THE OMAHA DAILY BEE.

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GROVER CONCLUDES TO HEDGE

He Sees His Mistake and Countermands the Confederate Flag Order.

FAIRCHILD'S TERRIFIC SENTENCE

"May God Palsy the Brain That Conceived and the Hand That Wrote the Order"—Fierce Indignation Aroused.

Cleveland Crawfishes.

WASHINGTON, June 16.—[Special Telegram to the BEE.]—The battle flags captured by the union forces from the men on the other side, who used to be called "rebels" before the democrat renaissance, are not to be returned to the southern states after all, as will be seen by the following letter sent to the secretary of war by the president to-day: "I have to-day considered with more care than when the subject was orally presented me the action of your department directing letters to be addressed to the governors of all states offering to return, if desired, to the loyal states, the union flags captured during the war of the rebellion by the confederate forces and afterwards recovered by government troops, and to the confederate states the flags captured by the union forces, all of which for many years have been packed in boxes and stored in the cellar and attic of the war department. I am of the opinion that the return of the flags in the manner thus contemplated is not authorized by the existing law nor justified as an executive act. I request, therefore, that no further steps be taken in the matter except to examine and inventory these flags and adopt proper measures for their preservation. Any direction as to the final disposition of them should originate with congress. Yours truly,

GROVER CLEVELAND.

Never since the surrender of Appomattox has an incident occurred that has caused so much feeling among old soldiers as the report that the president had authorized the return of those emblems. Not only in the states where the soldier element is the strongest, but in every section of the country, the feeling engendered by this unwise and unpatriotic order is of the most intense character. Old soldiers here have been fairly flooded with telegrams to-day protesting against the surrender of the flags. Here is a sample telegram received from a western town:

"Can it be that there are not enough men in Washington who fought for the union to prevent the removal of those flags from Washington? If not, we have enough here to burn every one of them before a single scrap of the bunting is carried away."

One man who lives in Georgetown had two brothers shot down while defending the colors of their regiment. The colors were captured by the rebels and were subsequently retaken by the company. They also took the flags of the rebel regiment. These flags are among the number which it was intended to return to the poor fellows with whom Grover Cleveland sympathizes so much. The news of the intention of the authorities worked upon the feelings of the man who had given up two brothers to the defense of the stars and stripes so that he was completely prostrated. He had to be carried home in a cab and is reported to be in a critical condition to-night. No one can imagine what induced the secretary of war to propose such an assinine move to the president. General Drum admits that he has not had a single request from a southern company or southern state for the return of the flags. He must have been aware, too, that the proposition was in direct violation of the law, as the act of 1814 sets forth very clearly that captured flags shall be displayed at the seat of government, and that they shall be in the custody of the authorities. He must have been aware that they could only be withdrawn by act of congress.

To-day General Drum was asked by your correspondent for permission to look at the books in which the histories of the captured flags are kept. He declined to allow any one to see them, pleading as an excuse that the clerks were busy preparing the lists of those which were to have been returned. He said that the flags would certainly be returned in spite of the protests which had been raised against such action, and intimated that he had no sympathy with the feeling of the men who protest against their return.

Colonel Dan Lamont, private secretary to the president, attempted to shift the responsibility for the order from the shoulders of the president to those of the adjutant general of the army. Daniel said that the president never signed the order, and he doubted if his chief was aware of the import of the matter. He was probably correct in this, as no order has been signed, but inasmuch as the president gave verbal assent to the proposition to write to the governors of the southern states, he alone should bear the odium which will attach to the action. The afterthought will not serve to wipe out the stigma.

General Boynton, acting for the governor of Ohio, had begun legal proceedings and had retained Messrs. Boutwell and Shellabarger to sue out a restraining order, and this fact became known to the president together with the further fact that the court was likely to issue an injunction, before he found out that there was no law for the proposed action of the officials of the war department.

[Press.]—The following statement with regard to the president's action concerning the proposed return of the battle flags was make at the white house to-night to a representative of the Associated press: When it was proposed to the president by the adjutant general, an important feature suggested was the return to the loyal states of the flags which had been captured by the confederates and retaken by our army at the collapse of the rebellion. They, with such confederate flags as had been captured from the enemy by our troops, had for a long time remained uncared for and neglected, packed away in the cellar of the war department, and had been removed to the attic as a better place for safe keeping. The disposition of the flags, which seemed to be answering no good purpose where they were was the main point, and the consideration was presented to the president that some flags had been returned to the loyal states upon their request in individual cases, and the rest, if desired, might as well be restored together. The return of the confederate flags which were with the others in the department was suggested, but there was not the slightest thought of interfering in any way with the captured flags now held by any state. The fact was apparently received with favor by the country that lately, in one or more cases, northern troops visiting their late antagonists at the south had returned to them flags which had been captured in battle from those whose hospitalities they were receiving. The further fact that the northern troops who, within a short time, had been visiting southern battle fields, had spoken in the firmest tones of the kind and hospitable treatment they had received from former confederate soldiers, and the fact, too, that soldiers from the north and south were just gathering at Washington to meet in friendly competition at the national drill, seemed to indicate that if the union flags were returned to the loyal states which had lost them in battle, it would not be inconsistent with the fraternal sentiment which seemed to prevail to offer at the same time to the governors of the states formerly in rebellion the return of the flags which we had taken from their soldiers. The right of the department to make these returns being questioned by the president, such right was distinctly asserted and precedents alleged, and thereupon his oral assent was given to the proposed action. The matter was dismissed from his mind until comment thereupon within the last day or two had brought it again to his attention, when, upon personally examining the law and considering the subject more carefully, he satisfied himself that no disposition of these flags could be made without congressional action, whereupon he directed the suspension of operations by letter made public this evening.

