PACKERS ARE SET AGAINST PACKERS

Government Will Call "S. & S." Rebaters to Testify Against Beef Trust Members.

New York Sun Special Service.

Chicago, Sept. 28.—An attempt on the part of the government to secure evidence from the Schwarzschild & Sulberger company, in the prosecution of the other packers, is said to be a move District Attorney Morrison has under way.

The four officials of the Schwarzschild & Sulzberger company who pleaded guilty last week to the charge of accepting rebates and were fined $25,000, declared at the time that they would not become federal witnesses in any of the beef cases. Their attorneys asserted that no official of the concern would take the stand.

It became known today, however, that Max Sulzberger and E. B. Fish have been subpenaed by the government, to appear in court in October.

Whether these and other officers of the company choose to become voluntary witnesses or not, it seems certain that they will be called and will be questioned closely by the prosecution concerning any possible knowledge of the violation of the Sherman anti-trust law by the packers under indictment.

Victory for Government.

A victory was scored yesterday by District Attorney Morrison in his struggle to bring to a successful finish the prosecution of the packers.

During the argument against a demurrer filed by Morrison against the plea in abatement filed some time ago by the defending attorneys, contesting the indictment which charges the various packers and their associates with conspiracy in restraint of trade, the question of the right of the packers to appear in court at the time of the impaneling of the federal grand jury to challenge jurors as they were impaneled was raised, and Judge J. Otis Humphrey decided in favor of the government.

Victory Is Complete.

In passing on this question, which was one of the main points in the plea in abatement filed by the packers' attorneys, Judge Humphrey said:

I considered this question fully at the time the jury was impaneled and I came to the conclusion that there was no duty resting upon the court or any of its officers to ask the proposed defendants to come in and save any rights they may have had by objecting to the array of the grand jurors. We will not spend any time on this question, as it has been settled as far as this court is concerned.

Nails Private-Car Lines.

Prosecution of the owners of the private-car lines by the interstate commerce commission will begin in real earnest immediately after these officials have been summoned to appear before the commission to show cause why legal proceedings should not be brought against them for accepting rebates from the railroad companies. They were notified to appear before the commission in Washington on Oct. 18, and if it is necessary, the hearing will be adjourned to Chicago. It has been found by the commission that the charges exacted by the private-car lines from the railroads are in effect rebates and in violation of law. The commission has conducted several investigations and has found evidence which has convinced its members that the private-car line owners are guilty.

GIGANTIC DYNAMITE EXPLOSION IN CANAL

Port Said, Egypt, Sept. 28.—The wreck of the British steamer Chatham, with her cargo of ninety tons of dynamite and blasting gelatin, was blown up this morning by mines distributed around and inside her hull. These were fired by an electric current from Raselich, about five miles away. No serious damage was done to the canal and the authorities expect the passage will be cleared of debris in four days. The railway and Sweetwater canal adjoining are intact. The explosion was tremendous. The enormous displacement of water was visible from Raselich.

WASHINGTON NOTES

Postmasters appointed: Iowa — Farlinn, Greene county, John A. Snively, vice Charles Frye, resigned; Lawler, Chickasaw county, William Lawrence, vice A. J. Rucker, removed; Minnesota—Degraff, Swift county, Alfred D. Beaudrean, vice D. O. Frederickson, resigned; Mountain Iron, St. Louis county, Marie McKenzie, vice J. A. Reed, resigned; Svendahdul, Watonwan county, John E. Hegstrom, vice Nels Nelson, resigned. Montana—Malden, Fergus county, Mrs. Anna Dilley, vice Victor Langdo, resigned; Roberts, Carbon county, Joseph Bertrand, vice Bertha A. Province, resigned. South Dakota—Blunt, Hughes county, John C. Smith, vice J. G. Lillibridge, removed. Wisconsin—Wascott, Douglas county, G. E. Erickson, vice Samuel S. Salisbury, resigned.

Additional service: Rural delivery, route No. 4, ordered established, Dec. 1, at Guthrie, Iowa; length twenty-five miles, population 454.

