

## GLASSFORD TO START 'MODEL' VAGRANT CAMP

General's Site to Be Refuge for Homeless Boys: Opens April 1.

By United Press  
WASHINGTON, March 9.—On April 1, Brigadier-General Pelham D. Glassford will open on the banks of the Potomac "Camp America," which he hopes will prove to be the model for a string of similar camps wherein the hundreds of thousands of America's vagrant youths may find refuge.

Homeless boys have been Glassford's greatest interest, since he was deposed as Washington's police chief after the bonus army eviction.

He recently made a lengthy tour among the hobo jungles of the south, studying first hand the problem of the vagrant boy.

"With the passage of the Cutting or the Wagner bill," said Glassford, "Federal funds will be available as grants to states for the establishing of camps for transients."

### Not Organized for Profit

"Camp America will furnish data and experience that will be helpful in planning the organization and administration of other camps. This is its main purpose."

"It is not organized for profit. There will be no dividends and no salaries. The workers and students in the camps, from the camp commander to the latest individual enrolled, will receive the same compensation, never to exceed 10 cents a day."

"Land selected for the camps must present definite increase in value over the purchase price, as the result of an intelligent plan of development."

"A development project will be prepared for each site acquired."

### Wants Healthy Boys

"Contributors will receive a membership certificate denoting one membership for each \$20 invested. Upon final liquidation each holder of certificates will receive proportionate shares of funds derived from sale of improved lands, live-stock and all other property."

"All boys accepted must be of good character, healthy, industrious and bona fide victims of the depression."

"They will be trained in accordance with modern scientific methods under the most competent instructors available."

"Instruction will include the arts and crafts, music and other cultural subjects, citizenship, athletics and physical development."

### POLK TO FURNISH MILK

Dairy Company to Provide for Tuberculosis Patients.

One hundred thirteen indigent tuberculosis families will be supplied with milk by the Polk Sanitary Milk Company, the board of health announced Wednesday. The Flower Mission Society became unable to meet the demand because of curtailment of funds and the board took over the emergency project.

The Polk company has been supplying the milk to the Flower Mission Society, and volunteered to continue the service without cost during March and April.

### BANKS INSTALL RADIOS

Officials Will Listen to Address by Roosevelt Today.

Radios were installed in several Indianapolis banks this morning to enable bank officials to listen to President Franklin D. Roosevelt's address to congress today, to obtain first hand information which may help them in plans for re-opening.

The local situation hinges on action nationally and bankers here wish to keep step with events for their own guidance.

