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THE OMAHA DAILY BEE

WEATHER FORECAST. For Nebraska—Fair and colder. For Iowa—Fair and colder. For weather report see page 2.

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COAL AND IRON POOL SMASHED

Columbus & Hoeking Stock Makes Sensational Drop of Nearly Sixty Points.

TWO FIRMS ARE INVOLVED J. M. Fiske & Co. and Lathrop, Haskins & Co. Suspend.

CHARGE OF FRAUD MADE Creditors Allege Preferential Transfers and Concealment.

ENTIRE MARKET IS AFFECTED Close is Weak, with Values at Low Ebb—Rumor that Other Firms Will Suspend Today.

NEW YORK, Jan. 19.—There was an episode in the New York Stock exchange today more spectacular in many respects than the recent Hoek Island fiasco. With a break of more than 60 points the so-called Columbus & Hoeking coal and iron pool was smashed, two stock exchange houses were forced to suspend and the market generally underwent severe declines, involving the heaviest trading since the day of Edward H. Harriman's death.

Total sales aggregated 1,931,500 shares. A wild inquiry by the governors of the exchange will probably be the aftermath. The firms involved are J. M. Fiske & Co. of 4 Broadway and Lathrop, Haskins & Co. of 60 Broadway. The failure of both was caused by the collapse of the pool and involuntary petitions in bankruptcy were filed against both of them.

In the case of J. M. Fiske & Co. the liabilities of the firm are placed by creditors at \$158,000 with assets of \$400,000. Counsel for the firm, however, estimated the firm's liabilities at \$2,500,000 at the close of business on Tuesday afternoon, with assets of \$2,000,000. He did not estimate the firm's financial resources after today's developments.

Fraud is Charged. In the petition against the firm creditors allege the preferential transfer of property to one or more creditors and further charges that the alleged bankrupts permitted a considerable portion of their property "to be concealed or removed, with intent to hinder, delay and defraud creditors."

Judge Hand, in the United States district court, appointed a receiver tonight. Assets and liabilities are not stated in the petition filed against Lathrop, Haskins & Co., although it is alleged that the claims of creditors on stock accounts aggregate \$18,200. Admission of insolvency is also alleged. No receiver had been appointed for this firm tonight.

The collapse in the pool today was brought about primarily by the refusal of banks to make further advances on the stock as collateral and the inability or failure of those who were long of it to make good impaired margins. The suspension of the two firms most vitally concerned was, therefore, a natural result. Several individuals also are said to have lost heavily.

Entire Market Affected. In all, about 45,000 shares of Columbus Hoeking changed hands at a range of from 8 1/2 to 23. The stock closed at 23, a net loss of 64 points. The entire market closed weak, with prices at low ebb.

With the breaking of the pool there were reports of an immediate investigation into the operations by the stock exchange authorities. This was officially denied, but it seems more likely that circumstances will force the exchange to take some cognizance of the matter. In fact, some of the principals of the pool were before the government during the day, and a statement dealing authoritatively with the matter probably will be issued tomorrow.

According to common belief, James R. Keene was active in the market movement of Columbus and Hoeking. Some of his associates said, however, that the Keene interest in the stock had been withdrawn some time ago. The pool had been in existence of about a year.

United States Steel was the feature of the market today in point of activity. Trading in this stock totaled 361,000 shares or approximately 25 per cent of the day's business.

It was reported tonight that two other stock exchange firms would be forced to suspend tomorrow. It was expected in some quarters that the failure of the two additional firms would be announced before the market closed, and there was talk of the filing of a third petition in bankruptcy, but this was not done up to the close of the United States district court.

Final Report on Cook's Records

Copenhagen Confirms Former Finding that Claim of Explorer is Not Sustained.

COPENHAGEN, Jan. 19.—The committee of the University of Copenhagen has completed its examination of Dr. Frederik A. Cook's original notes and today confirmed its previous conclusions that not the slightest proof that the explorer reached the North pole had been submitted.

BOARD FOR NATIONAL PEACE

Chairman Nicholas Murray Butler Names Committee to Bring Societies Together.

