National Republican.

VOL. XVII--NO. 242. WASHINGTON, D. C., THURSDAY MORNING, AUGUST 23, 1877. FIFTY CENTS PER MONTH.

PENSION FRAUDS.

AN ARRAY OF FACTS BY ONE WHO SPEAKS BY THE CARD.

EX-COMMISSIONER OF PENSIONS BAKER CHARGED WITH RECEIVING A BRIBE FOR PASSING A FRAUDULENT CLAIM—THE CONCLUSIONS OF A SPECIAL AGENT WHO WORKED UP THE CASE—OTHER OFFICERS STILL IN THE PENSION BUREAU IMPLICATED—SYSTEMATIC ATTEMPTS TO KEEP THE MATTER DARK—WHAT WILL SECRETARY SCHURZ DO ABOUT IT?—HIS PRIVATE SECRETARY ONCE MORE.

The following interesting communication was placed in the hands of the Secretary of the Interior on the 1st day of June by Mr. T. P. Kane, ex-special agent of the Pension Bureau:

WASHINGTON, D. C., June 1, 1877.

Hon. Carl Schurz, Secretary of the Interior:

SIR: During the closing months of ex-Secretary Chandler's administration of the Interior Department I endeavored on several occasions to obtain an interview, for the purpose of laying before him certain matters affecting the honesty and integrity of certain officials connected with and holding positions of influence and trust in the Interior Department, but was unable to gain admittance to his presence. As the parties to whom I refer are still officers of the Department, it may be of interest to you to learn the history of a transaction which occurred under my personal observation while an employee of the Pension Bureau, and I therefore have the honor to submit for your personal consideration, and for such action as you may deem proper, the following statement of facts:

On or about the 8th day of April, 1876, as special agent of the Pension Bureau, I was directed by Col. J. W. Le Barnes, then chief of the special service division, to investigate the pension case of Mrs. Emily L. Slaughter, widow of Albert G. Slaughter, late of the United States navy, to secure the passage of which claim it was suspected that improper influences had been used, the nature of which I was directed to ascertain. I proceeded to Baltimore, Md., the home of Mrs. Slaughter, and the first person I interviewed in reference to the matter was Col. Adreon, United States pension agent of Baltimore, Md., from whom I learned that on the 12th day of April, 1875, he received from J. H. Baker, then Commissioner of Pensions, an order to inscribe upon the roll of his agency the name of Mrs. Emily Slaughter, widow of Albert G., at the rate of $30 per month, commencing from September 9, 1873, the date of her husband's death. On the same date Mrs. Slaughter with her witnesses appeared at the agency, executed the necessary vouchers, and drew the first payment thereon, amounting to $7,725. In less than a half hour after this payment was made Col. Adreon received the following telegram from Ben. Cowan, acting Secretary of the Interior:

WASHINGTON, D. C., April 12, 1875.

Harrison Adreon, U. S. Pension Agent, Baltimore, Md.:

Do not pay the pension of Emily L. Slaughter, widow of Albert G., but return the certificate to the Department. B. R. COWAN.

Immediately upon receiving this telegram Col. Adreon, accompanied by his brother William, hurried to the residence of Mrs. Slaughter for the purpose of recovering the money, and upon arriving there stated the object of their visit, exhibited the above telegram, and requested a refunding of the money. Mrs. Slaughter informed them that she did not have the money, and in reply to Col. Adreon's inquiry as to what disposition she had made of it stated that she had in her possession about $850; that she had but a few moments before their arrival given to Samuel A. Pugh, of Washington, D. C., a little over

HALF OF THE TOTAL AMOUNT

paid her, viz.: $3,865, for his services in securing the allowance of the claim, and the balance she had given her son-in-law, Lawyer Stewart, of Baltimore, Md., to deposit for her in bank. Mrs. Slaughter and Mr. Stewart readily refunded the money in their possession, which was something less than half of the total amount paid.

Col. Adreon then reported these facts to Gen. Cowan, and in reply received the following telegram:

WASHINGTON, D. C., April 14, 1875.

Harrison Adreon, United States Pension Agent Baltimore, Md.:

Retain the Slaughter money until further orders.

B. R. COWAN, Acting Secretary.

Col. Adreon deposited the money with his bankers, where it remained until the 21st day of April, 1875, when he returned it to Mrs. Slaughter under the following telegraphic order:

WASHINGTON, D. C., April 21, 1875.

Harrison Adreon, United States Pension Agent, Baltimore, Md.:

Please return the money to Mrs. Slaughter.

B. R. COWAN, Acting Secretary.

Shortly subsequent [illegible] this last transaction Mrs. Slaughter died, and Samuel A. Pugh was indicted by the grand jury of Baltimore, Md., for receiving fees in pension cases in violation of section 5485 of the Revised Statutes, which limits the fee to $10 and no more.

