

SOME BIG MEMBERS OF "BEEF TRUST" MAY LAND IN JAIL; RESULT OF INVESTIGATIONS

Federal Grand Jury Indictments May Be Expected Any Time.

ALLEGED VIOLATIONS OF THE RATE LAW

Revelation That Packers Have Been Keeping Duplicate Books.

BY TAY. (Special Correspondent of The Citizen) WASHINGTON, Jan. 28.—The United States government is going to ask for jail sentences and fines for some high-up members of the beef trust. As a result of the activity of U. S. District Attorney Simms in Chicago before the federal grand jury indictments may be expected any day now.

The Chicago cases are the result of investigations made by the interstate commerce commission. Agents of the commission have been gathering evidence for some time, and it is now known that the principal case against the Chicago packers will be for violations of the rate law in the giving and taking of secret rebates. Evidence will also be brought before the court throwing light on the manner in which the beef packers conspire to regulate and manipulate prices of live stock.

The most startling disclosures in Chicago is the revelation that the packers have been keeping duplicate books. It is now learned that the books which Mr. Garfield examined when commissioner of corporations, and on which he based his famous report on the beef packing industry, were merely the "public" or what might be called virtuous set of books kept by the packers. Another set, keeping track of their shady operations, entirely escaped Mr. Garfield. This set has been captured by the agents of the interstate commerce commission, and its entries have been explained to the Chicago grand jury. It was not an easy matter for the government to secure possession of these secret books, and after they had been located and the district attorney's office had been informed as to what subpoenas were issued, a number of subpoenas were issued, together with orders requiring that these books be delivered to the district attorney.

Great Secrecy. The subpoenas and orders were issued with great secrecy and were served simultaneously, taking the packers by surprise. Detectives at the same time were stationed at the packers' offices to prevent any destruction or hiding of the books and papers desired. The packers refused for several hours to give up the books, and only did so after Mr. Simms had informed the officials of the Nelson Morris company that they would be jailed for contempt forthwith unless they obeyed the order of the court. This brought up an express wagon loaded with books from the stockyards to the district attorney's office. It is understood that part of the books were missing, but enough were secured for the purposes of prosecution.

"Use of False Claims." The government's evidence will disclose a number of ingenious devices employed by the packers for securing rebates in evasion of the law. One scheme, which is understood to have been largely employed, was the use of false claims against the railroad companies. Combined with this was the over-valuation of shipments. Having sent a consignment over a certain road at the legal rate of freight, the packer would fix up a false claim for damages and present it to the railway. Accompanying the claim, or following it speedily, would be a letter demanding that the claim be settled immediately upon penalty of a diversion of the packer's business to some other line of railway.

It is strongly suspected here—though there is no official confirmation of this fact—that the railroads are backing the prosecution of the packing company officers. While railroads are moved by their desire to get business to compete with one another and in their competition are tempted to cut rates, they do not as a general thing like to cut rates or give back money in rebates which they have received for shipments.

It has always been the claim of railroad traffic officials that they were forced by big shippers to give rebates. It appears that the beef

TESTIMONY IN HEARING TO DISSOLVE HARRIMAN MERGER CONCLUDED

BY ASSOCIATED PRESS. PITTSBURGH, Pa., Jan. 28.—The taking of testimony in the Pittsburgh hearing of the government's suit to dissolve the alleged \$500,000,000 Harriman railroad merger was concluded today. The next hearing will be held in Cincinnati on February 2. The testimony of the witnesses examined today seemed to bear out the government's contention that competition between the Southern Pacific railroad and the Union Pacific is not

COOPER-SHARP PANEL FALLS OFF IN 5 DAYS

Jurors Leigh and Jackson Dismissed for Drunkenness and Bias.

WILL ASK COURT TO DISMISS WHOLE JURY

Defense Holds That Leigh Case Has Prejudiced Members.

(By Associated Press.) NASHVILLE, Tenn., Jan. 28.—

With the jury numbering two less than it did five days ago, the ninth day of the trial of Col. Duncan H. Cooper, Robin Cooper and John D. Sharp, accused of the murder of former Senator E. W. Carmack, ended today with every prospect of a further depletion. The court excused Jurors Leigh and Jackson, charged with drunkenness and bias, today and intimated that Juror Whitworth would be excused tomorrow. The latter has been ill for several months, and two physicians have signed certificates that if he remains in the box his life may be forfeited.

