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THE OMAHA BEE
Best in the West

ESTABLISHED JUNE 19, 1871. OMAHA, TUESDAY MORNING, DECEMBER 19, 1905—TEN PAGES. SINGLE COPY THREE CENTS.

WALSH BANKS QUIT

Three Chicago Financial Institutions Go Into Liquidation.

STEP ORDERED BY THE COMPTROLLER

Loans to President Declared to Be Entirely Too Large.

CLEARING HOUSE COMES TO RESCUE

Announcement that Depositors Will Be Paid in Full Averts Panic.

LIABILITIES ABOUT TWENTY-SIX MILLIONS

Money Advanced to Walsh Invested in Quarries, Coal Mines and Railroads—Assets About $29,000,000.

CHICAGO, Dec. 18.—Three of the largest financial institutions in the west, the Chicago National bank, the Home Savings bank and the Equitable Trust company, all of them controlled by John R. Walsh of this city and in great measure owned by him, suspended operations today. Their affairs will be liquidated as rapidly as possible and they will go out of business.

Mr. Walsh, who was the president of the Chicago National bank and of the Equitable Trust company, and all the other officers and all the directors of the Chicago National bank have resigned. National Bank Examiner C. H. Bosworth has succeeded Mr. Walsh at the head of the Chicago National bank and the places of the directors have been filled by men appointed by the Chicago clearing house. Back of the new management stand the allied banks of Chicago, who have pledged their resources that every depositor shall be paid to the last cent and that no customer of any one of the three institutions shall lose anything by reason of the suspension. Had not this action been taken by the banks of the city a disastrous panic must have followed in the financial world. As it was, the only effect in this city was the decline on the local Stock exchange of 2½ in the price of National Biscuit common stock, which has employed the Equitable Trust company as transfer agent and had besides dealings with the Chicago National bank, but it is not affected by the failure in the slightest degree. The closing of the two banks had the effect also of shutting off all demand on the local exchange for bank stocks, none of them being purchased.

Large Loans to President.

The immediate cause of the collapse of the institutions controlled by Mr. Walsh is said to be the large amount of money which they have loaned to various private enterprises of his—notably the Southern Indiana railway and the Bedford Quarries company of Indiana. Mr. Walsh claims that if he could have had a little more time and been left untrammeled in his operations he could have saved his banks and made enormous profits for himself and his associates. He bases this statement on his estimate of the value of the bonds of the Southern Indiana Railroad company. The comptroller, the state auditor and the members of the Chicago clearing house committee place the value of the bonds at one-half the valuation of Mr. Walsh, and it was their refusal to accept his valuation that caused the suspension of the banks.

The liabilities of the three institutions are estimated in the aggregate of $26,000,000. Against this amount the bank and the trust company have resources that are on a conservative estimate worth $16,000,000. The bonds of the Southern Indiana Railroad company are estimated by Mr. Walsh as being worth $16,000,000. They are considered by the comptroller, state auditor and the clearing house committee to be worth a little more than half that sum. Their value is a matter to be determined in the future and the presidents of the local banks admit that if the estimate of Mr. Walsh is found to be correct, the two banks and the trust company will not only pay all of their debts, but leave a surplus besides.

Assets $29,000,000

The directors of the two banks and Mr. Walsh, who has turned over all of his private property as well as that standing in the name of Mrs. Walsh, have pledged real estate and securities valued at $5,000,000 more, and estimating the railroad bonds at $8,000,000, making a total of $29,000,000 assets against $26,000,000 liabilities.

For some time there has been a difference of opinion between the officers of the Chicago National bank and Comptroller Ridgely regarding the method of conducting the affairs of the bank. The comptroller took exception to the large loans made by the bank to the private enterprises of Mr. Walsh and declared that a portion of them must be called in. Assurances were given to him, he declares, that this would be done, but the promises were not kept. Finally the incentive to a close scrutiny of the affairs of the Chicago National and Home Savings banks was given by a banker in New York, who had been requested to take part in a syndicate to furnish a loan of $6,000,000 to Mr. Walsh for the purpose of further expenditures on the Southern Indiana railroad. The bonds of the company, however, did not sell as rapidly as was expected, and the state and national examiners were apprised of the failure of the loan. Up to this time the banks had been examined separately, which enabled them to transfer securities back and forth. It was decided that the state examiner and the national examiner should make a simultaneous investigation. This showed that the institutions had loaned a large amount and estimated all the way from $10,000,000 to $15,000,000 on the securities of the railroads that were owned principally by Mr. Walsh alone. It is said that the paper for these loans was signed by clerks and that they were substantiated by the bonds of Mr. Walsh's railroads, the Southern Indiana, the Chicago Southern, which is an extension of the Southern Indiana and the Wisconsin & Michigan Southern. When the examiners had concluded their report Mr. Walsh asked for a little time, saying that he could raise the money to straighten out everything. He was not as successful in this as he hoped to be and when Comptroller Ridgeley was informed of the fact he came at once to Chicago. He called a meeting of the members of the Chicago clearing house and informed them of the situation. The meeting was held in the office of the president of the First National bank and continued from 3 o'clock Sunday afternoon until 5 o'clock this morning.