The next person I interviewed in reference to the case was Hon. Archibald Sterling, United States Attorney of Baltimore, who informed me that in consequence of the death of Mrs. Slaughter he was unable to proceed to trial with the case, as her death stripped him of the only witness by whose testimony he could prove the money into Mr. Pugh's possession, and he instructed me as to the character of the testimony he would require to reach a conviction, and requested me to procure the same.

I next called upon Mrs. Stewart, daughter of Mrs. Slaughter, with whom Mrs. Slaughter lived at the time of her death, and in whose house the foregoing transactions occurred, and learned from her that her mother had paid to Samuel A. Pugh half of the $7,725 for his services in securing the allowance of the claim, and that this amount was the one previously agreed upon between her mother and Mr. Pugh, with the understanding that *he was to pay half of his fee to a person of influence in Washington, without whose assistance, he alleged, the passage of the claim could not be procured.* After obtaining all the information that was possible to be had in Baltimore I returned to Washington for the purpose of ascertaining who the influential person was with whom Mr. Pugh

DIVIDED THE $3,865,

and without whose assistance the passage of the claim could not be procured. My next step was to carefully examine all the papers in the case, and I there discovered something which not only raised a doubt in my mind as to the merits of the claim itself, but aroused my suspicion as to the means resorted to to secure its passage. The application for pension was filed on the 18th day of September, 1854, and the claim had been several times rejected upon the grounds that death was not due to any disease contracted in the service. When Gen. Baker assumed charge of the Pension Bureau in 1871, the case was again reopened and rejected by him, in an indorsement, in which he adhered to the action of his predecessor in rejecting the claim, upon the ground that the medical evidence failed to connect death cause with any disease contracted in or due to the service. About a year or more subsequent to the date of this indorsement, *in a special and peremptory order against the protest of the examiners and of the chief clerk of the Pension Office, Gen. Baker directed the allowance of the claim* in an indorsement, saying that the medical evidence clearly established the fact that death was caused by disease contracted in the service. Now, what influence had operated upon Gen. Baker to so suddenly change his opinion as to the merits of this claim? The status of the case had not changed in the least since his first examination of the papers. There had not been a particle of testimony filed in the case between the date of his first indorsement in which he adhered to the action of his predecessor in rejecting the claim, and the subsequent indorsement, in which he directed its allowance. Why, then, should his opinion have been so suddenly changed? I was not long in drawing my conclusion as to the nature of the influence which had been brought to bear upon him, and as to

WHO THE INFLUENTIAL PERSON WAS

with whom Samuel A. Pugh divided half the fee paid by Mrs. Slaughter, and without whose assistance the passage of the claim could not be procured.

The next person I interviewed in reference to the matter was S. S. Henkle, of Washington, D. C., the attorney of record in the case, and the only person who could lawfully receive a fee in connection therewith. Mr. Henkle informed me that after the first rejection of the claim, finding that he could not without violation of law demand or receive a higher fee for his services than $25, abandoned its further prosecution upon the grounds that his time would not permit him to give it further attention for so small a compensation, and that he had forgotten all about the matter until one day he received *a note from Gen. Baker asking him to call upon him at the office* and in response to this call *Gen. Baker asked him to request in writing the reopening of the claim of Emily C. Slaughter,* remarking at the time that *he could do so he would order the admission of the claim.* Mr. Henkle did as requested by Gen. Baker, and in a few days received a fee of $10 for his services as attorney of record in the claim.

Gen. Baker could not reopen this claim and direct its allowance without some excuse for so doing. Mr. Pugh's request for a reopening and reconsideration could not be honored, for in addition to being debarred from practice before the Department he was not the attorney of record in the case. The only way then in which the claim could be reopened was for the attorney of record to request it, and this having been done by Mr. Henkle, at the solicitation of Gen. Baker, the order directing its allowance was issued. The notice of allowance of the claim was given to Mr. Pugh, by Gen. Baker, who carried it to Baltimore and delivered it to Mrs. Emily C. Slaughter, and remained in her house until she returned from the agency with the money, received his fee of $3,865, and immediately returned to Washington, and, it is supposed, divided with J. H. Baker, then Commissioner of Pensions, on whose direct and peremptory order the claim was allowed, and without whose assistance its passage could not have been procured. These were laid before Gen. Cowan on the morning of the 12th of April, 1875, and he immediately sent the telegram hereinbefore referred to to Col. Adreon, directing suspension of payment, which did not reach Col. Adreon until about fifteen minutes after the payment had been made. Half the amount paid having gone into Mr. Pugh's possession, and as this could not be recovered from him without

EXPOSING BAKER'S CONNECTION

with the matter, it was deemed best to return the amount recovered by Col. Adreon to Mrs. Slaughter, and thus put a quietus to the whole affair.

When I had gone thus far in my investigation Gen. Baker made his appearance in Washington in obedience to the summons of the committee of the House of Representatives having under investigation the Chicago agency matter. Gen. Baker had in the Pension Bureau an intimate friend, one Tolbert Lanston, who was chief of the special service division during Baker's administration of the bureau, and who was to Baker a confidential friend and adviser. Baker and Lanston had several interviews, and shortly subsequent to one of these interviews Lanston inquired of me if, in the course of my investigations of any pension claim I had found any evidence implicating a former commissioner, to which inquiry I gave him an evasive reply. Lanston had been removed from the head of the special service division by Baker's successor, Mr. Atkinson, and Col. J. W. LeBarnes was appointed chief of the division.