### WOMAN'S DEATH PROBED

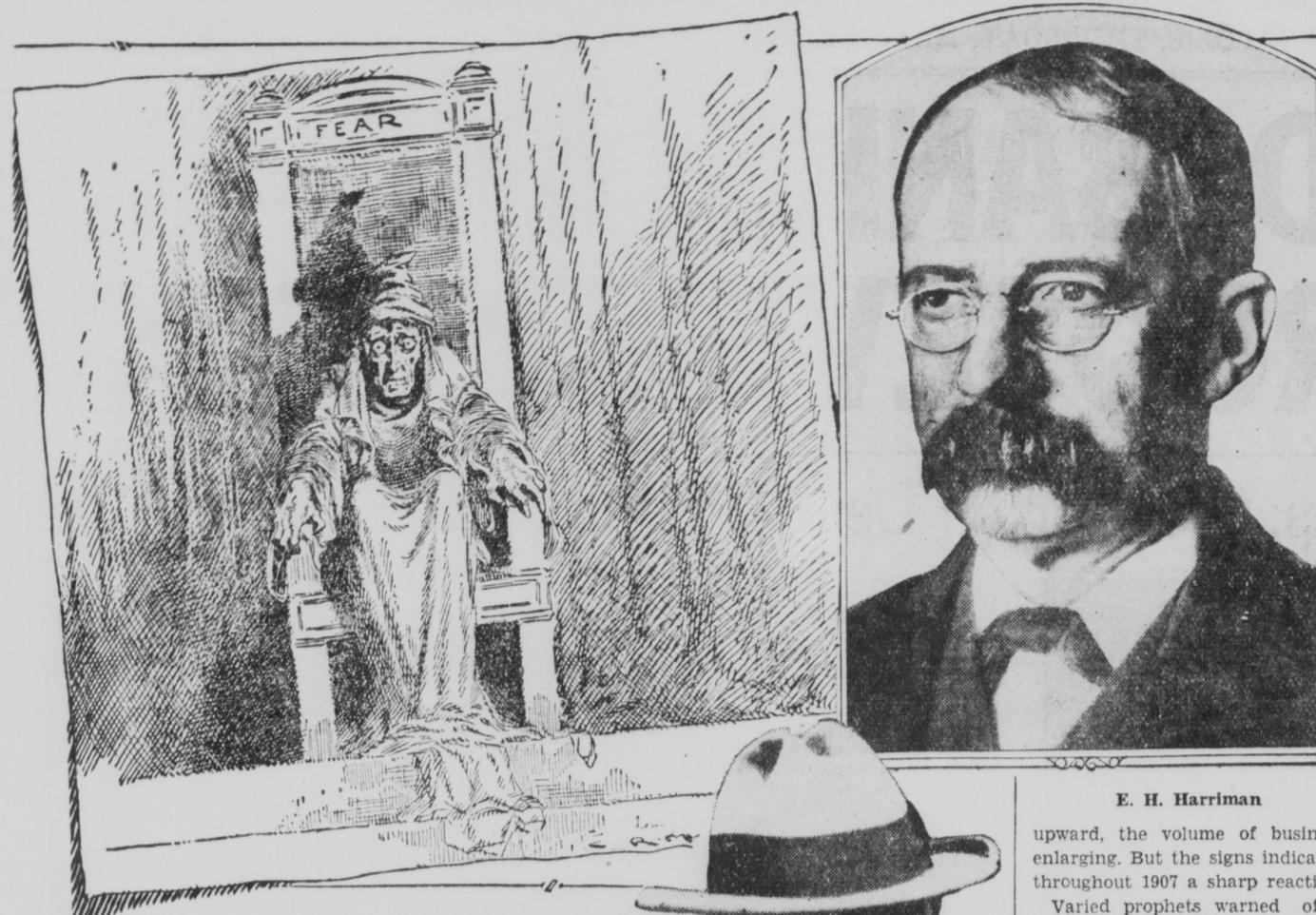
Deputy Coroner Opens Investigation in City Case.

Investigation to determine cause of death of Miss Gertrude George, 55, who was found in her room at a rooming house, 1336 Belletaine street, early today, will be conducted by Dr. John Salb, deputy coroner.

The body was found by Mrs. Adela Covert, director of the rooming house. Dr. Salb said Miss George had been dead only a short time. Mrs. Covert said the woman had been ill with influenza.

## GIRL'S GOSSIP CAUSED PANIC

Market Hysteria of 1907 Came in Wake of 'Prattle'



"Fears—the Mother of Panics," cartoon by Macauley from the World of October 25, 1907.

The country last was gripped by the hysteria of money panic, a quarter century ago. In 1907 the banking structure survived, confidence quelled.

How do the causes of that panic relate to the origin of our present difficulties? In the second article of a series today, Forrest Davis recalls the events leading to the panic of 1907.

BY FORREST DAVIS  
Times Staff Writer

THE artless gossip of a girl who couldn't keep a secret helped set in train the events leading to the money terror of 1907.

Heinze, mining engineer, promoter and gadfly of H. H. Rogers and the Standard Oil magnates, quietly had worked up his corner.

On Tuesday, Oct. 15, he ran United Copper up a dozen points.

When the Curb market, then,

in accordance with its name, an open air trading place in Broad street—opened on Wednesday the Heinze crowd continued to bid up United Copper.

The price ran in a swift flurry up to \$60 a share. But it held that peak only for a moment.

United Copper appeared from nowhere. It came on the market in a wave. Within an hour the price was hammered down 26 points.

With United Copper went half a dozen other Heinze mining stocks which had shared the rise.

Some one, it was fairly obvious, had broken the pool. The brokerage firm of Heinze's Brother, Otto C., declined to honor an order placed with Gross & Kleberg, who failed. United Copper dropped to 11.

The light-hearted offense with which the girl is charged was merely circulating Heinze's confidence.

She told persons who should, perhaps, not have known that Heinze, copper king, banker, plunger, a terror to the intrenched nabobs in the Street, meditated a corner in United Copper.