NEW YORK, Jan. 19.—Nicholas Murray Butler, chairman of the Lake Mohonk conference on international arbitration, today announced the names of the committee to consider plans for a national council for arbitration and peace, whose purpose will be to bring into co-operation the different peace and arbitration societies. Following is the committee: Ethel Root, Andrew Carnegie, Albert K. Smiley, Benjamin F. Trousdale of Boston, E. D. Warfield of Easton, Pa., Lyman Abbott and Edwin D. Mead of Boston, George W. Kirchway of New York, James Brown Scott, secretary of the Department of State, and Nicholas Murray Butler.

Blaze in Panic During Fire

Four Dead and More Dying as Result of Blaze in Philadelphia Factory.

PHILADELPHIA, Jan. 19.—Four persons are dead and several are dying in hospitals following a fire which destroyed a factory building at Second and Chancellor streets shortly before noon today. The known dead are all girls and three of them were killed by jumping from windows. About 100 employees were in the building.

There are nearly twenty persons in hospitals. The negro elevator boy employed in the building was taken into custody by the police pending an investigation into the origin of the fire.

The fire is said to have started on the third floor. Those on that floor were thrown into a panic and the cry of fire was spread. When the excitement reached the three upper floors a wild rush for life ensued.

The people on the first and second floors and most of those on the third floor made their escape, but those in the upper part of the building were blocked at the third floor, which was a mass of flames.

Merchants hurriedly brought out large squares of canvas used to cover produce at night and held them for the girls to jump into. It is said about twenty made the leap from different floors. One woman, Clara Swartz, died on the way to a hospital.

Turkish Palace Ruined by Fire

Building in Which Parliament Sits and Finest in Country Accidentally Burned.

CONSTANTINOPLE, Jan. 19.—The palace of Chéragan, where Parliament sits, was practically destroyed by fire of accidental origin today. The Chamber of Deputies was burned out and the senate hall was so badly damaged that it cannot be occupied again.

The palace of Chéragan was built by Sultan Abdul Azeem and was the finest of the palaces on the Bosphorus. It was constructed of marble and the interior was remarkable for the beauty of the ornaments in marble and wood.

For many years it was the home of the deposed sultan, Murad V, and inaccessible to visitors. It was occupied by Parliament when the body was formed a little more than a year ago.

Kansas Appeals Guaranty Case

Attorney General Jackson Will Seek to Overturn Adverse Decision.

KANSAS CITY, Jan. 19.—Alleging that the United States circuit court had no jurisdiction and that error was committed by Judge Pollock on December 23 last in granting a temporary injunction preventing the state bank commissioner from enforcing the provisions of the Kansas bank deposit guaranty law, Fred S. Jackson, attorney general of Kansas, in Kansas City, Kan., this afternoon filed an appeal to the United States circuit court of appeals. Judge Pollock today granted the appeal from his previous order, which later was a virtual declaration that the law was unconstitutional.

School Children March to Safety

Fire Drill Used When Roof of Building Collapses at Coffeyville.

COFFEYVILLE, Kan., Jan. 19.—A fire drill here today probably saved many lives, when, following the collapse of the roof over a portion of the McKinley school building, 350 children formed in line and marched from their rooms in safety. Not one of them was hurt.

Workers were repairing the roof, when the walls settled, permitting it to drop. Four men were hurled forty feet to the ground. One probably was fatally hurt and three others were more or less seriously hurt.

DAHLMAN FIRST AT LINCOLN

Omaha Mayor Sends Affidavit of Allegiance to Democracy to Secretary of State.

(From a Staff Correspondent.) LINCOLN, Jan. 19.—(Special.)—Mayor Dahlman of Omaha today filed his application for a place on the primary ballot as a candidate for governor. He swears in his affidavit by affiliates with the democratic party and doesn't file as a populist.

HUGHES TALKS TO INSURANCE MEN

Representatives of Twenty Million Policyholders in Conference at Washington.

HONEST COMPANIES ARE SAFE State Control Will in No Way Interfere with Their Interests.