Statement by Comptroller.

It was then announced by the comptroller in the following statement that the banks had practically suspended and that

(Continued on Second Page.)

ACCEPTS CZAR'S CHALLENGE

Workmen's Council Says Nicholas Wants a Fight and Shall Have It.

ST. PETERSBURG, Dec. 18, 7 p. m.—The workmen's council, under the very noses of the police, has succeeded in printing 100,000 copies of its paper announcing that the government has declared a civil war on the proletariat and saying that the challenge must be accepted. In its appeal to the people council declares this is the last fight, that the throne of the Ro[illegible] is tottering and that another blow [illegible] cause it to fall.

The pa[illegible] also contains a direct appeal to the ar[illegible] which is signed "The Pan-Russian [illegible] of the Army and the Navy."

In spite [illegible] fury of the revolutionists, however, [illegible]siderable confidence is expressed [illegible]vernment circles that the extreme e[illegible] is in the present temper of the wor[illegible] will not dare call a general strike an[illegible] if they do the chances are that it will be a failure.

Operators on the bourse are inclined to interpret favorably the strong measures taken by the government, but heavy selling orders came from Berlin and imperial 4s closed ½ point down at 79.

Governor Regensk of Riga is still urgently calling for troops. He reports that besides the fact that armed insurgents are disputing the passage of the soldiers, the railroad tracks are damaged in all directions and he advises that troops be sent by water.

It now transpires that half the reinforcements of troops on board the train wrecked December 14, near Stockmansof, Livonia, surrendered to the insurgents. Governor Regensk's latest advices said that the remainder of the troops held out for four days. Their position when last heard from was desperate.

BERLIN, Dec. 18.—The St. Petersburg correspondent of the staid Vossische Zeitung affirms that he has been assured by "serious persons" that there exists at the Russian court a party, including two ministers, which is intriguing to persuade the foreign powers to take steps to rescue their subjects in Russia as a means of raising Russian national feeling to a point which will result in saving the country from anarchy.

The decision of Chancellor von Buelow with the approval of the emperor to send German steamers to ports of the Russian Baltic provinces and bring away the Germans who are in danger of their lives is regarded as a most important act.

BERLIN, Dec. 18.—A dispatch to the Lokal Anzeiger from Koenigsburg, Prussia, today, timed 2:15 p. m., says that during the street fighting at Mitau, the capital of Courland, 200 persons were killed. At Lennewarden, in southern Livonia, the revolutionists liberated all the prisoners and shot Assistant District Governor Petersen and M. Maximovitch, his secretary, and threw their bodies into the river.

KOENIGSBERG, Prussia, Dec. 18.—The German steamer Wolga sails today for Riga to bring away German subjects whose lives are endangered.

CHINESE ATTITUDE IS FIRM

Other Nations Believed to Be Supporting Peking Government Against Japanese Demands.

TOKIO, Dec. 18.—The continued failure of Baron Komura to conclude the negotiations with the Chinese government at Peking which were begun after the conclusion of the Russo-Japanese war is an open secret. It is believed by some Japanese here that the extent of Japan's concessions are such as will fail to secure what they think should have properly been its acquisitions as the result of the treaty at Portsmouth. For example, the building of the Kirin Chang Chung railway has not been conceded, and the stationing of railroad guards is not to be permitted, leaving the work in the hands of the police, who will be withdrawn when the period for the withdrawal of troops expires.

China's firm attitude is believed to be due to combined pressure indirectly exerted by Russia, France and Germany. The outcry against the alleged weakness of the cabinet is increasing and some persons advocate the suspension of the Peking negotiations.

The kindness of the emperor of Germany to former Japanese prisoners of war on their way home is appreciated, but the Japanese appear to be distrustful of his style of diplomacy.

Greek Cabinet Resigns.

ATHENS, Dec. 17.—The cabinet of M. Ralli resigned today as the result of the defeat of the government over the election of a president of the Chamber of Deputies. King George has summoned former Premier Theotokis to form a new cabinet.