Injunction Proceedings Begun.

WASHINGTON, June 16.—[Special Telegram to the BEE.]—Proceeding were instituted to-day in the supreme court against the secretary of war as the representative of the president to prevent the return of the confederate battle flags captured by the troops of the state of Ohio. General H. V. Boynton, correspondent of the Cincinnati Commercial-Gazette, made the necessary affidavit and Governor Forrker is in telegraphic communication with the attorneys, who are Messrs. Shellabarger, of Shellabarger & Wilson, and ex-Governor Boutwell. Early action will be taken by the court. The affair has set the ex-soldier element on fire and violent language is being used against the administration.

Fairchild's Terrific Words.

NEW YORK, June 16.—"May God palsy the hand that wrote the order!" "May God palsy the brain that conceived, and may God palsy the tongue that dictated it." Grand Army of the Republic veterans heard these words with bated breath, and glanced at each other with awe as the terrible sentences rang out from the commander-in-chief of the Grand Army of the Republic last night in Association hall in Harlem. The occasion was the reception tendered to the commander-in-chief by Alex. Hamilton, Post 182 of the Grand Army of the Republic. Visitors were present from every Grand Army post in this city and vicinity.

Before the meeting opened it became known that General Ross, of Austin, Tex., had received a letter from the adjutant general of the United States army stating that the president had approved the recommendation, and the writer had been instructed by the secretary of war to restore all confederate flags in care of the department to the southern states from whose regiments flags had been captured during the war of the rebellion. General Fairchild entered the hall with stern features. Without hardly waiting for the usual courtesies, the one-armed leader burst forth with the expressions recorded above. The general told of the news received by telegraph that the president had approved of the return of the "rebel" flags and how those flags had been won by the veterans of the Grand Army of the Republic in open conflict with the enemies of the nation. The veterans had placed their trophies in the care of the war department. They were intended, he said, to be kept in the archives of the nation as mementoes of the hard won fields of battle. He continued: "How can the present loyal governors of the southern states accept the emblems of treason after their professions of loyalty to the Union? Must they not return them to the secretary and say they have nothing to do with the flags as rebel organizations are extinct and their governors are dead?" General Fairchild said he had frequently listened to sentiments which caused him to bite his tongue in an effort to maintain self-control. In the nine months past he had visited Grand Army of the Republic posts in every state in the north, east and west. He had never in any past meeting heard anything but kindly feelings expressed towards the men who had looked into the gun barrels of the northern troops during the war. As commander in chief he had tried to encourage this kindly feeling. Now this was changed. The time had come to speak in the name of the organization. If he could not protest against it as commander in chief of the Grand Army of the Republic, he would resign and protest as a private citizen. But he was satisfied that 350,000 Grand Army of the Republic veterans would rise as one man in solemn protest against any such disposition of the trophies won at such fearful sacrifice of blood. Raising his only hand, the general said: "I appeal to the sentiment of the nation to forbid this sacrilege."

There was a moment's silence when a wild hurrah went up and was repeated. Then came loud calls for Corporal Tanner. He apologized for coming without his Grand Army of the Republic badge. After the action of the president in the case of the rebel flags, the next thing would be an order demanding that the veterans of the war should return their Grand Army of the Republic badges as they were made of metal cast from guns captured in the war. He was not surprised that such an order should emanate from a man who, during the war was in the full vigor of manhood, sturdy and strong, yet who was represented in the field by a substitute drawn from the Erie penitentiary. Every member should rise in his might as a veteran and protest against this desecration. The proposed trip of Cleveland to St. Louis had been discussed by the veterans. He had advised western veterans to treat the president with the respect due him, but now had come an order from which nothing could come but condemnation and result in damnation.

These remarks were received with shouts and cheers. Then Edmund Kendricks, late inspector general of the department of New York, under General Sickles, leaped to the platform and offered the following resolutions:

Whereas, The president of the United States, having approved the recommendation that all battle flags in custody of the war department belonging to the southern states in rebellion during the late civil war, be returned to the respective states which bore them, for such final disposition as they may determine, be it

Resolved, That this post views with surprise the action of the president and records its protest thereto.

Resolved, That the sacrifice of blood which captured the emblems represents a sacrifice to liberty, national union, and to God.

