

NOT SURPRISED AT DISSOLUTION

Financial Men Were Not, However, Expecting Reorganization of A. T. & T. Co., At This Time.

CONTINUOUS ATTACKS MADE ON WIRES TRUST

Movement For the Government Ownership Also Had Effect—Opinions of Authorities.

New York, Dec. 20.—Information from Washington that the American Telephone and Telegraph company had agreed to give up its interests in the Western Union Telegraph company and to effect a reorganization to conform with the recommendations of the federal authorities was no surprise to financial men, though unexpected at this time.

The telephone and telegraph combination has been under almost continuous attack since it was effected in 1899 through the purchase of the large Gould, Sage and Moxwell holdings of Western Union stock by the telegraph and telephone company, in which the various Bell telephone interests had been consolidated.

Ever since that time the telephone combination has been under investigation by the department of justice. It has been constantly assailed by Clarence H. MacKay because of the disadvantage the Postal Telegraph and Cable company was placed in through its alleged lack of the telephone facilities of its rival, the Western Union.

Independent telephone interests, finding it arduous to compete with local Bell companies because the trunk lines of the combination were closed to them, complained bitterly. Members of congress from time to time have proposed investigations or urged the department of justice to act on general principles.

Movement for U. S. Ownership. Finally, in the last few weeks began a movement for government ownership of telephone and telegraph lines. Representative Lewis of Maryland, who initiated this move, which was endorsed by Postmaster General Burleson in his annual report just published, recognized the importance of the through lines and proposed that they be acquired by the government.

In the course of the fight carried on by the Postal company and the independent telephone companies, there have been numerous law suits, and complaints to public service commissions, the interstate commerce commission and the department of justice. A suit under the Sherman law, charging discrimination against the independents on the Pacific coast, is now in the federal courts and hearings in connection with it have recently been held in this city.

Separation Not Difficult. Financial men said today that the separation of the company into its parts would not be a great difficulty because of their distinct organization. The difficulty would be, however, in devising an equitable plan for distribution of the securities.

The department of justice no longer will permit a distribution of stock of the subsidiaries to the stockholders of the main company pro rata as in the Tobacco and Standard Oil cases. The Supreme court in the Union Pacific dissolution went on record against this.

Wickersham's Opinion. Former Attorney General George W. Wickersham, when he heard the news, said: "I can't say I am pleased, because I think it will be an economic mistake. I see no reason why telephone and telegraph companies should not be conducted as one concern."

However, the action of the Wilson administration in bringing about this voluntary dissolution is not a new policy. When I was attorney general there were a number of such dissolutions brought about by the efforts of Mr. Taft and myself."

Mr. Wickersham said that, as attorney general, complaints were made to him against the American Telephone and Telegraph company and he turned the case over to the interstate commerce commission for investigation.

The result of the investigation, I dare say," he said, "has brought about the dissolution by consent."

Jacob M. Dickinson, counsel for the government in the steel trust case, said that the news interested him exceedingly but that he could not give an opinion on account of his connection with the steel litigation.

THINKS THE DANGER OF LYCHING NEGRO PAST

Adjutant General Young Does Not Fear Disorder in Hoke County.

Special to The Gazette-News. Raleigh, N. C., Dec. 20.—Acting Governor Daughtride was advised yesterday by Adjutant General Lawrence W. Young that all danger of a lynching in Hoke county on account of the murder of Mark Brown last evening by the negro, Dupree, seems to be past, but that every precaution is being observed to suppress any possible development in this direction.

General Young arrived at Lumbus Bridge early this morning and held a conference at once with the local authorities, bearing a special message from Governor Daughtride for no effort to be spared for prevention of mob violence and for the capture of the negro, Dupree, who shot Mr. Brown from ambush. General Young telephoned that he believed the negro would be captured speedily.

On his return from Greensboro this morning Chairman Travis of the corporation commission said that he has every reason to believe that there will be speedy disposition of the interstate freight rate petitions heard in Greensboro this week before Chairman Clark of the interstate commerce commission. And that the ruling of the commission will be in favor of the application of the reduced rates to North Carolina. He does not believe that the intervenors in behalf of the Virginia cities in opposition to the reduced Carolina rates made any great impression on Chairman Clark and that North Carolina shippers will soon be enjoying the full benefit of the reduced rates provided in the proposal from the railroad companies and adopted by the legislature in recent special session.

