

INVESTIGATION OF FLURRY ORDERED

SENSATIONAL AND MYSTERIOUS MOVEMENT OF ROCK ISLAND STARTLES MARKET.

MATTER TO BE PROBED

Committee Appointed to Delve Into Cause of Sudden Rise and Fall of Railroad Stocks—Conservative Members of Exchange Much Exercised Over Inexplicable Fluctuation.

New York, Dec. 27.—The New York stock exchange has an investigation on its hands. Common stock of the Rock Island company rose 31 1/4 points almost immediately after the opening today; then, even more suddenly dropped to 50. Thereby hangs a mystery, or a fiasco, or something that the governors of the stock exchange will try to sift to the bottom. At the close of today's session the governors quickly held a conference and it was announced that a special investigation had been instituted. Francis L. Eames, former president of the exchange; J. T. Attorney and Ernest Groesbeck were appointed to conduct the inquiry. Conservative members are much exercised over the episode, and summary punishment of the offenders is demanded.

Officers of the Rock Island disclaim any responsibility for the movement. At the office of Daniel G. Reid, who, with ex-Judge William J. Moore, is acknowledged leader of the Rock Island group, it was said Mr. Reid was indisposed today. Another report said that he was entertaining a house party at his country home near here. Judge Moore arrived from Chicago in the afternoon and affirmed what had been said earlier in the day that, personally he knew nothing of the excitement until told of it upon his arrival in New York. So much confusion surrounded the mystery that anything like a clear explanation seems impossible at this time. At the brief session of the governors this afternoon several members who figured in the buying and selling were called before the committee, but no details regarding the preliminary investigation were made public.

Give No Light. Those brokers credited with executing the orders declined to throw any light on the subject. They will be called to testify later. Stories purporting to explain the situation are numerous and conflicting. One theory was that an attempt at manipulation in the stocks had miscarried. According to this explanation, heavy buying orders were placed, but, through some oversight, the corresponding selling orders did not appear. The result was, following out this theory, that there was comparatively little stock for sale, and brokers who had charge of the buying orders had to bid the market up to execute them. If such was the case, the orders were destined to be "match orders," the principal subject of the recent investigation of the stock exchange instituted by Governor Hughes.

Extremely Weak. In the flurry today the rest of the list, including the active issues, was extremely weak with vague apprehension of another corner. Today's operations in Rock Island common stock totalled approximately 218,000 shares or more than 25 per cent of the issue. The stock fluctuated between 49 3/4 and 81, its top price of the first half hour and closed at 51 1/2, a net gain of 1 3/4 points.

Official of the First National bank of this city, which has intimate relations with the Rock Island, expressed the belief tonight that the whole matter had its inception in buying for European interests who are supposed to have been short in the stock.

COMPLETE SURRENDER MADE BY I. W. W. MEN

Spokane, Wash., Dec. 27.—Unconditional was the surrender of the Industrial Workers of the World in their campaign for "free speech" in Spokane which started the morning of November 2 and resulted in the arrest of more than 200 men, mostly foreigners, sent to Spokane from various parts of the Northwest, California, Nevada and Pennsylvania. The organization lowered its red banner, hoisted the white flag, and dispatched a committee to the police department with the following message:

"We are willing to quit and abide by the decision of the Spokane court superior court in the case against Filigno, arrested on the charge of conspiracy. There will be no more street speaking or inflammatory address revealing the flag, courts and police. A campaign of education will be substituted."

Chief of Police Sullivan announced today that every "martyr" now in jail must serve his sentence. This includes the organizers of the conspiracy and four editors of "The Worker."

GOVERNOR EDWIN L. NORRIS



SPECIAL SESSION CALLED TO ORDER

State Legislature Convenes to Consider Matter of Providing Funds for Use of Montana-Made Material In Construction of Wings to the Capitol.