SUGGESTS INSURANCE LAWS

Agents of Northwestern Mutual Also Ask that Officers of Conservative Be Summoned by Committee.

NEW YORK, Dec. 18.—At a banquet of the agents of the Northwestern Mutual Life Insurance company here tonight J. L. D. Bristol, general agent of the company in New York, outlined some of the changes in present insurance laws which he would suggest. They include:

The repeal of all laws unduly favorable to the companies at the expense of the policyholders; limiting the issue of any future policy, participating or nonparticipating, to premiums based upon the American table of mortality, 3 per cent and uniform percentage loans with no juggling of reserves; no advances to agents; doing away with one-man control; compelling companies to give full and complete annual statements to policyholders where dividends are deferred; limitation of proxies of policyholders; making rebates legally void with a penalty for the agent securing its issue, and a penalty for policyholders accepting rebate.

A petition was sent to Charles E. Hughes, counsel for the insurance investigating committee, asking that officers of conservative companies be called to testify and suggesting that testimony thus far has been almost "wholly of a detrimental character," and of such a nature as to lessen the confidence of the public interests in life insurance.

ST. PAUL ROAD IN MONTANA

Company Incorporates with Capital Stock of Two Million Dollars.

HELENA, Mont., Dec. 18.—The Chicago, Milwaukee & St. Paul railroad of Montana was incorporated today with a capital of $2,000,000. The incorporators are associated with the Milwaukee road, E. D. Sewell being assistant superintendent, P. H. Scanlan the Montana general agent and Mr. Shelton the Montana counsel. Burton Harrison, general solicitor of the Milwaukee company, came to Montana to perfect the details.

SERIOUS RIOT IN SHANGHAI

Coolie Classes Have Fight and Twenty Natives Are Killed.

FEW FOREIGNERS INJURED IN TROUBLE

Marine Volunteers Restore Order, but Police Stations Are Burned and Further Trouble is Expected Tonight.

NEW YORK, Dec. 18.—A serious riot between coolie laborers, resulting in the death of twenty Chinese and injuries of several foreigners occurred at Shanghai, China, today, according to a cablegram received by Pearon, Daniel & Co., of this city from their Shanghai office. The cablegram says:

Rioting by coolie classes. Business suspended. Two police stations burned. About twenty Chinese killed, few foreigners injured. Marine volunteers restoring order. Further trouble and fires anticipated tonight.

Two Foreigners Killed.

WASHINGTON, Dec. 18.—The State department has news from Shanghai that a serious situation exists there. Two cablegrams received at the department over night state that trouble arose through a strike and was increased by a dispute growing out of some cases being tried before the consular courts. Two foreigners have been killed and many wounded. Navy forces, supposedly from the British squadron, which is there, are guarding the streets. Police stations have been burned. No Americans have thus far been injured, but the official statement was made that the situation is regarded as serious. Two American cruisers are now on their way to Shanghai.

The State department's information of these events was contained in several dispatches from Shanghai, the last of which was received about 3 o'clock this morning from Consul General Rogers. It is gathered that the moving causes for the riot were the anti-American boycott and a general feeling of hostility toward foreigners such as preceded the Boxer uprising in 1900. Mr. Rogers' statement was that all business was suspended among the Chinese; that as an incident to the general strike a number of foreigners had been assaulted. Volunteers had been called out, presumably from the people of the foreign settlements, whose efforts at maintaining order were seconded by English marines. The warships in the harbor were cleared for action. At the hour of sending the first dispatch, probably some time last night, two Chinese had been killed in the riots and the American consul general had telegraphed for help from American naval vessels. A later dispatch from the same source reported the continuance of the riot, ending that the police stations had been burned, including some foreigners. No Americans, however, had been injured up to that hour. Mr. Rogers' last word was that he expected the American cruiser Baltimore, which was yesterday at Chinkiang, about a day's run from Shanghai, to reach the latter place tonight.

A later dispatch received this afternoon from Mr. Rodgers was to the effect that all parts of the city of Shanghai had been put under martial law and that the foreigners were all arming.

Outbreak Suppressed.

LONDON, Dec. 18.—A cable dispatch received by a business house in London today says that the anti-American boycott disturbances at Shanghai, which were said to have resulted in the stoning of the German consul and the injuring of the American vice consul, had been suppressed.

A dispatch to the Evening Standard from Shanghai says that during the rioting carriages and motor cars were smashed. Mobs are looting in several part of the city. There are sounds of sharp firing in the neighborhood of the town hall and on the Shanking road, which bisects the central district of the foreign settlement.