At the instance of Virginia cities' counsel Chairman Travis says, until January 15 is allowed as time during which briefs in the case can be filed. Thereafter the case will be closed and the commission will be in position to render speedy ruling that it will be in favor of allowing the violation of the "long and short haul" clause seems to be the confident opinion of the corporation commissioners, Attorney General Hickett and others.

General Hickett took occasion to express publicly the great appreciation on the part of the North Carolina authorities for the very fair and expeditious conduct of the hearing by Chairman Clark.

PRICE OF COTTON IS DEPRESSED BY REPORT

Falls Nearly \$2 Per Bale in the New Orleans Market, This Morning.

New Orleans, La., Dec. 20.—The price of cotton was depressed nearly \$2 a bale by the census bureau report of this morning showing 12,923,000 bales ginned prior to December 13. These returns were 100,000 bales larger than generally expected, even on the bear side.

They were issued five minutes before the opening of business in this market and caused heavy selling on the first call. Bears said the returns were convincing proof that the government's crop estimate, made on December 12, of 13,577,000 bales was too low.

The market opened 12 to 17 points down, and during the first hour of trading the decline was widened from 24 to 37 points, the January option showing the most weakness, falling to 12.25, a new low level for this week.

Sensational Break. New York, Dec. 20.—There was a sensational break in the cotton market this morning under heavy general selling, which followed the publication of census report showing 12,923,000 bales ginned to December 13.

POLICE COMMITTEE EXONERATES DEPT.

Report Submitted to Board of Aldermen Last Night Holds Officers Faithful.

SECRET SESSIONS OVER; OPEN SESSION DEC. 29

Testimony Includes a Long Statement By Judge Adams As To Law Enforcement.

The report submitted to the board of aldermen last night by the police committee of that body completely exonerates the members of the police department of charges made against them by Judge Frank Carter in the recent liquor investigation to the effect that there had been a "leak" of certain information to the effect that there was not even an intimation that there has been any infidelity on the part of the police officers in the discharge of their duties. The report was signed by: R. L. Francis, chairman, W. R. Patterson and W. E. Johnson, members of the committee.

The investigation closed yesterday morning, this being the second session. The first session was held on the morning of December 5. The investigation throughout was secret, the committee stating in its report that Judge Carter had advised such a procedure. It is stated, however, that there will be an open session on the morning of December 29, when Foster Stevens will be examined. If it is found that others may have available information they will also be summoned at this time. The evidence taken so far by the official stenographer was attached to the report submitted last night, in type-written form.

The witnesses examined during the investigation were: Judge Justice G. Adams, Chief of Police Charles N. Lominae, Frank L. Conder, clerk of Police court; Patterson W. W. Britt, Capt. Fred Jones, X. B. Lange, Sheriff Charles F. Williams, Deputy Sheriff E. M. Mitchell, former Chief of Police D. K. Lyerly; Capt. R. L. Fitzpatrick, former chairman of the police committee.

Practically the only thing of interest included in the copy of testimony is a statement made by Judge Adams, the first witness examined, in answer to a question by Mayor Rankin, who assisted in the investigation, as to why the prohibition law has not been enforced in Police court here along the same lines as those followed by Judge Carter in his investigation. Judge Adams' answer follows:

"To begin with, I'll put it first, owing to a lack of a prosecuting attorney. When I first took the office of police judge of the city, there had been existing for some time a number of open and very flagrant places known as places where intoxicating liquors were being sold in violation of the prohibition laws, and in co-operation with the police and upon their initiative search and seizure warrants were taken out for those places under suspicion, but in every one of those cases the police took the initiative. Ever since I have been judge of the police court I have not initiated or suggested a search and seizure warrant for any

EXPECT EARLY ACTION IN SENATE ON SUFFRAGE

Amendment Will Probably be Brought Up After the Holidays.

Washington, Dec. 20.—Action in the senate on the proposed constitutional amendment to enfranchise women is expected soon by the senators who favor the proposal and the woman suffrage leaders at headquarters of the National American Woman Suffrage association.

Senator Thomas, chairman of the committee in charge of the proposed amendment, expects to bring it up as soon as congress settles down to work after the Christmas holidays. The senators who favor it say that its earlier consideration has been prevented only by the pressure for passage of the administration currency bill.