DAY OF CORRUPTION PAST People Can Better Be Trusted Than Legislators Who Can Be Bribed.

FEDERAL CONTROL NOT LIKELY Executive Says that Supervision by United States is Impossible Under Recent Decisions.

WASHINGTON, Jan. 19.—At the third annual meeting of the association of life insurance presidents today, Governor Charles E. Hughes of New York, addressed the executive officers of life insurance companies, representing 20,000,000 policy holders and nearly \$4,000,000,000 of assets, declaring his faith in life insurance as an American institution. He insisted that no life insurance organization which is honest and economical in its arrangement need fear state control nor expect to suffer from legislation.

On the subject of legislative corruption he said: "I hope the time has gone by when it will be necessary to protect the interests of life insurance policyholders by efforts to corrupt legislators. Publicly, discussion, fair understanding of what you have in view and what is essential to the proper conduct of this business, those are your guarantees and those are the securities of the policyholders you represent."

Trust the People. "You are not handling our moneys but the savings of the people. You are not responsible for legislation and you have no duty in any way, by any method, which will not stand full and public discussion to thwart any attack upon interests committed in your name. You must better trust people, if they understand the situation, than you can trust those who are purchasable and run the risk in the future of reaping the harvest which is inevitable if there be sown in our legislative halls the seeds of bribery and corruption."

"We must have insurance supervision supported in public opinion. I have been strongly in favor of control by the state of various activities, but as one has realized more than I how important it is that control should be fair and impartial."

The governor declared he believed that certain national activities would be needed soon to meet the increasing population, but referring to the expressed desire of some of the insurance officials to bring the companies under control of the federal government, said he believed that would not be possible in the face of decisions of the supreme court of the United States.

Big Toll to Diverse Laws. From \$15,000,000 to \$20,000,000 a year is the toll paid by life insurance policyholders of this country as a result of the lack of uniformity in state insurance laws and practices, according to L. G. Fouse. This is at least 5 per cent of the yearly payments to policyholders and beneficiaries, he figures.

Mr. Fouse, who is president of the Fidelity Mutual Life Insurance company of Philadelphia, made these figures known today in an address before the meeting of the association. He is a member of the executive committee of the association.

"Over one-third of the population," said Mr. Fouse, "has a direct interest in life insurance and more than one-half of the remaining two-thirds an indirect interest. It is exceedingly important that waste and unnecessary taxation be stopped while extending ample security and protection to the interests involved."

"Some would seek to accomplish the desired end through national laws and supervision; others through the harmonizing of state laws and practices. For the present we are particularly interested in the latter. It is a fact that cannot be controverted, and the lack of harmony in laws and practices has been a detriment to the business. In recent years, however, we have been drifting towards uniformity and harmony, and there are many who believe that the laws of the various states can be made consistent and homogeneous, and that it would be better for all concerned that business be conducted under such improved laws rather than under a centralized administration. Hence, if the uniformity hoped for can be accomplished there will be no need of national laws and supervision."

FINE FOR TRUNK SMUGGLER

New York Dressmaker Pleads Guilty and is Assessed Five Hundred Dollars.

NEW YORK, Jan. 19.—On her plea of guilty Mrs. Angela C. Quinlan, one of twenty-seven dressmakers recently indicted for participation in the "sleeper" trunk smuggling conspiracy, was today fined \$500. Mrs. Quinlan admitted that \$100,000 worth of the Paris gowns recently seized belonged to her.

Forest Rangers Just Hear "Our Boss" Has Been Canned

Two of Uncle Sam's forest rangers swung off a train at Union station Wednesday morning and learned the news that Gifford Pinchot had been dismissed by President Taft as the head of the forestry bureau. "By heck," said one of them, "our boss has been canned for nearly two weeks, and this is the first we heard of it. Don't that beat all!"

The men are James H. Burton and Charles H. Clay, who have been stationed for two years in the Holy Cross National forest in Colorado. They are now off on leave of absence and are going back east to visit friends until the snows are gone from the mountains and the pasture lands are open for grazing.