Helena, Dec. 27.—(Special.)—Judging from the talk one hears around the hotel lobbies tonight, it would not be surprising if tomorrow the legislature should adopt a joint resolution expressing confidence in the work of the state board of examiners in connection with the capitol wings, and adjourn sine die, leaving the board to carry on the work as it has planned. This sentiment not to make any changes in the law undoubtedly predominates in the senate tonight, and while house members are not so outspoken, a poll would undoubtedly show a preponderance in the direction indicated in that body.

The billings "boosters" have changed their plan of campaign since arriving here, and now announce that they do not care whether Columbus stone is used, but what they want is Montana stone, produced anywhere in the state. What the members of the legislature fear is if they interfere on the stone question, they will then have to attempt to satisfy the owners of the cement plant at Trident, and the iron men of Butte or Helena and numerous other prospective bidders for furnishing materials.

State Printing Law. Tonight the local typographical union sent a communication to the governor asking that he send in a special message to the legislature recommending the amendment of the state printing law by inserting a clause fixing a penalty for violation of the statute which forbids the sending of binding, blank book manufacturing or printing out of the state.

This amendment to the law was defeated at the regular session, and the legislature do not care to have to consider it now. Serving without pay, many taken away from their business at the close of the year, the majority are anxious tonight to drop the whole matter and leave the responsibility for the construction of the capitol wings where the legislature put it originally, on the state board of examiners.

The senate will hold a caucus tomorrow morning in an endeavor to decide what action it will take.

It was reported tonight that a bill will be introduced to pay the members and attaches for their attendance.

Curtailment. The special committee held a meeting this evening, and it was said after it had adjourned that it would probably report in favor of a curtailment of the plans for the wings, so as to enable the board of examiners to complete them inside the appropriation of \$500,000 and use Montana stone.

The session tonight lasted four hours, and many arguments in favor of Montana stone were presented. President Selvide, of the Billings Chamber of Commerce; W. R. George of Billings; S. Gensberger of Butte, George Glover and A. R. Archibald of Great Falls; all spoke in favor of the use of Montana stone. Mr. Archibald said the reason the Bedford quarries were able to underbid the Montana quarries was because they furnished to points west of the Mississippi, stone below second class quality, all the first and second class, finding a market in New York and on the Atlantic coast. He said the policy of the Bedford people was to underbid quarries in other states in an endeavor to close them.

M. A. Jacobs of the Columbus quarries, said when his company gave Governor Norris a price of from \$2 to \$2.25 a cubic foot, it was with the idea the wings would follow the general plan of the other building, but the specifications showed 39 columns, plasters and other hand work, which are not in the main building. He said his company was willing to test the

Columbus stone against that from Bedford, and in addition he said he would allow the state to take out the stone if it desired, and allow him 10 per cent on the cost.

There were 29 absentees in the senate and house at noon today, when the extraordinary session of the legislature convened. Ten of these absentees were in the senate and 19 in the house. It did not take long after the gavels fell in each body to get down to business. The usual notification committees were appointed, and shortly after they had reported the joint session was held and the message of the governor read. The senate, which will have nothing to do until it gets some business from the house, adjourned until tomorrow immediately after the joint session had dissolved.

In the house, Speaker McDowell named a committee consisting of Crutchfield of Ravalli, Cluston of Cascade, Norton of Silver Bow, Warren of Jefferson, Owenhouse of Gallatin, Woody of Missoula, Shoenaker of Lewis and Clark, Elliot of Beaverhead, Hutchinson of Flathead, Connelly of Yellowstone and Thompson of Fergus on the message of the governor.

Governor's Message. To the Eleventh legislative assembly in extraordinary session: You have been convened in extraordinary session, in accordance with the request of a large majority of the members of this assembly, for the purposes stated in the call, as follows:

"First—To consider and, if found desirable, to appropriate such additional sum as may be necessary to permit the purchase of materials of every kind or character produced or manufactured in Montana that may be used in the construction of the capitol additions, and to make any amendments to the act authorizing the construction of said additions; the legislature assembly in its wisdom may deem advisable.

"Second—To make an appropriation for the support of the publicity department and for advertising the resources of the state for the fiscal year 1910."