One other legislative subject—Alaska railroad bill—is first demand on the senate's time when it gets down to business again, and it is the plan to have it share attention with the women's suffrage amendment.

Another Mansion Burned. Bath, England, Dec. 20.—An "arson squad" of the militant suffragettes today added another large country mansion to the long list of those they have destroyed by fire. Early this morning they burned down a valuable house situated in extensive grounds in the vicinity of this city. The place was unoccupied. A quantity of suffrage literature was found strewn about the grounds.

SAYS SPANISH WERE NEUTRAL

Ambassador Riano Denies to State Department That Spaniards Aided Gen. Huerta.

ADVICES CONFIRM PROPERTY CONFISCATION

Villa Says Expulsion of the Spaniards Saved Their Lives—Tampico Situation Unchanged.

Washington, Dec. 20.—Senor Riano, the Spanish ambassador, acting under instruction from Madrid, formally denied to the state department today that Spanish subjects in Mexico aided the cause of Provisional President Huerta in Mexico, contended by General Villa, the rebel leader, who defended his action in confiscating Spanish property by charging that Spanish residents in Chihuahua had violated the neutrality laws. The following statement was made public by Acting Secretary Moore:

"Reports received at the department of state, through the Spanish embassy, deny that the Spaniards in Mexico have taken part in politics there and affirm that they have always observed the strictest neutrality in the affairs of Mexico.

"These reports also declare that statements that have been sent out from El Paso that the Spaniards expelled by General Villa had made a public demonstration in favor of intervention by the United States or have committed other acts of questionable propriety with reference to political affairs in Mexico are unfounded."

Reports from Chihuahua. The department issued this summary of late reports from Chihuahua: "The confiscation of Spanish property in Chihuahua is confirmed by state department advices. General Villa is said to claim that the expulsion of the Spaniards saved their lives as they were in danger of massacre by the populace. Participation in political affairs is also charged, but those persons who could prove themselves guiltless of participation would be permitted to return and will be given indemnity for their losses."

Further reports from Chihuahua say General Villa denies ordering the detention of women and children refugees. They are said to be free to leave at will.

A brief dispatch from Rear Admiral Fletcher says the situation at Tampico is unchanged.

POLISH NOBLE SHOOTS WIFE

Count Meilzinski Also Kills His Nephew Whom He Found in Room of The Countess.

Graetz, Germany, Dec. 20.—Count Matthias Meilzinski, a millionaire Polish nobleman and member of the German imperial parliament, shot and killed his wife and his nephew early today.

The count, who is residing near here at Castle Dakowymok, heard sounds in the night which he thought were caused by thieves. He seized a rifle and made a search during which he found his wife and nephew together in her room. Without a word of warning or explanation Count Meilzinski shot both dead.

A woman companion of the countess was the only witness of the affair. She was also seriously wounded by one of the bullets. The count promptly notified the public prosecutor of the tragedy.

The count is forty four years old. He was married in 1895 to Countess Felicia Von Potok-Polocka, who was born in 1876. For some years the couple were separated, but reunited a short time ago.

Count Meilzinski has been a member of the imperial parliament since 1902. He was one the Polish aristocrats and died with the emperor during the latter's visit here on Aug. 27 to dedicate the new city hall and the chapel in Posen castle.

QUARANTINE LAW FINALLY PASSES

Will Be Opened For Discussion On Jan. 2nd and Amendments Considered

JOINT HEALTH BOARD HAS STORMY SESSION

Judge Jones Charges That Board is Swayed by Some Large Property Owners.

The proposed quarantine ordinance, which has caused so much discussion lately, both pro and con, passed its third and final reading before the joint health board of the city of Asheville last night, but with the understanding that all objections to the ordinance will be heard at a meeting to be held two weeks hence, on the night of January 2, and any amendments made at that time that the members may deem necessary from the objections raised and sustained. There was a heated discussion before the action was finally taken, the board being accused of acting in a high-handed manner and passing laws of which it knew nothing. The ones making such charges were in turn accused of not knowing just what they were talking about.

The discussion was opened by Charles G. Lee, attorney for the Asheville Merchants' association, asked that final action be deferred until January 2, as the merchants are now in the midst of their busiest season and have no time to give the matter the attention they desire. A similar request was made by G. F. Stradley, a member of the association. The deferring of action was opposed by a few members of the board, who declared that the citizens will have no protection in the interim from contagious diseases. Charles A. Webb was another speaker in favor of having the matter deferred for final action, stating that while the ordinance contains sections that should be passed, it also contains many that should be rejected.