The state opposed Whitworth's release, and the court ordered the physicians summoned to testify. They will appear tomorrow. At the same time the new venire of five hundred men will appear and an effort will be made to get from them the balance of the jury.

Following Juror Leigh's release from the box he was arrested on a charge of perjury and released on \$1,500 bond to answer before the grand jury.

Juror Leigh's case was first disposed of without argument by the attorneys. The court said:

"I have given the case careful consideration, weighing the testimony for and against the juror. The charge of drunkenness is controverted, but it is evident that the juror is biased, and as such the retaining of him would make the jury a prejudiced one. Therefore, I excuse Mr. Leigh from service."

The defense served notice that it would ask the court to dismiss the eight men left on the jury on the ground that the dismissal of Leigh had prejudiced the others against the defendants. The formal motion to this effect will be filed later.

The first witness against Juror Jackson swore that the juror, who is a blacksmith, would put a shoe or two on a horse, collect for the work and go three miles to a saloon for a drink before he would finish the job. Squire Lewis, who has lived near Jackson for twenty-five years, saw him sober once in the twenty-five years.

At this point the defense admitted that Jackson was quit and consented to his dismissal.

Before further examination of witnesses, the case of Juror Whitworth will be disposed of by the court.

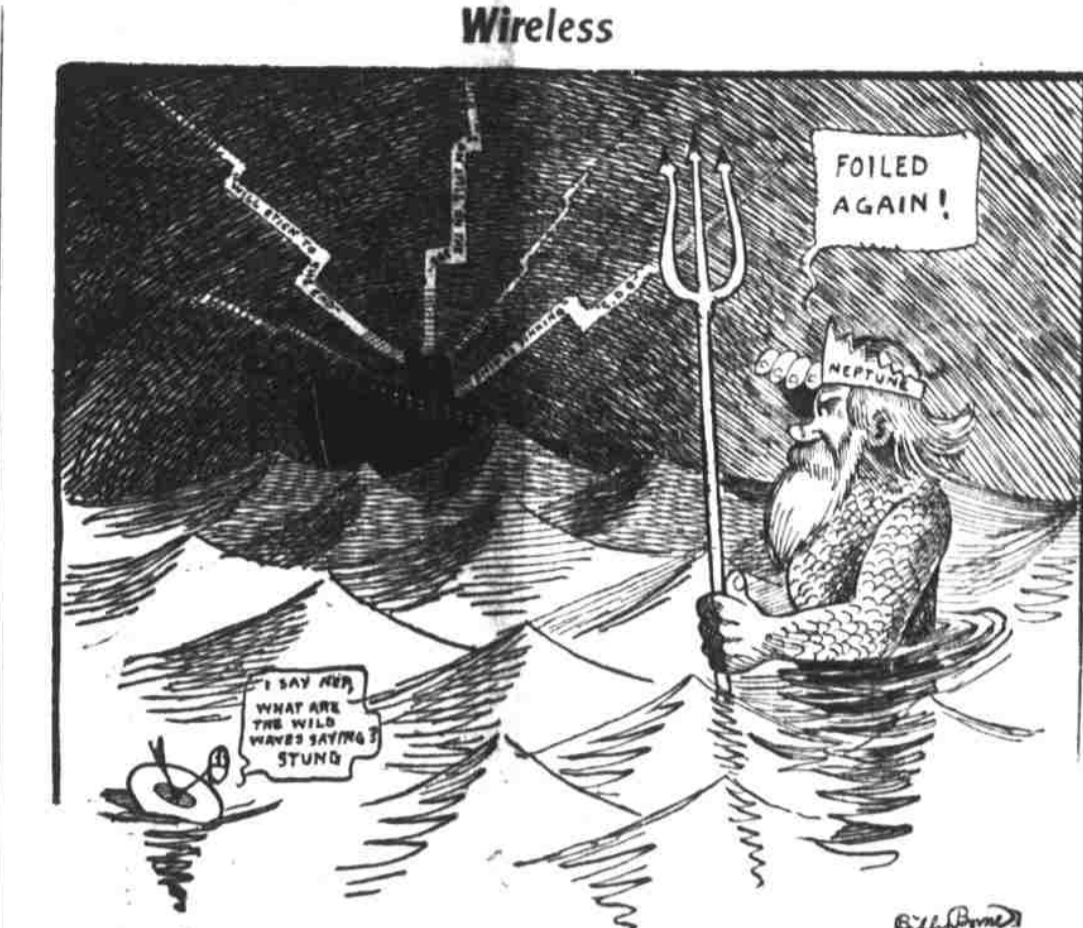
CONCERNING THE ANTI-TRUST LAW

(By Associated Press.) WASHINGTON, Jan. 28.—Senator Nelson on behalf of the committee on the judiciary has presented a report to the senate recommending the indefinite postponement of the bill amending the Sherman antitrust law. After giving many reasons why the law should not be changed at this time the report says: "To amend the anti-trust act, as suggested by this bill, would be to entirely emasculate it, and for all practical purposes render it nugatory as a remedial statute. Criminal prosecutions would not be and civil remedies would labor under the greatest doubt and uncertainty. The act as it exists is clear, comprehensive, certain and highly remedial. It practically covers the field of federal jurisdiction and is in every respect a model law. To destroy or undermine it at the present juncture when combinations are on the increase, and appear to be as obvious as ever of the rights of the public, would be a calamity."

RACE QUESTION IN FATAL FIGHT