On the 17th of June, 1876, I received a letter from District Attorney Sterling, informing me that the Pugh trial had been set for the 22d of said month, and requested me to be present with all the papers. The following is a copy of the letter:

U. S. ATTORNEY'S OFFICE, BALTIMORE, June 16, 1876.

DEAR SIR: The case of Pugh is fixed for trial for the 22d; please be here on that day with all the papers, and send me as early as you can the names of any witnesses in Washington that you think will be useful, *and also, as suggested in your letter of the 15th of May,* you may be able to get me some facts here. Very truly yours,

A STERLING, JR., U. S. Attorney.

T. P. Kane,

I went to Baltimore on the 20th of June, and reported the result of my inquiries to Mr. Sterling, who informed me that he would continue the trial to the next term, by which time I would have concluded my inquiries, and he would have received special instructions from Washington, which, in view of the peculiar features of the case, he desired before proceeding further. I returned to Washington on the 22d of said month, and upon arriving at the pension office learned that a change had taken place in the head of the special service division during my absence, Col. LeBarnes had been requested by Commissioner Bently to resign, and Mr. Lanston, Baker's confidential friend and adviser, through the influence of Gen. Baker, was reappointed chief of the special service division. Mr. Lanston's first inquiry of me after assuming charge of the division, was in reference to the Slaughter case, the papers in which he desired to see. I informed him of the instructions I had received from the District Attorney of Baltimore, and the nature of the testimony required to prepare the case for trial, and instead of directing me to continue the investigation and obtain the requisite testimony, he directed me to suspend all proceedings in the matter until he consulted with Commissioner Bently. What the result of that consultation was I never could ascertain, but I was not allowed to continue the investigation, and on the 4th day of September, 1876, before the next term of the court came around, I received a notice informing me that my services would be dispensed with from and after the 4th proximo.

Through the influence of J. H. Baker, and with the express understanding between them, Tolbert Lanston was placed in charge of the special service division for the sole and only purpose of choking off any further proceedings against Baker in the Slaughter pension claim, and Commissioner Bently, with a full knowledge of Baker's guilt, sanctioned the conspiracy on the part of Baker and Lanston by the removal of Col. J. W. Le Barnes, an honest, capable and efficient officer, under whose directions the investigation was instituted, and the appointment in his stead of Baker's confidential friend and adviser, Lanston.

Term has since followed term in the United States District Court of Baltimore, but the trial of Samuel A. Pugh has never been called.

Mr. Secretary, the foregoing is a brief statement of the principal facts bearing upon my removal from office, and of the transaction to which I desired to invite your attention. I lay them before you, not with a view of soliciting an appointment or reappointment at your hands, but rather from a sense of right and justice and an honest and deep-rooted conviction of having been wronged—unjustifiably treated—sacrificed for daring fearlessly and faithfully to perform my duty while acting as a special agent of the Pension Bureau, in order that Baker might go unpunished and his dishonest deeds covered up.

J. H. Baker is now surveyor general of Minnesota. A. A. Bently is now Commissioner of Pensions. Tolbert Lanston is now chief of the special service division of the Pension Bureau—all employees of the Interior Department. The facts are before you, Mr. Secretary, for such action as you may deem proper. As for myself, I ask no favors other than justice.

I have the honor to be, sir, very respectfully yours,

T. P. KANE,
Late Special Agent Pension Bureau.

The communication was placed in the hands of Secretary Schurz on the 1st of June. Mr. Kane shortly afterwards had an interview with Secretary Schurz. Secretary Schurz then sent for Bently, and had an interview with him. Mr. Kane afterwards had another interview with the Secretary. The matter was referred to Mitchell, Secretary Schurz's private secretary, to get the necessary papers in the case with the assistance of Mr. Kane. Since then the matter has dragged on. Mitchell has offered excuses for procrastinating, and no progress has been made towards investigating the charges. Secretary Schurz desired Mr. Kane not to give the matter to the press for publication. Rumors of rottenness in the Pension Bureau have always been plenty, but now that definite charges have been made against an ex-commissioner, and a person at present connected with the Interior Department, it is a good time to make a thorough investigation, and rid the pension service of corrupt officers.

FROM THE MEXICAN FRONTIER.

CAPTURE OF ONE OF THE RELEASED RIO GRANDE PRISONERS—THE TONE OF THE TEXAS PRESS.

By Telegraph to THE REPUBLICAN.

SAN ANTONIO, Aug. 22.

Gen. Ord is in receipt of a dispatch from Gen. Benavides, which says that Rudolph Espansada, one of the released Rio Grande city jail breakers, has been captured, and another, Signatio Garia, will soon be, as his hiding place is known.

