

## SOME NUTS TO CRACK

Thomas F. Ryan Asks Mr. Williams Some Questions

## DEALS IN SEABOARD STOCKS

Bonus to Syndicate and Commissions to Bankers.

## TELEGRAM READ IN COURT

President Williams Writes a Warm Letter Charging Ryan with Violating Confidence and Attempting to Thwart the Plans of Consolidation—He Declares That the Opposition Cannot Succeed—Ryan Responds to the Charge and Comes Back with a Demand for Specific Answers.

New York, January 4, 1900. To The Morning Post, Raleigh, N. C.: Mr. Thomas F. Ryan has received from Mr. John Skelton Williams, president of the Seaboard Air Line Railroad system, a letter upon which Mr. Ryan makes the following comments, requesting their publication.

D. H. SHEA, Private Secretary to Mr. Ryan.

Mr. Ryan's statement follows: "Mr. Williams does not touch the questions to his reorganization plan, as they were presented in my telegram of December 26," said Mr. Ryan. "These objections remaining now unanswered, their force is admitted. The charge of bad faith on my part in giving them to the public I naturally resent. Mr. Williams' communications to me, oral and written, were held by me in confidence until at Raleigh, two weeks ago, Mr. Williams' attorneys read in open court the text of a dispatch that had been sent to me on December 9, in which he referred to these communications, asserting that they contained all the propositions any fair-minded man could reasonably expect. His purpose in having his telegram read in court was to impress the judge with the idea that his conduct had been fair and his propositions just, and that I had had such early information of them as to enable me to take such legal measures as were necessary for the protection of my rights at a much earlier time than then. His attorneys were immediately warned that this telegram was confidential, but they said that it was not and that no other matter was, and that all the communications that had passed between me and Mr. Williams would, as they rudely put it, 'see the light of day.' Their action in reading Mr. Williams' telegram in giving what I regard as a false construction, and in saying that they proposed to publish all other communications, of course, removed from me the seal of confidence which I had been most careful to regard, and I thought that the sooner they saw the light of day the better. Mr. Williams hereinafter has no right to complain on the ground of my telegram analyzing his plan. What he should and must do, if he expects to convince the people of the wisdom of his project as a business proposition, is to furnish direct answers to the questions which my telegram suggested.

"What I assert is that Mr. Williams, receiving a salary as president of the Seaboard & Roanoke Railroad, is a trustee for the stockholders of that line and is bound to administer the line's affairs for the equal benefit of every stockholder, and has no right to place himself in any position which conflicts with the interest of that line, or in these two positions to control the Seaboard's dismemberment to his own personal profit and the profit of some of the stockholders, and to the injury of other stockholders. Here, then, are the questions to which Mr. Williams should give specific answers.

"Have any of the stocks that were in the treasury of the Seaboard & Roanoke prior to his becoming president of that road been removed out of the treasury? and if so, why were they removed, where have they been removed, and who has possession of them now?

"Have they been sold? and, if so, did Mr. Williams buy them himself, or were they bought by any syndicate in which he is interested or is he interested directly or indirectly in their purchase?

"Before Mr. Williams became president of the Seaboard & Roanoke that company owned \$720,000 of the stock of the Raleigh & Gaston. By means

of that ownership the Seaboard controlled the 1,000 miles of track composing the Seaboard Air Line system. At a meeting of the stockholders of the Seaboard, held recently, the proxy representative of the Williams syndicate gave attempted authority against my protest, I being owner of one-fifth of the Seaboard stock, to sell those Raleigh & Gaston holdings, thereby dismembering the Air Line system. Has that stock been sold? and if so, has it been sold to Mr. Williams or to any syndicate in which Mr. Williams is interested, or is Mr. Williams interested in the purchase of that stock directly or indirectly, or does he propose to become interested in any such purchase?