Rural carriers appointed: Minnesota—Paynesville, route No. 3, John S. Ryff carrier, Rora Ryff substitute. Wisconsin—Tunnel City, route No. 1, William M. Senogles carrier, John Simpson substitute. North Dakota—Milton, route No. 1, Austin J. Austin carrier, Jonas Christianson substitute.

HUSSEY GOES TO ANN ARBOR.

Ann Arbor, Mich., Sept. 28.—Wm. J. Hussey, the noted astronomer of Lick observatory, has accepted the chair of astronomy in the University of Michigan to succeed Professor Aesop Hall, resigned.

Havana, Sept. 28.—General Gomez, liberal candidate for the presidency, has resigned his candidacy, declaring in effect that the United States rules Cuba thru Palma, whom he accuses of criminal election methods.

WITTE WELCOMED HOME TO RUSSIA

Large Crowd Greets Peace Envoy at Station with Prolonged Cheering.

St. Petersburg, Sept. 28.—M. Witte arrived here at 8:25 a. m. today and was accorded a very hearty reception by a large crowd of officials and others. In a brief speech replying to a welcoming address, M. Witte showed clearly that he was deeply touched by the welcome which he received.

When he left St. Petersburg in July a small delegation of officials accompanied him to the railroad station to bid him farewell. There was no public demonstration whatever. Today there were seven or eight times as many officials despite the, for Russia, very early hour of the train's arrival, and an enthusiastic crowd of 500 to 600 persons.

The crowd had collected near where M. Witte would descend from the train, and when he appeared they broke out into long and loud cheers, to which M. Wittee bowed acknowledgement. The spokesman then advanced and read the address of welcome, all in the meanwhile standing bareheaded.

Address of Welcome.

The address read:

"You have accomplished your difficult task and the nation is grateful to you. You have given the credit for your success to Emperor Nicholas, President Roosevelt, Emperor William of Germany and to the press. You have forgotten only yourself. We, however, fully appreciate your services to your country. The tree you planted at the Washington homestead at Mount Vernon will serve as a token of the union between the two nations. You have done much.

"Four ourselves and for those who are absent we will once more shout a hearty hurrah."

When the cheer had died away, M. Witte, who seemed deeply moved by the sincerity of the welcome, advanced a few steps and delivered his reply. He said:

"I was so little prepared for this kind of reception that I must ask your pardon for the incoherence of my words.

Credit Given Czar.

"I have performed my duty well because I have strictly obeyed his majesty's instructions, because circumstances favored me, because the world is weary of this bloody war, because all classes of American society from President Roosevelt down were in sympathy with my and your cause, because I was true to my country and her and our interests."

M. Witte's last word was followed by further loud and hearty cheering, after which, slowly advancing toward the entrance, he shook hands with the deliverer of the welcoming address and his friends and former colleagues.

The crowd followed closely toward the door, where an open carriage was in waiting. As soon as M. Witte was seated the coachman started his team, and as he drove away the crowd broke out into a succession of loud cheers.

University Open to Jews.

The council of professors has voted in favor of the unrestricted admission of Jews to the university courses and has recommended the admission of all candidates for matriculation regardless of the regulation restricting Hebrew students to 3 per cent of the student body. The rector of the university promised to give his hearty support to the recommendation.

Siberia in Assembly.

The inclusion of Siberia in the first national assembly is assured, the Solsky commission having determined on the allotment of fifteen Siberian members of which number one will represent the city of Irkutsk. The members will not be elected on class basis. The franchise is bestowed on owners of over 800 to 1,000 acres of land, depending on the fertility or on the proprietors of urban property of similar value.

Nobility for Reform.

The nobility of St. Petersburg at a special meeting have adopted eight resolutions, without dissension, all of a liberal reform character. The most important follow.

"That the legislative, judicial and executive branches should be separated from each other and that equal justice be rendered to everybody.

"That clergy be better trained and cared for and clerical appointments be effected electively.

"That the various ministers work in co-operation and that ministers be held responsible for their acts.

