

NEW EVIDENCE  
FOUGHT AGAINST  
TRAVIS'S DEALS

Fanshawe Discloses Letter  
Shedding Light on \$2,013-  
500 City Bond Purchase.

WRITTEN BY WENDELL

Latter Quoted Comptroller  
as Denying 'Moral Obliga-  
tion' in Transaction.

BROKER HAD \$83,000 LOSS

Grand Jury Held Over to Take  
Action on Results of  
Investigation.

The John Doe inquiry into the way  
State Comptroller Eugene M. Travis  
bought bonds for the State sinking  
fund took a new turn yesterday when  
William S. Fanshawe of the brokerage  
firm of William S. Fanshawe & Co.,  
after volunteering to resume the stand,  
disclosed the existence of important  
letters throwing light on the myster-  
ious "moral obligation" purchase of  
\$2,013,500 worth of New York city  
bonds at several points above the mar-  
ket rate.

At the same time Moses R. Rytten-  
berg, Assistant District Attorney, ob-  
tained the consent of Judge John F.  
McIntyre of General Sessions to hold  
for another month the additional  
Grand Jury that had just completed  
its investigation of motor vehicle  
traffic conditions in the city, on the  
ground that "matters of great impor-  
tance to the people of the State of  
New York will be brought before it."

Mr. Ryttenberg explained that the No-  
vember grand jury, which are to be  
sworn in on Monday, may be called on  
to consider much of the testimony re-  
vealed by Senator Lockwood's housing  
investigation committee, and consequently  
the additional jury will be needed for a time  
to newspaper men Mr. Ryttenberg said  
he had the bond deals investigation in  
mind when he made his request.

Evidence in a Letter.

Fanshawe's newly discovered evidence  
was a letter to him dated October 22,  
1917, from James A. Wendell, Deputy  
State Comptroller, which was shown to  
Ferdinand Pecora, Assistant District At-  
torney, who is conducting the inquiry,  
for the first time just before the day's  
session opened. From this letter it ap-  
peared that a month before the sale finally  
was accomplished on November 16,  
1917, after almost a year of dicker-  
ing, Wendell quoted Mr. Travis as denying  
his obligation to accept the bonds at any  
time, although Mr. Travis, when on the  
stand, asserted he was obliged both  
morally and legally to accept the bonds  
at a stated price, even though the mar-  
ket rate had declined.

A startling feature of Mr. Fanshawe's  
voluntary testimony was his assertion  
that the return to the State Comptroller  
of all correspondence between his office  
and Fanshawe and Albert L. Judson, for  
whom Fanshawe was acting, was part of  
the agreement upon which the sale was  
finally made.

Only three letters of this correspon-  
dence were in the files of the State  
Comptroller's office that were introduced  
earlier in the hearing, Mr. Pecora pointed  
out, and both Mr. Wendell and Mr.  
Travis swore that the three constituted  
all the correspondence there was regard-  
ing the "moral obligation" deal.

"This other letter indicates clearly to  
me that Fanshawe was 'framed' to drop  
the loss of this deal because of the drop  
in the market," the Assistant District  
Attorney stated, "and that some one in  
the Comptroller's office had a part in it."

Fanshawe's loss on the deal amounted  
to \$83,000, which he claims Judson owes  
him. The letter which he produced fur-  
ther contradicts the testimony of Mr.  
Wendell, who maintained he merely per-  
formed the mechanical end of the bond  
deal, by showing that Mr. Wendell him-  
self wrote letters to Fanshawe designed  
to aid the broker in having the bonds  
held for him by the Empire Trust Com-  
pany without advancing any collateral.

Variance of Testimony.

The testimony of Mr. Fanshawe served  
further to complicate the versions al-  
ready given of the "moral obligation  
deal," and caused Justice Frederic Ker-  
nochan to remark about the peculiar  
business methods employed, saying that  
no two of the six witnesses who had  
testified regarding that transaction had  
agreed about the details.

Mr. Fanshawe agreed to take the  
stand again this morning and amplify  
as much as possible what he said yester-  
day. The Comptroller's office was  
asked to produce again the files of the  
Fanshawe correspondence. A representa-  
tive of Mr. Travis's counsel said he  
would try to be on hand to make ex-  
planations, but it was uncertain whether  
the Comptroller would be there.