(By Associated Press.) CINCINNATI, O., Jan. 28.—Race-feeding is not inspired a fight between white boys and a negro youth in front of the East Night school in Woodward street last night which culminated in the death of William Weibold, aged seventeen; the probable fatal injury of William Dorsey, aged twenty; and the serious injury of Charles Huff, eighteen years old. The alleged murderer, Alvin L. Ford, aged twenty years, a negro high school student, employed as house man for Judge Thompson, of the federal court, has been arrested. He declares that he cut the white boys in self-defense.

C. S. SHIPS LEAVE. (By Associated Press.) ALGIERS, Jan. 28.—The United States repair ship Panther and collier Ajax left this evening for Gibraltar.



TROUBLE BETWEEN CHILE AND PERU

Rupture in Diplomatic Relations Signalized by Withdrawal of Chili's Minister.

(By Associated Press.) VALPARAISO, Chile, Jan. 28.—The rupture of diplomatic relations between Chile and Peru, signalized by the withdrawal of Senor J. M. Echenique, the Chilean minister at Lima, has aroused more or less excitement here, and the old animosities between the two countries, dating back to the war of 1879 and the consequent occupation of the Peruvian provinces of Tacna and Arica by Chile, have to a certain measure been revived.

It is declared here this morning that the Chilean squadron under Admiral Wilson, now in the Strait of Magellan, has been ordered north. The difficulty between Chile and Peru came to general notice when the Peruvian government a few months ago refused to permit Chile, represented by Senor Echenique, to place a tablet on the monument erected by Peru to the memory of her soldiers who lost their lives in the war of 1879. Senor Echenique was then recalled, and he passed through Arica, Chile, on his way home yesterday.

R. R. COMMISSION GIVES REPARATION

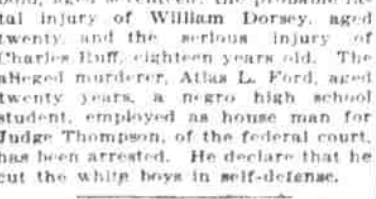
On Account of Alleged Unreasonable Rates on Lumber From South.

(By Associated Press.) WASHINGTON, Jan. 28.—By far the largest specific allowance of reparation ever ordered by the interstate commerce commission was made today when that body approved a settlement agreement of \$165,000 in satisfaction of the claims on the account of the unreasonable rates on lumber shipped from Southern mills, involving about 125 cases and eleven different railroads of the South. These are said to be about one-third of the claims of the same kind pending before the commission. They involve the two-cent difference per hundred pounds between the advanced rates, made effective in the summer of 1903, and those in effect for a number of years prior thereto, on shipments that moved between the time of the advance and the summer of 1907, when, after the final decision of the United States supreme court sustaining the decisions of the commission after a course of appeals, the lower rates were restored.

