# STATES HOLD UP INSURANCE MEN

Graft Worked in Iowa and Missouri.

### MUTUAL RESERVE RICH PREY

Eldredge Tells of Blackmail by ex-Officers.

### LAWYER PROMOTES PLAN

Charges Against President for Paying Exorbitant Commissions Used Effectively-No Graft Was Paid to Payn.

NEW YORK, Dec. 5 .- Instances in which the Mutual Reserve Life Insurance Company paid an aggregate of about \$20,666 in what Vice-President George D. Eldrege of that company called "hold-ups" were related to the investigating committee by Mr. Eldredge today. In one case, in 1898, Mr. Eldredge testified, the company paid \$15,600 to John McDonaid, a Philadelphia lawyer, who had been active organizing the policy-holders of the Mutual Reserve Company into a movement which charged President Frederick A. Burnham of that company with mismanagement and demanded his removal. The charges also reflected upon Mr. Eldredge's management as vice president and threat was made to ask for the appointment of a receiver for the company.

Engaged in this movement of the olicy-holders also was J. S. Hoffecker, former auditor of the company, who had been dismissed or who had resigned. Before leaving the company Hoffecker informed Mr. Burnham that he resigned because their ideas as to common honesty differed so much and because he knew of so many questionable transactions of which Mr. Burn-ham had approved. Mr. Eldredge declared that Hoffecker was not dismissed until he had demanded an increase in salary from \$35 to \$100 a. week and practically said it was safer for the company to keen him than to let him go, in view of what he knew

"Another instance of a hold-up."

Mr. Eldredge said. "was in 1896, when Max Beehler, a so-called 'examiner' of the lowa insurance Department, came to New York with his son as an assistant, examined the company and presented to it a bill for \$489 for the examination. Rather than pay the bill, the company withdrew its business from lows, but later paid that bill and another of \$346 to Max Beeliler for a verification of his previous examination, in order to get permission ngain to do business in lowa."

Mr. Eldredge told also how he tried to do business in Missouri in 1898 and found that it would have to employ W. H. Phelps as attorney before it could do so. Phelps got the license for the company in three days, and was paid \$3500 as "illegal fees," Mr. Eldredge said.

### No Hold-Up by Louis F. Payn.

Mr. Eldredge testified also that be statement made to a Canadian investigation committee by James G. Wells, ex-vice-president of the Mutual Reserve, that Mr. Burnham had told Wells he had to raise \$40,000 to pay to the New York Insurance Department in 1899, when Louis F. Payn was Superin-

The witness had previously stated that a portion of a report made by Isaac Vanderpool, an examiner of the New York Insurance Department, after after a hearing before the Insurance Department and before it was placed mended that the company be not allowed to call its lease of the home office an asset and include it in its surplus. Mr. Eldredge declared the Mutual Re-State Insurance Department in 1899,

### except for the examination. Manager's Huge Commission.

He said that Morton D. Moss was general manager of the agency department of the Mutual reserve in 1897. The total commission paid to Mr. Moss in 1897 aggregated \$450,000, and in the same year the advances to him were \$236,506. Mr. Eldredge said the commany had vouchers for all Moss' ad-

vances to agents. In reply to questions by Mr. Hughes. Mr. Eldredge said that Hoffecker, rerefused to make an audit of a Baltimore agent's account as witness had
ordered him to make it. Mr. Hughes
read letters from Mr. Hoffecker to
Mr. Burnham in which Mr. Hoffecker
wrote that he would not audit as rewrote that he would not audit as requested, that "our ideas of common honesty differ so much." and that he knew of so many questionable transnctions approved by Mr. Burnham that he could no longer stay with the com-Mr. Hughes asked if Mr. Hoffecker was then dismissed.

Mr. Eldredge said Hoffecker was dis- institution pissed after he demanded an increase in salary from \$35 to \$100 a week and

practically said that he knew so much it would be safer for the company to keep him. Mr. Eldredge said a brother or cousin of Hoffecker in Delaware organized the policy-holders and that one McDonald" in Philadelphia, and Hoffecker in New York, were active in the movement of the policy-holders which threatened to move against the management of the Mutual Reserve to secure the appointment of a receiver.

