LEXOW EXTRA NO. 2

The World.

EVENING EDITION

"Circulation Books Open to All."

LEXOW EXTRA NO. 2

PRICE ONE CENT. NEW YORK, FRIDAY, DECEMBER 21, 1894. PRICE ONE CENT.

CARLISLE WEAKENS.

He Will Permit the Withdrawal of the Pending Currency Bill.

HAS A NEW MEASURE READY.

Will Be Introduced, Chairman Springer Says, in the House at Once.

SAID TO DIFFER RADICALLY.

Secretary First Confers with the Representative of the Banking Committee.

WASHINGTON, Dec. 21.—The Carlisle Currency bill now before the House will be withdrawn and a substitute presented. This decision was reached after a caucus of the Democratic members of the Banking and Currency Committee quietly held last night, followed by a conference between Secretary Carlisle and Chairman Springer to-day.

The substitute has already been drawn and will be offered by Mr. Springer before the holiday recess, a sthe desire of all concerned is to get it before the country prior to the adjournment. It differs very materially from the original Carlisle bill.

The caucus of the Banking and Currency Committee Democrats was held in the committee-room last night, the following members being present: Springer, Cox, Culberson, Sperry, Warner, Cobb (Ala.) and Ellis. The absentees were Cobb (Mo), Hall (Ia.) and Johnson (O.). The discussion took a wide range, and the sentiment was general that the bill would have to be materially changed in order to meet objections and command a support which would secure its passage.

The needed amendments were formulated, and when the caucus adjourned it was not contemplated that the Carlisle bill should be more than amended. It was arranged that Mr. Springer should see Secretary Carlisle to-day and submit the contemplated changes.

When the Secretary and Mr. Springer met to-day it was determined that the better plan would be to frame a new measure in the nature of a substitute, instead of mutilating the original bill with many amendments which went to its vital principles. Accordingly the substitute was agreed on in full, and as soon as it can be copied and put in proper bill form it will be presented to the House, and thenceforth be the bill on which the currency debate is to proceed.

Two very important features make their appearance for the first time in the substitute. The main one will have the effect of allowing the National banking system to run along without an arbitrary provision that banks must organize under the new system. The original Carlisle bill contemplated that all National banks must reorganize under the new plan. This would have required them to surrender the Government bonds which now constitute the basis of their circulation. But the substitute does away with this imperative change.

If National banks wish to continue to hold their United tates bonds and issue circulation thereon they may do so. It is felt that they will soon discover the advantages of the new system and will, therefore, adopt it voluntarily. But the option will be given to them to judge for themselves, and if they wish they may continue as National banks.

The other important features of the substitute is that it does away with the unknown liability of banks to guarantee the notes of all other banks. This feature of the original bill has been much criticised. It contemplated that if a National bank failed its notes would be paid out of its assets and the general "safety fund" made up by all the banks. But if the assets and safety fund were insufficient to pay the notes of the failed bank, then the Comptroller of the Currency was to make a pro rata assessment on all the banks of the country. The banks said this prospective assessment shouldered them with an unknown risk. In effect, it made them supply insurance on all the notes of banks in which they had no concern.

In view of these criticisms, the substitute will do away with the assessment plan. The "safety fund" will be the limit of the joint liability of all the banks for the failure of individual banks. They will, however, be compelled to keep up this safety fund by more rigid provision than appeared in the original bill. Besides these two main changes, there are many lesser ones, which were summarized as amendments yesterday, but which will now be incorporated as a part of the substitute.

When the House went into Committee of the Whole to-day for the further consideration of the Currency bill, Mr. Pendleton (Dem., W. Va.) was recognized by the Chair, but before he could proceed Mr. Johnson (Rep., Ind.) arose for the purpose, as he stated, of propounding an inquiry to the Chairman of the Banking Committee, Mr. Springer.

"I understand," said he, "that at a meeting of the Democratic members of the Banking Committee last night it was decided to offer a substitute to the pending measure, and that the consent of the Secretary of the Treasury was obtained. Is my information correct? If so, I suggest that the substitute be now offered in order that we can proceed intelligently."

"Some time during the afternoon," replied Mr. Springer, admitting that a change of views had been agreed upon. "I will say it is my intention to introduce a substitute for the pending bill."