It is thought both are Mexican prisoners, in which case the United States authorities cannot demand their extradition. The tone of the Texas press is bitterly hostile, and the Governor has conferred on Hon. J. H. McLeary, of this city, authority to raise a regiment should the Mexicans show a hostile disposition.

ANOTHER COLORED CANDIDATE FOR A WEST POINT CADETSHIP.

NEW YORK, Aug. 22.—In the competition for the West Point cadetship offered by Congressman Mullen, of the Fifth district, Charles A. Minnie, a colored boy from Grammar school No. 29, of the First ward, received a maximum of 585 points out of a possible 600, or 98 per cent. of the whole, being over 100 points ahead of any of the thirteen other candidates. He was, therefore, declared the winner of the competition. Minnie was born near Troy, and next month will be twenty years old. His father died when he was an infant, and his widowed mother, with other children to support, placed him in the half orphan asylum, where he remained until he was twelve years old. From this time until he was eighteen he had no schooling, but did what work he could obtain to aid his mother.

INDIAN NEWS.

SALT LAKE, Aug. 22.—A report this morning from Hole-in-the-Rock stage station, Idaho, recently occupied by hostiles, says the Indians have all gone in the direction of Henry's lake or Teteon creek. Howard was at the head of Camas creek Monday morning. Capt. Bainbridge, from Fort Hall, with the friendly Indians left the Stage station for Camas creek yesterday. Gen. Howard had a slight skirmish with the Indians yesterday. One man was killed and seven wounded. The Indians stole two hundred of Howard's horses on the night before last. The Montana volunteers are returning home disgusted, many of them on foot. Gen. Sherman is at Helena, Montana.

THE PRESIDENT'S TRIP

RECEPTION OF THE PARTY BY A CAMP-MEETING ASSOCIATION.

AN ADDRESS OF WELCOME BY REV. MR. ADAMS—SPEECHES BY THE PRESIDENT, ATTORNEY GENERAL DEVENS, POSTMASTER GENERAL KEY AND SECRETARY EVARTS—MRS. HAYES RECEIVED WITH HEARTY APPLAUSE.

By Telegraph to THE REPUBLICAN.

CONCORD, N. H., Aug. 22.

The Presidential party left Plymouth at 8:50 this morning, taking a special train. At Ashland a short stop was made, and the President and his wife were introduced to the crowd by Gov. Prescott, and a shaking of hands participated in. At Meredith village a small number had assembled, and the President and his wife were introduced, shaking hands for a moment, and departing amid cheers. A Weir's station, the location of the Winnipesaukee Camp Meeting Association, at least five thousand people were assembled, brought there by the meeting and a desire to greet the President and party. The visitors were at once taken from the train by a committee and escorted to the preacher's stand, where the President was received. After the singing of "America," Rev. Mr. Adams, in an address of welcome, concluded as follows:

I don't believe in rebellion, either against Heaven or the Government of the United States. We do believe in reconciliation, both with the principles of the Bible and the Constitution of the land. We do believe in common schools and a school with the Bible with it. We do believe in the observance of the Sabbath, and are glad to know that we have a President that keeps it. We believe in temperance, and are rejoiced to find that our President is throwing his influence against wine-bibbing. We welcome you, because every Sabbath you, in company with your Christian wife, in an humble way, walk to the little old church around the corner. We rejoice that little is to be seen of you here, and wish you long life and blessings of grace, mercy and peace. Allow me to introduce you to our people, and, through you, the members of your Cabinet.

SPEECH BY THE PRESIDENT.

The President replied:

FRIENDS AND FELLOW-CITIZENS: I wish to assure you that this kind welcome gives me very great gratification. We do not, I am sure, mistake their meaning. You are interested in means those with me because of the great trust which under the Constitution and laws has devolved on us. You believe, with Lincoln, that in the performance of his duty the only safe reliance for your Magistrate is that divine assistance without which he cannot succeed, and with which he cannot fail. My earnest desire is my prayer that in every difficulty and grave emergency I may be guided; that all good citizens can approve the measures that may be adopted, and that all may conscientiously pray for their complete success. My friends, we have three members of the Cabinet. You will be glad to be introduced to each. First, allow me to introduce a distinguished soldier of Massachusetts, who has a high reputation as a lawyer, and who is known everywhere as a conscientiously upright man—Gen. Devens.

The Attorney General then came forward and addressed the assemblage as follows:

SPEECH OF GENERAL DEVENS.

Your meeting is one to which you have resorted for purposes of improvement. I do not expect to improve a camp-meeting; here at least there will be rejoicing at the work of peace and reconciliation. A few years ago the Church of which you are a part here represented, and one that has raised up so many from the depths to which they had fallen, was torn and rent asunder by the great conflict of arms between liberty and slavery. Certainly, now that the great questions involved in that conflict are settled, there is great reason to rejoice. The members of the Church, North and South, are again united. I know that here, of all places, good intentions will be appreciated, and, although it may have been said the road to hell is paved with good intentions, they will not be thrown aside, and that every one believes that he who has good intentions, and purposes to do right, will as surely find the result of doing right as smoke floats upward to the sky.

