

NOT 50 POLICE GRAFTERS NOW, GAYNOR SAYS

ANHUT SAYS RUSSELL SOUGHT THAW PAY

Rain or snow to-night and Thursday warmer.

FINAL EDITION.

The



World.

Rain or snow to-night and Thursday warmer.

FINAL EDITION.

"Circulation Books Open to All."

"Circulation Books Open to All."

PRICE ONE CENT.

Copyright, 1913, by The Press Publishing Co. (The New York World).

NEW YORK, WEDNESDAY, FEBRUARY 26, 1913.

20 PAGES

PRICE ONE CENT.

ANHUT SAYS HE GOT \$25,000 FROM THAW, BUT AS A FEE; STRIKES BACK AT RUSSELL

Lawyer Testifying Before Sulzer Board Denies Bribery, Then Accuses Matteawan Head of Asking "Where Do I Come In?"

ALBANY, Feb. 26.—John Nicholson Anhut, a New York lawyer, admitted to Gov. Sulzer's committee of inquiry to-day that he had been paid \$25,000 by an agent of Harry K. Thaw, as a "contingent retainer" to bring about Thaw's release from Matteawan State Hospital for the Criminal Insane. Half this sum was to be returned by Jan. 1, 1913, if he failed to do so and the remainder was to be repaid six months later, if by that time, Thaw was still in Matteawan.

Anhut denied the accusation made by Dr. John W. Russell, Superintendent of Matteawan, that the witness had offered the superintendent \$20,000 to aid in securing Thaw's freedom. He had told Dr. Russell of having received the retainer, he said, but had offered none of it to him.

"Where do I come in?" Anhut testified Dr. Russell asked him while they were discussing the Thaw case. The witness also declared Dr. Russell said he "wouldn't do anything for Thaw unless I got money for it."

The \$25,000, Anhut said, was given him by H. A. Hoffman, acting for Thaw. Five thousand dollars was in currency and \$20,000 in securities. On Jan. 1 Anhut returned \$10,500 to Hoffman, he testified, retaining \$14,500, less expense to be returned by July 1, 1913. KNEW RUSSELL WELL HE TELLS THE COMMITTEE.

Anhut denied ever having used Gov. Sulzer's name in connection with the Thaw case. The story of the alleged bribe developed during an investigation by the committee of a charge that its secretary, William F. Clark, had used the Governor's name without authority in an endeavor to bring about Thaw's release. This Clark had denied.

Gus C. Hooper, a New York newspaper man, testified concerning his investigation of the story that Clark had used the Governor's name in the Thaw case. At the conclusion of his testimony, the committee adjourned to Matteawan, where they will examine Thaw late to-day. Chairman Carlisle announced that the committee had been unable to subpoena Hoffman.

Lawyer Anhut in his testimony said he knew Russell "very well." He became acquainted with him last summer at White Plains, where Thaw was endeavoring through legal proceedings to secure his discharge from the institution. Anhut told of having spent considerable time with Dr. Russell, both at the hospital, where both were stopping, and at the Thaw hearing.

ALWAYS TALKING ABOUT THAW MONEY WITH RUSSELL. He said they were together nearly every evening and talked baseball, politics and other topics. "I became quite intimate with Dr. Russell," Anhut continued, "and we were always talking about Thaw. Thaw's family, Thaw's counsel and Thaw money."

Anhut testified that H. A. Hoffman, said to be Thaw's agent, called on him at his New York office late in October or early in November last. Hoffman told him, he said, that Thaw wanted to see him "right away." He promised to see him in a few days and subsequently called on Thaw at Matteawan, after the witness after had learned that Dr. Russell had endeavored to communicate with him before Hoffman called on him.

"I called up Dr. Russell on the telephone," continued Anhut, "and he told me he had recommended me to Thaw. I thanked him. The following Saturday I went to Matteawan and had a talk with Thaw. I don't care to say what was said, because of the confidential relations between counsel and client."

"Hoffman called at my office again on Nov. 26," the witness continued. "Upon this occasion he completed the retainer negotiations and paid me \$25,000 in money and securities. I gave him receipts which were in substance as follows: 'Twenty thousand five hundred dollars was to be returned by Jan. 1 unless the matter (Thaw's release) was consummated, and the remainder was to be returned by July 1, 1913, unless Thaw was released by that date.' Hoffman left and I had what I pre-

(Continued on Fourth Page.)

MADERO LOOTERS LEFT ONLY \$92,000 IN THE TREASURY

Secretary of Slain President Had \$3,000,000 When Captured in His Flight.

HUERTA HAS NO FUNDS.

Unable to Negotiate Foreign Loans Until Recognized by the Powers.

MEXICO CITY, Feb. 26.—The National Treasury of Mexico contains to-day just \$92,000. The imminence of bankruptcy confronts the Huerta Provisional Government.

After the flight yesterday of Ernesto Madero, uncle of the assassinated ex-President, Francisco Madero, and Minister of Finance under his sway, a check upon the reserve in the Treasury was ordered by Provisional President Huerta with the discovery of the slender balance under \$100,000.