"It was in the nature of extertion." said Mr. Eldredge, "but we had to consider the expense and the interests of the policy-holders. We chose the lesser of the two evils."

"Were the charges, in effect, that President Burnham had been guilty of mismanagement, and should be reoved?" asked Mr. Hughes.

"There was a threat of a receiver," said Mr. Eldredge. "Against your management, also?"

## Charges Against Burnham,

Mr. Eldredge said the charges espe-ially were directed against Mr. Burn-am, on account of the large advances to fr. Moss.

Mr. Moss.

Mr. Eldredge said that at the end of 1897 the Mutual Reserve held Mr. Moss liable for \$150,000 advanced by the company directly to the agents, and that the company was relimbursed in full for that by his making over to the company in 1808 the commissions due to him on business he had done in 1857. Mr. Moss received for himself over commissions to agents in 1857 the sum of \$2,000. Mr. Eldredge said:

dredge said:
"In 1896 the company cancelled this contract and made a new one with Moss by which it paid him an overriding comion of 10 per cent above the con mission of 10 per cent above the commis-sions he had to pay to his agents, and renewal commissions as before."

John A. Hyland, bookkeeper of the company, was put on the stand, and tes-tified that at the end of 1896 Mr. Moss owed the company 188,000 and was then credited with 10.500. Mr. Hughes asked many questions to ascertain where the 10.500 came from and witness said it was eash due on commissions, but was in the

### cash due on commissions, but was in the nature of an estimate. Lobbyist Phelps' Hold-Up.

Mr. Eldredge then testified to the Iowa hold-up and said there was an incident of a similar, nature in Missouri in 1888. J. H. Childers and H. J. Orear, exam-iners for Missouri, first examined the iners for Missouri, first examined the Mutual Reserve company in 1898, and then the Superintendent of Insurance, Edward T. Orear, raised the question whether the company had any right to do business in that state under the Missouri assessment law. Mr. Eldredge went to Missouri, and engaged as attorney Mr. Clardy, counsel for a railroad, to bring mandamus proteedings to compel the issuance of a license to the company.

"Mr. Orear heard that we were in con-

"Mr. Orear heard that we were in con-sultation with Mr. Cardy," said Mr. Eddredge, "and notified us that he could not issue the Renne."

Witness then went to Jefferson City and

saw Mr. Ocear, who told him he had re-ferred the case to the Attorney-General. The witness then went to see the At-torney-General.

"I had been benting back and forth "I had been benting back and forth from the Attorney-General to the Insurance Department until I concluded there was no intention of dealing with the subject," said Mr. Eldredge, "and I family made up my mind to leave Jefferson City. An employe of the department there told me that in the person of Mr. Clardy we were employing a man who was bitterly hostile to the Attorney-General and the Superintendent of Insurance, and suggested the name of a man, who, if employed, would be able to secure the license. I declined to employ the man and came back to New York, but after considers

every time we were held up," said Mr.

and been paid by his company, directly or indirectly, to the Insurance Department of New York State. He said it had paid \$5,000 to Tracy, Boardman & Platt, attorneys, for legal services in connection with legislation necessary to the re-incorporation of the company in 1500.

### VANDIVER AFTER MUTUAL LIFE

### Going to New York to Force Answer to Questions.

JEFFERSON CITY, Mo., Dec. L-Super intendent of Insurance Vandiver will spend next week in New York investigating the Mutual Idfe Insurance Company and the Mutual Reserve Life Insurance Company. It has now become known that the Mutual Life officials were notified through one of its representatives more than a month ago that practically the same demands would be made upon them that were made upon the New York Life Insurance Company by the Missouri De-partment of Insurance, also that in pur-suance of this notice, Mr. Vendiver on November II, made formal demands upon the company for certain information stating in his letter that it was prelimi-nary to other inquiries that would be made looking to action that was to be taken by the Missouri department.