SAN FRANCISCO, Dec. 18.—A cable message from Shanghai says the riot has been suppressed. Twenty Chinese were killed.

American Official Injured.

SHANGHAI, Dec. 18.—The incipient riot here was promoted by boycotters on account of an incident involving the mixed court. The German consul was stoned and the American vice consul and several other foreigners were attacked and injured. The Chinese closed their shops when the rioting began. The local volunteers were called out to restore order and detachments of bluejackets were landed from the warships to assist in restoring peace.

The riot is suppressed. Twenty Chinese rowdies were killed and a few Europeans were wounded. Otherwise the damage done was slight.

Police, sailors and volunteers co-operated in suppressing the riots, in the course of which one police station was partly burned, a barroom wrecked and a bicycle store looted. No Europeans were killed. The streets were deserted except for armed patrols, which are everywhere.

Conditions at Che Foo.

CHE FOO, Dec. 18.—10 p. m.—The news of the disturbances at Shanghai is producing no visible effect on the Chinese and, at present it seems improbable that the trouble will extend to this city. Officials, however, are conferring in regard to taking suitable action to forestall a possible demonstration.

Well informed persons maintain that the Lien Chau massacre and also the present disturbances are directly traceable to the boycott.

Coincident with the Shanghai riots the Yokohama Specie bank quickly placed a large amount of money in the local market for the benefit of the Chinese.

DOG SAVES PASSENGER TRAIN

Stands on Track and Barks to Warn Engineer of Danger Ahead.

KANSAS CITY, Dec. 18.—(Special Telegram.)—Missouri Pacific train No. 106, from Omaha, was running around a curve in the Cypress wards in Kansas City, Kan., about 7 o'clock this morning. In the semi-darkness of early morning the engineer, P. L. Burns, noticed a small yellow dog barking furiously at something on the track ahead. Burns could not see the track ahead around the bend, but he knew there was a trestle there, so he stopped the train and investigated. He found that a small yellow dog had probably prevented a wreck.

A horse had wandered out on the trestle, got its feet tangled in the ties and could not get out. Burns and his fireman helped the animal out of its predicament. They cut away parts of the ties and it was an hour before the train could proceed. Then they looked for the canine hero, thinking at least to give him a pat on the head or a bone as a reward, but the dog had disappeared.

SMALLER COMPANIES ON RACK

Armstrong Committee Inquires Into Real Estate Deals of Provident Society.

NEW YORK, Dec. 18.—With the resumption of its sessions today the Armstrong investigating committee started on the cleaning up of its work preparatory to formulating its report to the legislature. Today was devoted to the smaller companies, those under examination being the Provident Savings, the Empire Life and the Life Association of America.

With the counsel of the Provident society were taken up several real estate transactions. In one of these a building in Savannah, Ga., was traded on two different occasions for New York City property and a loan was then made on the Savannah building with the result that each time the building returned to the possession of the society under foreclosure or default of interest.

There appeared, according to Mr. Hughes, to be a marking up of the book values of the society's real estate holdings almost annually, and subsequently Miles M. Dawson, the committee's expert actuary, was sworn as a witness and presented compilations showing that the society by its management lost about $100,000 last year, which was offset by the marking up of its real estate holdings.

Stacey Wilson, secretary of the Empire Life, formerly the Home Benefit society, an assessment company, told how his company was run. The company owns no real estate and has about $12,000 of assets, with an outstanding liability of about $50,000. This company does business principally in New York and Pennsylvania, having been debarred from operations in most of the other states. He said the total receipts of his company for 1904 were $78,325, while the disbursements were $79,000. Witness said that hope of an increased business had been blasted by the action of many states in debarring the company.

The Life Association of America, organized in 1901, was also taken up, when its president, Henry T. Townsley, testified. He said the company was originally an assessment company, but in 1902 it was incorporated as a stock company. He said his company frequently paid to brokers or agents what amounted to 90 per cent commission. Fifty per cent was the regular commission and the balance was made up by a commuting of the renewal commission.

A list of collateral loans was in evidence and when Mr. Hughes started to read it Mr. Townsley asked if it was read for the benefit of the newspapers. Mr. Hughes tartly replied that it was read to show that the company loaned money on worthless securities.

Mr. Townsley's examination will be resumed tomorrow.

"BRICK TRUST" SURRENDERS

Fines Aggregating $18,000 Levied Upon Chicago Men Who Enter Into Conspiracy.