You have heretofore committed to the state board of examiners the duty of building the additions to the capitol. The board is now performing that duty. With every act of the board so far performed, and with every arrangement so far made for the construction of the wings, I have at all times been in absolute accord. You have not convened on account of any dissatisfaction on my part with anything that has been done, or with anything that has been arranged for by the board.

The enactment of the law authorizing the construction of the wings, any amendment that may be deemed necessary to be made thereto, the providing of funds to pay the cost of construction, and any and all regulations relative to the amount that may be paid for labor or materials, are purely legislative functions. I have been constrained to grant your request and give you opportunity to assemble and exercise your best judgment, rather than to deny your petition and thereby arrogate to myself a legislative prerogative.

SUIT IS FILED IN NEW YORK COURT

FORMAL COMPLAINT BY FRANCIS J. HENEY MADE AGAINST WILLIAM H. CROCKER.

QUARTER MILLION ASKED

Prosecutor in Graft Cases in Frisco Asks Damages For Libel Because of Letter Published in Gotham Paper. Over Signature of California Multi-Millionaire—Would Silence Tongues.

New York, Dec. 27.—The formal complaint in the damage suit of Francis J. Heney of San Francisco, against William H. Crocker, the California millionaire, for \$250,000 on an allegation of libel, was filed here today.

Mr. Heney says he bases his action on an open letter bearing his action, which appeared in a New York evening newspaper on December 3 in which Mr. Crocker defended his action in first supporting Heney in the San Francisco graft prosecutions and later withdrawing his support. James M. Beck, counsel for Mr. Heney, said today:

"As soon as Mr. Crocker's letter was published Mr. Heney telegraphed me to bring the suit. Mr. Heney, who nearly gave his life to the cause of exposing corruption in San Francisco desires to settle once and for all the question whether he conducted the prosecutions against the San Francisco grafters in an honorable and legitimate way. In the heat of the great contest in San Francisco many charges were made by irresponsible men against Mr. Heney, but when Mr. Crocker assumed responsibility for the charges and gave them wide circulation in a responsible organ of public opinion, Mr. Heney felt his opportunity had come to have a jury of his fellow countrymen determine the justice or injustice of the accusations against him.

"In San Francisco the graft prosecutions have so divided its people into hostile camps that it would seem to me a matter of exceeding difficulty to obtain a jury that would consider the questions involved with absolute impartiality. In New York, however, there can be no selfish interests in the issues that grow out of the San Francisco graft prosecutions and here, therefore, jury can be selected that can impartially and fearlessly judge between Mr. Crocker's grave accusations and Mr. Heney's accounts of his stewardship as a public official."

NOT SO INFATUATED AS HE WAS

BROKAW SAYS HE DOESN'T LOVE HIS WIFE AS HE DID BEFORE LEARNING SOMETHING.

New York, Dec. 27.—Mrs. W. Gould Brokaw did not arrive at court today until afternoon, coming on a bobbed from Mineola with her father and sister. She listened attentively to the cross-examination of her husband who denied that the tone of his testimony on Friday meant that he was eager for a reconciliation.

"You say you were fond of her—do you love her?" queried Arthur J. Baldwin, counsel for Mrs. Brokaw.

"Well, I'm fond of her."

"Do you love her?" insisted the lawyer.

"Not so much as I did," answered the witness.

"Then how about all these reconciliation statements?"

"I never talked at all to the newspapers. I have not said anything except in court."

"Then what did you say in court?"

"I said," continued Brokaw, "that if Mrs. Brokaw would be different and I could believe her, I might take her back under certain conditions."

"Do you or do you not want to take her back?" asked Mr. Baldwin.

"Not since I found out certain things which I have learned since Friday," said the witness.

"But you say you changed your mind a good many times?"

"She has," perked Brokaw.

COUNT LEO TOLSTOI



St. Petersburg, Dec. 27.—The health of Count Leo Tolstoy is again causing anxiety. The count has had a high fever since last night. Physicians were summoned today from Moscow and Tula to attend him.