"The Raleigh & Gaston stockholders have similarly authorized the sale of Raleigh & Gaston treasury securities. Mr. Williams is president of that road. Where are those securities? Are they in the custody of the treasurer of the Raleigh & Gaston? Were they in his custody when at a stockholders' meeting they were authorized to be sold? How long have they been out of his custody? Why were they ever taken out of his custody? Have they been sold? and if so, is Mr. Williams directly or indirectly interested in their purchase or any proposed purchase of them?

"While Mr. Williams is throwing things open to the light of day he should not hesitate to let in a little light upon these transactions. They go directly to the legality of what he is doing; and not until the public knows the facts in these matters will it be able to judge whether it can safely invest its money in Mr. Williams' enterprises.

"I notice that there is a conspicuous difference, by way of omission, between the original of Mr. Williams' letter, as it came to me through the mails, and the copy that has been sent to the newspapers for publication. This omission occurs in the paragraph where he remarks that the issuance of bonds for the acquisition of stocks is not unusual. In the letter as given out for publication occur illustrations of this point which are not in the mailed letter to me. In the published letter he remarks that the Vanderbilt railroad, when it purchased Lake Shore stock, gave \$2,000 of its own bonds for each \$1,000 of Lake Shore stock. This may be true, but it is not the parallel of Mr. Williams' transaction. It does not appear in the Lake Shore matter that Mr. Wm. K. Vanderbilt, having given Central bonds for Lake Shore stocks, thereafter proceeded to put into his and his friends' pockets an amount of common and preferred stock twice as great as the stock purchased. Nor does it appear that Mr. Vanderbilt paid to himself any commission on the purchase. He neither gave to himself and his friends \$23,000,000 of stocks as bonus, nor did he give himself, and his partner \$2,000,000 as a commission. Mr. Williams must cite a case where the vendor and trustee, being also vendee and purchasing syndicate, pays interest bearing bonds dollar for dollar for stocks of certain and uncertain value, and then as vendee gives and as vendee takes twice that sum in additional stocks, and then a commission agent absorbs \$2,000,000 more. If Mr. Williams can find in the records a case of this kind he will have a true parallel of his own."

**The Williams Letter.**

The Williams letter to which Mr. Ryan refers in the foregoing comments is summarized in the following press dispatch:

New York, Jan. 4.—President John Skelton Williams of the Seaboard Air Line has issued a long reply to the charges by Thomas F. Ryan in a recent telegram. Mr. Williams says that Ryan's telegram, which assumes to be a reply to Williams' telegram two weeks previous, passes over the most serious charge contained in his (Williams') telegram and continues in part as follows:

"In your telegram you distort and make public use of information which I freely gave you concerning our plans and purposes, including our tentative plan of consolidation. I therefore asked you to regard all this information as entirely confidential, and though you promised faithfully to do so, you have deliberately violated your pledge, have deliberately issued the issuance of four per cent bonds for the system for the purpose of acquiring the capital stock of roads, which you well know is not unusual."

Mr. Williams cites acquiring various roads by the New York Central in this manner and the action of other roads in issuing bonds for exchange of stock, in issuing bonds in regard to Ryan's comment upon the amount of stock of the company upon which the amount of stock of the consolidated bankers for services rendered in connection with consolidation, that it was approved by every member of the syndicate.

He expresses willingness to pay \$200 for every share of stock of Seaboard & Roanoke that Ryan and his friends own, "some of which stock," he adds, "you have informed me yourself cost you as low as 30 cents."

Mr. Williams proceeds as follows: "In conclusion, I will tell you that I am aware of the methods which you and your associates and backers have adopted for the purpose of delaying, and if possible, of thwarting the expectation of plans approved by a large majority in interest.

## BLACK AGAINST WHITE

Negro Republican Clubs Oppose the Amendment.

## SHOUT FOR PRITCHARD

Linney Says the Amendment Will Be Defeated—Thomas Declares It Will Be Carried—An Educator of Negroes Describes the Condition of Third-Thirds of the Colored Race—Unique Bill by Gaines of Tennessee.