Justice Kernochan's attention was  
called yesterday to a statement alleged  
to have come from the State Republican  
headquarters at Albany alleging that  
District Attorney Swann appealed with-  
out success to every other Justice to  
preside at the investigation, and that  
Justice Kernochan finally accepted be-  
cause of his ambition to become District  
Attorney. This Justice Kernochan de-  
clined, and stated his belief that he was  
the first Justice approached by Mr.  
Swann, and that he always was willing  
to preside at John Doe investigations.

"I told Judge Swann at the time,"  
Justice Kernochan said, "that this pro-  
ceeding will be one where I'll be damned  
if I do and I'll be damned if I don't."  
To-day's testimony expected to wind  
up the inquiry.

MIDSHIPMEN TO GIVE DANCE.

Following the Army and Navy football  
game at the Polo Grounds on November  
27 the Midshipmen will give a dance in  
the Hotel Commodore. The Secretary of  
the Army and the Navy will be among the  
guests, as well as officers of those  
branches of the service. The arrange-  
ments are being made by Midshipman  
E. J. Bridget. The ballroom will be de-  
corated with naval pennants and the  
flags of the Allies. Music will be fur-  
nished by the Naval Marine Band, which  
will accompany the Midshipmen to New  
York. Capt. W. T. Claverius, command-  
ant of the United States Naval Acad-  
emy, is arranging to bring the entire  
student body to New York.

DRYS WIN IN DESECRATION  
OF CITY HALL'S GREEN SOD

Wets, That Is Slush Soaked Feet, to Be Banished Next  
Winter by Depressing Park's Surface to End  
Icy Floods on Walks.

Upon the stirring of a few shovel-  
fuls of dirt and the lifting of a few  
slabs of sod from the green of City Hall  
Park, where it faces the Brooklyn  
Bridge, the fate of the city administra-  
tion this last fortnight has wavered  
and trembled. Apparently there was  
nothing the matter with that section of  
the park—it was green, the grass  
flourished, the walking was unimpair-  
ed, the cats that are rather famous in  
the park enjoyed it still—yet suddenly some  
factious workmen were sent to tear-  
ing up the sod and muddling the dirt.  
Citizens to whom other acts of the  
city administration offered no mys-  
tery or perplexing problems, jumped  
upon this hacking of the grass as a  
heinous thing.

They also seized their pens, pencils  
and typewriters and flooded Mayor  
Hylan and other officials with letters.

FIVE YEARS EACH IS  
GIVEN ANARCHISTS

Ruthenberg and Ferguson  
Arraigned Capitalistic  
Judiciary System.

Charles E. Ruthenberg, a former can-  
didate for Mayor of Cleveland, Ohio,  
and Isaac E. Ferguson, a Chicago  
lawyer, who have been on trial for the  
last five days in the Criminal Branch  
of the Supreme Court on an indictment  
charging them with printing the "Com-  
munist Manifesto" which appeared in  
the *Revolutionary Age* of July 1918, and  
which caused the riotous night of  
criminal anarchy. The jury returned  
the verdict after nearly two hours of  
deliberation. Justice Weeks sentenced  
them each to not less than five or more  
than ten years in State's prison.

Both defendants received their sen-  
tences with defiant resignation. When  
asked if they had anything to say as to  
why judgment should not be pronounced,  
first Ruthenberg and then Ferguson an-  
swered with an impassioned address  
severely arraiving what they called our  
"capitalistic judiciary system."

Ferguson, choosing his words care-  
fully, also criticized Justice Weeks and  
denounced his conduct of the trial, care-  
fully analyzing how, in his view, no  
personal ill will toward either the  
Justice or the jury, saying that he re-  
alized that both were only "unconscious  
instruments of the present capitalistic  
system, with which he disagreed and  
which he expected to some day see re-  
placed."

"I have in the past upheld certain  
ideals for the reorganization of society,"  
Ruthenberg said. "I have stood by those  
principles in the past, and I expect to  
hold to them and fight for them in the  
future. This court and all courts are a  
part of the capitalistic system of society  
which I have been fighting. I realized  
this from the beginning of the trial and  
did not expect any other result than the  
one that exists."