SEEKS TO JUSTIFY HIS OWN CONDUCT

Former President Zelaya Gives Out Interview In Which He Strives to Show That He Did Right In Having Groce and Cannon Executed.

Salina Cruz, Mexico, Dec. 27.—Declaring that the attitude of Secretary Knox toward him could not fail to be disapproved by all fairminded people and that he believed the secretary's judgment was warped by false reports from the American vice consul at Managua, former President Jose Santos Zelaya endeavored, in an interview today, to justify his treatment of the Americans, Cannon and Groce, as an act that any one in his position would have committed. Zelaya departed from the Mexican gunboat General Guerrero this afternoon and left tonight for Mexico City in a private car attached to the regular passenger train due in that city Wednesday morning.

"I am going to Mexico City to remain for six months," said he. "If the climate agrees with me I will send for my family. If it does not agree with me, I will go to some place in Europe. I am going to Mexico City to thank President Diaz and Mexican officials for their kindness to me."

Vessel Arrives. The Guerrero with Zelaya and his party on board, arrived outside the harbor last night, where the boat lay until this morning. A little after 8 o'clock it steamed to the dock and Zelaya appeared on deck to wave a greeting to a crowd of townspeople that had gathered. He was accompanied by Luis A. Cousin, his former secretary of war; Robert C. Howe, his friend, and former jefe politico, and by several friends.

On board the Guerrero Zelaya discussed the killing of Cannon and Groce and the note of Secretary Knox. "Cannon and Groce," Zelaya declared, "were engaged by the conservative party and were brought from Guatemala by that party which was working hand in hand with Cabrera. As they never had any ground for accusing me of any infringement of the treaty adopted by the Central American republics, they attempted to create a cause and began trying to instigate a mutiny and an armed rebellion to force the United States government to intervene."

Harm Action. "As regards Cannon and Groce no one else in my position would have acted other than I did. Neither of these men had any property in Nicaragua. Americans and other foreigners holding property in Nicaragua enjoyed protection at my hands, the same as native born citizens, and they had the advantage of not having to pay direct taxes. I think Mr. Knox took harsh action against me. I believe his object was that I resign. That is what I have done. I am only a private citizen now and such I shall remain."

"It is not my intention to enter politics again. The report that I had taken command of the government forces was absolutely false. I have not and never intended to do so."

Zelaya attributed much of his woes to Mr. Caldera, American vice consul at Managua, of whom he said: "The United States government was grossly misinformed about conditions in my country. The vice consul is a member of the conservative party and an ardent defender of that party's views. With the object of overthrowing my government, he made false reports to Washington, which I firmly believe had much to do with the note of Secretary Knox."

"I have no doubt that these reports led him to adopt the attitude he did toward me. The attitude cannot but be disapproved by all fairminded people."

Zelaya Welcomed. In the afternoon Zelaya was called upon by several Mexican officials, among whom was Juan Broising, collector of the port, who welcomed the former president with the words: "I receive you like a brother."

Zelaya said he had a good voyage, but that he was feeling badly and had a slight fever. He did not appear ill at ease or excited and in the afternoon sat for a photographer on the dock. He left Managua accompanied by Minister Carbajal of Mexico, who escorted him aboard the Guerrero at Corinto.

"I was at perfect liberty at all times and was not intercepted," he said. "I boarded the Guerrero in broad daylight on the afternoon of the 24th. The English minister at Managua offered me conveyance on the sloop Shearwater, then at anchor at Corinto, to any country I wanted to go, but I preferred to come to Mexico."

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ESTIMATE IS MADE. Washington, Dec. 27.—A committee appointed by the isthmian canal commission has just estimated for official purposes that the old and new French companies excavated 78,145,000 cubic yards towards the construction of the canal across the Panama isthmus. Of this amount 29,908,000 is regarded by the commission as useful in the construction of a canal under the plans of the United States.