Washington, Jan. 4.—Special.—Several meetings of Republican colored clubs have been held here within the past few days at which Senator Pritchard's resolution to declare in advance that the North Carolina franchise amendment is unconstitutional, was loudly applauded. At these meetings speeches were made in which the white people of the State were vigorously denounced and the clubs pledged themselves to lend all possible aid to the Republican party, through speakers furnished and other means, to defeat the amendment. At these meetings of negroes and even among the white Republicans from the State temporarily here, much confidence is expressed in the success.

Judge Linney, fresh from the State, is more confident, he says, than ever. Congressman Thomas, however, who keeps in close touch with his people, says all his advisers are to the contrary. "The Democrats," said he, "will be successful, and they should be. I have no idea that the substantial people of my State will for a moment so far lose sight of their interests as to permit the State ever again to be turned over to irresponsible people."

The education of the colored people in the South and the industries that occupy them was the subject of testimony before the Industrial Commission today. The witness was Mr. H. B. Frissel, principal of Hampton Normal and Agricultural Institute of Hampton, Va. After describing the methods of Hampton School, Frissel described the condition of the colored race in the South. He said that small negro farms in the South are increasing rapidly. In many districts in the South, he said, the condition of the negro is no better than slavery in the ante-bellum days. Wages are small, he said, and the farmer is unable to break away from the lien system of crops. Slavery was gone in some things, Mr. Frissel said, in that it taught the negro the English language, habits of industry, and some religion. He said that since the civil war one-third of the negroes had retrograded, one-third are where they were when the war closed; and one-third have been taught that their advancement is to be achieved through politics, instead of through hard work. The Appalachian Park Commission, through Senator Pritchard, has asked that a certain section of land in the Western North Carolina named in the memorial be named as a national park. The memorial is signed by G. S. Powell, president, and S. H. Andrews, secretary.

Ansonville, State Roads and Leechville postoffices become money order offices after this date.

M. A. Fortune has been appointed postmaster at Craig, McDowell county, vice W. L. Fortune resigned; P. P. Evans at Flat Rock, Henderson county, vice B. P. Stepps removed; Jno. McSmith at Tony, Caswell county, vice J. D. Whitted resigned.

John Browning of Edenton, has been awarded the contract for carrying the mail from Windsor to Plymouth.

A unique bill has been introduced in Congress by Mr. Gaines of Tennessee, which provides that there shall be paid to ex-Confederate soldiers the value of horses and personal property taken from them in violation of the terms of surrender.

The resolution recites that the soldiers were entitled to retain their rifles and side arms, but in many instances they were deprived of this property by the Federal soldiery to their serious loss and detriment. A commission is authorized to sit and receive applications for reimbursement and then sift the evidence submitted.

While the bill seeks to do justice to a deserving class there is not the slightest chance of it becoming a law 35 years after the war.

## HEARING OF ROBERTS CASE.

A. T. Schroeder Argues That the Citizenship of Roberts is Impaired.

Washington, Jan. 4.—The House special committee on the Roberts case met at 11:15 o'clock today. Mr. Roberts declined to admit the statement of a witness in Utah who had been unable to visit Washington. He sought to impeach the testimony of witnesses. A. T. Schroeder offered to supply the court with a record of the naturalization of Roberts. He did not urge the matter, but Mr. Roberts asked that it be produced.

Chairman Taylor explained that former Secretary Carlisle was unable to attend. A. T. Schroeder of Salt Lake therefore opened the argument, the committee reserving the right to hear Mr. Carlisle later.

Mr. Schroeder divided the question of Roberts' eligibility under a number of topics. He contended that Roberts was in the status of a polygamist and therefore his citizenship was impaired.