Resolved, That no sentiment of generosity and no expression of magnanimity is involved in the surrender of these covenants of national honor.

Resolved, That it only now remains to direct that the new battle flags of the union be distributed among the representatives of the so-called confederacy, and as fitting acknowledgment of righteousness of the "lost cause."

Resolved, That this post expresses its disapprobation of this act of the first president of the United States who has held the office disassociated from the memories of war for the union.

The resolutions were carried with a shout.

Arrangements will be made to have a mass meeting of veterans next week to protest against the action of the president.

A Washington special to the Evening Post says that Adjutant General Drum, in answer to a query as to the return of the flags, standards and colors which were captured from the confederates during the war, said: "We are going to return them all to the states, north and south. The president has recommended that it be done, and I am now having full lists made of all these trophies in the possession of the department. In a short time we shall have the whole collection assorted and separated, that we shall be ready to forward to every state in the union whatever flags belonging to the state volunteers fell into the hands of the federal army and into the possession of the war department."

Thayer Files His Protest.

LINCOLN, Neb., June 16.—[Special Telegram to the BEE.]—Governor Thayer to-day forwarded the following message to Grover Cleveland:

To the President of the United States, Washington, D. C.: In the name of the soldiers and people of Nebraska, I respectfully but most earnestly protest against the return of the rebel flags captured by our armies in the late war. In that struggle we were right and they were wrong. To return these emblems of treason would be to reverse this sacred truth, and the next act of humiliation would be for us to apologize for having captured and retained them so long. The lessons of the late war faint not and will not be reversed. The people are indignant at this proposed return of these flags, and they declare with united voices and emphasis that treason must be forever odious.

[Signed] JOHN M. THAYER, Governor.

The governor had scarcely the above message formulated and forwarded until the messages began to pour in from the different Grand Army post in the state and from prominent Grand Army men. Among the messages received were the following:

HERMAN, Neb., June 16.—To Governor John M. Thayer: We most earnestly protest against the return of the rebel flags.

[Signed.] A. GASLIN, H. G. MUNDOLPH, Post 189, G. A. R., Nebraska.

OMAHA, Neb., June 16.—To Hon. John M. Thayer, Governor: Don't let the day pass without your protest in words that will be heard against the return of the rebel flags.

[Signed.] T. S. CLARKSON.

SCHUYLER, Neb., June 16.—To John M. Thayer, Governor: In the name of loyalty, the state of Nebraska and the loyal soldiers, protest against the return of the rebel flags.

[Signed.] H. C. RUSSELL, Department Commander G. A. R.

Indignation at Schuyler.

SCHUYLER, Neb., June 16.—[Special Telegram to the BEE.]—A large and enthusiastic indignation meeting was held at the opera house here this evening protesting against the action of President Cleveland in the matter of the confederate flags. Speeches were made by Russell, Hoxie, Cody, Hulges, Woods, and others, and the following resolutions were adopted:

Whereas, Grover Cleveland, acting in his capacity as president of the United States, having ordered or permitted the return to the states recently in rebellion against the government the rebel flags captured by federal troops; and

Whereas, We, as loyal citizens of the government, believing this to be a concession to the sentiment of treason, therefore be it

Resolved, That it is with pain and sorrow that we hear of this insult to our flag, and do enter our solemn protest.

[Signed.] JOSEPH F. WOODS, F. M. HATCH, JOHN C. SPRECHER, HARRY PHELPS, W. T. HOWARD, A. E. CODY, committee on resolutions.

Iowa Veterans Boiling Mad.

DES MOINES, Ia., June 16.—[Special Telegram to the BEE.]—There has been nothing for years that has stirred the feelings of Iowa people like Cleveland's order returning the rebel flags. It is the one topic of conversation and men speak of it with the same spirit they did of the firing on Fort Sumter. All classes unite in outspoken and unsparing condemnation of the outrage. The old soldiers especially are fighting mad, and if curses could do it, Cleveland would be buried a thousand leagues under ground. From the governor down to the humblest citizen there is one unrestrained expression of indignation. Everybody is pleased that Governor Larrabee responded so vigorously and in the name of the state of Iowa protested against this surrender of the flags which Iowa soldiers gave blood and treasure to capture. The governor said to-day that he should take prompt measures to prevent the return of the flags captured by Iowa troops, and he will either send a representative of the state to Washington to institute formal proceedings to prevent it or he will act through some representative already there. There is no question about the public feeling in this state, and the citizens are proud, without respect to party, that Iowa stands side by side with Ohio in being the first states in the union to protest against this base and shameful act of dishonor. The old soldiers say that they have nothing against their former opponents, who fought gallantly and accepted the results of the war, but they denounce with infinite scorn and contempt the copperhead president who now interferes to make political capital by a gratuitous tender to southern pride. There are nine rebel flags in the state arsenal here, and there has been much talk all day about the probability of their being sent for by the war department to be returned south with the order. It is safe to say that they will never be taken from here, as the Iowa blood is boiling, and the flags will be destroyed before they are ever given up. The list of these rebel flags here is as follows: Rebel garrison flag, captured by the Eighth Iowa cavalry by Captain John Dauce, of Co. K; inscription on the flag, "Independence or death." Rebel cavalry colors, captured by Sergeant George H. Miller, Co. H, Fourth Iowa cavalry, from the Fourth Missouri rebel cavalry, at the battle of Osage on October 25, 1864. Fragments of the first secession flags hoisted at Montgomery, Ala. Rebel flag taken from the south Carolina state house as the union troops marched through Columbia. Rebel flag captured at Yazoo, Miss., July 14, 1863, by a member of Company A, Nineteenth Iowa infantry. Rebel battle flag captured by the Thirty-third Iowa infantry at Helena, Ark., July 4, 1863. Rebel flag, "Small II," captured in a raid at Cairo. A rebel flag and rebel cavalry guidon without description or history.