Mr. Springer, however, denied that the "consent" of the Secretary of the Treasury had been asked or obtained. The Democratic members of the Committee, he declared, were responsible for the substitute.

Mr. Pendleton then proceeded with his argument in support of the bill.

The joint resolution providing for a holiday recess from Saturday, Dec. 22, to Thursday, Jan. 3, was adopted by a vote of 182 to 12.

Died Alone in His House.

MOUNT VERNON, N. Y., Dec. 21.—George W. Cory, of 15 South First avenue, was found dead in the upper floor of his residence last night. He was sixty-six years old, and remained in the house while his family went to a reception that was given in the public school. Apoplexy was the cause of death.

OUR BLOOD-THIRSTY REFORMER.

"Let Me at Him! I Say, Let Me at Him!"

FELLOWS HELPS HALE

The District-Attorney Appears Against Justice Divver.

Says Hale's Omissions Are More Vital Than His Performances.

Morris Tekulksy in Court Ready to Testify.

The trial of Police Justice Patrick Divver was resumed in the Court of Common Pleas this afternoon.

Col. Fellows, accompanied by Lawyer Hale, entered the court-room at 3.50 and both entered the Judges' private room, where a consultation was held. While the latter was in progress Divver entered accompanied by his counsel. They were followed immediately afterwards by Assemblyman Michael Callahan and a dozen other shining lights of the Second District.

At exactly 4 o'clock Court was called to order, all five Judges being present.

Immediately Lawyer Hale arose and told of his invitation to Col. Fellows to attend and the fact that he had accepted. Then Mr. Hale apologized in a measure for his own shortcomings. He asked that the Court should defer to Col. Fellows wishes in every way. He said he had tried to summon witnesses.

Then he asked if Mr. Tekulsky was in court. The latter's name was called, but he failed to respond. He walked into court, however, a moment later.

Col. Fellows explained his position. He said he had only been asked yesterday to assist in the prosecution, and he had seen Hale, who informed him as to what he had done and what he had omitted to do.

"I know," he added, "Mr. Hale will not deem it unkind when I say that we both came to the conclusion that what he had omitted to do was much more important than what he had done."

The District-Attorney went on in that strain, and then said he had personally had subpoenas served since yesterday afternoon.

"I am here," he said, "not to shirk my responsibility, but to take up the case, provided I can get the proper time. At present I am in the dark. In fact, I know nothing of what has really happened.

"If I am to go on, I will require delay. Had Mr. Hale notified or consulted me in the first instance, things might be different."

"I have examined the charges. Beyond that I am unable to go."

"How much time do you want?" asked Chief Justice Daly.

Col. Fellows said he would want at least a week. He could then find out whether or not the People had a case at all.

Mr. Rollins, counsel for Divver, protested at any delay, and he went all over the farcical proceedings up to date, and dwelt upon the hardship which it imposed upon Divver.

"It is perfectly apparent," he added, "that it was the love of notoriety on the part of one man that led to these charges and"

"I hope," interrupted Col. Fellows, amid laughter, "that counsel will acquit me of any desire for further notoriety."

"Yes, I freely acquit you," laughed Mr. Rollins, and then he went in to denounce Hale. He insisted the charges ought to be dismissed or fought out at once. He also complained of the public clamor against Divver, and said the latter was not to be convicted except on legal evidence.

Hale claimed that two of the charges, carelessness and inefficiency in office, had been fully proved. He also claimed that even the bribery charge and corruption of voters had also been proved.

Col. Fellows claimed that the very contentions of lawyers made it impossible for him to appear for the people offhand.

"If the services of the District-Attorney is required, all I can say is, the case will have to go over."

Mr. Rollins made another appeal to have the case decided at once, claiming that Mr. Hale was a man without responsibility.

The case was then set down for next Friday.

HOPES OF A CUP RACE.

H. Maitland Kersey received a cablegram from Lord Dunraven this morning stating that there would probably be a meeting of the Royal Yacht Squadron Jan. 5.

When seen later Mr. Kersey expressed an opinion that the Royal Yacht Squadron would accede to the request to receipt for the cup in order to be assured of a race next Fall.

CAPT. PRICE DOESN'T KNOW.