Since Thursday the two rangers have been traveling eastward from the mountain fastnesses of the western slope and the news of Mr. Pinchot's removal was naturally slow in reaching them. Their cabin is located up in the Capitol creek district of Pitkin county, twenty miles from a railroad station. They see the daily papers up there on an average of once a month.



Back On the Main Track.

WALSH BEHIND PRISON BARS

Aged Chicago Banker Becomes Convict 6861 at Leavenworth.

WARDEN OLD FRIEND OF BOYHOOD Entrance into Cell Marked by No Display of Sentiment—Formal Good-Bye to Son and Son-in-Law.

LEAVENWORTH, Jan. 19.—Maintaining the same brave attitude that he has displayed ever since the first indictment, John R. Walsh today began his five-year sentence in the federal prison here for misapplying the funds of the Chicago National bank.

Despite the long night ride from Chicago and the natural weakness of his advanced age—72 years—he gave no more sign of worry or distress than if he had come here to transact a business matter. Instead of starting a prison term, he stepped briskly into the office on his arrival.

Throughout the preliminaries, which preceded his imprisonment proper, he passed calmly, without a trace of nervousness or undue excitement.

At 12:30 p. m., John R. Walsh, banker, financier, builder of railroads and newspaper owner, arrived at the prison; twenty minutes later the one-time master of millions, but now simply convict No. 6861, was marched away under a guard. The gray-haired man had begun his sentence.

Fate decreed that the aged bank wrecker should be registered in as a criminal at the penitentiary by a friend of his boyhood days, Warden R. W. McClaughey, former chief of police of Chicago. He and Walsh were chums in their youth in Chicago. They had not seen each other in years until today.

As Walsh entered the warden's office Major McClaughey arose and offered his congratulations.

Within twenty minutes after the warden's office had been reached the preliminary arrangements for Walsh beginning his sentence had been arranged. He shook hands with his son, John W. Walsh, his son-in-law, Dr. L. Blake Baldwin; his attorney, E. C. Fisher and United States marshals Hoy and Middleton, who accompanied him.

"Good by," he said, firmly, and then there were a few words between them such as friends would exchange upon a casual meeting.

That was all. The aged prisoner did not seek to take advantage of his friends with the warden by asking the warden for special favors during his incarceration. No favors will be accorded him. His treatment will be the same as that of any prisoner.

Easy Night on Train. Walsh passed an easy night on the train between Chicago and Kansas City. He retired at 11 o'clock, after having chatted, laughed and joked with friends for several hours. He ate two lunches on the train before retiring.

German Tariff Negotiations Are Still On

Berlin Newspapers Aroused Because that Country is Omitted from Taft Proclamation.

BERLIN, Jan. 19.—The government has decided that in the event of an agreement upon reciprocal trade between the United States and Germany it is not reached by February 7, when the running arrangement expires, Germany's general tariff rates must, under the law, be applied to American imports at present coming in under the conventional tariff. One hundred and was, however, semi-officially declared today that the tariff negotiations with the United States had not been broken off and it was added that time remained for a settlement of the differences between the two countries.

In the absence of such a settlement the general tariff rates will go into effect automatically at midnight on February 7. The imperial consultative commercial board, composed of manufacturers, financiers and economists, has been summoned to meet on January 24 and consider the trade position taken by the United States. The government wishes to explain to the board the attitude which it has assumed.

Last night's speech of Privy Councillor Goldberger before the American Association of Commerce and Trade, in which the speaker indicated that Germany was not disposed to give way to the United States, was based, it is learned, upon Goldberger's personal inquiries in government quarters.

The newspapers today note with some concern that Germany was omitted from President Taft's proclamation of yesterday of the countries to profit by the minimum rates at United States ports.

SIX THOUSAND STREET CAR MEN VOTE TO GO ON STRIKE

Philadelphia Traction Employees Charge Discrimination Against Union—Pratt in Arrest.