Whereupon he hell promptly became to pay in the Curb exchange. The corner in United Copper was solved. For one week, the six business days just prior to the currency panic week, Wall Street danced a frenzied rigadoon, brokers failed, prices fluctuated wildly on a swiftly descending scale and banks that had been speculating with the people's funds got shakier with each sundown.

It was November, 1929, in minia-

ture.

Unlike the current money crisis, the hoarding hysteria of 1907 was preceded by a stock market panic.

Our present stringency follows a similar market convulsion only after an interval of three and a quarter years.

The connection between the two upheavals in confidence can not clearly be traced—so many other factors have intervened.

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**F. AUGUSTUS HEINZE**, 38, jaunty, a rising man in Wall street, faced ruin. The ruin was slow in reaching its climax. The Street believed he had been betrayed.

The rumor spread that the girl's babbling had informed rivals or enemies. It generally was believed that Rogers, forced months earlier to declare a truce with Heinze in the costly war between United Copper and Amalgamated Copper, had been able to revenge himself upon the youngster.

Charles W. Morse, the ice and steamship king, and an associate of Heinze, was blamed for selling him out.

By Heinze, receiving a reporter in his office, refused with a show of irony to confirm the reports.

Asked if he had been double-crossed, the dethroned copper king replied that the term implied dis honorable dealing.

"We are all honorable men down here," he said, smiling out of the side of his mouth.

The failure of Heinze and his brother drew immediate attention to their banking interests. Heinze had captured the Mercantile National bank from the Gould interests by purchase, in December, 1906. The settlement with Rogers furnished the cash. In January he had been elected president.

On the night of Oct. 16 the New York Clearing House Association, which again has taken the lead in the current crisis, held a secret meeting to inquire into the affairs of the Heinze and Morse banks.

Both financiers had stretched out small "chains" of small banks, using the credit of one to buy another.

Commodity prices were tending



F. Augustus Heinze

upward, the volume of business enlarging. But the signs indicated throughout 1907 a sharp reaction.

Varied prophets warned of a reckoning. Schiff foresaw a "panic such as will make all previous panics look like child's play." Hetty Green and Andrew Carnegie, both in their fashion, prophesied doom.

The market never had recovered equilibrium since E. H. Harriman, the visionary one time \$2 broker, raided it in the fall and early winter of 1906.

Harriman poured a total of \$131,970,000 into the market within five months, buying New York Central, B. & O. and Atchison, Union Pacific rose thirty-five points within a fortnight after Harriman unexpectedly increased the dividend rate from 6 to 10 per cent.

Bank credits, thrown out of balance, then had not been shaken down by March of 1907.

And so, in October, 1907, with London suddenly withholding funds from New York, with crises current in Hamburg, Japan, Holland, Chile and elsewhere, the New York money market was ripe for trouble. It lost no time in coming.

The story of bank runs and demoralization during the early days of the 1907 money panic will be related next.

The clearing house on that day cleaned house in four banks.

By Monday the first business day of money panic week, Wall Street breathed easy. The affected banks, it was said, were sound.

Hope was expressed that the stock markets presently would absorb the disasters of the last week.

The people, refusing to be diverted, demanded their money back and the streets soon were to be blackened with depositors on the march. The events set into motion by the prattle of a girl friend were running their dangerous course.

Meanwhile, the stock markets knew no let-up. Heinze's abortive corner had, indeed, brought to a climax a long-sustained pressure on the securities exchanges.

In the preceding month a so-called rich man's panic had shaken out hundreds of millions in values. Periodically thereafter the market had been convulsed by bear raids.

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**ON** five continents times definitely were turning out bad and the effects spread to New York. This country had expanded at a prodigious rate after the minor credit recession of 1903.

Commodity prices were tending

upward, the volume of business

## 'A LEADER HAS COME,' IS VIEW OF WASHINGTON

Capital Is Amazed by Way Roosevelt Has Gone to Work.

(Continued From Page One)

manner that may mean more than people outside of Washington now realize. It was a question which has harassed his predecessors and led to some disturbing scenes at the heart of the government.

The question was whether Communists should be permitted to parade their grievances in front of the White House. Though it came too late to prevent a clash with police in which twenty people were hurt, it is law for the future.

Cops Are Called Off

As he alighted from the White House elevator on his return from the Walsh funeral in the senate, Steve Early, his press secretary, stepped up.

The District of Columbia commissioners—the same who certified to Herbert Hoover the grave need for sending tanks, bayonets and bombs against the bonus army—had fled into the executive offices.