He Really Can't Say Whether or No Schmittberger Tells the Truth.

Capt. Price was asked by an "Evening World" reporter this afternoon if he had anything to say in answer to the charges made against him by Capt. Schmittberger before the Lexow Committee this afternoon, especially the charge that he had taken money for protection.

"I don't know anything about it," he replied.

When pressed to give an answer as to whether the charges that he collected money were true or false, he said:

"I tell you I don't know anything about it and therefore I cannot talk."

CHINA SEEKS PEACE.

Appoints Two Commissioners to Visit Japan's Capital.

WASHINGTON, Dec. 21.—Minister Denby cabled the State Department today that the Chinese Government has appointed two Peace Commissions, Chang Yin Huan and Fhao, who will proceed at once on their mission from Pekin to the Japanese capital.

BROCKWAY IN BAD ODOR.

Five Judges Who Will Send No More Boys to Elmira.

BUFFALO, N. Y., Dec. 21.—The News prints to-day letters from County Judges of Genesee, Chautauqua, Orleans, Ulster and Livingston Counties.

They declare they will sentence no more boys to the Elmira Reformatory under its present management.

PARK BOARD MAY GO.

Forty Prominent Citizens Petition Mayor Gilroy.

Mayor Gilroy to-day received a petition from forty well-known men, chiefly connected with art societies, calling for the resignation of President Clausen and Commissioner Tappen, of the Park Board.

The ground for the petition is the refusal of the Commissioners to put the construction of the Harlem River Speedway under the supervision of a landscape architect.

Commissioner Straus also approved the appointment of a landscape architect for this work, but he is now in Europe. Commissioner Bell has voted against the majority of the Board.

The petition is, in part, as follows:

"As Mr. Olmsted's letter of Dec. 12 shows conclusively that the attitude of the Commissioners is such as to forbid all hope of proper treatment at their hands, we feel constrained from our interest in the great property held by the Park Department of this city to demand, through you, the peremptory termination of this outrage by the resignation of Commissioners Clausen and Tappen.

Among those who signed the petition are Thomas W. Woods, President of the National Academy of Design; William M. Chase, President of the Society of American Artists; Napoleon Le Brun, President of the New York Chapter of the American Institute of Architects; R. M. Hunt, President of the Municipal Art Society; George B. Post, President of the Architectural League; Stanford White, Daniel C. French, Augustus St. Gaudens, J. G. Brown, Will H. Low, J. Q. A. Ward, Howard Russell Butler, Henry G. Marquand, and Reinhardt Weiler.

These prominent citizens, not connected with art, concur in the petition: Robert Bonner, Hamilton Busby, J. B. Houston, C. F. Hoffman, Jr., A. Newbold Morris and Lawrence Kip.

Mayor Gilroy refused to talk at length about the matter. He said his term would expire before he could prefer charges and have a trial, and remove the Commissioners, if they should refuse to resign.

The petition will doubtless be presented to Mayor Strong as soon as his term of office begins.

One Way to Swell the Pension Fund

President Martin stated this afternoon that during the last year $3,900 had been added to the Police Pension Fund by merchants, for services of policemen who have been specially detailed during the holidays for duty at big mercantile houses.

KILL that cold with RIKER'S EXPECTORANT.

PALFREY PUGNACIOUS

But Referee Stein Didn't Scare a Little Bit.

"I'll Referee Anything That Comes Along," He Said.

Lively Scenes in the Suit Over Mrs. Palfrey's Tailor's Bill.

Mrs. Mamie M. Palfrey, whose bill of $265 with Haas Brothers, ladies' tailors, has been the cause of bringing her up in supplementary proceedings, was before Referee Myer J. Stein to-day, on her adjourned hearing.

The first witness was the pretty young stenographer, who was questioned by Maurice Meyer, counsel for Haas Bros.

Then the examination of Mrs. Palfrey was continued. She put everybody in the room in good humor, and enjoyed herself thoroughly in identifying the saleswomen and calling them her friends.

Mrs. Palfrey's memory was very bad when it came to the question of her wearing jewelry. She admitted that she had jewelry in her possession from time to time, but it belonged to her friends. Finally she lost her good humor, and, becoming petulant, exclaimed:

"I refuse to answer because your questions are ridiculous."