The claims were heretofore denied by the commission in its reports by Commissioners Clements in what are known as the Yellow Pine association and Titt cases.

AUGUST BELMONT DOING NICELY

NEW YORK, Jan. 28.—August Belmont's condition, as reported at the General Memorial hospital tonight, is excellent. He passed a wholly satisfactory day. He was operated upon yesterday for appendicitis.



WASHINGTON, Jan. 28.—Forecast, North Carolina.—Unsettled Friday and Saturday with probably rain, warmer Friday, colder in west portion Saturday; brisk south winds.

ALL WRONG, SAYS BROTHER CHARLES

C. P. Taft Declares He Had Nothing to Do With Panama Canal Purchase.

(By Associated Press.) WASHINGTON, Jan. 28.—Charles P. Taft has entered a vigorous denial in connection with the charges of Representative Rainey, of Illinois, that he was in any way identified with the Panama canal purchase. In a telegram to Mr. Rainey today, Mr. Taft declares as unfounded the statements associating him with the transaction. It was Mr. Rainey's purpose to read the telegram and make an explanation in the house today, but as no opportunity was afforded him to do so, he will present the matter tomorrow.

PRESIDENT TURNS OVER LETTERS

Relating to Alleged Violating of Sherman Law by So-Called "Sugar Trust."

(By Associated Press.) WASHINGTON, Jan. 28.—Responding to Senator Callahan's resolution calling upon the attorney general for correspondence relating to the alleged violating of the Sherman law by the so-called "sugar trust," in connection with the failure of the Real Estate Trust company of Philadelphia, President Roosevelt sent to the senate a special message and all correspondence relating to the case. The president said:

"In accordance with my direction the attorney general has forwarded to me the enclosed papers in response to the resolution of the senate of January 22, 1909, in reference to the correspondence relating to the alleged violating of the Sherman law by the so-called 'sugar trust,' in connection with the failure of the Real Estate Trust company of Philadelphia. The enclosed papers consist of a copy of the report of the attorney general and a copy of the correspondence relating to the case. The president said:

"In accordance with my direction the attorney general has forwarded to me the enclosed papers in response to the resolution of the senate of January 22, 1909, in reference to the correspondence relating to the alleged violating of the Sherman law by the so-called 'sugar trust,' in connection with the failure of the Real Estate Trust company of Philadelphia. The enclosed papers consist of a copy of the report of the attorney general and a copy of the correspondence relating to the case. The president said:

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JURY DISAGREES ON MARSHALL VERDICT

After Being Out 16 Hours Jury Is Discharged—Ten for Acquittal.

(By Associated Press.) UNION CITY, Jan. 28.—After being out for sixteen hours the jury in the trial of "Ed" Marshall, alleged night rider, reported today that they could not agree on a verdict.

"Do you think you could agree in two days or six months?" asked Judge Jones.

"No sir," was the response of the foreman and the jury was at once discharged. They stood ten for acquittal and two for murder in the second degree.

Announcement was made by the prosecuting attorneys that they will endeavor to have the hearing of others charged with having had part in the Reelfoot lake lynching deferred until May.

It is the plan of the state to present a motion to Judge Jones tomorrow ordering the removal of the sixteen men confined in the military barracks and three in the county jail, to other points in this judicial district, pending their trials.

N. Y. GRAND JURY MAY TAKE CASE

Fairly Certain That Government Will Give Over N. Y. World Label Suit.

(By Associated Press.) NEW YORK, Jan. 28.—Uncertainty as to what action would be taken on the recent suggestion made by District Attorney Jerome in the case of the government's suit against The New York World for libel, that the federal authorities suspend their activities and permit him to proceed in their stead, was in a measure removed by the signing of an affidavit by Douglas Robinson, brother-in-law of the plaintiff.

It is believed Mr. Robinson's signing of the affidavit means he has accepted Mr. Jerome's proposition to appear as a complaining witness against The World, and that the grand jury of the county of New York is preparing to take the matter in hand.