"It is with a spirit of defiance that I  
accept sentence, knowing that I am  
going to prison for a great principle.  
Sending me to prison will not alter my  
ideas about it."

Justice Weeks in reply said:—"The  
court is not surprised at the manner and  
language of Ruthenberg. He has already  
been convicted for defiance of the law  
on a previous occasion. As to the de-  
fendant, Ferguson, the court is surprised.  
The very reason that Mr. Ferguson, born  
of poor and illiterate parents, is able  
to stand before the court as a lawyer and  
use the knowledge of which he boasts,  
shows the great opportunity offered to  
all by the free institutions of this great  
Government which he is seeking to over-  
throw."

MARINE ENGINEERS CALL  
OFF THREAT TO STRIKE

Settlement Reached With  
Owners and Stripping Board.

Possibility of a strike of marine en-  
gineers vanished last night when the  
National Marine Engineers' Beneficial  
Association entered into an agreement  
with the United States Shipping Board  
and the American Steamship Owners As-  
sociation to let the present scale of wages  
stand until May 1, 1921.

Their members are to receive subsis-  
tence money such as is allowed to dock  
officers of American ships on their days  
spent in port. This will consist of an al-  
lowance of \$4.50 per day to chief engi-  
neers while in port, \$3 per day to as-  
sistant engineers and \$2.50 per night for  
room hire when they are compelled to  
eat and sleep ashore.

The agreement was reached at a meet-  
ing in the office of the Shipowners As-  
sociation at 17 Battery place and was  
signed by William S. Brown of Wash-  
ington, president of the National Marine  
Engineers' Union; Barragh Delaney,  
director of the Division of Industrial Re-  
lations, and A. J. McCarthy, manager of  
the American flag steamers of the Inter-  
national Mercantile Marine.

CROKER WINS APPEAL  
IN SON'S LAW ACTIONS

Richard, Sr., Entitled to Sep-  
arate Trials of Issues.

Richard Croker, former Tammany  
leader, won a point yesterday in defence  
of the actions brought against him by  
his son, Richard Croker, Jr. The Ap-  
pellate Division of the Supreme Court  
decided the elder Croker is entitled to  
separate trials of the issues raised.

In one action young Croker is suing  
his father for \$125,833, alleging that he  
expended sums aggregating this amount  
for his father in managing his business  
affairs. The elder Croker has filed a  
counter charge, in which he demands  
that his son recover to him a ware-  
house at 535 East Seventy-ninth street  
which the father asserts he purchased,  
but the title of which is in the son's  
name.

The son admits taking title, but alleges  
that it was agreed that he should hold  
title to the warehouse until his father's  
indebtedness to him was repaid. The  
elder Croker demands an accounting of  
his son's acts as agent for him in look-  
ing after his property in the United  
States.

HYLAN FORCES ECONOMY RESOLUTION  
ON BUDGET MAKERS,  
ASSUAGING FIREMEN.

STILL \$3,000,000 HIGH

La Guardia Calls Craig 'Fat  
Profiteering Slacker' for  
Slur on War Record.

MOTOR THEFT IS CHARGED

Clashes All Day Mark Efforts  
of Rival Officials to Kill  
or Keep Items.

POLICE HOSPITAL  
GOES TO BROOKLYN

Site for \$5,000,000 Project  
Chosen Opposite Fine  
Arts Museum.

Real estate transactions involved in  
the purchase of a site for the proposed  
Police Hospital were completed yester-  
day. After consideration of several  
sites, including one in the Bronx and  
another in Westchester, a large plot in  
Eastern Parkway, Brooklyn, opposite  
the Brooklyn Museum of Arts and  
Sciences, was decided upon. It is esti-  
mated that the entire cost of the hos-  
pital, including the land, will be in the  
neighborhood of \$5,000,000, and it is  
intended that the institution shall be  
among the largest and best equipped in  
the country.

The property acquired has a frontage  
of 750 feet on Eastern Parkway and ex-  
tends along Underhill avenue to Lincoln  
place, on which it has a frontage of 750  
feet. The plot required the assembling  
of four or five different properties and  
of about forty owners. Joseph P. Day  
handled the negotiations. The property  
is situated just east of the Marlingue  
apartment house, which Commissioner En-  
right lived for about a year.