The President then said:

It is not best for one bred to the law to attempt to quote Scripture, but there's something like this: "There is more joy over the repenting one than over a hundred that have not gone astray." We have with us a friend who was four years against us, and more recently made the mistake of voting against the interests of the question of the integrity and maintenance of the Union, and on the question of freedom and equality to all men no man is before Judge Key.

JUDGE KEY'S SPEECH.

The Postmaster General spoke as follows:

I scarcely know how I am expected that I should appear here without embarrassment. It is not without feelings of sadness that I view the scene. I am carried to my boyhood days when, in that far distant south, my sunny home, I attended meetings in those for Methodists we found in that part of the Union, and my father was an humble minister in your Church. He has been gone now ten years, and you have heard how I, his own son, have wandered. I will not attempt to quote Scripture, for I might fall more signally than the President, but I have heard an old hymn that reads, "While the lamp holds out to burn the vilest sinner may return." The fact that Gen. Devens and I am here together shows that the principles of religion have a hold on the Cabinet, if not throughout the whole country. The people of New Hampshire need have no fears of the people of the South. Both political parties there have indorsed the Constitution and all its amendments, and the people have been placed by the President and his policy on their good behavior, and I am sure they will keep their faith. I thank you sincerely for this meeting, and I accept it not as a compliment to myself, but as a mark of feeling of amity you have for the people of the South.

SECRETARY EVARTS.

Secretary Evarts was then introduced, and spoke briefly on the wisdom displayed by the founders of the Government in separating Church and State.

Gov. Prescott then introduced Mrs. Hayes, who was received with hearty applause.

VICE PRESIDENT WHEELER.

CONCORD, N. H., Aug. 22.—Vice President Wheeler arrived in this city last evening from Malone, N. Y. Many prominent citizens called at the Eagle hotel, where he is stopping, to pay their respects to him. He was serenaded at 9:30 o'clock by the Concord band. On being introduced to the crowd of people that had gathered in front of the hotel by Hon. A. R. Thompson, Secretary of State, he spoke as follows:

Fellow-citizens, I thank you most sincerely for this cordial recognition and the band for the beautiful music, and with this brief acknowledgment I must content myself, and you must content yourselves. I am from my adjoining county, bearing my respects to the Chief Magistrate of the United States, who does honor to his station and his nation. With these brief remarks I bid you good-night.

His coming to this city was entirely unexpected. He will leave to-morrow morning for St. Johnsbury, Vt., where he is to meet some friends.

MARYLAND'S SHAME.

From the Wilmington Commercial:

Dr. Charles W. Chancellor, a member of the Baltimore City Council, and secretary of the Maryland State Board of Health, has, at the request of the Governor of Maryland, been inspecting the State and county almshouses, asylums and prisons, and he has just made a report that ought to, and doubtless will, excite horror and indignation among the decent people of Maryland. The State institutions are, in the main, well kept, except that one or two of them are overcrowded; but the county jails are by no means in good condition, while many of the county almshouses are given up to filth and immorality too horrible for full description in our columns. They are generally crowded, and no effort is made in most instances to separate either races or sexes. In several cases insane and idiotic white women are the mothers of a mixed progeny of white and colored children born in the almshouse, and there are inmates of some almshouses who were born there and who have borne children there. No proper provision for health or cleanliness is made, and the houses swarm with vermin and reek with filth. The Eastern Shore counties are about as bad as any, but Queen Anne's is commended as being decently managed. Washington county almshouse was probably the worst of any visited, and one case of a young insane woman, confined in a dark room too vile to enter, and wallowing nearly naked in filth, is described which surpasses almost the descriptions of the wards in some of the English madhouses before the reform inaugurated there many years ago.

GAS EXPLOSION.

NEW YORK, Aug. 22.—This p. m. a tank filled with hydrogen gas at the factory of the New York Calcium Light Company, on Bleecker street, exploded with a terrible report. John Bortine, of Brooklyn, was terribly injured, and died soon after being admitted to the hospital. W. Beist was seriously injured.

SENATOR MORTON SINKING RAPIDLY.

RICHMOND, IND., Aug. 22.—Senator Morton has been growing worse all day, and fears are entertained that he will not live through the night. He has had a severe pain in the left side during the evening, caused by indigestion.

HIS CONDITION THIS MORNING.

RICHMOND, IND., Aug. 23—At this hour, 1 a. m., Senator Morton is resting quietly, though the fact cannot be denied that his friends are very anxious. He suffered continually during the afternoon and early evening from, his physicians say, indigestion. Two prominent physicians of Indianapolis are in attendance, and Dr. Bliss, of Washington, who left here three days ago, has been telegraphed to return. All kinds of rumors are in circulation, and much excitement prevails, but the above is from an official source.

THE TELEGRAPH COMPROMISE.

A DISSATISFIED OFFICIAL ABOUT TO APPLY TO THE COURTS—THE WESTERN UNION COMPANY GETTING POSSESSION OF ALANTIC AND PACIFIC STOCK.