CHICAGO, Dec. 18.—The so-called "brick trust" of Chicago, made a complete surrender to State's Attorney Healy in court today, and were fined an aggregate of $18,000. The company and a number of its officials, together with two labor leaders, were indicted for conspiring to do an illegal act to prevent competition and to restrict the production and sale of brick in the Chicago market.

The indictments were procured at the instance of a number of small dealers who complained to the grand jury that they were unable to secure supplies unless they complied with the terms and all demands of the combination of brickmakers which practically controlled the output of brick in Chicago and vicinity. As soon as the cases were called in court today the defense announced that William H. Weickler, general superintendent of the Illinois Brick company, had decided to turn state's evidence, and it was desired that the punishment to be inflicted on the other nine defendants should be remitted in his case. State's Attorney Healy declared he was willing that this action be taken in Mr. Weickler's case and the attorneys then entered pleas of guilty for all the other defendants. The court assessed fines of $2,000 in each case, the amount was paid at once by the attorneys, and the defendants were dismissed.

The charge against the labor leaders included with the officials of the brick combine in their indictment was that they called strikes on buildings where the contractors used brick purchased from others than those in the combination. In cases where these strikes were called, it was stated by the state's attorney, the contractors were compelled to pay their men for all the time they were on strike under penalty of having their supplies cut off by the combination or having a second strike called.

TRAGEDY IN SCHOOL HOUSE

Evidence that Woman Was Murdered and Body Burned in Stove Near Mitchell, Indiana.

INDIANAPOLIS, Dec. 18.—A dispatch to the Star from Mitchell, Ind., relates the details of a story told by Miss M. Mahan, a school teacher, of a grewsome sight which she discovered upon entering the Greenwood school, two miles south of there, this morning, and which the people of that vicinity believe is convincing evidence that a mysterious murder has been committed.

According to the dispatch when Miss Mahan arrived at the school house this morning she discovered that several horses had been tied to the hitch rack since Friday. On entering the building an awful stench as of burning flesh and hair almost suffocated her. Whisky bottles were strewn about the floor and some of the furniture was demolished. In the stove she found a mass of auburn hair, from the head of a woman, in which tangled hair pins, corset stays, buttons and other articles of woman's apparel. In the stove still smouldering the remains of a fire were found. All the wood which had been piled in the school room had been burned. The school house stands in an isolated spot more than half a mile from any habitation.

NEW UNION HEBREW COLLEGE

Site Purchased for Large Institution in Suburb of Cincinnati.

CINCINNATI, Dec. 18.—Land for the site of the new college to take the place of the various Hebrew colleges throughout the country was purchased in Clifton, a Cincinnati suburb today. The site of the new Union Hebrew college is close to the University of Cincinnati, on the hilltops to the north of the city. Work on the new grounds will begin immediately, and the buildings already planned will require an outlay of more than $200,000.

WARNER MAY BE MARSHAL

Mathews' Place Offered the Chairman o Republican State Committee.

UNCERTAIN WHETHER HE WILL ACCEPT

Telegram from Senators Millard and Burkett Comes as Surprise to Dakota County Man Who Asks for Time.

DAKOTA CITY, Neb., Dec. 18.—(Special Telegram.)—State Senator W. P. Warner, chairman of the republican state committee, is considering tonight if he wants to succeed T. L. Mathews as United States marshal for Nebraska. He received this evening a telegram from Senators Millard and Burkett asking him if he would accept the place. Mr. Warner wired in reply asking until tomorrow to give a definite answer. Tonight Mr. Warner said he could not definitely state if he would take the place, as he wanted to consult some of his friends before making his reply. He admitted the proposition was a rather tempting one.

"I have done more hard thinking in the last hour than I have for a long time," said Senator Warner about 8 o'clock, when asked if he had made up his mind if he would take the place. "I cannot tell just what I will do, as I want to consult one or two friends whom I have not yet been able to reach. The proposition came as a surprise, too, for I had not heard the outcome of the Mathews hearing. I got a telegram signed by Senators Millard and Burkett, asking me if I would take the place. It contained no information as to the status of the Mathews case. I feel very much up in the air about the matter. I will surely let the senators know of my decision in the morning, but may not be able to tell any one else before that time."

In his conversation Senator Warner left the impression that he would accept the proffered place.

WORKMEN HARD TO SECURE

Irrigation Projects Delayed by Inability of Contractors to Secure Men for Work.

WASHINGTON, Dec. 18.—A bulletin issued by the Geological survey says the approval by the secretary of the interior of the Rio Grande reclamation project in Texas and New Mexico and the Carlsbad project in New Mexico will bring the number of reclamation projects up to twenty-four. Of these eleven are under way. They provide for the reclamation of 1,303,000 acres of arid lands at a cost of $[illegible].