PHILADELPHIA, Pa., Jan. 19.—As the result of a series of disagreements between the grievance committee of the local union and the management of the Philadelphia Rapid Transit company, 6,000 motormen and conductors, members of the Amalgamated Association of Street and Electric Railway Employees last night and early this morning voted to strike at the call of the executive board of the union. The men claim that the management of the company has violated the terms of the agreement entered into at the close of the last strike and that members of the union have been discriminated against in favor of members of a new rival union.

C. O. Pratt, national organizer, advised against the strike, but said that if the men felt that it was needed to clear the atmosphere the national body would stand by them.

Under the by-laws of the union the resolution to strike must be endorsed by the national executive committee of the association and it is probable that the body will make an effort to arbitrate before they give approval.

Call Douglas 238, the "Want-ad Number."

Ask for the Want-ad Department and your ad will be taken carefully and will appear in the next edition.

Probably you have something you should advertise—a room or house for rent—need help—something to sell—something you want to buy.

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TELEPHONE MERGER PLANNED

New Independent System to Absorb Smaller Lines of State.

COMPANY TO INCORPORATE SOON Wire Association Chooses Officers at Convention and Hears Address About Bonds—Meeting in Bluffs Today.

Immediately following the adjournment of the Nebraska Independent Telephone association convention Wednesday afternoon a preliminary meeting for the purpose of arranging for the incorporation of the Independent Telephone System of Nebraska was called, with C. J. Carlow of Columbus as chairman.

A list of the several companies representing all parts of the state was read as a preliminary to the incorporation. Twelve were chosen at this meeting and the remaining three are to be selected at a meeting of the twelve directors to be held within thirty days by the executive committee of the association.

These twelve directors were elected: W. E. Bell of York, F. H. Woods of Lincoln, C. W. Bartlett of Fairbury, F. B. Lyman of Hastings, W. Pratt of Kearney, W. J. Stadelman of Norfolk, G. J. Carlow of Columbus, J. H. Ritchie of Beaver Crossing, C. J. Richards of Hebron, E. C. Krems of Elm Creek, George E. Becker of Pawnee City and W. H. Daubendick of DeWitt.

It is proposed to merge the association into the Independent Telephone System of Nebraska at the next annual meeting of the association.

It is proposed to fix the stock of the "system" at \$10,000 divided into 400 shares of \$25 each, and, if possible, absorb all the independent telephone companies of the state. The life of the incorporation is to be 100 years from the time the articles of incorporation are filed with the secretary of state.

Ballots Cast for Officers. Officers were chosen Wednesday afternoon as follows: C. J. Carlow of Columbus, president; George K. Coddington of Auburn, vice president; R. E. Mattison of Lincoln, secretary and treasurer.

C. J. Carlow of Columbus, F. H. Woods of Lincoln, E. H. Towle of Falls City, C. J. Richards of Hebron, W. J. Stadelman of Norfolk, T. Bell of York and F. W. Bartlett of Fairbury, executive committee.

The next meeting of the association will be held by the executive committee to select the time and place.

The other business of the association during the afternoon was the presentation of addresses by various members on telephone subjects based on varied experiences and the reports of miscellaneous committees and the adoption of the report of the committee on resolutions. These latter included a vote of thanks to the local committee, to Mayor Dahlman for his welcome address and to the press of Omaha.

The association will attend the meeting of the Iowa association in Council Bluffs this morning. Prior to going to Council Bluffs the new executive committee will meet in room 11 in the Home hotel at 8:30 this morning.

DIVISION AMONG COAL MINERS

Most Powerful Labor Organization in the World Devotes Day to Playing Politics.

LEWIS REGIME IS ATTACKED Opposition Charges President with Packing Convention.

STRONG DENIAL IS ENTERED Mr. Lewis Defends His Actions in Most Vigorous Language.

OBJECTORS WIN ONE POINT Organizers Who Are Delegates Will Not Draw Pay from General Treasury During the Convention.

INDIANAPOLIS, Ind., Jan. 19.—The most powerful unified labor organization in the world, the United Mine Workers of North America, played politics bitterly all of today in its convention at the Elks club and finally rebuffed its international administration. The "fillbusters," so called by President Thomas Lewis, succeeded in carrying by a large majority to suspend during the convention the salaries of the international organizers who are in attendance as representatives of the Elksburg district.