Hon. John A. Kasson, late minister to Germany, and for many years congressman from this district, when seen by a reporter, was found boiling over with indignation at Cleveland's order. He said; "I can scarcely trust myself to speak, I have so little patience with the whole proceeding. It is the grossest, the most infinitely gross outrage I have ever known in the history of this country. It is not the fact that the rebel flags are returned to the ex-rebels who carried them, but that Mr. Cleveland, without asking permission from the men who captured them, or from congress, or from any one authorized to speak for them, should assume to dispose of government property for the paltry purpose of furthering his own political ambitions. I class the flags in the same category of government property as guns, wagons, artillery trains and other munitions of war captured from the enemy. They are the property of the government and cannot be disposed of except by permission of congress. Mr. Cleveland looks at the flags as if they had no value except for the muslin and poles that compose them. He overlooks entirely their moral value to the moral sentiment of the nation and to the men whose individual gallantry in so many instances captured them. He does not attach a bit of sentiment to them so far as the south is concerned, and pretends that they will assist in the work of reconciliation between the sections. On the contrary, they will have the opposite effect. For some time after the war they were kept in the department at Washington, exposed to public view, but as the states came back to the union, and fraternal relations were being encouraged, it was suggested that it would be unpleasant for citizens of the south visiting the public buildings to see before them the reminders of their defeat, and so congress authorized the removal of the flags to a separate room out of sight and yet in the custody of the government. But now, if they are returned to the south, they will at once be put on exhibition in their state houses and public buildings, and be flaunted in the face of all to perpetuate the old rebel memories and the animosities of the war. Returning these flags will do more to keep open the breach between the sections than their peaceful rest at Washington would in a thousand years. Nobody has asked for them, nobody exacted to have them returned, and if there are any governors of southern states who have any manliness or chivalry, they would refuse to receive them from the president, but would send them back with the message: 'These flags were won by gallant men from gallant men on hard-fought fields, and they shall be kept by the gallant men who captured them until they themselves shall choose to give them up.' If there was a district attorney at Washington with sufficient spirit and pride, he would file an injunction enjoining the secretary of war from disposing of government property without permission from congress. I have carefully examined the statistics and the reports, and I find no authority whatever for Mr. Cleveland's action, and there never, since I have been connected with public affairs, has been a precedent for this outrage."

Crocker post G. A. R., representing the leading ex-soldiers of this city, held an indignation meeting to-night, addressed by Hon. John A. Kasson and others denouncing Cleveland's order returning the rebel flags. Ringing resolutions of protest were adopted with great entusiasm.

Warm Comment at New Haven.

NEW HAVEN, Conn., June 16.—The Grand Army posts of this city united in a monster camp fire. Fully 5,000 persons were in the armory the moment after the doors opened. Many distinguished guests were present, among whom were Generals Fairchild, Sherman, Sheridan, Schofield, Terry, Greely, Hawley and Porter; Colonel Fred Grant, Governor Lounsbury and others. Commander Taintor welcomed the distinguished guests, and, referring to the contemplated return of the confederate flags, said: "I believe the Grand Army has a proprietary right in those flags purchased with blood." Commander-in-chief Fairchild said, among other things: "Since about 1867, the Grand Army has been the friend of the south. We have no sort of hate or malice against our old foes anywhere, and are ready to extend to them the right hand of fellowship. Notwithstanding all this, I most emphatically assert that the southern states have no manner of right to take from us relics of the late rebellion in the shape of rebel flags. Would the governors of those states place them in their capitols as emblems to be revered and teach coming generations treason? No loyal governor of any state in this union will receive them." General Fairchild concluded by saying he spoke in defense of the southern people, whom he felt sure would feel insulted by having those flags thrust upon them. Governor Lounsbury said he should enter a vigorous protest against the removal. General Sherman excused himself from speaking. Senator Hawley then read a dispatch saying the president had countermanded the order. This was received with much applause. Generals Sheridan, Terry, Greely, and Colonel Grant also spoke.

Bayard Believes It Brave.