The officials of the Huerta regime declare that the \$92,000 balance in the Treasury does not represent the all immediate available resources of the Government and that there are various deposits in local and foreign banks which can be drawn upon. Nevertheless the new Government is staggered by the empty cupboard left by the Maderos.

Chavez that Gustavo Madero, first Minister of Finance under his brother's presidency, had indulged in wholesale looting of the treasury for the benefit of the great family of Madero, numbering more than a hundred, now seem to be substantiated. Juan Sanchez Ancona, Private Secretary to Francisco Madero, is said to have had 5,000,000 pesos in his possession when he was caught in full flight from the capital to Vera Cruz after the Huerta-Dias coup d'etat.

The present refusal of any power to recognize the de facto Government of Huerta greatly complicates the financial condition of the assailed republic. It will be well-nigh impossible for the Huerta administration to raise a foreign loan unless the United States and other nations recognize it.

The situation in the Federal capital has not undergone any change. Reports are being received from several districts indicating that many of the rebel leaders and their followers are inclined to co-operate with the new Administration.

INSURANCE COMPANY MAY CAUSE NEW COMPLICATION.

The Huerta Government may have to render to the United States Government an account and an explanation of the killing of Francisco I. Madero, should an insurance company successfully carry out its plan.

The deposed President who was shot down near the penitentiary at midnight Saturday carried heavy life insurance, and the surviving Maderos have demanded payment on the policies, of which Senora Madero is beneficiary. It was learned to-day that at least one insurance company will ask the American State Department to demand an explanation from Mexico for the death of Madero, and that possibly an effort would be made by the company to collect an indemnity from the Mexican Government.

The Government was forced to admit to-day that the rebel activity during the last few days has been of a serious nature when large bodies of troops were sent out to repair and guard all railroads. Mexico City is now cut off from rail communication in all directions except toward Vera Cruz owing to the destruction of the lines by rebels.

Reports from the Northern States are more reassuring. The Government retains the support of Venustiano Carranza, the Matricula Governor of the State of Coahuila, has declared his loyalty to the new administration and that the leaders of the antagonistic movement in that State are having difficulty in securing recruits.

MEXICAN STATES THAT ARE IN OPEN REVOLT.

The State of Aguascalientes is in revolt, which has been incited by the Governor, Alberto Fuentes. The nearby State of Hidalgo is in an unsettled condition. The Governor has dissolved the Legislature, saying that it will call new elections, and according to the decision given by the people, will decide whether he shall recognize the new administration. Huerta has sent a detachment of troops there.

The Commissioners sent by the Gov-

(Continued on Sixth Page.)

DR. FRIEDMANN SAYS CURES WILL REFUTE CRITICS

Ready to Prove White Plague Serum by Actual Results, He Tells Evening World.

SEEKS A DISPENSARY.

Will Treat All Alike, Rich Consumptives Who Pay and Poor Who Can't.

Dr. Friedrich Franz Friedmann, the Berlin physician who has startled the world by the announcement of his belief that he has discovered a serum which will cure tuberculosis, was busy at the Waldorf to-day preparing for a demonstration of his remedy here.

The tall, blond, cheerful German specialist talked frankly of his purposes and his plans to an Evening World reporter. He laughed tolerantly when asked if he felt any resentment against the scientists and physicians who doubted his treatment.

"I am here to show what the serum will do," he said. "That is my only answer to those who have natural doubts before they have made observations. It does hurt me that they say I have come here to exploit my discovery to get money from American millionaires. When I have established my dispensary, which I shall do at the earliest moment it is possible, I shall treat all who come in order. There shall be no distinction between the rich and the poor, so long as the disease afflicts them."

WILL ESTABLISH DISPENSARY FOR RICH AND POOR.

"I shall ask patients to pay me according to their means and willingness. The rich shall pay more than the poor, and what I get from them will pay the expenses of those whose means are so small that they can pay little or nothing. Before I go home I shall arrange to leave men behind me who are familiar with the serum and the process of administering it and caring for those under treatment."

"It is my plan to establish a dispensary where those who have been attacked by the disease may come to me for treatment during the day and go about their business as usual, in so far as the disease has left them strength to do so."

Dr. Friedmann speaks English accurately, but in making statements for publication, he said he preferred to talk in German and let his friend and interpreter, Charles E. Vidal-Hunt, a Chicago and Berlin newspaper correspondent, put his words into English to avoid any possibility of misunderstanding.

Dr. Friedmann pointed to a little red box, about two inches wide and three inches long, which he said contained the bacilli cultures of his antidote for the white plague. He said that as soon as Dr. Foster, representing Surgeon General Rupert Blue, of the Public Health and Marine Hospital Service, called upon him he would give Dr. Foster a tube of the bacilli for a test by the United States government.

"I shall not ask to be present when the test is made," he said. "In fact, I should prefer to be absent. I desire the Government officials to test the serum in its own way without any suggestions or restrictions from me. I expect Dr. Foster this afternoon."

GROWTH OF CULTURES REQUIRES EXACT HEAT.