On June 30, 1905, the total cost of construction and engineering work performed by the reclamation service, together with the administration expenses, amounted to $5,462,169. On that date the reclamation fund had reached a total of $8,028,571. It was estimated at that time that the receipts for the fiscal years 1906-1908 would amount to $9,000,000, so that the sum of money available for reclamation purposes up to the end of 1908 will be $17,028,571.

Since the work of reclamation began seventy-seven miles of main canals have been constructed and fifty-four miles of distributing canals, as well as 186 miles of ditches and 147 bridges. Over 9,350,000 cubic yards of earth have been excavated and three and one-half miles of tunnel driven.

Labor, the bulletin says, is one of the most serious problems the engineers have to confront.

"Several contractors," the bulletin adds, "engaged on government projects have already failed because of their inability to secure the services of a sufficient number of workmen and others are on the verge of failure for the same reason.

The report contends that the eight-hour limitation on work is a factor, as many preferred to work longer hours.

CANADA CARRIES OFF HONORS

Ontario College Students at Live Stock Show in Chicago Win Prize.

CHICAGO, Dec. 18.—Canada was awarded the honors in the students' judging contest at the International Live Stock exposition today. The Ontario Agricultural college of Guelph, Ont., made the best record for judging horses, cattle, sheep and swine. Ohio was second on the grand total, but led all competitors in judging cattle and horses, and Texas was first in the judging of swine.

C. F. Coverdale of the Iowa Agricultural college carried off the individual honors for judging cattle, sheep and swine, while J. A. Main of Ohio was first in judging horses. In the all-around judging Iowa came third, Kansas fourth, Texas fifth, Michigan sixth.

Canadian exhibitors, as usual, secured the greater number of prizes for sheep.

Illinois, Indiana and Missouri took blue ribbons in the exhibition of choice cattle. First prize for the Hereford breed went to F. A. Nave of Attica, Ia., while S. L. Brook of Macon, Mo., took first, second and third awards in the class for Hereford steers.

Illinois exhibitors won nearly all the prizes awarded for the various breeds of pigs during the day.

William D. McCavish of Coggan, Ia., took four first prizes in the Berkshire class.

In the exhibition of Chester Whites Iowa Agricultural college took four firsts.

In the corn judging contest the students of the Iowa Agricultural college won first prize and Nebraska Agricultural college won second honors and the students of the Kansas Agricultural college third place.

SAN PEDRO ROAD ELECTION

W. A. Clark Again Chosen President and Old Board of Directors is Retained.

LOS ANGELES, Dec. 18.—At their annual meeting today the stockholders of the San Pedro, Los Angeles & Salt Lake railroad elected officers as follows:

President, W. A. Clark; first vice president, W. H. Bancroft; second vice president, J. Ross Clark; secretary, W. H. Comstock; treasurer, W. H. Leete.

The members of the executive committee and of the board of directors are the same as last year.

NEBRASKA WEATHER FORECAST

Fair and Warmer Tuesday. Wednesday Fair.

Temperature at Omaha Yesterday:

Hour.	Deg.	Hour.	Deg.
5 a. m.	30	1 p. m.	28
6 a. m.	30	2 p. m.	29
7 a. m.	30	3 p. m.	29
8 a. m.	30	4 p. m.	30
9 a. m.	30	5 p. m.	29
10 a. m.	29	6 p. m.	27
11 a. m.	29	7 p. m.	28
12 m.	28	8 p. m.	27
		9 p. m.	27

THE BEE WINS THE VICTORY

World-Herald Protest Turned Down by the Excise Board with a Thump.

Publication of a notice of application for liquor license in The Omaha Evening Bee is sufficient to secure the license, despite the protest of the Omaha World-Herald. This much was settled by the Board of Fire and Police commissioners last night.

The World-Herald had entered a protest against the application of H. S. King, a druggist at Twenty-fourth and Farnam streets, alleging that he had published his advertisement only in The Evening Bee. The board held that this was sufficient and granted the license. The World-Herald had already confessed its weakness by filing late in the afternoon a protest against King, alleging that he had sold liquor for other than medicinal uses. This protest will be heard next Tuesday evening. The sufficiency of publication in The Evening Bee alone is established, however.

A number of the Civic Federation protests, filed by Elmer E. Thomas, will be heard Wednesday afternoon at 2 o'clock.

Yesterday the Civic Federation filed eighty-seven more protests regarding the Sunday closing matter, making in all about 160 now with the board filed by Mr. Thomas.