NEW YORK, June 16.—The Post says: A dispatch from Washington to the Baltimore Sun of this morning quotes "a gentleman of prominence in political circles" (probably Secretary Bayard), as saying: "The order is one of the bravest, wisest and most patriotic ever performed by the executive of a great people. By a stroke of his pen the president has done more to unite the states and confirm the union than all precedent proclamations and legislation. There never can be a united people so long as the conquerors in civil war glory over the conquered, and anything which keeps alive the feeling of once existing sectional hatred should be wiped out. The act of the president is brave because it has already aroused the rage of the professional office-seeking soldier organization and partisan journals which seem, in many cases, to have no other excuse for a being than to keep alive and bequeath from father to son the never-dying spirit of hatred.

The Feeling in Illinois.

CHICAGO, June 16.—The Chicago News Springfield (Ill.) special says: Representatives of about thirty Grand Army of the Republic posts of Illinois met this morning and adopted resolutions protesting in vigorous language against the return of the captured confederate flags to the original possessors as contemplated in the order recently announced by the war department, and asking Governor Oglesby to telegraph President Cleveland an earnest protest against the action and request for such action as may be necessary to preserve and protect for Illinois soldiers the flags and trophies captured by them in the war.

BLOOMINGTON, June 16.—Department Commander Sweetzer, of the G. A. R., to-day received telegrams from many different posts throughout the state protesting against the return of the flags to the confederate states. He telegraphed an earnest protest to the president.

The War Department Denounced.

NEW YORK, June 16.—Winchester post No. 197, G. A. R., met to-night in Brooklyn and passed a series of heated resolutions denouncing the order to return to the several states the captured battle flags. A copy of the resolutions was ordered forwarded to the president. One of the resolutions read as follows:

Resolved, That in the opinion of this post the officials of the war department in advising this unwarranted action have proved themselves unsoldierly, unpatriotic, and unfit to wear the uniform of their government.

Wisconsin's Governor Protests.

MILWAUKEE, June 16.—A special to the Evening Wisconsin from Madison, Wis., says Governor Rusk, who is greatly roused by the determination of the administration to return all rebel flags to the original southern companies from which they were taken, has sent a letter to Adjutant-General Drum, requesting that the rebel flags captured by Wisconsin troops in the late war be returned to the state. Governor Rusk also wired a protest to President Cleveland against the return of the flags. Grand Army posts in Wisconsin will hold meetings to protest against the action of the war department.

A Howl From Kansas.

TOPEKA, Kan., June 16.—Much indignation is expressed here over the return of the confederate flags to their respective states. A large number of G. A. R. men called upon Governor Martin to-day, who sent a telegram to President Cleveland, protesting in the name of the citizens of Kansas against the action as an insult to the heroic dead and an outrage to the surviving comrades. He added that no officer of the government had the legal or moral authority to surrender the flags.

How Ohio Veterans Took It.

COLUMBUS, O., June 16. Governor Foraker received to-day many telegrams from all over the state approving the stand he took in regard to the rebel flags. The announcement that the president had revoked the order caused great rejoicing here this evening. Arrangement had been made to hold mass meetings to discuss the matter, but the dispatch from Washington seriously interfered with the resolutions which had been prepared.

Vigorous Resolutions at Cincinnati.

CINCINNATI, June 16.—Every Grand Army post in Cincinnati passed resolutions to-night condemning the proposition of the executive at Washington to return the captured confederate flags. The attendance at all of the meetings was large, and the resolutions vigorous.

A Kick From Colorado.

DENVER, June 16.—A meeting of Grand Army men was held this afternoon to take action in regard to the order restoring the captured rebel flags to the southern states. It was decided to telegraph Commander-in-Chief Fairchild the protest of the department of Colorado to the removal of the flags.

Sherman Approves Fairchild's Speech

NEW YORK, June 16.—The Mail and Express says: General Fairchild had a long talk with General W. T. Sherman this morning. It is understood that General Sherman approves of General Fairchild's speech last evening, but neither will talk on the subject.

California Wheels Into Line.

SAN FRANCISCO, June 16.—The department commander of the G. A. R. has telegraphed the commander-in-chief, protesting against the return of the flags, and asking the institution of legal proceedings to prevent it.

Michigan Protest.

LANSING, June 16.—A resolution will be presented to the legislature this afternoon, calling upon the president to rescind his order for the return of the rebel battle flags.

The Sharp Trial.

NEW YORK, June 16.—In the Sharp trial to-day, ex-Alderman Fulgraff, who was the first witness called, told about the same story of the "combine" that he had already told in former trials. He tripped himself up, however, on cross-examination, by swearing he received only $10,000 for his vote, whereas he swore on another trial it was $18,000. Several other minor discrepancies were also developed by the searching questions of Sharp's counsel.

News in the Hills.

DEADWOOD, Dak., June 16.—[Special Telegram to the BEE.]—Another smelter company has been organized here, with a capital of $50,000.

The dry house and 150,000 feet of dry lumber of Turner & Price burned this afternoon. No insurance.

Mrs. Peter Motro has eloped, leaving her husband and three-months' child.