Mr. Robinson was cloistered with the district attorney for nearly an hour today, but neither would discuss the subject of their extended conference.

Mr. Jerome declared, however, that he had received no reply from either Attorney General Bonaparte or United States District Attorney Henry L. Taft, as to what course the government proposed taking in regard to his suggestion that the state proceedings be given the right of way in the matter.

Until he received assurance that such right of way would be given him he could do nothing, he declared, even though his other suggestion to the effect that Mr. Robinson appear as complaining witness, were to be followed.

UNKNOWN YEGGMAN KILLED BY POLICE. (By Associated Press.) LAURENS, S. C., Jan. 28.—An unknown yeggman is dead at the police station and Patrolman McDuffie Stone lying at the point of death with five pistol wounds in the story of an encounter early today in the railroad yards of this city. Patrolmen Walker and Stone were on their usual rounds when Stone encountered the suspicious character and, arresting him, was shot. Walker, who had gone down the opposite side of the track, arrived in time to encounter the burglar, whom Stone, through weakness, was about to let go. Walker killed the unknown man, shooting him four times.

GENERAL JOSE MIGUEL GOMEZ INAUGURATED PRESIDENT OF RESTORED CUBAN REPUBLIC

SALARY BILL IS PASSED; VETOED BY COMMITTEE

House Passes Measure to Raise Commissioner's Salary to \$2,500.

TO ALLOW COUNTY TO BOND INDEBTEDNESS

Bill Involving Buncombe's Finances Introduced by Mr. Gaston.

(Special to The Citizen.) RALEIGH, N. C., Jan. 28.—After a long, heated debate that touched much on politics, the house today turned down the report of the committee on appropriations, with all amendments, and passed the bill increasing the salary of the commissioner of labor and printing, exactly as it had passed on second reading some days ago, when the house disregarded the favorable report of the committee on salaries and fees on the bill increasing the salary from \$1,500 to \$2,500, and passed Representative Collier's amendment for \$2,000.

Mr. Dowd made a strong effort to get an amendment for \$2,400 adopted. Messrs. Julian, Henderson, Turlington, Connor, Hayes, Gordon and Wooten helped him. Mr. Cotten spoke for his compromise measure, expressing disapproval of the principle involved in an officer trying to get his salary raised immediately after coming into office.

Messrs. Cox of Anson and Killian of Catawba were for abolishing the position of assistant and paying the commissioner \$2,500 or \$2,500, and Speaker Graham entered the debate and urged it on the ground that it was simply a matter of business. Politics had been injected into the discussion by Grant, Dowd, Julian and others. The speaker frankly acknowledged that he was ashamed of the results shown by the department in the last ten years.

Mr. Perry of Vance waxed sarcastic in a speech against any increase. Finally the younger member from Iredell, Mr. Turlington, came to the defense of Mr. Varner with much feeling, saying that he was his friend and had made a capable officer. The spleen and malice shown in the attacks that had been made on the former commissioner needed no defense at his hands. Mr. Dowd's \$2,400 amendment was voted down on a roll call by 42 to 61. The vote on the bill was 87 to 20 in division.

The speaker announced the committee on private bills, Mr. Floyd of Franklin, chairman.

Mr. Gaston introduced a bill to authorize Buncombe county to bond its floating indebtedness.

Today's session of the house was the longest yet.

In the Senate. The senate passed the drainage bill on second reading, also the Empire bill, preventing the sale of land and ground for two years. The bill providing for the appointment of inspectors of electric, gas and water meters in cities and towns was passed on final reading by the upper branch, as was the bill increasing the salary of the assistant state librarian from \$500 to \$700 a year.

Among the new bills introduced in the house, one by Mr. Morgan would make it unlawful for any employee of a railroad to take from a railroad book more than the actual miles to be traveled, violation to be punished by fine of \$100 to \$1,000 and liability to aggravated party in penalty of \$200. A similar bill was introduced in the senate by Senator Godwin.

Under the title "For the Betterment of Public Schools and Training of Children for Life Work," Representative Perry of Bladen introduced a dog tax bill, the net proceeds to go to the county school funds. Mr. Davis

(Continued on page three.)