This preliminary information has not yet been furnished and Mr. Vandiver today sent notice to the company's officers that he would be in New York on Saturday, accompanied by an actuary, an ex-pert accountant and an attorney for the purpose of either securing answers to his questions from the officers of the company or entering upon detailed examina tion of its affairs as provided by law,

### PEABODY FOR PRESIDENT.

### Banker and Insurance Man Will Head Mutual Life.

NEW YORK, Dec. &-The Herald says: Charles A. Peabody has been selected as next president of the Mutual Life Insurance Company. Unless the programme prepared by the trustees is unexpectedly changed. Mr. Peshody will be elected at a meeting of the board to be held tomorrow. According to this programm Proderic Cromwell, now acting presider of the company, will be made vice-pres-dent, and Emery McClintock, the conpany's actuary, second vice-pro-Cromwell and McClintock will r Robert Grannis and Walter R. G

candidate.

Mr. Peabody is well known in this city as a banker and rallroad man. He is a director of the Gallatin National Bank the Bank for Savings, the National Bank of Commerce, the Astor National Bank, and is trustee of several other financial institutions. Mr. Peabody is also a director of the Hilmois Central, the Union

# MESSAGE READ

Both Houses Hear Annual Discussion of Nation's Affairs.

### PANAMA CANAL BILL TODAY

House Will Take Action Unless Williams Renews Objection-Protest Against Illinois Member on Ground He Is Alien.

WASHINGTON. Dec. osevelt's message to Congress received the attention of the House for two and tened to with marked attention and at its conclusion the document was applaude Preliminary steps were taken toward appropriating the needed emergency fundfor the Panama Canal and this matter will be the business for tomorrow Should unanimous consent be refused for its consideration, a special rule from the committee on rules will be available which will put the bill on its passage after a limited period for discuss

The House received and ordered referred to one of the regular election committees a protest from the Fifth Congres-Anthony Michalek, who was yesterday sworn in as a member of the House from United States. The protest was presented by Mr. Rainey, of that state, who asked for consideration of the matter by a spe cial committee. This point was the only Mann that it was a matter for the proper stoctions committee to consider and his amendment to this effect was adopted on

s yea and nay vote Upon motion of Mr. Goldfogie, of New

President Roosevelt had been notified of the convening of Congress. Pending the receipt of the Prest CONTENTS TODAY'S PAPER dent's message, the House, after the reading of the journal, took a recess for

ten minutes. The reading of the message was begun ing been delivered at that time by Mr. Barnes, assistant secretary to the President. Printed copies were at once distributed to members

reading was followed with attentive inask unanimous consent for the introduc- American marines guard embassy. Page 1 tion tomorrow of the bill making an appropriation of \$16,500,000 for work on the Panama Canal. Upon the statement of Mr. Williams (Miss.) that he would obect today, but might not tomorrow, it

was agreed that the report should be Pow made tomorrow. On the announcement of the death of John M. Pinckney, late a member of the House from Texas, by Stephene of that President Reservelt's message to Congress state, the House agreed to resolutions deals with many weighty questions. state, the House agreed to resolutions.

### SENATORS HEAR MESSAGE.

### Devote Three Hours to Hearing His

WASHINGTON, Dec. a.-The Senate

was in session for almost three hours today, and gave practically all of its time to listening to the reading of the President's annual message. There was a large attendance of Senators, and the galleries were well filled, most of the time with representatives of the general public. The document received close attention from both classes, many Senators following the reading throughout with printed copies in their hands.

The document was delivered by Secre tary Barnez, and followed upon an announcement by Allison (Rep., Ia.), chairnan of the committee appointed to wait upon the President and notify him that Congress was organized and prepared to

In making the announcement of th ittee's call at the White House, Allison said that the President had asked him to extend his greetings to members of Congress individually and collectively. The reading of the message was preeded by the swearing in of Brandegee (Rep., Conn.), and the retirement of Proctor (Rep., W. Va.) from the committee on military affairs.

### CANALAPPROPRIATION URGENT

### Must Be Available to Meet Payrolls on December 15.

WASHINGTON, Dec. 5 Secretary of the Treasury Shaw sent to Speaker Can-non today estimates aggregating 18,500,000 for continuing the work on the Panama Canal from December 1, 1996, to June 28, 1896. He sent with the estimates a let-ter from Robert Shaw Oliver, Acting Sec-

ter from Robert Shaw Oliver, Acting Sected and the section, in these words.