By Telegraph to THE REPUBLICAN.

NEW YORK, Aug. 22.

Henry J. Syms, vice president of the Atlantic and Pacific Company, is reported to have declared his intention to apply to the courts for an order restraining the two companies from carrying the contract into effect. Mr. Syms, when interviewed, refused to commit himself, but stated that he saw Gen. Eckert, president of the Atlantic and Pacific Company, this morning, and that in this matter they were in perfect accord.

President Orton said that there had been no negotiations between the representatives of the two companies in their official capacity for the sale and purchase of the Atlantic and Pacific stock. I have had a tacit understanding, quite vague and undefined, for a week past that if a satisfactory arrangement for the co-operative working of the two companies was entered into we could purchase a majority of the Atlantic and Pacific stock, if we desired to do. Yesterday we purchased a majority of the capital stock of the Atlantic and Pacific Company, and now have it in our custody. The purchase of this stock was to prevent the Atlantic and Pacific Company from breaking out from this agreement. The new arrangement will prove advantageous to the stockholders of the Atlantic and Pacific Company, inasmuch as they would now stand a fair show to receive dividends. Both companies, although working separately, would act in unison, and each would reap the benefits, the Atlantic and Pacific, if anything, doing better than the Western Union.

Mr. A. B. Chandler, secretary of the Atlantic and Pacific, said that the receipts of the companies would be increased by the new arrangement, and that the expenses of both would be greatly reduced, thus proving beneficial to all concerned. Each company would pay its own expenses, and the division would be upon the year's revenue.

PENNSYLVANIA DEMOCRATS.

MUCH WEEPING AND WAILING AND GNASHING OF TEETH AT THE HARRISBURG CONVENTION—A BITTER SPEECH AGAINST THE ADMINISTRATION BY THE CHAIRMAN AND A WEAK PLATFORM ADOPTED—LIST OF NOMINEES.

By Telegraph to THE REPUBLICAN.

HARRISBURG, PA., Aug. 22.

The Democratic State convention met in the hall of the House of Representatives today. Hon. W. Stenger was chosen permanent chairman. On taking the chair Mr. Stenger made a speech, during which he said there was one peculiarity about the Democratic party, and that was that it never dies, because its principles and the principles of the Constitution was defeated and laid out for dead, and defrauded by its opponents, still it lives, and Democratic conventions will always be held. Defrauded, the speaker said, because he was not unmindful of the fact that the chair of Washington is now filled by a man who was [illegible] by the people and the electoral voters of the States.

The speaker then referred to the Hayes administration, and contended that its policy of honesty was forced upon it by the action of a Democratic Congress refusing to appropriate for an extravagant Administration. The Southern policy of Mr. Hayes, he said, was also forced upon him, because Congress refused to appropriate the money asked for the army unless a pledge was given that the soldiers should not be kept in the South to uphold fraudulent State governments.

In conclusion, he said that the Democratic party was the party of law and order, because in all the history of the world there is no grander spectacle than that shown by that party in submitting to the most monstrous outrage that has ever disgraced the annals of the world

The act of the electoral commission is a stain upon national honor, which all the rains in sweet heaven can never wash out. At the conclusion of Mr. Stenger's address the convention took a recess until 8 o'clock.

The convention reassembled at 8 p. m., and the committee on resolutions came in and reported. The platform denounces Hayes as a fraud. On the financial and labor questions it is conservative. After the platform had been adopted, nominations were in order. On the third ballot 249 votes were polled, making 126 necessary for a choice. John Trunkey, of Venango, received the 126 votes and the nomination, which was made unanimous. Mr. P. H. Schell, of Bedford, was nominated on the third ballot for Auditor General, receiving 173 votes.

STILL BALLOTING.

HARRISBURG, Aug. 23.—The convention at an early hour this morning is still balloting for State treasurer. One hundred and twenty-one votes are necessary to a choice. The fourth ballot, just taken, resulted as follows: Noyes, 113; Barr, 91; Powell, 33; Temple, 3. It is thought that Noyes will be nominated on the next ballot.

EXPLOSION OF CHEMICAL WORKS.

NEW YORK, Aug. 22.—The chemical work of Chas. Kunstler, on Flushing, near Central avenue, Brooklyn, were blown up at a late hour last night. Jacob Renz, a Government officer, narrowly escaped death. The marshal had seized the place on suspicion that an illicit distillery was at work there, and Renz had been placed in charge of it. Last night the latter struck a light to see that all was right, when a terrific explosion occurred. Renz ran away a few paces when another fearful explosion followed, and the building was blown skyward and Renz was buried in the ruins. He was extricated, having sustained but little injury. Loss on building about $5,000.

A NEW DRAMATIC STAR.

SAN FRANCISCO, CAL., Aug. 22.—The city has been honored with a great sensation in the dramatic art. A Polish actress, Madame Modjeska, countess, appeared at the California theatre as Adrienne Lecouvier, in English, which she has studied only nine months, and made a profound impression. She is likened to Ristori and Rachel; carping the critics into ecstacies. She will appear as Ophelia on Saturday night and Juliet next week. If her success continues a comet has appeared in the theatrical firmament.