CALM SUCCEEDS THE STORM.

Excitement In Chicago's Wheat Pit Cools Down and Reaction Follows.

THE WORST OF THE PANIC OVER.

How Kershaw's Trouble in Regard to Clique Money Occurred--Armour Gives His View of the Situation.

The Situation in Chicago.

CHICAGO, June 16.—[Special Telegram to the BEE.]—The unexpected occurred to-day. The hope that Kershaw might pull through was not realized. His failure seems to be complete. When this fact was fully appreciated the market did not "go all to pieces," but actually advanced and closed steady at nearly the best prices of the day. The bad effect of his failure had been in a large measure discounted and the great majority of the commission merchants who had trades with Kershaw & Co. had closed them out. Only one additional failure occurred to-day, that of J. J. Bryant, who was carrying 2,000,000 bushels of wheat for Kershaw. In simple truth the worst is over. It may take a few weeks or even months to clear away the wreckage, but by this time everybody in trade knows what their individual losses are and the panic may be said to be now a thing of the past. Of the three recognized clique houses only Irwin, Green & Co pulled through. The creditors and victims are contesting for their portion of what remains in the hands of Rosenfeld & Co. and Kershaw & Co, and the clique agents and their principals have also fallen to quarreling among themselves. Wilshire and Rekert, of Cincinnati, brought $600,000 to Chicago yesterday to sustain the market and protect their crippled and imperilled interests. It was brought on for a specific purpose, and, judging from the returns now in sight, it did not produce the results that were expected. How this money was used, where it went, why it didn't get where it was started for, and all about it are facts that may come out in the litigation that is springing out of this ugly business. The gentlemen who invested $4,000,000 to $5,000,000 in cold cash in a futile attempt to corner the Chicago wheat market are not likely to get back a very large percentage of it, but they may have the satisfaction of finding out just how it was they didn't succeed, and they may also have something to say about the final disposition of the skeleton over which such a lively fight has been inaugurated.

The calm that succeeds a storm was witnessed on 'change to-day. There were no signs of outward excitement to entertain the sweltering crowds in the gallery, and neither were there wild fluctuations in prices to disturb or excite the commercial world in the wheat pit. Only a moderate amount of business was done and steadiness was the ruling feature. The market has been bumping on hard pan and it was only natural that there should be a reaction. An immense amount of wheat has been bought on the break by foreigners and shippers at prices that leave a handsome margin of profit for actual shipment, and at the quotations ruling to-day there is a difference of about 20c between Chicago and New York.

The facts in regard to the deposit of money for Kershaw & Co. yesterday at the American Exchange bank, on which he founded his promise to pay in full, were these: Wilshire did deposit $600,000 to the credit of Kershaw & Co. yesterday morning. When C. J. Kershaw left there at 8 o'clock after an hour's consultation with Wilshire, D. W. Irwin, Hoyt, Cashier Dewar, C. B. Eggleston and several of the directors, there was nearly $800,000 on deposit, subject, as he supposed, to his check. He hurried down to the office of Armour & Co. and there told his friend, P. D. Armour, of his position, and his ability to stand everything down to 70c. It was not until 10:45 o'clock, when he went into Armour's office again, that he was told that his checks were being thrown out by the American Exchange National. He went out of Armour's like a shot to ascertain the trouble. The trouble was that immediately after Kershaw left the American Exchange bank, and when Wilshire produced the $600,000, to go, as he supposed, to the credit of Kershaw, Irwin, Green & Co. demanded half of it. President Irwin is senior partner in this house, and had this advantage—that he could credit the money as he was disposed to. When Kershaw's check for $200,000 from the clearing house went down for certification, it was thrown out. Some big checks had, however, gone through all right before. Among them were checks to Schwartz, Dufree & Co., P. B. Weare & Co., and a few others, aggregating, perhaps, $150,000, so that Kershaw's promises were made in good faith. If it had not happened that the president of the bank was also an applicant for more margins, Kershaw's checks would have been certified. There were two things which upset Kershaw's calculations yesterday morning. The most important, of course, was the seizure of a part of that $600,000 by Irwin, Green & Co., but Kershaw also checked out $68,000 to pay the claims of Schwartz, Dufree & Co., of Orr & Comes, P. B. Weare & Co., William Dunn & Co., and of one or two other concerns. Even after Irwin, Green & Co. had taken $300,000 of the deposit, there would have been enough to provide for the certification of the clearing house check, if this $68,000 had not been checked against, and if the holders of the checks had not rushed at once to the bank and got their checks certified. Dewar, Kershaw's partner, claims this morning that it was a great blunder not to pay the clearing house check before all others. That would have sayed the day.