The postponement was finally voted on and then another discussion was started when Health Officer L. E. McBrayer asked what action he is to take relative to contagious diseases between now and January 2. Advice was given by Corporation Counsel S. G. Bernard that the situation cannot be handled as it has in the past, and then Dr. W. L. Dunn spoke briefly on the question, calling to the attention of the board to the fact that contagious diseases could easily be spread among the holiday crowds of shoppers and the ordinance will be no protection for the people. Dr. Carl V. Reynolds followed with similar remarks, and as both of these physicians have been city health officers their remarks bore weight with the board.

At the conclusion of Dr. Reynolds' talk, Dr. F. J. Clemenger moved that the postponement be reconsidered. Alderman Patterson remarked that the members of Central Labor union were also in favor of a postponement. William Blackwood, representing the union, also spoke in favor of a postponement. Dr. Clemenger's motion was voted on and resulted in a tie. Mayor Rankin broke the tie by voting for the motion, and the ordinance thereupon passed its third reading. Dr. McBrayer suggesting that a "gentlemen's agreement" could be entered into to hear all who have objections to the night of January 2. This will be done.

The next matter taken up by the board was the consideration of applications for license to conduct houses for the entertainment of patients having tuberculosis. The following were granted license permanently: Mrs. F. M. Perkins, Dr. W. L. Dunn, for Sunnyside cottage on Sunset drive; Mrs. Clarence Allen, for the Pines, Pears on drive; Mrs. Doughty, Sunset drive; and the Sisters of Mercy. Those granted for a year were: Miss Mildred E. Sherwood, French Broad avenue; Mrs. G. L. Burnett, 143 North Main street; Mrs. G. L. Hall, Penland street; W. F. Jamison, Hunt Hill; Mrs. A. E. Pease, Livingston street; Mrs. M. C. Stockton, Merrimon avenue; Mrs. C. E. White, Victoria drive; Dr. J. W. Walker, colored, Circle street; J. M. Flack, colored, Davidson street. Mrs. G. M. Mathias, Haywood street, was granted a license until March 27.

Those refused a license were: Mrs. C. C. Bartlett, West Chestnut street; Mrs. L. A. Byrd, 60 Central avenue; Mrs. C. Scott, Chestnut street; Mrs. Ida Wilkinson, Victoria road, and Dr. Karl von Ruck, for the Meick house on Haywood street. The application of Eliza Brown, colored, for a license for her place on Eagle Terrace was held up for two weeks.

There were objections in a great number of cases, and some of the discussions were heated in the extreme. Finally the charge was made by Judge Thomas A. Jones that the board was showing partiality by allowing certain permits and refusing others. He made the further charge that this was done in favor of the large property owners, such property owners swaying the board. Dr. Dunn took exception to this by explaining his votes and said he thought Judge Jones had picked in haste. The latter replied that he had considered the matter carefully before he spoke and that he was ready to stand by his statement.

LAST TOUCHES ON MONEY BILL

SENATE AND HOUSE CONFERENCE PREPARING BANK MEASURE FOR SIGNATURE OF THE PRESIDENT.

DEFENDANT EMPHATICALLY DENIES HE MURDERED MRS. TURNER.

Morarity came into court today for the last day of his trial confident of acquittal. If the jury decided that Morarity, who also has gone by the name of William J. Leehan, did not murder Mrs. Caroline Turner, the mystery of her death will be darker than ever.

By far the most interesting testimony was the story of a woman who said that on the night Mrs. Turner was supposed to have died an automobile was wrecked near the witness' house and that she heard a voice she identified as Mrs. Turner's calling for help. The defense contends that Mrs. Turner's death was in some way connected with this automobile incident and that Morarity is innocent.

The taking of testimony closed last night with the defendant on the stand. He denied emphatically that he had committed the murder, and his attorneys believe they established a good alibi. Counsel summed up today and a verdict was expected before tonight.

EXCITED ADVANCE IN AMERICAN T. & T. STOCK

New York, Dec. 20.—Announcement from Washington that the American Telephone and Telegraph company had reached an agreement with the department of justice whereby it would relinquish control of the Western Union Telegraph company and avoid suit under the anti-trust law caused an excited advance in the stock of the telephone company at the opening of the stock market today.

