law.

All United States attorneys instructed to ferret out food hoarders and label them under federal law. "This is the most important business before the country today," announced the attorney general, propose to have the law enforcement machinery of the government track everything to this job.

President Wilson continued close attention to the food cost problem and declined a proposal to postpone his address to congress Tuesday next week, instead Friday. Republican Floor Mondell, of the house, suggests postponement because of absent members from Washington, but president declined in the forenoon of the Republican leader.

"I am very sorry indeed that not comply with your suggestion delay in the matter of my address a joint session of congress. A nation which impelled me last to ask congress to postpone it until my recommendations are submitted is still acute. I am under very serious consideration proper action of the government reference to the high cost of living and I feel that it is my duty to submit recommendations now for submission to congress."

"I have, therefore, asked the president and the speaker to a joint session of congress on Friday afternoon next at 4 o'clock."

**Probable Suggestions.**  
There was no intimation from White House as to the nature of recommendations the president make in addressing congress.

From the trend of the men's activities in an attempt to solve the living cost problem, in the view of several of the president probably would deal with these subjects:

Enlargement of the provisions of the Lever food control law to make it operative after the proclamation of peace and applicable to shoes, clothing and all life necessities in addition to food.

Legislation to reach the small individual profiteer as well as "business" extortion.

Legislation to define profiteering thereby making easier prosecution under existing laws.

Laws to make speculation in commodities a crime.

(Continued on Page 3.)