Armour said this morning: "The amount of loss to this market is not nearly so severe as some of the unfortunate ones are claiming. There were more losses on the advance, for when this clique was advancing the market we who were straddled and between different markets paid out our money. But most of the failures so far announced were of men who were broke before this panic and who were simply waiting for a good excuse. They have been thus for twelve months, some of them. Nobody can lose money on Kershaw, for he is margined way down. He tells me this, and I know he would not lie to me. He would have gone through yesterday if there had not been a muddle at the bank. He came in here and said that he would pay down to 70 cents. The wheat is worth that, and the man who sells July at New York and buys cash wheat here has 5 cents a bushel secured. I offered 72¾ cents for 500,000 bushels of wheat to the bank yesterday when the market on the board was nominally 70 cents, and the bank would not sell it, thanks. All say they will not sell. There would have been a great deal of cash wheat taken yesterday but you could not do business. The banks would not talk to you. They were too busy with margins."

Suing For Cincinnati Money.

CINCINNATI, June 16.—Late this afternoon the American Exchange bank of Chicago brought an attachment suit with an application for garnishee to recover money belonging to Irwin, Green & Co., of Chicago, said to be on deposit in the Fidelity bank of Cincinnati. The suit seeks to recover $217,692 on a draft given by Irwin, Green & Co., of Chicago, to the American Exchange bank, which the Fidelity bank refused to honor on the ground that Irwin, Green & Co. had no such amount of money on deposit.

How It is in Milwaukee.

MILWAUKEE, June 16.—The situation on change this morning is devoid of sensational features. No settlements have been made and everybody is waiting to hear what Kershaw intends to do. It is said a failure will follow if Kershaw lays down altogether. The market is steady.

A special to the Evening Wisconsin from Minneapolis says Griffith, Marshall & Co., grain brokers, have suspended owing to their close business relations with the Kershaw firm at Chicago.

TRADE DOLLARS.

Ex-Congressman James of Brooklyn Interviewed On the Subject.

WASHINGTON, June 16.—[Special Telegram to the BEE.]—Ex-Congressman D. R. James, of Brooklyn, who was the leader of the republican minority of the house coinage committee in the Forty-eighth and Forty-ninth congresses, and who is interested in the coffee business, is in the city preparing to leave for Europe. He sails on Saturday of next week. Mr. James goes in part for pleasure and partly to look into the silver question, in which he has always taken a great interest. Speaking of the subject to-day he said that he thinks that his estimate of 7,000,000 to 10,000,000 as the number of trade dollars likely to be presented for redemption will prove to be the correct one. At first he feared that the number would reach 20,000,000 or 30,000,000, and for this reason he did all in his power to prevent the passage of the redemption bill in the Forty-eighth congress. In the interim between that time and the passage of the bill he made a careful inquiry into the number likely to come from Japan, China and the straits settlements and he soon convinced himself that there were very few uncut trade dollars in those countries. Now he does not think that the number to be redeemed will exceed his outside estimate of 10,000,000. Speaking of the silver question, he said that the public has become apathetic since the Forty-eighth congress vetoed the action of the administration in its attempt to make silver odious by authorizing the issue of $1 and $2 silver certificates. He thought that the time would certainly come, however, when the continued coinage of silver would inevitably cause great financial depression. This time would arrive when the volume of silver dollars and their equivalent certificates exceeds the normal demand for currency. Or a similar result may be looked for at any time if from any cause the flow of gold is outward instead of towards the United States, as now. Mr. James added that the bi-metalists of England are surely gaining strength every day. Speaking of the recent flurry in the coffee market, he said that for some years the prices at Amsterdam, Paris and Rio Janeiro have been higher by several points than they have been in the American market. The flurry was caused entirely by speculation, although the demand is heavier than it has been for some time. He thinks that in spite of the fact that the market has recovered to some extent, prices must drop, as they have been maintained principally by European speculation.

Military Matters.

WASHINGTON, June 16.—[Special Telegram to the BEE.]—Captain James M. Kennington, Fourteenth infantry, who was placed on the retired list yesterday afternoon for insanity, is now under treatment at St. Elizabeth asylum here. He is a native of Ireland and enlisted in the regular army in October, 1851, in the Second infantry. He became a lieutenant in 1862 and captain in 1873. The vacancy in the regiment promotes First Lieutenant Julius E. Quintin to captain of company B, and Lieutenant Joseph H. Gustin to first lieutenant of company H, in the Ninth infantry. The retirement of William B. Pease, who was retired for the disabilities he incurred during the late war, promoted Lieutenant James W. Regan to captain of company I and Lieutenant Frank S. Dodds to first lieutenant of company K. Captain Regan is the well known writer on military law and practice of courts-martial.

Army orders: Captain Chambers McKibbin, Fifteenth infantry, has been, at his own request, relieved from recruiting duty at Harrisburg, Pa., upon the expiration of his sick leave, and ordered to join his company. Major S. C. Overman, corps of engineers, has been appointed inspector of camp and garrison equipage and recruiting property at Cleveland, O. Thirty-eight recruits have been ordered to Fort Snelling, Minn., for the Fifth infantry.

The Butchers Complain.