Backing for the hospital, which is a  
"project of Commissioner Enright, has  
been given by a large group of citizens,  
including T. Coleman du Pont, Murray  
Guggenheim, father of Edmund A. Gug-  
genheim, special Deputy Police Com-  
missioner; R. A. C. Smith, Rodman  
Wanmaker and L. C. Hooker, who will  
act as advisory architect.

According to the man behind the  
"project the institution will be made to  
harmonize with the museum building.  
The grounds will include a large space  
for recreation purposes, and there will  
be a roof sun parlor for the use of  
patients during the convalescent period.  
The institution will be conducted for  
"police men injured in the line of duty or  
who have become ill during their service,  
and also for their families. Many times  
serious motor operations have been nec-  
essary in the cases of policemen shot  
or otherwise injured in the performance  
of duty, and the cost of hospital treat-  
ment, which the officers must bear him-  
selves, has amounted to a considerable  
sum. The Police Hospital will endeavor  
to care for the men at nominal cost."

WIFE NO. 1 TRAPS HUBBY  
ON SECOND HONEYMOON

Mother of No. 2 Aids Capture  
of Ex-Army Officer.

Although he was detained yesterday  
in West Side Court on a charge of hav-  
ing two revolvers in his possession,  
William T. Beisel, a former Lieutenant  
of the Army Ordnance Department, will  
be taken to Ossining today and  
charged with having two wives.

Wife No. 1, Marie Seldon of Cleve-  
land, Ohio, said her husband left home  
some time ago, pleading that business  
was taking him East, and as he did  
not return she decided to look for him.  
She arrived, according to her testimony,  
to find that Beisel had left but recently  
on a honeymoon to Canada.

Wife No. 2, according to her state-  
ment, is a pretty girl of Ossining, who  
the defendant married on September 27.  
The bride was described only as  
"Helen."

Mrs. Beisel said she prevailed upon  
the mother of the young woman to  
send a message to the honeymooning  
couple bringing them back to this city,  
and that upon their arrival detectives  
arrested Beisel. The charge of bigamy  
could not be preferred here, it was  
said, because the alleged offense took  
place outside of the county. The of-  
ficers searched Beisel and found the  
revolvers. Magistrate Levine fixed bail  
at \$2,000.

SI FOR DESTITUTE WIDOW.

The New York Herald is in receipt  
of \$1, sent by a "Brooklyn Sym-  
pathizer," for Mrs. Tony Felenchina,  
whose husband committed suicide in 4  
Allen street this week because he was  
out of work and money and his wife  
had just given birth to a child. The  
money has been turned over to the po-  
lice of the Clinton street station, who  
have been raising a fund for Mrs.  
Felenchina, who is destitute.

\$1,000,000 PAY  
RISES SLASHED  
IN HOT SESSION

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ON BUDGET MAKERS,  
ASSUAGING FIREMEN.

STILL \$3,000,000 HIGH

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Slur on War Record.

MOTOR THEFT IS CHARGED

Clashes All Day Mark Efforts  
of Rival Officials to Kill  
or Keep Items.

Mayor Hylan steered through the  
Board of Estimate yesterday a resolu-  
tion slashing from the 1921 budget  
every salary increase granted to any  
city employee since August 20, when  
the \$5,000,000 general increase went  
into effect. The result was that last  
night the board's examiners were com-  
pletely at sea regarding any accurate  
idea of what the resolution will do to  
the budget, which must be adopted  
finally not later than to-morrow mid-  
night, and conceded that the only way  
they can get their bearings is to  
check over every personal service  
item in the budget to ascertain what  
raises have been made since the August  
date.

The resolution was passed over the  
protest of Comptroller Charles L. Craig,  
who declared that it was an effort on the  
part of the Mayor to do illegally by resolu-  
tion of the Board of Estimate what he  
could not accomplish under the statutes  
governing salary increases. In an effort  
to win the Borough Presidents into line  
against the resolution, the Comptroller  
declared that upon adoption of that rule  
he would decline to pay the increases of  
from \$2,500 to \$5,000 granted to the  
Borough Presidents by statutory enact-  
ment.