The first transaction in the stock was a block of 2000 shares, one of the largest blocks of that stock which has been handled on the exchange for years. Prices ranged from 12 1/2 to 12 3/4, a maximum gain of 5/8 points. Subsequently the advance was run up to 7 points. The price of 12 3/4 represented a gain of 1 1/4 points since Monday. The price later reacted 3 points. American Telephone convertible bonds gained 3.

Western Union stock, while less active, was bid up two points. Pacific Telephone rose 3. There was no trading in the securities of the MacKay companies, which controls the Postal Telegraph and Cable company, in the early market.

N. C. NOMINATIONS SENT TO SENATE

Washington, Dec. 20.—President Wilson today made the following nominations:

Francis D. Winston, United States attorney for eastern North Carolina. W. T. Dortch, United States marshal for eastern North Carolina. Charles A. Webb, United States marshal for western North Carolina.

FULL JURY SELECTED IN TRIAL OF HOBBS

Vicksburg, Miss., Dec. 20.—With a full jury in the box for the trial of G. A. Hobbs, state senator, indicted with Lieutenant Governor Theodore Bilbo on the charge of soliciting and accepting bribes, interest today centered on the nature of evidence the state would introduce.

Scores of witnesses summoned by both the prosecution and defense are in attendance. Lieutenant Governor Bilbo is in attendance and Governor Brewer was expected to arrive from Jackson on an early train.

SENATE AND HOUSE CONFERENCE PREPARING BANK MEASURE FOR SIGNATURE OF THE PRESIDENT.

MAIN DIFFERENCES ARE COMPROMISED

New York Banker More Kindly Disposed and Ready To Accept Salient Features.

Washington, Dec. 20.—Final work of preparing the administration currency bill for President Wilson's signature was begun today when house and senate conferees met to compose differences between the "Owen substitute"—as the measure was known as it passed the senate—and the Glass bill, which was the administration measure in the house.

Senators Owen, Reed, O'Gorman, Pomeroy, Shafroth and Hollis, demagogues, and Senators Nelson, Brewster and Crawford, republicans, will represent the senate in the conference. Representative Glass of the house banking committee, who was sponsor for the bill in the house, will head the house conferees, who will include Representatives Korbly and Hayes.

An effort will be made to agree upon a report which both houses of congress can accept, so that the bill may be finally engrossed and taken to the White House to become a law with President Wilson's signature by Tuesday.

Points of Difference. The principal points of difference, which will have to be agreed upon or compromised, are the number of the regional reserve banks, a guarantee of deposits, the length of maturity of paper for rediscount at regional banks, the percentage of gold reserve to be required against the circulating notes and the time limit of mortgages on which national banks would be permitted to make farm loans.

When the bill becomes law, President Wilson will be confronted with taking the first step to put it into effect. That will be the appointment of a federal reserve board of seven members who will make all the arrangements for the transition from the present currency system to the new one.

New York, Dec. 20.—Passage of the currency bill in Washington finds the local banking community which was none too kindly disposed toward the measure in its initial stages, more or less ready to accept the salient features of the bill.

Changes which the new law must inevitably bring have been taken note of recently, and it is not thought any national bank of importance will carry out the threat so often heard a few weeks ago, to relinquish its federal charter and operate under a state charter instead.

As the currency bill in its latest form has overcome many of the objections voiced by prominent financiers, it seemed to be the opinion of financial quarters today that the privileges the nationally chartered institutions would retain, together with the prestige considered to attach to national institutions, would outweigh with most of them any remaining objections they might have to the new law.

PREPARING TO CONFER ON RACE BETTERMENT

Hygienists and Engenists Will Join Theories to Improve Conditions.

Battle Creek, Mich., Dec. 20.—Extensive preparations are being made for the holding of the first national conference on race betterment here from January 8 to 12, 1914. Careful attention will be paid to the assertion that the birth rate is being reduced to an alarming rate while vice and insanity are increasing.

Hygienists who believe in improving living conditions to favor the individual to withstand unfavorable living conditions have for the time being submerged their differences and will join theories and efforts in order to produce a better race of men.

During the conference a series of physical and mental perfection tests will be made among the school children and adults of the city.

This will constitute a race survey to the extent of one community to obtain something in the concrete for the consideration of the conference in its discussion of ways and means for betterment.

Stephen Smith of New York is president of the conference.