The ruth is apparent that this money should be appropriated not later than December 15 in order that the payrolls and outstanding bills which have been tociracted and which cought to be paid should be made. It is colden publics that before the whole apprepriation is made. Congress will desire to have a dismession and hearing before the combave and the immediate groundly for the

# caying of the payrolls in order that the force of 12,000 men now employed on the inthmus may be continued and not broken up hardly needs emphasis.

The appropriation will be sent to the House before the committee has been appointed, according to the present incilnation of Speaker Cannon. The urgency of the appropriation makes it necessary that immediate action be taken. Should prolonged debate be excited, the committee on rules, which was appointed yesterday, will take the matter in hand, and a rule placing the bill on its passage after a limited time for discussion will be brought in and adopted.

Seattle Took No Notice Until One of its Own Men

## MOVEMENT TO OUST MITCHELL

### Many Senators Want His Seats on Important Committees.

OREGONIAN-NEWS BUREAU, Wash-OREGONIAN. NEWS BUREAU. Washington, Dec. 5.—A movement is on foot among certain Schauers to not only deprive Senator Mitchell of the chairmanship of the canal committee, but also to take from him his membership of the committee on judiciary. There is a loud clamor among the lawyers of the Senate for places on the judiciary committee, and Mitchell's place is much sought. It remains for the committee on committees to say what shall be done with Mitchell's assignments. assignments.

Senator Heyburn is now a candidate

ASKS MILLION FOR JETTY

MACKENZIE'S REPORT TO HAVE TAFT'S SUPPORT.

Effort to Secure Enough Money to Continue Work Till Next Session of Congress.

OREGONIAN NEWS BUREAU, Wash ngton, Dec. 5.—The Chief of Engineers s preparing a report to the Secretary of War, in which he will strongly rec ommend an appropriation of close to \$1,-600,006 for continuing the extension of the Columbia River jetty. His recom-mendation will be indered by Secretary Taft and forwarded to the corivers and harbors. If may be sent to Congress by a special messenger fro the President, though this has not be-

determined upon.

The fact that General Mackenzle will officially recommend an immediate appropriation for continuing work on the York, a resolution was read expressing the sympathy of the American people for their distressed Russian Jews. The resolution was ordered printed in the record and referred to the committee on foreign affairs.

When the House met at noon there was a full attendance of members present, and the galleries were comfortably filled in raticipation of the reading of the message of President Roosevelt. Bepresentatives Humphreys (Dem., Miss.), and Kitchen (Dem., N. C.), presented fremselves and took the oath of office.

McCleary (Rep., Minn.), reported as chairman of the joint committee that President Roosevelt had been notified of the convenity of Congress. jetty and the fact that his recommenda-

The Weather,

when Cossacks disperse mutiny. Page 1. Pather Gapon stumps capital for law and order and leads workmen away from Socialists. Page 1.

car practically a prisoner in his palace. Page 5.

Foreign. Campbell-Bannerman undertakes to form cabinet in England. Page 4. canonet in England. Page & Powers accept Turkey's new offer, while pre-paring to selze more ports. Page & Inreatened riots in Bohemia. Page &

National.

to his memory and adjourned at a o'clock Fulton will oppose confirmation of Marshal as a further mark of respect. reral Markenzie proposes \$1,600,000 appro-priation for Columbia jetty. Page 1. Railroad Rate Question.

Pennsylvania railroad abolishes all free passes. Page 4.

Elkins proposes a rate bill. Page 4.
Illinois reduces all rates in state. Page 4.
La Foliette proposes radical measures in
Wisconsin. Page 4.

even persons drowned in shipwreck off Cape Breton. Page 2 fficial of Mutual Reserve Insurance sany tells how it was blacken Page I.

Multinomah foothall eleven undergoes hard practice work to be ready to meet the Farmers. Page 7.

Pacific Coast. Scattle for years turned a deaf ear to charges of Alaska minera Page 1.
Marshaj Harrington, of Princettle, arrested for brutal assault on W. J. Crain. Page 6.

Federal District Attorney at Scattle to move against alleged frust of grainbuyers. Page 6. prokane saloon windows to be dressed by fashlonable church pastor. Page 11. apitain A. C. Baker, of cruteer Raleigh, says Chinese boycott is growing. Page 5. sessits of elections in Washington towns.

All hop markets are quiet. Page 17, heat stoying at Chicago on Russian news. Page 17.