Among other things, the effect of the  
Mayor's resolution was to deprive 452  
of the department's steam engineers of \$150  
increased compensation each which was  
granted to them in the budget on the  
ground that they were omitted inad-  
vertently two years ago when such an  
increase was granted generally to the  
Fire Department. The rank and file of the  
Fire Department opposed and succeeded in  
heading off this gain of the engineers  
when the general increase of last August  
was being considered. Their opposition  
was on the ground that it widened unduly  
the gap between the pay of the engineers  
and the pay of the firemen. That feel-  
ing in the ranks has not abated.

"Economy" Is Mayor's Motive.  
The Mayor declared that he pressed  
his resolution because of the necessity of  
establishing a policy in the interest of  
economy.

Such a position would not preclude  
the possibility—a matter which was the  
subject of considerable political com-  
ment around City Hall—that the Mayor,  
in thus undertaking to assuage the fire-  
men, was not unmindful of the revolt  
of the department against Al Smith  
which developed yesterday, nor of the  
fact that Tammany Hall will be running  
the present Mayor or some political ally  
for Mayor next year, when the firemen's  
vote will be a much more vital factor  
than in the present gubernatorial battle.

The Comptroller was defeated again  
in a fight he made to have the salary of  
Walter J. O'Neill, his special examiner,  
placed on a parity with that of the as-  
sistants to the Borough Presidents on  
the plea that Mr. O'Neill was entitled  
to an increase, also lost through an in-  
tervenient. Falling in that, the Com-  
ptroller sought to retaliate by abolishing  
the assistants to the presidents but  
failed.

The day's session was fraught at all  
times with extreme bitterness, resulting  
once in F. H. La Guardia, President of  
the Board of Aldermen, charging the  
Comptroller with being "a fat profiteer-  
ing slacker" during the war. The Com-  
ptroller was constantly under fire and  
among other items in his departmental  
estimate lost his appropriation for the  
storage of his automobile and received  
instructions from the board to house his  
car in the municipal garage.

"I may leave my automobile on the  
sidewalk," was the Comptroller's ultima-  
tum, "but I'll never let the municipal  
garage get a chance to lay hands on it."  
They stole a good Cadillac "eight" from  
me, and it is now being used by the  
Commissioner of Plant and Structures."

Grover A. Whalen, Commissioner of  
Plant and Structures, retorted that the  
car never belonged to the Comptroller's  
department in the first place, but was  
a car which the Comptroller had ap-  
propriated from the automobiles for-  
merly used on the aqueduct work.

"That is not true," said the Com-  
ptroller. "I was entitled to the car, and  
taking it away from my department  
was nothing less than larceny. I can  
tell this board not only about that  
Cadillac car but also about some joy-  
riding in a certain Stutz car. The Com-  
missioner might enlighten us some on  
that."

The board managed to chop approxi-  
mately \$1,000,000 out of the budget, mak-  
ing a total reduction of \$5,700,000 since  
the proposed budget of \$32,500,000 was  
fixed. The board must find a way to  
get rid of \$3,000,000 more between now  
and Sunday midnight in order to re-  
duce the final budget to the \$347,000,000  
which the maximum tax limit will pro-  
vide.

The arguments and wranglings dis-  
closed several amazing differences in  
opinion regarding tremendous items of  
the budget and, in at least two in-  
stances, admitted ignorance on the part  
of the whole board as to the use or  
need of items amounting to \$1,000,000 and  
\$1,355,000, these being respectively the  
teachers' pension and contingent re-  
serve funds.

One of the differences in opinion  
which did not go to issue regarding  
the teachers' pension was the contention  
that the borough presidents are asking  
redemption of \$3,500,000 more tax note,  
in the 1921 budget than they will be able  
to pay.

Following the clash of several days  
ago, when the Comptroller characterized  
the President of the Board of Aldermen  
as "a dirty little liar" and "an unruly  
pup," La Guardia undertook a terrible  
raid on the Comptroller's departmental  
budget yesterday, in addition to a  
\$37,879 cut in personal service and a  
\$4,000 cut in equipment and supplies  
which the Comptroller himself recom-  
mended.