Q. Well, if you did wear rings, and they were not your own, whose were they? A. My sister's.

Q. Whose rings, besides your sister's, did you wear? A. My friends'.

Q. What are their names? A. I don't remember.

Q. You received a ring last Christmas from your husband? A. I did not.

Q. Did you receive a ring from any one else besides your husband? A. Of course not—nor I wouldn't.

Then it came out that Mrs. Palfrey did have a sealskin cape—an imitation sealskin—on about six weeks ago. She explained that it was not hers, but it had been loaned to her by Hilton, Hughes & Co., because she had a cold. She said that she owned the cape now, and that it was at the Girard House. In her last testimony she swore she owned nothing in the shape of a coat or cape.

"My husband pays my bills," she said.

"When he pays them," put in Mr. Meyer.

"I won't stand your insults any longer," exclaimed Mr. Palfrey, half rising, "and I'll stand up to you any time."

"Mr. Referee! Mr. Referee!" exclaimed counsel for the Palfreys, "stop this."

Lawyer Stein never moved from his chair as he said:

"I'm here as a referee, and I'll referee anything that comes along."

This was so very funny that every one laughed, and good humor was restored.

When Referee Stein had announced an adjournment of half an hour for lunch, Mr. Palfrey went up to Lawyer Meyer's clerk and said he would give a $10 note if he could get him up to the hotel where he lived so as to give him a good thrashing.

It looked for a while as though there would be a fight, but the men were parted by the bystanders and the clerk left the room.

After recess Mrs. Palfrey said she only had three dresses at her home now. Then Mr. Meyer said he would find out just what clothing Mrs. Palfrey had. The result of his inquiry was as follows:

One pair of shoes, which she had on, and which were worth nothing; eight pairs of stockings, four dresses, some of which are soiled; one skirt, one cape, two hats—the one she had on was worth $5; four pairs of gloves, all well worn; linen, $20 worth; a few trashy (sic) novels.

At this point the referee directed the witness to produce her proprty at the next hearing.

"One on," said Mr. Palfrey to his wife, "come on, if that's all, and I'll tell you another outfit right away."

"Hush, darling," she said, and Mr. Palfrey waited a while.

Then Miss Ora C. B. Kline, one of the saleswomen of Haas Brothers, was sworn. She testified that Mrs. Palfrey, during the past year, has worn very handsome and valuable diamond rings—one in particular, a big marquise, she saw on her finger as recently as August last. She also swore she saw Mrs. Palfrey wearing a sealskin cape about a month ago.

Mr. Macon, counsel for Mrs. Palfrey, wanted to cross-examine the witness. Mr. Meyer refused to allow him, and, during his remarks, said:

"I may have your client—Mrs. Palfrey—before the Grand Jury before I get through."

The hearing was then adjourned until Dec. 28, at 2 o'clock.

EXTRA.

HE ACCUSES WILLIAMS.

Schmittberger Admits Collecting Money and Paying It to the Inspector.

LAW BREAKERS PROTECTED.

An Understanding Existed Between Them and the Police---Pequod Club's Power.

Police Capt. Max F. Schmittberger made a public confession before the Lexow Committee to-day of the corruption which, to his knowledge, existed in the Police Department.

He began his confession by saying he had not paid for his appointment, but knew of cases where promotions had been bought.

He said most of the new men on the force had been appointed through political influence. He said he was asked to join the Pequod Club, which it was represented to him would help him officially.

He bought tickets for the Pequod Club's outings, paying $5 apiece for them. He says liquor dealers were induced to buy mineral waters from Munzinger, a member of the Club.

When the subject of disorderly housese was touched upon, Schmittberger said he knew the keepers paid for protection, and when asked who got the money, replied: "Capt. Williams." This created a sensation.

Disorderly houses, he declared, could not exist without the knowledge of captains of precincts.

Gradually as his story was told it became apparent that a system of cooperation existed between keepers of houses and patrolmen, who were evidently instructed how to act in cases where trouble occurred in disorderly houses.

Later he testified that he had personally given to Inspector Williams money collected for "protection."

Before Schmittberger began his testimony he was assured of the protection of the Committee if he would tell all he knew about police corruption.