New York stock market strong and broad. Page 17. rany bananas at Ean Francisco,

not trading dult at Boston. Page 17. one) in raising range horses in Eastern Oregon. Page 17. Schooner Annie M. Campbell encounters ter-rific equalis on way from San Francisc and losce sails and main gaff. Page 5. Portland and Vicinity.

Umatilia project will make the desert bloom

# MINERS' PLAINTS

One of Its Own Men Was Pinched.

### INQUIRY ASKED FOR YEARS

Fraud in Assay Office Has Driven Trade Away That Can Never Be Brought Back to the Puget Sound Town.

SEATTLE, Wash. Dec. &-(Special.)-For more than three years Scattle heard Maska might regard its suspicions the complaints of Alaska miners that the results from gold shipments to the Scattle assay office showed an inexplicable discrepancy between the returns from those consignments and the gold deposited at the San Francisco mint or sold to private purchasers. And Seattle, sitting fat, enug and contented in the richness of the trade returns from Alaska, begrudged the physical exertion involved in listening to Assayer Wing's declaration that the stories were impossible.

One day a Seattle man was bitten. His bank's gold showed losses and he. like Alaskans, investigated and found something wrong. A careful tabulation of losses was made and then the Seattle man went to mint and treasury authorities. Scattle woke up. Local interests were suffering and it would never do For three years Alaska had cried for iquiry and could not enlist Seattle's help. When a Scattle man viewed the assay office with suspicion there was remae prompt and energetic.

There has been no lack of circumstantial evidence of fraud in the past. The rouble was that no one in Scattle was being injured. What Alaskans lost was not a matter of much moment to Seattle. so long as Alaska continued to buy and sell here and the opportunity of adopting pompous resolutions promising future legislative reforms in governmental relations with Alaska Seattle was too complacent when its own interests were not involved lisen to the cry of fraud from the

### Jobbed and Robbed at Seattle.

What Alaskans have claimed for years was demonstrated in the Adams defalcation sufficiently to confirm the beliefs ome of the Northern miners and business men. Alaska has been protesting almost since the time the rush of '97 began that they were being jobbed and robbed here, but Senttle has given no atless and indifferent with opulence; came to regard the Alaska trade and Alaska interests as something that belong by

Why should Scattle listen to the reiteration of charges of fraud at the asmay office? Seattle was not losing anything and Seattle found the Alaskans had money enough left to pay blils promptly. It was so with the complaints of overcharging; or careless packing and almost criminal action in dumping goods fitted for sale elsewhere into Alaska. The charge of wrongful handling of the Alaska trade has been made frequently by Alaskans, but it elicited no response

### Hooted at Words of Solner.

When N. B. Solner came down from Nome after seiling his bank in that town and reported the injustices of Seattle trade relations and the carelessness of bunco of Scattle merchants, commercial Seattle hocted at him. The Chamber of Commerce was awakened from its lethargy and took the trouble to name an investigating committee. In due course of time Mr. Solner, cashier of a Seattle bank, too, had exaggerated affairs and Seattle was dealing justly with the North. In the past Seattle had not taken the trouble to name an investigating committee, but had given complaints regarding the assay office the same prompt denial. The assay office frauds are proven now: before the Government's secret service is through it will probably be shown a quarter of a million in gold was stolen. But there is no way of enforcing an inquiry on an honest basis into the wrongful treatment of Alaska merchants by

pers that a wholesale firm now out of siness was "short-changing" Alaskans; that goods unfitted for local sale were sold in Alasku, where protests did not avail.

### Facts That Were Kept Hidden.

If the Chamber of Commerce committee that denied Banker Solner's story had taken the trouble to do so, it could have found a Scattle president of a big Nome that Ross really located this clustve guide found a Seattle president of a big Nome corporation was buying his supplies in to the compasses of the world.

The north magnetic pole has been generally assumed by geographers as being on Boothnia, the most northerly peninthe largest corporations on Seward peninthe largest corporations in Seward peninsula of the American continent, and close sula bought San Francisco supplies by to King William Land. It is supposed to accident last Summer and then bought from the same house in the Fall because San Francisco methods had been proved to be superior to those of Scattle. It could have found there was truth in what the same house for methods had been proved to be superior to those of Scattle. It could have found there was truth in what the same has a second to the same structure of the same same for which Arctic explorers have been explored. Mr. Solner said, but the committee went plorers have been searching for years. to the interested Scattle shippers for their deny Alaska stories of fraud.