"That measures be taken to overcome the illiteracy of the masses and that freedom to establish schools be granted to everybody.

"That freedom of assembly, organization and the press be assured.

"That roads and other means of communication be improved and extended."

RUSS ARMY BREAKING UP

Manchurian Forces Getting Ready to Leave the East.

Gunshu Pass, Manchuria, Sept. 28.—The Tartar general of Heilunchiang province has been transferred to Kirin to preserve order following evacuation by the foreign troops. He has already begun military operations to suppress the Chinese bandits who lately were in the Russian and Japanese service. The Chinese estimate that the bandits in eastern Heilunchiang are a thousand strong and the general is dispatching a regiment of native troops to keep them in order.

There are evidences of the breaking up of the army. Arrangements are making at Kuanchentsu for the withdrawal of the troops immediately after the peace treaty is ratified.

STOESSEL PARALYZED

Russian General Has Stroke—Is Expected to Recover.

Moscow, Sept. 28.—Lieutenant General Stoessel, who commanded the Russian forces at Port Arthur, is suffering from a stroke of paralysis which affects his entire left side. The general's recovery is hoped for.

GOODRICH HONORED BY STREET RAILWAY MEN

Philadelphia, Sept. 28.—The reorganized street railway association now known as the American Street & Inurban Railway association today elected W. Caryl Ely of Buffalo as president. Mr. Ely was president of the old organization and has been strongly opposed to municipal ownership of street railways, which question resulted in the formation of the new association, in order that concentrated opposition might be made to all attempts to take the railways from the corporations. Other officers were elected as follows:

John I. Beggs, Milwaukee, first vice president.

Calvin G. Goodrich, Minneapolis, second vice president.

J. L. Shaw, Boston, third vice president.

METHODISM HAS HAD A GOOD YEAR

Reports of Presiding Elders Are Cheered by Conference Members at Mankato.

Special to The Journal.

Mankato, Minn., Sept. 28.—Bishop Merrill opened the session of the Methodist conference today. Rev. J. F. Stout, presiding elder of the St. Paul district, made a report of the work done in his district. New churches, parsonages, improvements and payment of debts has been the order in most of the churches. The report that Park church of St. Paul was free from debt, the $40,000 mortgage having been cancelled, was received by the conference with great applause. Mr. Longley has accomplished what was considered impossible when he became pastor of Central Park.

Rev. F. M. Rule, presiding elder of the Winona district, reported a year of great prosperity in all the churches in his district.

Rev. P. C. Jennings of Cincinnati addressed the conference in the interest of the Western Methodist Book Concern of which he is the general manager. The Book Concern has made marked advancement under the management of Dr. Jennings and is now doing an annual business of over one and a quarter millions of dollars.

The morning session was devoted to routine matters. The conference will adjourn on Monday.

Home Mission Field Work.

The Woman's Home Missionary society was in charge of yesterday afternoon's session. Mrs. Grave of St. Paul is the efficient president of the society. The annual report, read by Mrs. W. O. Hillman of Merriam Park, showed that the society enjoyed a year of great prosperity. Ten new auxiliaries were organized, $648 in supplies raised and distributed and $1,855 in money sent to various parts of the home mission field.

The meeting was addressed by Rev. Mr. Fitch of St. James, Minn., on the needs of the blacks and poor whites in hte south. Rev. David Morgan, superintendent of the St. Paul Bethel, discussed the needs of the home field, with special reference to St. Paul. At 4 p.m. Rev. H. C. Morrison of Louisville, Ky., preached to the conference.

Last night Dr. Matt S. Hughes of Kansas City, Mo., delivered an address on temperance.

BISHOP UPHOLDS SUNDAY SPORT

Dr. Potter Utters Apology for Baseball and Other Diversions on Lord's Day.

New York Sun Special Service.