Mr. Goff reminded the Captain of the serious character of the oath he had taken and its responsibilities and penalties.

"I am here to tell the truth," said the witness, "without any promise of any kind."

"Are you prepared to tell the truth without any reward or promise of any kind?" asked Mr. Goff.

"I am."

At Mr. Goff's request Chairman Lexow then told the witness what the power of the Committee was and assured him that the protection of the Committee would be thrown about him if he would tell the truth unreservedly and testify to what he knew of police corruption.

"If you do this freely and frankly and without any mental reservation, the Committee can grant you immunity."

Senator O'Connor added that the law gave the witness this immunity, and that the Committee would see that it was enforced.

All Other Witnesses Excused.

Mr. Goff then announced that all other witnesses under subpoena were excused until 10.30 next Wednesday. This indicated that Schmittberger would be on the stand all day.

This created a sensation in the Committee room, as it was taken as an indication that a confession was coming, or at least some of the most important testimony yet given.

Capt. Schmittberger looked very solemn, and there were big black lines under his eyes, whichformed a striking contrast to the general ruddiness of his complexion. Only two or three persons left the room after Mr. Goff's announcement.

The witness began his testimony by stating that he joined the police force Jan. 28, 1874, at the age of twenty-two. Previously he had been in the confectionery business, and had been married.

Did Not Pay to Be Appointed.

Q. Did you pay anything for your appointment, or any consideration whatever for it? A. No, sir.

Q. The civil-service was not in operation then? A. It was not.

Q. What was your first precinct? A. The old Twenty-ninth, now the Nineteenth (the Tenderloin). I was there three years.

Q. You became very familiar with it? A. Yes, sir.

Q. Were all the patrolmen treated alike? A. Yes; I think so.

Q. Weren't there any favorites? A. Oh, yes. Sergeants always have favorites. The favored ones were given lively posts, where they could get a cup of coffee or a sandwich nights; others got dead posts, which are desolate. No one likes to get a dead post. The favorites will also get off of doing special duty.

The witness said that such favoritism was detrimental to good discipline. The political preferences of the men had a good deal to do with their duties very often, the Captain said, and politicians and district leaders often went to sergeants and asked to have privileges extended to their friends on the force.

The sergeants were influenced by the knowledge that those politicians had influence with the Captains and Inspectors or Commissioners.

Q. Doesn't the sergeant have to rely as much on his political pull as on his record for promotion? A. Yes, and even more than on his record.

Q. So the sergeants have to see that they stand well with the politicians? A. Yes, sir.

Q. Did you ever hear of a patrolman giving up anything to a sergeant to be put on a good post? A. Cigars or something of that sort, perhaps, but never any money.

Q. Do you think the class of men appointed for the last ten years are any improvement upon those for the ten years previous? A. I do not think they are as good a class of men. They are not so competent, or efficient, or intelligent, and they do not make such able officers. They are more politicians than policemen.

Knows of Payment for Promotions.

The witness had heard that latterly all men appointed to the force had to pay for their appointments.

Q. Can you tell us where this money goes? A. Not about appointments, but I can about promotions.

Q. Never mind that now. You have heard of go-betweens who get this money and negotiate with the Commissioners? A. Yes, very frequently.

The only name he could recollect, he said, was Charlie Grant, ex-Commissioner McClave's confidential man. When prompted by Mr. Goff, he said he had heard of Kelly, the shoemaker, of Eighth avenue; Meyers, the tailor, near the Metropolitan Hotel, and Alderman Parks, but he had no positive knowledge of these men.

The new men, the witness said, were not so ready to obey orders, showed some independence and uppishness and seemed to think they could always rely on their political pull and had a right to do what they pleased because they had paid for their positions.

Q. In other words, when charges are brought against them, they rely on their pull more than on their defense? A. That's about it.

Mr. Goff asked for an adjournment, and recess was taken at this point till 2.15 P. M.

After the adjournment, it was stated upon the authority of one of the Committee's counsel that Capt. Schmittberger had made a clean breast of his connection with the blackmailing system of the Police Department, and that he would tell everything before he left the witness-stand this evening.

That was the reason why Mr. Goff had dismissed all other witnesses, for he knew just what was coming.

"Schmittberger will tell everything from A. to Z," it was stated, "and he knows as much about it as anybody on the police force."