While Schroeder was reading extracts from debates concerning the State Board of Utah, Senator Rawlings of Utah felt called upon to make a few remarks in correction of the record, stating that when the State was admitted to the Union it was the understanding that the church had forbidden further polygamous marriages. Schroeder concluded by arguing that as the State had broken the contract with the other States it was proper to rebuke it by preventing Roberts from taking his seat.

Mr. Foster made a brief appeal to the committee to report against Roberts, for "the sake of American womanhood."

Roberts will make his argument tomorrow morning.

## NOMINATIONS CONFIRMED.

Pettigrew Resorts Ineffectually to the Use of Dilatory Tactics.

Washington, Jan. 4.—In the executive session of the Senate today Mr. Pettigrew started in to use dilatory tactics in antagonizing the confirmation of important military nominations, the promotions of Colonel Young and Lieutenant-Colonel MacArthur and Ludlow to be brigadier-generals in the regular army; and especially raised his opposition, although he did not carry it to the point of insisting that the cases go over, as he might have done under the rule. All of the nominations were favorably reported by the committee this morning, and Mr. Hawley urged that confirmation follow immediately.

Mr. Pettigrew took the case of MacArthur, who, although major-general of volunteers, was only a lieutenant-colonel in the regular army. He asked if this was not rather rapid promotion and discrimination against other men higher in rank than he in the regular establishment who had not been permitted by the administration to show the stuff they were made of. Mr. Hawley defended MacArthur's promotion. Messrs. Hale and Proctor also spoke of his distinguished services. Mr. Pettigrew soon saw he was on the wrong side of the question, and without further objection permitted the Senate to act so that the President might be notified that his action was approved.

## GOLD THE STANDARD.

Debate on Currency Bill Begun in the Senate—Resolution Introduced Declaring for Retention of the Philippine Islands—The House Passes the Salzer Resolution After Amendment.

Washington, Jan. 4.—The feature of the proceedings in the Senate today was the opening of debate on the substitute bill for the House Currency bill by Mr. Aldrich, who lengthily explained its provisions, going over the bill section by section. He said the general purpose of the bill was to declare anew that gold is the monetary standard of the United States, to lighten in every possible way the burdens imposed on the tax-payer by existing public obligations, and to strengthen the public credit.

Mr. Cullom introduced a bill providing for a government for Hawaii, which was placed on the calendar.

Mr. Beveridge presented a resolution declaring that the Philippines belonged to the United States, and it was the intention of the United States to retain them and maintain such government control as the situation demanded.

Mr. Pettigrew offered a resolution calling on the Secretary of the Navy for a copy of Dewey's report of April 13, 1898, saying he could take Manila at any time. Both resolutions went over.

Mr. Hoar made a personal explanation, saying he had been requested to oppose the seating of Mr. Quay on account of charges against him. He said if he were to deny, on such grounds, the right of a governor to appoint a senator he would also have to deny the right of a legislature to elect.

The Senate adjourned until Monday.

## In the House.

The House, after a brief session today, adjourned until Monday.

Mr. Sulzer's resolution of yesterday, calling on Secretary Gage for information regarding the dealings of the Treasury Department with certain national banks of New York, was reported with an amendment so as to include a request for information regarding the sale of the old custom house to a New York bank, and the resolution as amended was agreed to.

A resolution was presented later by Mr. Bingham, extending the thanks of Congress to Sampson, Schley and the officers and men under them for the destruction of the Spanish fleet at Santiago, and another by Mr. Quarles extending the sympathy of the House to the republics of the Transvaal and Orange Free State in their patriotic struggle to preserve their governments from destruction at the hands of a monarchy.

## Italy Agrees to Open Door Policy.

Washington, Jan. 4.—The Italian ambassador today waited on Secretary Hay and gave him assurance, on the part of his government, that if Italy became possessed of any part of China she would respect the concessions secured by the United States by treaty arrangements with China. Italy's assurance is contingent on unanimity among all other nations in granting the promises requested. The receipt of Italy's reply assures the maintenance of an open door in China.

## BRITISH SPIRITS RISE

Loyalists at Cape Town Take on Enthusiasm.