ARRANGEMENTS FOR A COCKING MAIN.

PHILADELPHIA, PA., Aug. 22.—A cocking main was arranged yesterday between New York and Philadelphia sporting men. The conditions are for each side to show seventeen birds at weights ranging from four to five pounds eleven ounces, and fight all that weight in for $100 each battle and $1,000 a side the odd fight. The main is to be fought the first week in October fifty miles from the city.

FATAL RAILROAD ACCIDENT.

LAWRENCE, ILL., Aug. 22.—A passenger train on the Illinois Midland railroad was thrown from the track to-night about three miles from this place, and four passengers were killed and a number seriously wounded.

POLITICAL NEWS.

AT THE EXECUTIVE MANSION AND DEPARTMENTS.

THE STRIKERS HAVE STRUCK THEIR LAST.

WITHDRAWAL OF UNITED STATES TROOPS FROM THE FIELDS OF RIOT—THE VERDICT OF WELL DONE, GOOD AND FAITHFUL SERVANTS, PRONOUNCED UPON THE BOYS IN BLUE.

A day or two since Gen. Getty, commanding the military posts at Cumberland, Keyser and Martinsburg, on the Baltimore and Ohio railroad, telegraphed to Gen Hancock suggesting that as peace and order have been fully restored along the line of that road the troops might with safty be moved to their proper station. Gen. Hancock referred the matter to the Secretary of War. The latter at once opened correspondence with the Governors of West Virginia and Maryland and yesterday afternoon received the following telegraphic replies:

GREENBRIER, WHITE SULPHUR SPRINGS, W. VA., August 22.

Hon. Geo. W. McCrary, Secretary of War, Washington, D. C.:

From information which I have just received I concur with Gen. Getty in the opinion that the presence of the troops is no longer needed along the line of the Baltimore and Ohio railroad in this State. I think that the emergency is now over, and that they can be withdrawn. Please accept my thanks for the aid so promptly rendered. The officers and men discharged the delicate duties imposed upon them in the most efficient and satisfactory manner. HENRY M. MATTHEWS.

NEWPORT, R. I., August 21.

Hon. Geo. W. McCrary, Secretary of War, Washington, D. C.:

In my opinion the Federal troops in Maryland may be withdrawn at any time. I consider order entirely restored. JOHN LEE CARROLL.

These telegrams were forwarded to Gen. Hancock, who will now make such disposition of the troops as he desires. There are at Cumberland one battalion of the Eighteenth infantry at Martinsburg two batteries of the Third artillery, at Keyser three batteries of the Fifth artillery, and at Fort McHenry nine batteries of artillery. All the troops will probably be moved from Fort McHenry, except those that compose the permanent garrison. The troops at Cumberland, Keyser and Martinsburg may probably be concentrated at one of the three points, where a permanent military post will be established.

THE JEWS IN TURKEY.

HOW THEY ARE TREATED AND WHAT OUR MINISTER SAYS CONCERNING THEM—AMERICAN CONSULS INSTRUCTED TO CAREFULLY WATCH THEIR CONDITION.

The Department of State has received a dispatch from the United States Minister at Turkey giving an account of the number, status and persecution of the Jews in the Ottoman Empire. Their total number is 500,000, and the Minister says they are better treated by the Ottoman than by many of the Western Powers. They are treated and recognized as an independent religious community, with their own ecclesiastical privileges. The impression prevails that they are treated better than the Christians. The only maltreatment that has been brought to the notice of the United States legation during the term of Mr. Maynard was that of the Rabbi Smeersohn, an American citizen, who was set upon by his own coreligionists at Tiberias, imprisoned, stoned, stripped naked, and in that condition ridden through the streets, barely escaping with his life. The United States legation took up the case, but the rabbi, after some time, tired out and impoverished, left for France, and nothing further could be done in the case.

The position of the Israelites in the Empire on account of the complex system and situations, the religious animosities and the little authority of the Ottoman Government is very difficult of solution, and even, says the minister, difficult of explanation. Some claim to be under British protection, others Russian, and many hold themselves as independent people, owing no allegiance to any Power, and only when persecuted seek the protection of any and all humane Powers. The minister has requested the United States consular officers to observe carefully the condition of the Israelites in their several jurisdictions, and to report to the legation at Constantinople without delay any persecution that may occur.

A SPIRITUALIST ON THE INDIAN WAR.

A MODERN JUAN OF ARC, WHO ALONE CAN SAVE THE AMERICAN ARMY—A COMMUNICATION FROM THE SPIRIT OF CUSTER, WASHINGTON AND LINCOLN—THE GUARDIANS OF OUR NATION'S LIFE.

The following dispatch was received at the War Department yesterday, and speaks for itself:

AUGUST 21, 1877.