"Take this, Steve," replied the chief executive. "If the marchers do not interfere with normal traffic arrangements, I see no reason why they should not parade."

The cops then were called off.

After this laboratory lesson in law and disorder, the President met thirty-six Governors already assembled in the East room. He shook hands with them, gossiped with them and softened their grimness with the joshing reminder that "I was a Governor myself once."

Sitting in their midst, he explained the steps that had been taken in the banking situation and discussed other questions involving both state and federal governments. With a wave of the hand he left with the invitation that they drop in to say goodbye before adjourning. They unanimously adopted a resolution pledging bipartisan support of his administration.

Seen in Two Moods

The senate saw the chief executive in two moods, and both reflective of the heaviest of his troubles and the resilience of his spirit.

During the deeply moving services for his old friend, the good gray fighter from Montana, Mr. Roosevelt sat in the senate well with head bowed down. He might have been a graven statue but for the ceaseless movement of his thumbs. He raised his head once to gaze at Archbishop Curley, and once so as to hear better the low strains of "Lead, Kindly Light" sung by the surprised choir.

Mr. Roosevelt, returning to the White House for more consultations, seemed comforted by the spirit with which those around him followed on, and by the nation-wide response to his energetic moves.

The glass snake has a long tail that can be broken off easily and without permanent injury to the snake, which merely grows more tail.

He discussed the budget with young Lewis Douglas, good-looking budget director from Arizona, and army economics with George H. Dern, secretary of war.

As a somewhat ironic aftermath

## Poor Rich

Michigan Boulevard Child Tells Taxi Driver Mother Is 'Broke.'

By United Press

CHICAGO, March 9.—A young society matron and her richly dressed 4-year-old daughter were walking down Michigan Boulevard today.

A taxicab stopped at the curb. "Taxi," the driver shouted. "Go away," said the child; "we haven't any money."

to the afternoon, he conferred with James H. Perkins, the new board chairman of the National City bank of New York.

The sight of Perkins striding through the outer office recalled that Mr. Roosevelt had prompted the resignation of his predecessor, Charles E. Mitchell, as one of the first leads in the "new deal."

There was no rest for the President even then. At the treasury the experts had bumped up against the difficult problem of making local scrip a medium of national interchange that would not have a high value in one city and a low value in another. Mr. Woodin and his aids, including bankers, had not found the answer.

So at 7 o'clock there filed into the President's office, only to discover that he had left for the mansion.

Mr. Woodin and Arthur A. Ballantine, assistant treasury secretary under Mr. Hoover. With them was George W. Davison, president of the Central Hanover Central Bank of New York and reputed author of the 1907 clearing house scrip plan.

Woodin Remains Serene

They were so dapper at the end of so wearing a day that it was comical. Woodin, in check gray suit, tie and spats to match; Davison, a distinguished, snappy figure; and Ballantine arrayed in a black suit and tie and shoes.

It was from this conference that there came the regulation permitting withdrawal of 100 per cent of demand basis. More important was the ruling, possibly a permanent one, that some banks shall become simply a depository for funds to be retained or invested in government securities.

The day just was beginning for Woodin, however. After a hurried dinner he returned to the treasury to discuss the scrip plan's effect on New York, and the need for new legislation with two representatives of Governor Herbert Lehman. That conference lasted until almost midnight, and only a few sleepy guards were at the door as he softly walked out.

Much Better on Potomac!

The President also spent the evening in work. He was at the telephone for hours as he got late reports of legislative planning, banking developments throughout the country, and the world's reaction to his order that the first duty of America's \$4,200,000 gold store is to the folks at home.

He was abed shortly before midnight, but he had a call in for breakfast of a double helping of orange juice, ham and eggs, toast and coffee for 8 o'clock.

And all seems much better along the Potomac!

## AMERICANS ARE ATTACKED BY HITLER'S NAZIS

German Government Expresses Official Regret for Terroristic Acts.

By United Press  
WASHINGTON, March 9.—The German government has expressed regret officially to the United States for recent attacks by Nazis on Americans in Berlin. Ambassador Frederick Sackett reported today to the state department.

The ambassador revealed that he had been forced to protest twice to the foreign office.

On Tuesday, he took up the cases of three Americans mistreated by members of the brown-shirted ruling party in Germany.