"It is a case of sudden conversion, and we are going to get at the bottom of facts now, sure."

"Has any attempt been made to prevent the Captain from making his confession?"

"No one has had any chance to prevent him, for no one knew he would do so till this morning."

Capt. Schmittberger went out to luncheon under the charge of the Sergeant-at-Arms of the Committee. His face was flushed and downcast as he left the room.

He had promised Senator Lexow that he would not talk with a soul during the recess about his coming testimony, and said he would allow no one to talk with him about it.

As Capt. Schmittberger is now under indictment on a most serious charge in connection with his receiving blackmail to the extent of $500 from Mr. Forget, agent of the French steamship line, who furnished conclusive evidence of the payment of this money to the Captain, the question of how his proposed confession would affect this criminal prosecution, in view of the assurance

(Continued on Third Page.)

Capt. Max Schmittberger, Sitting in the Witness Chair, Near Senators Lexow and Bradley.

[Sketched from Life this afternoon by an "Evening World" artist, and reproduced in one hour by "The Evening World's" Photo-Engraving Department.]

VOORHIS SURROUNDED BY REPORTERS. SENATOR POUND HAS THE GUM HABIT.

THE NIGHT EDITION OF "THE EVENING WORLD" WILL BE ISSUED TO-NIGHT AFTER THE ADJOURNMENT OF THE LEXOW COMMITTEE.

O'CONNOR EXPLAINS.

Says "The World's" Interview Is Correct, but He Had to Deny It.

Public Repudiation Gives Place to Private Admission.

He Had to Do Something, He Declared, to Square Himself.

"The interview with me, which appeared in 'The World' this morning," said Senator O'Connor during the recess hour of the investigation to the writer of the interview, "placed me in an attitude which I could not stand up under. I was compelled to take some steps for self-protection.

"What I said in reference to it in court this morning has not been correctly reported.

"The only statement I made was that a reporter of 'The World' called upon me at my hotel last night and asked me some question, and that some of the things I said were correctly printed, but that the interview contained other things of which I had no recollection. This was the statement I made.

"You see," continued the Senator, confidentially, "I had to do something to square myself, and I didn't see any other way of doing it except by speaking right out."

The Senator was reminded that that portion of the interview which was credited to him was an accurate account of what he said.

"I admit that," he replied, "but I am charged with having made all the statements which appear, and so I felt compelled to deny the whole thing."

The Senator and Chairman Lexow were both careful not to deny that they are both anxious to choke the Committee to death to-day. The fact is that they want to quit in order to spend the holidays at home. Here is something else that Senator O'Connor said to the reporter in his hotel last night:

"You see every man who has a family likes to be home during the holidays. If I thought we could accomplish very much by continuing the sessions of the Committee I would not grumble, but I am of the opinion that we have done all that is expected of us in showing conclusively that the Police Department is corrupt to the core."

It is certain that if the Committee doesn't adjourn to-day both Senators Lexow and O'Connor will be disappointed.

POLICEMAN SHALVEY. WITNESS REINART.

INSPECTOR WILLIAMS COOL.

He Doesn't Seem to Mind the Strong Charges Against Him.

Inspector Williams was informed by an "Evening World" reporter this afternoon that Capt. Schmittberger, on oath before the Lexow Committee, had accused him of taking money from disorderly houses. The Inspector was not in the least startled. He smiled pleasantly, and said:

"I have not seen or heard of Schmittberger's testimony, and until I have had a chance to examine it and satisfy myself that the statements attributed to the Captain are correct, I will refrain from making any comment."

SHEEHAN SAYS LIAR! LIAR!

That's What the Commissioner Says to the Lexow Testimony.

Commissioner Sheehan, when shown that portion of Capt. Schmittberger's testimony relating to him, said:

"If Capt. Schmittberger says that I ever compelled him to join the Pequod or any other club he is a liar, a cowardly liar. He joined of his own volition.

"I distinctly remember opposing his election because of an old resolution passed by the Club to the effect that all members of the police force should be discouraged from joining.

"I never mentioned Munzinger's mineral waters to Capt. Schmittberger, and never asked him to do anything outside of his police duties. In fact, I have all along had my suspicions that Schmittberger was crooked."