SHEEP SUFFERING FOR WANT OF FEED. Salt Lake City, Dec. 27.—General Freight Agent J. A. Reeves, of the Oregon Short Lines received a letter today from Publicity Agent Joel Priest at Boise, Idaho, stating that 100,000 sheep in southern Idaho were in danger of starvation because the deep snows had covered up the ranges so they could not feed. Mr. Priest urged that every accommodation possible be given the sheepmen in the way of accelerated service of cars of feed.

The freight department is also in receipt of requests from American Falls, Idaho, for 50 cars with which to ship 15,000 sheep from that section to Utah.

JANITOR WAS HEIR TO LARGE FORTUNE. Seattle, Dec. 27.—Patrick M. Smith, aged 57, janitor of an apartment house, who was found dead in his room last night, recently received a letter from friends in Ireland saying that he had fallen heir to \$30,000. He refused to return to claim his legacy, although an offer to send \$1,000 for his expenses was made. The old man had become dependent over his appetite for drink and felt that the money would do him no good. Smith had told friends that he had been a teacher in an Omaha college.

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A BIG STRIKE IMMINENT NOW

RAILROADS AND SWITCHMEN FAIL TO MAKE SETTLEMENT OF DIFFERENCES.

WIDER BREACH RESULTS

Conference of Those Endeavoring to Settle Trouble Fails of Its Purpose and Is Called Off—Labor Officials and Leaders Depart With Intimation of More Serious Consequences.

St. Paul, Dec. 27.—Contrary to expectations, developments today in the controversy between the railroads of the northwest and the striking switchmen, instead of resulting in an amicable settlement of the labor problem in a wider breach than has heretofore existed. Not only have the switchmen declared all negotiations with the railroads off, but labor leaders say there is a strong possibility of a general strike by all allied orders belonging to the railway branch of the American Federation of Labor.

H. B. Perham, acting as chairman of the railway council in session here, left tonight for Washington to seek advice. "There may be a general strike," said Mr. Perham.

President Hawley, president of the switchmen's union, asserted: "Several other members of the railway council besides Mr. Perham left for their headquarters tonight to make preparations for a strike of their respective orders."

Mr. Perham in speaking of today's developments said:

Verge of Settlement. "Friday we were on the verge of a settlement, and we thought the matter would be fixed up today. But this morning the railroads presented a mysterious change of front and assumed much arrogance that we decided at once to have nothing to do with them."

"I am leaving tonight for Washington. I have business in Chicago and Cincinnati first, but will arrive at the capital on Thursday. As the intervention of state authorities has failed, I shall seek the aid of the United States in putting an end to a controversy that is causing bankruptcy and suffering among innocent people who have no voice in the matter."

Mr. Perham would not state as to which department at Washington he would appeal. He said he may seek to interest the interstate commerce commission and he may take the matter up directly with President Taft. In the conference between railroads and labor leaders today railroad officials refused to take back all the switchmen at once, but agreed to re-employ all those they have places for. They gave the switchmen until 12 o'clock Wednesday to accept this offer. The offer was immediately rejected by the labor leaders.

Later in the afternoon Mr. Hawley and Mr. Perham called on Governor Eberhart and asked him to invite the interstate commerce commission to intercede. The governor replied that he did not care to act on this request until he had consulted the attorney general, who is out of the city and will not return until tomorrow. Asked as to how long it would take to call out a general strike if such action is decided upon, Mr. Perham said:

"Some of the orders can be called out immediately. There will be some delay in calling out others because of a difference in the method of procedure in such cases."

Conference Over. Chicago, Dec. 27.—O. L. Dickinson, speaking for the General Managers' association gave out the following statement today:

"The conference between the railroads and President Hawley of the Switchmen's Union of North America ended in Governor Eberhart's office this morning. President Hawley demanded that all the striking switchmen be reinstated at once, pending settlement through the Chicago conference. The railroads offered to take the men back as fast as possible without displacing men now at work. Mr. Hawley would not agree to anything but complete reinstatement of all men. Consequently further negotiations were at once at an end.

"The only important point of difference was complete reinstatement of all strikers at once. The railroads today officials notified Governor Eberhart that they would hold open their position to President Hawley until Wednesday."

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