La Guardia moved to deprive the  
Comptroller of eight accountants, seven-  
teen bookkeepers, three examiners and a  
telephone operator, representing an an-  
nual payroll item of \$41,160, and ap-  
proved a motion by Henry H. Curran,  
President of the Borough of Manhattan,  
to prevent the Comptroller from using the  
Comptroller's staff of actuary auditor and  
three assistants and two title examiners  
at a total annual figure of \$37,500, but  
lost both fights on a party vote.

La Guardia Wins One Fight.  
The only fight La Guardia won out-  
right was that to kill an item of \$15,000  
for the contract for automobiles to carry  
city paymasters and their payrolls, the  
original source of the entire controversy.  
He succeeded in having the board order  
the Comptroller to use taxicabs from the  
municipal garage for that purpose. In  
retaliation the Comptroller undertook  
to have the municipal garage abolished,  
but failed.

In the middle of the paymaster car  
fight Joseph Rock, the contractor who  
furnishes those cars, appeared and hotly  
called the Aldermanic President for  
calling him a favored contractor at the  
former meeting. He said La Guardia  
was ignorant of the uplift fight he had  
made to obtain the contract, because  
that happened "while the President of  
the Board of Aldermen was away."

"What do you mean by that?" asked  
La Guardia.  
"While you were at war."  
"Don't say that," interjected the Com-  
ptroller. "You mean while he was in  
Italy up in the air."  
"Now, you boys quiet down," he said  
with rage, and shaking his fist at the  
Comptroller.

"Don't you dare say anything about  
me! What about your own war record,  
you fat, profiteering slacker?" he  
shouted.  
The Mayor finally restored order by  
drowning out the contending voices with  
the voice of his gavel.  
"Now, you boys quiet down," he said  
"We've got to have a little more public  
business and a little less public bicker-  
ing."

VERY CHOICE  
VAN DYCK  
CIGAR  
THREE SELECT SIZES  
We suggest BANKERS (wrapped 2 in foil)  
2 for 30c—Box of 50—\$7.25  
THREE SELECT SIZES  
In limiting Van Dyck to a few select  
sizes, the General Cigar Co., Inc., acts  
upon its long experience, which has  
proved that this very choice cigar can  
best be produced in that way.  
The same workmen, constantly produc-  
ing the same few choice shapes, attain  
a perfection of craftsmanship which is  
not otherwise obtainable.  
In other words, we aim to turn out the  
very choicest cigars that can be produced  
in the few select sizes of Van Dyck.  
General Cigar Co., Inc.  
NATIONAL BRANDS  
NEW YORK CITY

ANNOUNCEMENT  
Tires for automobiles and trucks are  
a necessity.  
For the benefit of the consumer and  
to aid the thousands of dealers in mak-  
ing their plans for their next year's  
business, and in anticipation of lower  
commodity values in the early new year,  
we have made a reduction in prices, effec-  
tive November 1st, so assuring an  
orderly procedure in business during the  
coming year.  
The price reductions apply to all  
pneumatic automobile tires and tubes  
and pneumatic and solid truck tires.  
New prices will be available through  
our Branches and our Dealers on  
November 1st.  
UNITED STATES RUBBER COMPANY  
NEW YORK CITY  
October 28th, 1920  
TIRE DIVISION BRANCH  
Broadway at 58th Street

NOW ON SALE!  
November  
THE WINTER FASHIONS  
Harper's  
Bazaar  
Just one of ever so many alluring coats  
is this from Poiret of soft velours de  
laine. But what of hats? and furs?  
Will the short, square cape-effect in  
the newest of furs—slynx, of course—  
become you? And have you seen the  
very latest in evening gowns,—the  
double train? Of course, you will  
simply have to read all about these,  
and the rich fabrics that are coming in,  
and how to drape them—in this issue of  
HARPER'S BAZAR—JUST OUT.



GIRL SCOUTS CELEBRATE.  
Founder's Day will be celebrated to-  
day by the Girl Scout organization at  
the headquarters, 139 Lexington ave-  
nue. The founder was Mrs. Juliette G.  
Low. The gold eaglet, the highest  
award of the order, will be conferred  
upon five girls by Mrs. Arthur Osgood  
Cheate, president of the Girl Scouts.