Roughly computed, the shipments from Seattle to all Alaska points will exceed \$10,000,000 in value this year. Those fig-Souttle: The Chamber of Commerce and the business men, do not realize, what the transportation company and Ainska buy-ers know, that those figures include hun-dreds of thousands shipped by rail or Tacoma and other points to Seattle to

Scattle laughed at the story that gold might go elsewhere as a result of un-satisfactory assay office returns. It is half-heartedly acknowledged now that he Selby smelter in San Francisco, the Tacoma emelter, the Philadelphia and San Prancisco mints and many private buyers have been taking gold from the assay office for three years.

## Used to Winter in Scattle.

kans could spend the Winter anywher but in this city. For the first few sea sons that was true and Scattle reaped a harvest from the crowd that came out to a more satisfactory climate. Then the Alaskara began going elsewhere: transportation circles they will show you now that most of the moneyed Alas. kans go East or South for the Winter, There are more Alaskans in California now than in Seattle. There is more Alaska money invested in Los Angeles than in Seattle. They are beginning to appreciate this fact here. The truth of the matter, that the men without means

nderstood. But Seattle has not been hi hard enough yet to awaken. The assay office developments have startled Scattle. A Scattle man lost, and that was an unbestrable circumstance general graft as confirmed and that is as encomfortable outlook. The assay office has been one of Seattle's best trade mag nets and advertising mediums. It might be lost, and that was another unbearable

make up the big percentage of Seattle's

Winter Alaska colony, is beginning to be

### Great Disgust of Alaskans.

There is no question but that a great portion of Alaskans are disgusted They are bitter toward the assay officand disputiated with the manner in which Seattle has acted. With a feeling of unrest and dissatisfaction growing for years, the startling revelations in the assay office have a tendency to confirm suspicions of the past. Scattle fears it may drive trade away, and Alaskans know that this city will have to pay in ome measure for the wrongdoing.

If the assay office disclosures had no other effect than to divert gold shipments, it would be a big loss. Just the money that Alaskans fresh from the north spend sin, Dec 5.)-Although there appears to then accompanying their gold here is big Item in the city's commercial re-The profit in handling this gold for the miners is considerable to the anks which so business on a proper omis. And then the feeling of satisfac tion when this gold is transferred from miners to tradesmen and hotelkeepers is

everpowering. their gold elsewhere Scattle will not mean much to them. If the gold does not come here there will not be any necessity for maintaining an assay office. If the assay office should be lost, one of the links that dew Sentile to Alaska would be broken and the city's chief advertising feature

In the meantime Scattle faces this ondition helplersly. The time for action the assay office too long to condemn it row, and defense is absolutely impossiide. All that Seattle hopes or could hope is that a complete cleaning out and the tention to the story. Seattle grew care. appointment of new officials will restore some of the lost confidence.

the entire armay office force, reform everywhere and go back to Alaska with story of the past is a nightman

CAPTAIN AMUNDSUN IS NEAR HERSCHEL ISLAND.

Norwegian Ship Gjoa Started on Its Voyage From the Coast of Greenland.

SEATTLE, Dec. 5 .- Major Glassford, in SEATTLE. Dec. 5.—Major Glassford, in charge of the Government cable office here, received a message today addressed to Nansen, the Norwegian explorer, at Christiania, from Captain Roald Amundsun, of the ship Gjoa at Fort Eghert, Eagle City, Alaska, telling of a trip by dog team from Herschel Island to Eagle City. Major Glassford gave the message to the press for exhibitation. City. Major Glassford gave the message to the press for publication. While the message is incomplete in details, it pur-ports to be from a member of an exploring party sent out by Nansen and states that the party is safe with the ship Gloa. Wintering at King Point. The message also states that the Amer-ican whaling fleet is held in the ice in

the vicinity of Herschel Island, and that all of the vessels were safe, with the ex-ception of one, which was wrecked on the shore when Amundsun left Herschel Island, October 24. There are 12 of the American whalers in all caught in the ice. The trip from Herschel Island to Eagle City was made up the Mackennie River to the Peal River and over the divide to Fort Egbert through an entirely uninhab-ited country and a section that is prac-tically enexployed. Captain Amundsun, who set out in a

small craft with a crew of but eight m

### Students' Strike Is Ended.

BELLEFONTE, Pa., Dec à-The un-precedented strike of the entire student-body at the Pennsylvania State College was settled today, and the students will