"Meanwhile I am looking for a place in which to receive those who come in for treatment. It is necessary that I find a place where illuminating gas can be had. I am not familiar with the heating properties of electricity or the methods of using it. The growth of cultures requires heat, delicately adjusted, and I am unwilling to attempt to regulate a source of heat when I am not familiar with it in a mechanical sense."

Dr. Friedmann explained that in growing cultures he used a sealed iron basket, into which three pipes carrying illuminating gas were used to heat the bacilline, which is grown in a fluid taken from a bird. One is not available at present in Dr. Friedmann's suite at the Waldorf. He said that he hoped to be allowed to make his headquarters at the Marine Hospital.

"If this may not be arranged," he said, "I shall rent a house which is con-

(Continued on Second Page.)

GAYNOR LAUDS POLICE AS THE FINEST; M'CLELLAN SCORES OFFICERS OF FORCE

Mayor and the Former Mayor Witnesses at Police Inquiries



OUR POLICE OFFICERS WORST IN WORLD, SAYS M'CLELLAN

Tainted With the System, the Former Mayor Tells the Curran Committee, but He Praises Rank and File.

Former Mayor George B. McClellan was before the Curran Aldermanic Committee to-day to give his opinion of the present police administration and also to give his ideas on the subject of police efficiency. Gen. Theodore A. Bingham and William A. Baker were Commissioners of Police during the former Mayor's administration. McClellan remarked as he took the stand that it was the first time he had been in the City Hall since

"I have only a slight acquaintance with the amiable young man who is now Commissioner," he said. "The Mayor of the city should be responsible for the Police Department. A fixed term of ten years for the Commissioner is not advisable. The Commissioner should be a civilian."

"The rank and file of the force of New York are the finest in the world; the officers are the worst in the world," the former Mayor declared later on. "The system is tainted by the system. They have a false corps spirit. It begins when they put on the blue coat and ends when they die or retire. It teaches them that the system is their first law—all the time."

Mr. McClellan cited the case of a patrolman who committed a murder in a saloon seven years ago and whose uniform was slashed by a brother policeman in an effort to show that the killing was done in self-defense. He declared "rank perjury" prevailed all through that case.

"So long as the system exists," said McClellan, "so long will the force be discredited in the eyes of the world. The District-Attorney knows that. We all know it."

HONEST MEN ON THE FORCE ARE AFRAID.

"The honest men on the force are afraid to call their souls their own while the system prevails. The system will ruin the finest young men that ever joined the force. If you place the velvet trimmings of an in-

(Continued on Second Page.)

GAYNOR SAYS:

"The Present Police Force Is a Splendid Force; I Believe That the Graft in It Is Confined to Less Than Fifty Members Altogether."

"Becker Was a Graftor. We Expected Disclosures, but I Looked for the Exposure of an Inspector Instead of Only a Lieutenant."

M'CLELLAN SAYS:

"The Rank and File of the Police Are the Best in the World; Their Officers Are the Worst; They Are Tainted by the System."

"So Long as the System Exists, so Long Will the Force Be Discredited; It Will Ruin the Finest Young Men That Ever Joined the Ranks."

As the first witness before the Wagner Legislative Committee to-day Mayor Gaynor entered into a long defense of the police force as at present constituted, and said he did not believe there were fifty grafters on it now. Nearly all the recent graft revelations, he asserted, dealt with the days before he became Mayor. Under the old regime, he said, men at the head of the force quit it as millionaires, with yachts and country houses. There would be no millionaire policemen, he boasted, produced during his administration.

The Mayor suggested the appointment of ten new deputy commissioners. They would not take the place of the inspectors, he said, but do much of their present work.

He said he believed in wiping out gambling, not licensing it.

JOCKEY CLUB DEBATES PLAN TO OPEN TRACKS

The stewards of the Jockey Club met in executive session late this afternoon to consider the recent decision of the Appellate Division of the Supreme Court, Second Division, which is construed to make oral betting on race-tracks legal and abolish the owners of the tracks from liability. The meeting was held for the purpose of determining whether or not the decision is broad enough to allow of the consideration of plans for reopening the race-tracks.

There were present August Belmont, chairman of the Jockey Club; F. K. Sturgis, secretary and treasurer; Schuyler L. Parsons, Andrew Miller, H. K. Knapp and Phil Dwyer, the owner of the Gravesend race-track and a powerful factor in the local racing situation. None of those taking part in the meeting was able to forecast the probable result.

The District-Attorney of Nassau County, who instituted the original prosecution of Paul Shane, a bookmaker, on which the Appellate Division decision is based, has the power to take an appeal to the Court of Appeals. The leaders of the anti-race track organizations may be depended upon to urge him to take such an appeal.

In the mean time, the race-track followers are hoping that the tracks will reopen with the advent of warm weather and that the stewards will find some way of allowing speculation on the races within the meaning of the law.

EXPECTED TO SEE AN INSPECTOR EXPOSED.

"Becker was a graftor. We expected disclosures and I looked for the exposure of an Inspector instead of a Lieutenant."

"Then came the Sipp disclosures, the story of a man who had kept one of the vilest houses ever kept in the city. But the police forced this disclosure."

FOR RACING SEE PAGE 13.