The delegates divided in the debate on the motion. The leaders of the insurrectionists were Frank J. Hayes, who probably has been elected international vice president, and who now is secretary of the Illinois district; William Green of Ohio, Lewis' opponent in the election for president; John H. Walker, president-elect of the Illinois miners and Lewis' defeated rival for the international presidency last year; Duncan McDonald, now the president of the Illinois district; and Francis Feehan, president of the Elksburg district.

The anti-administration speakers charged that the international organizers, being under the control of President Lewis, had been called into the convention in the expectation that they could further the interests of the administration; that some of them had solicited delegates from the Elksburg district, supposed to be unable to send delegates, and that they should have remained in their districts attending to the duties for which they were paid.

A dangerous centralization of power resulted, it was maintained, which threatened the interests of the individual districts.

Lewis Defends Acts. After his opponents pleaded their cause, President Lewis made a statement flatly denying that he had asked international organizers to help him forward his policies in the convention or that he had ever caucused the organizers. He had called some of them to the convention, he said, so that the delegates might have firsthand information of the progress of organization in non-union coal mining fields. Continuing, Lewis said:

"But it is of the international organizers that are bothering these men. In their intense desire to discredit the Elksburg district workers in the mines, they have issued circulars of their own. Read the scurrilous circulars that have been issued assailing my character and my work. Ever since the miners of this country placed a gavel in my hands my enemies have done all in their power to discredit my administration. They have sowed the seeds of division and disruption in the organization."

In defense of the integrity and devotion of the international organizers President Lewis declared: "If you would know the perils that beset these men go into the coal fields of West Virginia, Kentucky, Elkhart Ridge, West Virginia, the mountains of Tennessee and parts of the fields of Pennsylvania, Missouri and more that I might mention. If you are suspected of being an organizer you will give good account of yourself or you will be executed out by armed men, and if you resist you will stay there crippled."

After President Lewis had closed his speech there was further argument until a motion to end the debate was carried by a vote of 123 ayes and 47 nays. The original motion then was put and carried.

The reports of President Lewis, Secretary-Treasurer Edwin Perry and Vice President McCullough were read and the convention adjourned for the day.

Report of President. "The application of common sense should be the basis of the new method of promoting industrial peace in the mining regions," according to a report of President Thomas L. Lewis.

President Lewis declared that an important problem before the organization was how to organize the mine workers in the nonunion mining district. He said:

"South and east of the Ohio river in the states of Maryland, West Virginia, Kentucky, Tennessee and Alabama, nearly 120,000 mine workers are employed. Of this number, but a small per cent of the total are organized, and what is true of the states named also applies to a large section of the bituminous and anthracite districts of Pennsylvania as well as Colorado. Costly and unsuccess efforts have been made to organize these districts through the medium of strikes. The amount spent for aid alone in support of strikes in the states of Maryland, West Virginia, Kentucky, Tennessee, Alabama and Colorado since the year 1900 amounts to nearly \$5,000,000, and to this large sum should be added the amount of money spent to maintain a number of organizers in those districts."

In denying a widespread belief that the mine workers seek to organize in the states named to curtail the shipment of coal west, President Lewis said: "We should declare in the most emphatic manner that it is not our purpose to organize the nonunion mining districts to curtail their coal production. We must convince the operators of those states that we are sincere in our position. We will then have removed the greatest obstacle in the way of organizing West Virginia and the other states named."

The report states that the anthracite coal region of Pennsylvania employs 174,000 mine workers, about 80,000 of whom are organized, and explained the condition by saying: "An investigation and study of the anthracite situation convinces me that the industry in the most unorganized of the mine workers to be better organized is due principally to their own indifference."

Mr. Lewis declared that the wage agreement now in effect in the anthracite region does not provide a proper standard of wages and is not what the mine workers desire. And, in regard to the present agree-

(Continued on Second Page.)