## ANOTHER STEAMER TAKEN

The Bundesrath Matter Regarded Seriously in Germany—Afrikanders Urged to Stand Firm and Do Their Duty—Pilcher Evacuates Douglas—Demonstration at Modder River—Boer Trenches Shelled.

Cape Town, Jan. 3.—The success of Queensland and Canadian troops at Sunnyside, and General French's victory at Rensburg, have aroused much enthusiasm here. It is held that the successes illustrate the value of careful scouting. The Sunnyside commando is reported to have been made up wholly of colonial rebels, and it is thought that their defeat will be a wholesome lesson.

An Afrikander newspaper here publishes an article on the solidarity of Afrikanders, which is causing much unfavorable comment. The article says that this is a time for deeds, not words, and that the logic of facts has taken the place of wise arguments. It adds:

"Nobody can say how long this state of affairs will last. For the right man to speak the right word at the right moment is a deed mightier than anything on earth. We believe that when the time arrives the man will also be found who, inspired from above, will speak that word of might. Whatever the future may bring, let us stand immovably firm and have confidence in the guidance of Providence, and the solidarity of the Afrikanders, and for the rest let us simply do our duty."

## British Seize Steamship.

Berlin, Jan. 4.—A dispatch from Aden states that the mail steamship General has been boarded by British troops for the purpose of searching the cargo. The dispatch adds that the cargo will be discharged at Aden.

## Bundesrath Setback Quite Serious.

Berlin, Jan. 4.—Great Britain's answer to the German note in reference to the steamship Bundesrath has been received. It is believed that the reply has caused dissatisfaction in official circles because of the dilatoriness in sending it and an insufficient explanation of the facts. The incident is beginning to be regarded in a more serious light.

## Boers Occupy Molteno.

Stekfontein, Jan. 4.—The Boers occupied Molteno and Cyphergat today, but abandoned Cyphergat on the approach of General Gatacre's troops.

## Drouth Intense at Modder River.

Modder River, Jan. 3.—The occupation of Douglas by the force under Colonel Pilcher is regarded by British officers as very important, as there is a strong pro-Boer faction in the place.

There was a demonstration here before dawn today. Two sections of the Grenadier Guards volleyed in the direction of the Boers and elicited a response. The British northernmost outposts have been advanced a thousand yards, and are protected by the naval guns. The Boers fired on the pickets last night.

Despite the rains in the Free State and the rise of the water in the Modder River, the drought here is intense. The army service corps has bought up all the local forage.

General Babington's force, which cooperated with the other troops at Sunnyside, has returned here.

## Small Boer Force Near Dover.

Belmont, Jan. 3.—Six hundred Boers are reported within twenty-five miles of Dover farm.

## Canadians Carried the Babies.

Dover Farm, Jan. 3.—Colonel Pilcher this morning informed the inhabitants of Douglas that for military reasons he was forced to evacuate the town. Every one left at 5 o'clock this morning, and arrived at 2 o'clock this afternoon. The Canadians, who acted as escort to the women, carried the babies for them and kept everybody lively by their singing.

## General French Reinforced.

Orange River, Jan. 3.—Reinforcements have been sent to General French from DeAar.

## Boers at Colesberg.

Rensburg, Jan. 3.—The Boers at Colesberg are almost surrounded.

## Horsemen Escape from Ladysmith.

Retoria, Jan. 1.—During a heavy storm four nights ago six horsemen escaped from Ladysmith. The Boers believe that Colonel Rhodes and Jameson were in the party.

## Boer Trenches Shelled.

Frere, Natal, Jan. 4.—The Boer trenches were vigorously shelled this morning with various success.

lyddite shells smashed the Boer intrenchments to the left of the kraal on the plain, compelling the Boers to shift their position. The horses stampeded.