In connection with the Sunday closing protests filed by the Civic Federation, Attorney Parrish, representing some of the applicants, said: "It is clearly a matter of bad faith on the part of the Civic Federation to present these protests on the Sunday closing feature, inasmuch as that body agreed last year to not protest the Sunday closing during 1905 providing certain other regulations were enforced in connection with the saloons."

The protest of a number of residents in Gibson against granting a license to Louis Swack was sustained by the board on the grounds that the establishment of another saloon at Gibson would be against public policy. As soon as this protest was sustained Frank Kasper, who was supporting Mr. Swack, threw a little humor into the proceedings by writing out a protest against the saloon already in Gibson and the license for which was granted last week to Mr. Steplanek. Mr. Kaspar's protest was on the grounds that there should not be any saloons in Gibson.

As a Fire and Police board the commissioners accepted the resignation of Patrolman L. F. Dwyer and granted a leave of sixty days to Court Sergeant Whalen, who feels he must seek a change of climate for his health.

PACKERS APPEAR IN COURT

Men Indicted at Kansas City for Alleged Violation of Rebate Law Ready for Trial.

KANSAS CITY, Dec. 18.—Counsel for the Chicago, Milwaukee & St. Paul railway, Swift and Company, the Armour Packing company and the Cudahy Packing company, indicted in the federal grand jury for alleged violations of the freight rebate law, appeared in the United States district court today and announced that they were ready for trial. Judge Pollack said that the cases would be set later. No bonds were required.

Nelson Morris, Edward Morris and Ira N. Morris, packers, were indicted as copartners for receiving rebates. The district attorney announced that information would be filed against "Morris and Company," the corporate name, soon.

John N. Faithorn, former vice president, and Fred A. Wann, former general traffic manager of the Chicago & Alton, and D. H. Kresky, a Kansas City freight broker, all indicted for conspiracy, pleaded not guilty and gave bonds of $5,000 each.

MIDSHIPMEN MAY TESTIFY

Supreme Court of Cadets Tells Students to Answer Questions Asked by Officials.

ANNAPOLIS, Md., Dec. 18.—The midshipmen of the first-class at the naval academy, who form the court of last resort in matters relating to the "code," have, it is said, passed the word among the fourth class men who are being called as witnesses before the board of investigation that they may answer freely and fully all questions asked them. This is understood to mark the break-down of all effort of the midshipmen to defy the authorities. The board has summoned so many midshipmen of the fourth class that the upper class men are said to have decided that it will be useless to make any further attempt to control the matter.

Midshipmen Jerdone P. Kimbrough and Henry G. Cooper, jr., were both released from the hospital today and will, it is thought, shortly be called before the board of investigation.

MORMON PARTY STARTS EAST

President Smith Will Dedicate Monument to Founder of Church in Vermont.

SALT LAKE CITY, Dec. 18.—President Joseph F. Smith and Anthon H. Lund of the Mormon church, with several of the apostles, presidents of stakes, bishops and representatives of the numerous branches of the Smith family, left Salt Lake City today for South Royalton, Vt., to be present on December 23 at the dedication of a monument erected there to the memory of the prophet Joseph Smith on the spot where he was born. The party numbers about twenty-five persons.

Movements of Ocean Vessels Dec. 18.

At New York—Arrived: Algeria, from Naples; Finland, from Antwerp.

At Genoa—Arrived: Romanic, from Boston.

At Glasgow—Arrived: Hungarian, from Boston.

At Palermo—Sailed: Carpathia, for New York. Sailed: Amerika, from New York.

At Cherbourg—Arrived: Kaiser Wilhelm II, from New York.

At Rotterdam—Arrived: Statendam, from New York via Boulogne.

At Bremen—Arrived: Frederich der Grosse, from New York.

At Naples—Arrived: Princess Irene, from New York.

At Moville—Arrived: Virginian, from Halifax.

At Boulogne—Sailed: Graf Waldersee, for New York.

MATHEWS IS ALL IN

Visit to President Avails the Deposed Marshal Nothing.

INTERVIEW LASTS FULL HALF AN HOUR

Executive Explains to Visitor that Dismissal Stands as Final.

SCHNEIDER'S EFFORTS COME TO NAUGHT

Former National Committeeman Unable to Reverse the Action.

SMALL HOPE IS DASHED BY VISIT

Slight Prospect of Reinstatement Held Out to Mathews Before Leaving Omaha Vanishes at White House Office.

(From a Staff Correspondence.)