New York, Sept. 28.—Apology for Sunday baseball and other sports was made by Bishop Potter today in his triennial charge to the members of his diocese. The proper observance of Sunday was the theme of Bishop Potter's address. He took uncompromising ground as to the physical and spiritual necessity of the Lord's day, but in the course of his charge the bishop said plainly:

"It will perhaps be urged that, in this discussion, I have said nothing of that which is one of the gravest aspects and which is forced upon us by a disposition just now to utilize Sunday for the profit or amusement of those who are promoters of coarser pleasures—of baseball matches and the like—on the Lord's day.

Plain Word Spoken.

"Undoubtedly concerning all such enterprises, it is time that a plain word should be said. It will be well to remind ourselves that the word cannot justly be merely a sweeping condemnation of a movement concerning which many of us know very little and toward which our circumstances, it may easily be, incline us still less.

"It is only necessary that one should recognize how few—even tho, thank God, they are more numerous than they were—are the opportunities in great, or even small, cities, for an outing of any kind in the case of wage earners, to enable us justly to estimate the impulse which welcomes a Sunday afternoon's sport—and a gathering for the purpose of witnessing it—of whatever sort.

"But, all the same, the methods which are just now pushing to the front to this end are, most of them, diseased, and, if not degrading, at least debilitating. They involve, often, the fiercest passions—brutal violence and reckless gambling. They compel to labor on our one rest day increasing numbers of people without whose services games and contests of whatever sort are impossible. The wildest enthusiasm of any devotee of them could not describe them as restful either to mind or body. Worst of all, they are essentially pagan, both in their origin and in their tendency.

"If one asks how far is the liberty of the individual to be restrained on a Sunday from devoting some part of it to mental or physical recreation and exercise, I answer, unhesitatingly, that must be a question for the individual.

"No state, no church, no household, can make laws for a Sunday observance which Christ has not made, but in the exercise of our personal liberty, each one of us is bound to consider not alone his own needs, but the highest wellbeing of his fellow men."

SAVINGS BANK AT ARISPE, IOWA, FAILS

Special to The Journal.

Des Moines, Iowa, Sept. 28.—The list of Iowa bank failures received another addition last night in the closing of the doors of the Arispe Savings bank, and it is now in charge of the state bank examiner. The directors will hold a meeting and it is expected an assessment will be made on the stock sufficient to pay off the depositors. The capital is $10,000. The deposits yesterday amounted to $22,000, with heavy overdrafts standing against the bank, both in Chicago and Des Moines.

FLOUR TRADE IN BRAZIL DECLINES

American Trade Agent Says There Is Yet Hope in South America.

By W. W. Jermane.

Washington, Sept. 28.—Special Agent Hutchinson of the department of commerce and labor, who for several months has been investigating commercial questions in South America, has an interesting letter in today's Daily Consular and Trade Reports regarding the flour trade of Brazil. He notes that the flour exports to Brazil from the United States have steadily declined since 1903, when they aggregated 457,700 barrels. In 1905 they aggregated but 176,753 barrels, the computation in each case being for the ten months ending April 30.

Brazilian newspapers, noticing this decline, assert that the bulk of the American flour trade in their country is at an end, but Mr. Hutchinson does not agree with them.

Trade in North Brazil.

After thoro investigation he believes that, while our trade with central and southern Brazil is perhaps at an end, due to the competition of Argentine and to the larger use of flourmills in Brazil, there is no reason why our flour exports to the northern part of that vast country should not continue to grow at a rapid rate. He concludes that our flour exports to Brazil have reached their lowest figure, and then says:

"We have been driven from the southern market, where conditions are strongly against us. We are likely to continue to lose ground in the mid-coast ports, where advantages are likewise with our competitors; but we may expect an increase in the entire vast region from Pernambuco to Manaos and beyond. The figures since 1903 are not as discouraging as they seem to be on their face, and the great decrease of 1905 as compared with 1904 is explained by the fact that 1904 was an off year in our general export flour trade."

Minneapolis Interested.

Minneapolis millers have been interested in the Brazilian market and paid a good deal of attention, two years ago, to the trade arrangement made by Mr. Thompson whereby a larger market for American flour in Brazil was to be opened. Mr. Hutchinson's report is the first since that trade arrangement was made.