Telegraph Gen. Sherman to order Gen. Howard to seek out the Indian maiden named "May Flower," living in Dakota Territory. She has important information. The Indian forces number ten to one against the white soldiers, who are being drawn into a trap and will all be slaughtered. Haste is necessary. Gen. Howard will know who "May Flower" is. The writer of this considers it a reliable communication from the spirit of Gen. Custer, accompanied by George Washington, John Quincy Adams and Abraham Lincoln, all of whom are watching over the affairs of our country with the deepest solicitude.

The envelope in which this communication was inclosed was postmarked "Elizabeth, N. J., August 21, 1877, and addressed as follows: "For Gen. Sherman, (to be forwarded to him as soon as possible,) Army Headquarters, Washington, D. C."

BUREAU OF ENGRAVING AND PRINTING.

DAILY REPORT OF DELIVERIES ON AUGUST 22, 1877.

Delivered this day to Comptroller of the Currency, $226,500; Secretary of the Treasury—four per cent. consols, $763,000; miscellaneous, $22,790; total, $1,029,290. Balance on hand at close of day's work—U. S. notes, $17,657,580; N. C notes, $53,741,170, four per cent. consols, $202,800,400; four-and-a-half per cent. consols, $1,615,100; miscellaneous, $49,047,030; total, $404,857,250.

IMPORTANT AND IMMEDIATE.

It was the hour of midnight, and every good member of the Mrs. R. B. H Temperance Association had taken his last glass of ice water and laid down to sleep upon his little bed, when a telegraph boy, in full uniform, violently rung the door-bell of Secretary McCormick's residence. The Secretary was up in an instant.

"Who's there?" he cried from his window.

"Telegram, sir; 'portant. Wants answer right away."

"All right; I'll be down in a minute."

In a few moments the Secretary appeared at the front door and received the all-important missive. Lighting the gas in his library, he read as follows:

R. C. McCormick, Acting Secretary of the Treasury:

Why am I not paid for building life-saving station at Cape Disappointment. Answer immediately.

We know what almost any other man than Gov. McCormick would have said under the circumstances, but the genial Secretary only smiled, and regarding the episode as a good joke, sat down and telegraphed the anxious creditor of the Government that a draft would be sent to him at once, which was done yesterday morning.

SALMON IMPORTED FROM BRITISH COLUMBIA SUBJECT TO DUTY.

The following communication was addressed to the Secretary of State by Acting Secretary McCormick:

TREASURY DEPARTMENT, Aug. 22, 1877.

Hon. Wm. M. Evarts, Secretary of State:

SIR: I have the honor to state that this Department is in receipt of an inquiry whether salmon imported into the United States from British Columbia is subject to duty. A copy of a decision of this Department, dated the 30th of August, 1873, contained in a letter addressed to the collector of customs at Port Townsend, is inclosed herewith, in which it is stated that British Columbia not being a part of the Dominion of Canada at the time of the signing of the treaty between the United States and Great Britain of May 8, 1871, fish imported therefrom are not entitled to admission into the United States free of duty, either under the Treaty of Washington or otherwise. I will thank you to inform this Department whether you are aware of any facts making a modification of said decision necessary and proper.

Very respectfully, R. C. MCCORMICK, Acting Secretary.

OUR MINISTER TO SWITZERLAND.

Dispatches have been received at the Department of State announcing the arrival at Berne, and entrance upon his duties as United States charge d'affaires, of Mr. Nicholas Fish, on the 3d instant. On the 7th he presented his credentials to the Minister of Foreign Affairs, who is also President of the Swiss Confederation, by whom he was cordially received. The extension of the protection of Swiss citizens by our diplomatic and consular officers afforded much gratification to the President. Mr. Fish thanked the President for his hospitality to General Grant during his visit to Berne, and assured him that the reception accorded so distinguished a citizen of the United States would be appreciated as a a token of friendship between the two Republics.

ANOTHER OBSTINATE OFFICIAL.

W. N. Brewster, collector of internal revenue for the Third Texas district, whose resignation was requested on the 2d ultimo, has written a letter to Commissioner Raum, stating that inasmuch as the President's request for his resignation was based upon false representations by persons desirous of having him removed, and he having at all times discharged the duties of his office faithfully and efficiently, he declines to resign upon the theory of civil service reform that no person shall be removed from office except for cause. His official scalp will no doubt be taken along with those of J. Russell Jones and Naval Officer Cornell.

THE FOURTH OF JULY AT HONG KONG.

The United States consul at Hong Kong, in a dispatch to the Department of State, giving an account of the celebration of the Fourth of July, says that he received the congratulations of the freemen of the colony on the anniversary of his great nation, and the British commodore, in the absence of an American war-ship, hoisted the Stars-and-Stripes on the main of his flagship, a compliment unprecedented in the history of the colony.

NEWS FROM VALPARAISO.

The United States Consul at Valparaiso, Chili, in a dispatch to the Department of State, gives an account of the loss of the British steamer Eten. The Eten left the port of Valparaiso on the 14th of July, *en route* to Panama, with fifty-one passengers and the mails from