WASHINGTON, Dec. 18.—(Special Telegram.)—T. L. Mathews, late United States marshal for Nebraska, will not be reinstated. At a conference between the president and Mr. Mathews this morning, which was arranged by R. B. Schneider last week, the subject of Mr. Mathews' dismissal was gone into at some length. The president gave half an hour to the hearing, which was conducted behind closed doors. What was said at that hearing is largely speculative, but enough is known that Mr. Mathews presented affidavits and letters showing that he was carrying out the practice of the marshal's office extending over forty years. President Roosevelt, it is asserted, stated that on examination of the records of Mr. Mathews' office he found everything in the best possible condition, and that the office itself had been conducted during Mr. Mathews' incumbency upon a very high grade of efficiency, but that even this efficiency and this integrity would not permit him to interfere with what was clearly a failure on the part of the marshal to do his sworn duty, and he therefore would have to regard the incident as closed. Probably he said many other things, for the president usually does not mince words in matters of this character. In any event when Mr. Mathews left the White House he was a very much changed man from the one who went into the presence of the chief executive but a short half-hour before.

Why Mathews Went On.

When the Nebraska delegation called upon Attorney General Moody to protest against the summary dismissal of Mr. Mathews and were referred by that official to the president, the delegation at that time believed nothing could be accomplished by an appeal to the chief executive, who has a habit of standing by his cabinet officers. When Mr. Schneider appeared on the scene last week and had two conferences with the president, the latter on Friday, in which the president stated he would hear Mr. Mathews and directed that he be sent for, the delegation thought possibly Mathews would be re-appointed, if he could show he was only following custom in dealing with prisoners placed in custody of the marshal. As a result of a telegram sent to Mathews by Schneider the deposed marshal reached Washington yesterday. Today Mathews saw the president, but Mr. Roosevelt saw no reason to modify the attorney general's action. The president, it is understood, bore down on the fact that the sentence against Richards and Comstock was inadequate, and he insisted that the marshal instead of the attorney for the defendants should have taken them into custody.

Mr. Mathews left tonight for Nebraska a greatly disappointed man, and R. B. Schneider left for New York.

Money for Sioux Minors.

Indian Commissioner Leupp stated today he would recommend that all minor children who have money coming to them growing out of the sale of lands in the former Rosebud Indian reservation, South Dakota, receive the amounts realized by such sale, provided their parents or guardians are capable of handling the funds. Last summer the commissioner made a personal visit to the Rosebud country and collected data regarding these Indians, and is now preparing a special recommendation to the secretary of the interior regarding the distribution of these funds. Commissioner Leupp is engaged in preparing a circular on this question, which will be printed in the English and Dakota languages, the latter being the language of the Rosebud Sioux. Should the recommendations of the commissioner be endorsed by the secretary of the interior, quite a large sum of money will be disbursed to the legal representatives of minor children not later than April, 1906.

Consideration for Widows.

A pension bill was today introduced by Congressman Hinshaw providing that a soldier's widow, upon due proof of legal widowhood, shall without further evidence or delay, be granted the same amount of pension which the soldier was drawing at the time of his death. Under the present law the chief difficulty that confronts a soldier's widow when she applies for a pension is evidence in detail required to establish her net income, and where it is close to the legal limit of $250 frequently a special examiner is sent and much delay and annoyance occurs. This bill would entirely remove these objections. Mr. Hinshaw will make a strong effort with the committee on pensions for a favorable report and hopes the house will pass the bill.

Former Nebraskan Dead.

William Augustus Gwyer, one of the pioneers of Nebraska, aged 85, died at the home of his daughter, Mrs. W. O. Berryman of Brookland, D. C., this morning, after a week's illness. Mr. Gwyer was president of the Nebraska senate in 1872. He was a member of the constitutional convention and father of the Nebraska homestead law. He was a member of the territorial legislature, a city councilman of Omaha and member of the Board of Education. At one time Mr. Gwyer was editor of the Omaha Republican. During his years in Nebraska Mr. Gwyer concerned himself actively in the upbuilding of the state and was engaged in a number of business enterprises. The funeral services will be held at the home of his daughter, Mrs. W. O. Berryman, wife of a well known citizen of the district, on Wednesday. Later interment will be made at the Prospect Hill cemetery, Omaha.

Nebraska Members Getting Together.

A meeting of the members of the lower house of congress from Nebraska has been called for tomorrow evening at the Dewey hotel. The meeting is called for the purpose of effecting an organization and with a view if possible of standing together on important questions which are before congress, statehood, railroad legislation, Philippine tariff and federal control of insurance. While only members of the lower