### Seven Miners Stiffed by Smoke.

CHARLESTON, W. V., Dec. 5.—At Hor-ton, last evening, seven coal miners were sufficiented. They were working in a drift, when a wooden stack of the ventilating furnace caught fire and was consumed.

# **WORKMEN TURN** AGAINST REDS

### Reaction Against the Scattle would not believe that the Alas-Strikes in Russia.

## OPERATORS STANDING FIRM

Cossacks' Raid on Meeting Stiffens Their Resolve.

## AMERICAN MARINES LAND

Armed Guard From Cruiser for Embassy - Socialists Deserted by Gapon, Who Joins Law and Order Party.

GUARD FOR AMERICAN EMBASSY. ST. PETERSBURG, Monday evening. guard for the American Embussy, sisting of marines under a petty of-ficer from the United States cruiser Minneapolis, arrived here today

ST. PETERSBURG, Dec. 4 .- (Monday Evening, via Eydtkuhnen, East Prusbe no foundation for the prevailing fears that an outbreak is imminent, the population continues in a state of anxious

The garrison has now been reinforced by 47 battalions of infantry, 15 squadrons of cavalry and 12 machine gun batteries. The city is divided into four districts, under Generals Osaroff, Dubenski, Sterma and Trodski, respectively.

The government, it is reported, narrow ly frustrated a plot whereby a band of armed men had planned to raid the state treasury. One of the conspirators, it is said, betrayed his fellows, whereupon the leaders, knowing that their attack could be repulsed by the troops with great slaughter, abandoned it. The existence of this conspiracy led to a report that martial law would be proclaimed tomorrow, Tuesday, but this is authoritatively

· Strike May Cause Panic. The extension of the strike of the telegraphers to the postal system is complete, and the paralysis of business is increasing the danger of a financial crisis. It can never make Scattle as strong as The strike of the Moscow telephone op-the city was once, but it will help. And that is 12hy Scattle wants to shake off the poles, has severed the last means of

communication with the ancient capital. The present conditions are unbegrable Sympathy with the poorly paid post and telegraph employes is now turning into indignation against the strikers, and the public is supporting a formidable moveclasses to throw off the yoke of the revoutionaries. The government is undoubt edly encouraging the organization of the

### forces. Gapon for Law and Order.

The "Law and Order party" took the ead, which is now being followed by the "Society of Strike-Breakers," but the most important movement has started under the leadership of Father Gapon, the former idol of the workmen, who since his residence abroad has become convinced that Russia is not preto his old comrades to cut loose from the revolutionary agitators. The latter already charge that Father Gapon has been bought and that he is a traitor to the cause of the people. Father Gapon, however, is sincere, and his influence un-

doubtedly is great. This being a holiday, Father Gapon attended meetings of all of the organizations which he controlled before January 22. "Red Sunday," at which his words were cheered to the echo. At these meetings the Socialist orators were howled down and in some cases forcibly ejected

If this movement should grow and an effective split among the workmen be thereby crefited, it will prove of immeasurable service to the government in tiding things over until the

### meeting of the Douma Terms Offered by Zemstvoists.

sembers of the delegation from the Zemstvo Congress, informed the Asso ciated Press today that they were ready to accept universal suffrage, direct in the cities and indirect in the country districts, with the addition of election laws guaranteeing the four liberties, press, assembly, speech and person, which it is understood are practically ready for issuance. Neither newspapers nor letters have

### arrived from abroad for three days. Socialists Husband Strength.

The Socialistic workmen's organisa spectators of the present struggle unless the unexpected happens. One of the leaders explained to the Associated Press that the organization was husbanding its resources and strength for would take place about the first of the year, and in the meantime it was bending all its energies to spreading its propaganda among the army throughout the empire. He said that a gen-gral congress of Socialists, affiliated with the revolutionary organizations, would be called later in December