WASHINGTON, June 16.—[Special Telegram to the BEE.]—The principal beef firms of the country, Swift & Co., Armour & Co., Nelson Morris & Co., George Hammond & Co. and the East St. Louis Dressed Beef and Canning company, S. W. Allton by Camel & Custer, Dupee Judar, Willard A. H. Veeder, of Chicago, and Don M. Dickerson, of Detroit, have filed charges before the interstate commerce commission against the Chicago & Grand Trunk railway company, Lake Shore & Michigan Southern railroad, Indianapolis & St. Louis railroad, Pittsburg, Ft. Wayne & Chicago railroad, Baltimore & Ohio railroad and the Chicago, St. Louis & Pittsburg railroad, complaining of the unjust and excessive rates of freight charged on dressed meats in car loads, and less from Chicago and St. Louis to seaboard points; that they are charging sixty-five per hundred on dressed meats in refrigerator cars, which is more than 30 per cent in excess of the rates charged prior to the going into effect of the law and more than 40 per cent in excess of the rates charged on other loads of provision on the same cars and between the same points under similar circumstances and condition.

Pensions Granted Iowans.

WASHINGTON, June 16.—[Special Telegram to the BEE.]—The following Iowans were granted pensions to-day: Emeline C., widow of Samuel Chart, Osceola; Rodilla Ryan, formerly widow of Thomas Archer, Delta; Elberry, mother of Elbert Code, New Market. Original: John McCloskey, Melleray; James Mayne, Clinton; Elsey Chaney, Bentonsport; John Schall, Berkley; Edward Lewis, Farmington; Calvin S. Carey, Waterloo; Philip Kiester, Ottumwa; Caleb Baker, Fairfax; William F. Gaffer, Brooklyn; Isaac N. Gocheneur, Pacific Junction. Increase: Nathaniel Stout, Keota; Thomas W. Giles, Kellogg. Reissue: Solomon Harvey, Laporte City.

Knevals Land Claims.

WASHINGTON, June 16.—[Special Telegram to the BEE.]—Senator Manderson has succeeded at last in inducing the interior department to prepare the forms and instructions for making claims under the Knevals bill. He has sent copies to the BEE and they will arrive in Omaha by the latter part of the week.

Appointments.

WASHINGTON, June 16.—The president today made the following appointments: John G. Nelson, of Minnesota, to be receiver of public moneys at Fergus Falls, and James Greeley, of Minnesota, to be register of the land office at Redwood Falls, Minn.

National Opera in Trouble.

BUFFALO, June 16.—The Musical association of Buffalo was compelled to pay the railroad fares of the National opera company here so they could fill an additional date to-day. Last Monday, it is stated, Theodore Thomas called at the office of the association and told them the opera company was in a terribly embarrassed condition. He had not been able to get his salary for months, had been the victim of gross injustice, and only remained with the company because if he abandoned it on its California trip the poor members of the ballet and chorus would be left thousands of miles from home without a cent. Thomas expressed himself in the strongest terms regarding the treatment. When the performance of to-day was ready to begin the orchestra refused to play until some payment was made, and the Musical association was compelled to advance $2,300.

Business Failure.

CLEVELAND, O., June 16.—The Prospect machine and engine company, formerly the Cummer engine company, made an assignment to-day. The liabilities are estimated at $200,000; assetts, $500,000. The president says the assignment was caused by the dissatisfaction of certain share holders, who oppose the present organization.

Fatal Railroad Accident.

FARGO, Dak., June 16.—A heavy rain fell here this afternoon. It is reported that near Grand Forks the north-bound train was blown from the track and four persons killed and six seriously injured. The Grand Forks round-house was blown down, and much other damage done. The wires are all down.

DAMAGING TO THE DEFENSE.

The Evidence in the Shellenberger Case Against the Prisoner.

SOME COLD-BLOODED RECITALS

Norfolk Considering the Question of Waterworks—Stromsburg Citizens Preparing For the Fourth—Other Nebraska News.

The Shellenberger Trial.

LINCOLN, Neb., June 16.—[Special to the BEE.]—In the warmest court room in the United States a large audience, about equally divided between ladies and men folks, sweltered through to-day listening to the story of the murder of Maggie Shellenberger as related by the witnesses against the stepmother, who sat through it all without sign of excitement or a change of features. The court was late in opening owing to the absence of one of the jurors, who lived ten miles out in the country and who was late in arriving. The judge fined him $10 and the case was taken up where the evidence ceased the night previous. It was a day in itself to try human endurance, for the heat of the room was terrific. Not a breath of the breeze that blew from the south and west could enter the court room and the sun all the first half of the day shed its fiercest rays against the only side of the room possessed with windows, the latter of which only added to the effect of the sun's rays. In the hottest part of this heated room the jury was confined in the jury boxes and the crowd in attendance added to the heat and discomfort of the occasion. The state continued its case to the noon hour, examining a number of witnesses, the most important of whom was the sheriff of Otoe county, Mr. McCallum, whose testimony added facts of the murder heretofore brought forth. The sheriff saw in the cellar the evidences of the struggle between the victim and the murderer or murderers. He had examined the surroundings in the cellar minutely; had seen the girl was at work when seized upon