TEXAS SHOWS UP NEW YORK LIFE

Continued from First Page.

"Non-ledger Assets" and the "Unexpended Balance" accounts.

He was instructed from Texas to make inquiries into the very points now being revealed, such as political contributions, lobbying payments, perquisites of officials and the diversion of funds from policyholders. He made strenuous endeavors to find what was suspected, but without definite results. The books showed nothing and officials blandly assured him that no such expenditures were made. These statements were backed up with the affidavits.

Equitable and Mutual, Too.

Letters similar to that written to the New York Life were sent by Governor Culberson at the same time to the Equitable and Mutual Life companies. In reply he received from James W. Alexander, then vice president of the Equitable, copies of the regular annual report made by the company to the insurance commissioner of New York. No direct answer was made to the question regarding political contributions. The Mutual Life paid no attention to the governor's request.

Special Agent Hollingsworth was ordered to call upon these two companies and look into their books. He did so, and, as in the New York Life, could find nothing. He was assured that no political contributions had been made, but no affidavits to that effect were furnished him.

Texas' New Law Strict.

The state law of Texas, adopted as the result of these investigations, is very strict and gives arbitrary powers to the superintendent of insurance statistics and history to bar from Texas companies guilty of diverting funds.

The apparent contradictions of the New York Life officials in regard to the contributions in 1896 has raised the question of accuracy of their sworn statements. Governor Lanham, who found the documents in the case, has the matter under consideration.

NEVER AGAIN, SAYS McCALL

New York Life's Head to Quit Giving to Campaign Funds.

New York Sun Special Service.

New York, Sept. 28.—Such an avalanche of protests has poured in upon the New York Life since President McCall swore before the legislative committee that he contributed $150,000 of the policyholders' money to the republican campaign, that the officers are becoming disturbed. Under date of Sept. 26, Mr. McCall has sent over his signature to every agent of the company a circular, which says:

"It goes without saying that the business of this company is not politics under any guise. The contributions made in the years in question had no reference whatsoever to politics. They were made to meet a danger that arose in a great crisis in the economic development of the country.

"The contributions have been called 'political' by some people because they were made thru a political party. They were made thru a political party solely because it was not possible otherwise to reach the danger that menaced our assets.

"Now, as to the future: The gold standard has been irrevocably adopted. Therefore the question of similar contributions cannot arise again during this or any subsequent administration of the New York Life. However, in order definitely to express and fix the company's position, I shall ask the board of trustees at its next regular meeting to pass a resolution which will make it clear to every policyholder and to the public that the New York Life will never contribute money to any political organization for any purpose whatever."

EQUITABLE CASH ENRICHES DEPEW

Continued from First Page.

all the syndicate profits made by these men.

Most Valuable Discovery.

The most valuable discovery made by Inquisitor Hughes dealt with the George H. Squire trustee account. It was originally opened in October, 1900, in the American Deposit & Loan company, which was the predecessor of the Equitable Trust company. Henry Rogers Winthrop, financial manager of the Equitable Life, testified as to this account.

A young clerk in the employ of the Equitable named Henry Greaves, produced the passbook used by Mr. Squire with the Equitable Trust company, in which a record of the deposits to the credit of the mysterious funds was made.

One of Greaves' duties was to enter in a minute book a record of all the moneys deposited by Mr. Squire to the credit of the George H. Squire trustee account. Mr. Squire, it developed, simply gave the young man oral instructions about these entries, and in several instances he told him nothing about sums of money which eventually found their way into the mysterious account.

Profits Thru Syndicates.

The total of the deposits to this account was $165,000. Nearly all of this represented profits made by the Equitable Life in syndicate operations. In hunting down a deposit of $54,631.13, made in 1902, Mr. Hughes discovered that this sum represented the balance on an account in the Mercantile company known as the Marcellus Hartley trustee account. Mr. Hartley died some time before this transfer was made. And it is presumed that the functions of the Hartley account were transferred upon his death to the Squire trustee account.