Within Half Hour After Taking Oath American Officials Leave Island.

MOST IMPRESSIVE SCENES DURING DAY

Cuba Begins New Period of Independence Under Propitious Conditions.

(By Associated Press.) HAVANA, Jan. 28.—Major General Jose Miguel Gomez was inaugurated president of the restored Cuban republic today at noon and within an hour after he had taken the solemn oath of office administered by the chief justice of the supreme court, the American officials who had been in control of affairs since the autumn of 1906 had departed from the island.

The American provisional governor, Charles E. Magoon, who escorted General Gomez to the palace and there turned over to him the reins of government, sailed on the new Maine. The Maine was followed by the battleship Mississippi and the army transport McCellan. An immense crowd gathered along the sea walls to witness the spectacle and a perfect swarm of yachts, tugs and boats accompanied the ships to the open sea, where full speed ahead was signalled and the gray fighting vessels and white transport soon left the little flotilla behind, with a chorus of whistles screaming farewell salutes.

A Cuban gun-boat also accompanied the ships some little distance to sea with a band on board playing from time to time the Cuban national anthem. The scene so filled with significance, was a most impressive one, but the crowds ashore looking on in characteristic silence. Fearful in the day when Governor Magoon and President-elect Gomez were seated side by side in the carriage en route to the palace in the wake of a galloping escort of rural guards or native cavalry there was the same illerence on the part of the holiday throngs who lined the sidewalks, as when the American officials were escorted by, and the salutes were returned in the same manner by the governor and general Gomez.

Tonight fireworks are burning throughout the city in the same profusion that characterized the Fourth of July in the United States and the cafes are gay with music and singing.

Troops on Island. About three thousand troops are still on the island, under command of Major General Thomas L. Barry. These will be returned to the United States as fast as the transport service will permit, the last of the troops leaving on April 1.

Cuba begins her new period of independence under conditions which seem as propitious as could be evolved. Peace reigns from the western extremities of Pinar del Rio to the eastern promontories of Santiago province, and no disturbing element is anywhere in evidence.

American control of affairs has been sharply criticized from time to time, and Governor Magoon has been widely caricatured, but the authorities sent by Washington have endeavored to build up the island and have spent money freely on good roads and public improvements of various sorts.

As a result of this, however, they have left a comparatively empty treasury. The island is prosperous and the revenues are increasing steadily, which in a great measure is compensatory.

The inaugural ceremonies began at 9 o'clock in the morning. At 11 o'clock, Alfredo Zayas was inducted into office as vice-president of the republic in the senate chamber. The inauguration of the president at the palace was exceedingly brief. The reception hall of the palace was crowded to its full capacity with brilliantly uniformed diplomatic representatives and army officers, black-gowned justices of the supreme court and conventionally attired civilians.

Gomez Takes Oath. General Gomez stepped out on the palace balcony, accompanied by Governor Magoon and the supreme court justices. The crowd cheered him heartily and then there was silence as the chief justice read the oath of office, and General Gomez pledged

(Continued on page five.)

COURT OF ADMIRALTY TO DECIDE IN STEAMSHIP COLLISION CASE

(By Associated Press.) NEW YORK, Jan. 28.—Just which ship was responsible for the Nantucket collision in which the White Star liner Republic and the Italian liner Florida collided, and which company shall pay the damages will be decided by the court of admiralty.

Both companies filed suits today. That of the owners of the Republic claimed damages of \$2,000,000 and recited in legal form the story of the recent sea disaster. The blame for the collision was placed on the Florida and the claim made that the last named ship was going ahead at "an immoderate rate of speed" when the crash came.

The owners of the Florida also filed

a libel suit and a petition for a limitation of liability against the Florida. The petitioners asked that their liability, in case the suits are decided against them, be placed at \$254,000, the damage value of the Florida.

Later the Florida's owners applied for and obtained an order from Judge Adams in the United States circuit court, staying all suits for damages against the steamship Florida on the ground that their petition for limitation of liability had been filed ahead of the \$2,000,000 libel suit of the Oceanic Steamship Navigation company. In their suit proper, the Florida owners allege that the collision was due to the neglect of the Republic's officers.