## Napoleon's Exile Home for Kruger.

Lorenzo Marquez, Jan. 4.—The Diggers' News, of Pretoria, prints a rumor to the effect that Longwood, Napoleon's residence on the island of St. Helena, is being renovated for the reception of Kruger after the war. The report has created bitter feeling in Boer official circles.

## Friends of Boers Move for Intervention.

Brussels, Jan. 4.—A largely attended meeting was held here today for the purpose of presenting a national address to President McKinley praying for intervention in South Africa. The address will be circulated in the chief towns for signatures.

## Boer Sympathizers in Connecticut.

New Haven, Jan. 4.—At a Boer sympathy meeting, attended by two thousand people this evening, presided over by Alexander Troup, member of the National Democratic Committee, one-third of the audience left the hall because of a number of sallies made at President McKinley and the "English administration" in an address by the principal speaker. The meeting cheered heartily all reference to the conduct of the South African republics.

## Arms Issued to Zulus.

London, Jan. 4.—A dispatch to the Central News from Durban says that the government of Natal, in response to repeated petitions made by the Zulus for permission to fight against the Boers, has given its consent to the arming of part of the Zulus. They are to act only in the event of being attacked by Boers.

## Provision Train Set on Fire.

Cape Town, Jan. 4.—A dispatch to the Times from Rensburg, filed yesterday, says that Tuesday night the British set fire to the trucks of a runaway train, which had been wrecked by the British artillery, when it was seen that the train, which was loaded with provisions, would otherwise fall into the hands of Boers. The New South Wales troops, who were detailed to set the trucks on fire, worked under heavy shell and rifle fire. A party of Boers were trying to foot the wrecked train, but were compelled to retire by the British artillery. Shrapnel shells burst over the enemy, doing considerable damage. Many of the Boers were seen running about after the fire began. The Boers sought shelter at Pletman's siding, but well-directed shelling compelled them to abandon this place. The enemy took a field gun at a gallop through a pass opposite the British right. The British immediately shelled the gun, but the enemy made no reply.

The dispatch adds: "The Boers are practically surrounded, and if there were more British troops here we could cut their lines of communication."

## Review of the Situation.

London, Jan. 5.—Events in South Africa do not appear to have advanced. General French's and General Gatacre's operations have succeeded in keeping the Boers in check if nothing more, but the latter are yet too strong and the fighting promises to last for some time.

Molteno for the present seems to have been cleaned of Boers, but the British, on the other hand, have evacuated Dordrecht. Reinforcements have been sent to French from DeAar, but their strength is unknown.

Critics, in summing up the probabilities of Buller making another attack, estimate his force at nearly 30,000 men with 66 guns, including six Howitzers, against Joubert's 20,000 men and 60 guns, but whose position and mobility will, at least, counterbalance the numerical superiority of the British. The critic of the Morning Post labors daily to prepare the public for heavy losses. He says today:

"Once Buller sets out his object to be to win a decisive battle, his aim will be to inflict the greatest possible loss on the enemy, and, if he can, cripple or crush the Boer army. It will be necessary for that purpose that he does not spare his own force." Methuen continues inactive except for constant reconnaissances.

## HUNTINGTON'S BIG PROJECT.

Armor Plate for Battleships to Be Made at Newport News.

Richmond, Jan. 4.—The report that Mr. Huntington contemplated the establishment at Newport News of an armor-plate factory in connection with the shipbuilding company of which he is the principal owner, has been confirmed by the introduction of a bill to permit the Newport News Shipbuilding and Drydock Company to manufacture armor-plate as well as common stock and to authorize the establishment of an armor-plate factory.

It is said that Huntington's purpose is to establish a plant where may be built battleships.

## New Senator for the New South.

Jackson, Miss., Jan. 4.—The Joint Democratic caucus of the two houses tonight nominated W. V. Sullivan for senator. Mr. Sullivan was subsequently introduced. He expressed thanks for the honor. He said he represented the new South and favored the building of the Nicaragua Canal and the building up of our new post-offices.