The Squire trustee account was wound up by transferring the balance of $100,000 to the credit of the yellow-dog fund, known as the "J. W. A. No. 3 account," carried on the books of the Mercantile Trust company. This notorious $685,000 account has been paid up.

What May Be Shown.

Mr. Hughes expects to be able to show just where the unaccounted-for $65,000 of the Squire trustee account went and who got the money. Thomas B. Jordan, former controller of the Equitable; William H. McIntyre, its former fourth vice president, and George H. Squires could have drawn against the Squire account. It is doubtful whether they will testify. Mr. Jordan and Mr. McIntyre are out of the state and Mr. Squire is ill.

PERKINS BALKS AT REQUEST

Objects to Producing Books of the Morgan Firm.

New York, Sept. 28.—George W. Perkins, vice president of the New York Life and a member of the banking firm of J. P. Morgan & Co., created a stir before the legislative investigating committee today when he objected to a request that he produce certain books of J. P. Morgan & Co., to explain some of that firm's dealings with the New York Life in connection with the sale of navigation syndicate bonds to the company.

He said he would furnish copies of the entries referring to the transactions in question, but preferred not to bring the books.

Inquisitor Is Angry.

Mr. Hughes, counsel to the legislative committee, for the first time in the investigation showed signs of anger, and said loudly:

"I shall have to require that these books be produced."

"All right," replied Mr. Perkins.

Testifying to the purchase of $4,000,000 of Cleveland, Cincinnati, Chicago & St. Louis bonds from J. P. Morgan & Co. by the New York Life, Mr. Perkins said he obtained the bonds at $40,000 less than the price stipulated by the life insurance company's finance committee. Questioned by Mr. Hughes, Mr. Perkins said that in this purchase and sale he, himself, represented both the New York Life as purchaser and the firm of J. P. Morgan & Co. as seller.

About Equitable Loans.

Testimony was given by Henry Rogers Winthrop, financial manager of the Equitable Life, to the effect that when the navigation syndicate, which turned out to be unprofitable, made calls for money on the George H. Squire trustee account for payments on account of syndicate participation, the money for the payments was obtained by borrowing $250,000 from the Equitable Trust company. Of this amount $27,500 has been repaid. Mr. Winthrop said that in his opinion the money advanced to the George H. Squire trust account on this transaction was really the money of the Equitable.

Faces and Occupations.

"That man looks just like an actor." "I should say he was a grocer's clerk"—these and similar assertions are common enough, and seem to indicate a popular impression that a man's occupation may or ought to be told by a glance at his face. That disease has its effect on the physiognomy every physician knows. A skilful diagnosis is often made from a study of the patient's face, and occupation has undoubtedly a similar influence. He who can keep away the facial lines of care when things go "dead wrong" is a remarkable man and probably keeps up his nerve and good health by the regular use of golden grain belt beer. No one can afford to be without it.

NAVIGATES OVER THE WINDY CITY

Knabenshaue Successfully Sails in the Air Over Chicago, His Ship Guided at Will.

New York Sun Special Service.

Chicago, Sept. 28.—In the third attempt at aerial navigation since his arrival in Chicago, Roy Knabenshaue yesterday afternoon made a successful flight. He sailed from the White city to Washington park, circled over the big common three times and then flew back to the starting point, descending gracefully to the exact spot from which he had started twenty minutes before. The flight of the airship was made without mishap.

After a vexatious day, in which the youthful inventor had worked diligently to repair a broken propeller, he took his seat within the machine, and it was announced a start was to be made.

As Knabenshaue flew toward Washington park the streets along his course filled with people. After doubling the common at Washington park, a distance of ten blocks from his starting point, Knabenshaue completed a great circle three times and then commenced the journey back. When the ship reached the White city again it was obeying the rudder perfectly and settled down at the spot from which it had risen. It was exactly 20 minutes and 14 seconds after the start had been made. Knabenshaue was surrounded by an enthusiastic crowd of men and women, who insisted on shaking hands with him and congratulating him upon the success of his trip.

Defective Page