

FRESH BUNCH IN GRAFT DRAGNET

Astounding Exposures in Bay City.

100 COUNTS AGAINST RUEF

Board of Supervisors Makes Clean Breast.

DEALS UP IN MILLIONS

Traction Company Mulcted of \$450,000—Money Taken From Two Telephone Companies. Curly Boss Kept Hog's Share.

SAN FRANCISCO, March 18.—Assistant District Attorney Heney said a few days ago, when asked for a candid personal opinion of his evidence against officials indicted and about to be indicted, said:

"I have stronger evidence against these people than I had in the land-fraud cases in Oregon where the jury convicted."

SAN FRANCISCO, March 18.—(Special.)—Before tomorrow morning dawn, Abraham Ruef, fallen boss of San Francisco, now on trial for extortion, will have been indicted by the grand jury on various counts, aggregating nearly 100 in number, covering a period of many months and based on bribes running into hundreds of thousands of dollars. With him will be criminally involved Mayor Schmitz, almost a score of the officials of the city government and a number of millionaires of prominence in San Francisco and in the East.

Seventeen of the 18 County Supervisors went before the grand jury today and confessed in detail graft operations and their magnitude carried on during their tenure of office. Principal among these was the award of a blanket franchise to the United Railroads to transform its cable lines into an overhead trolley system, for which Ruef had induced Patrick Calhoun, president of the company, in the sum of \$500,000.

Grafts Aggregate Million Dollars.

The confessions revealed details of the Home Telephone and Ocean Shore Railroad franchises dealt and others less extensive, but involving in the aggregate upward of \$1,000,000. It is believed that the Supervisors who confessed have been promised immunity from prosecution.

In addition to these confessions it is understood that the grand jury has obtained a number of others from present or former city officials, revealing graft operations by the various municipal commissions under the direction of Ruef and Mayor Schmitz. Direct evidence was given of the payment of \$20,000 to Ruef by prizefight promoters for permits.

Among prominent names mentioned in this connection with today's revelation are those of Patrick Calhoun and Thorne Mullaney, of the United Railroads, and J. Downey Harvey, of the Ocean Shore Railroad.

The first witness called before the grand jury this afternoon was James L. Gallagher, chairman of the finance committee of the supervisors, one time Acting Mayor, and Ruef's direct agent in distributing bribes among his colleagues. He was followed by Andrew M. Wilson, business man, former Ruef supervisor, and now State Railroad Commissioner. They were succeeded on the stand by Thomas Lonergan and Colonel Charles Boxton, both prominent supervisors. Then in turn the testimony of the other supervisors, with the exception of Rea was heard. It is said that Rea was the only member of the board who had refused to participate in the grafting.

Tales Told Are Astounding.

The story given to the grand jury and prosecuting attorney Heney is almost unbelievable. Deals hitherto barely suspected and deals absolutely unknown were divulged with an amplitude of explanation and wealth of facts that amazed the indictors.

First and most important, the purchase of the city by the United Railroads, through its president, Patrick Calhoun, is known. The price paid for the franchise which permitted the United Railroads to inflate its stock into the millions by turning its cable lines into a trolley system was \$500,000. Of this immense sum the supervisors received but a small share, while the bulk went into the pockets of Abe Ruef and Mayor Schmitz.

Ruef demanded \$400,000 from Patrick Calhoun to carry through the transaction, and this money was drawn by the United Railroads in installments, calculated to be small enough to divert suspicion. Ruef specified that \$50,000 of this was to go to a mysterious person whom he insisted had to be "squared," \$55,000 more was set aside for the supervisors, and this sum was placed in the hands of Gallagher by Ruef. Gallagher retained \$15,000 for himself, \$10,000 was given to Daniel Coleman, \$10,000 went to Wilson and other supervisors received \$40,000 each. \$311,000 were given as little as \$300. A few may have received nothing.

After abstracting the \$55,000 for the supervisors and the \$55,000 for the person Ruef insisted must be taken care of, but who may never have received the money, \$200,000 was left to be divided between

Mayor Schmitz and Ruef, each of them receiving about \$100,000.

All this boodling was carried forward while the city was yet in the throes of the social convulsion following the earthquake, and while the very existence of San Francisco was still threatened. The proposal, came directly from the United Railroads, and Patrick Calhoun, president of the corporation, while he did not personally appear in the negotiations by which the money was delivered, engineered the purchase himself.

But the corruption surrounding the history of the franchise granted to the Home Telephone Company was even more damnable, and explodes the cherished proverb that "there is honor among thieves." The Board of Supervisors was bought twice, once by the Pacific States Telephone Company, which wished to keep the rival corporation out of the city, and once by the Home Telephone Company, which was fighting to get an entrance into the city. The Pacific States Company paid the most money—even hired a suite of apartments in which the



Adolph Spreckels, who testified before grand jury in graft inquiry yesterday.

boodle was given—but the franchise went to the Home Telephone people.

This was brought about by the purchase of Mayor Schmitz and Abe Ruef by the foreign concern, and they, with their pockets well lined, cracked the whip over the supervisors and forced the granting of the coveted privilege. Most of the Supervisors had got \$5000 apiece from the Pacific States Company. A little later the Home Telephone agents paid a number of the Supervisors \$3000 each, but Ruef and Schmitz, having been seen meanwhile, the sum was considered enough to complete the transaction.

Another transaction, which was suspected, but never proved until today, on the sworn testimony of the supervisory witnesses before the grand jury, is the

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COWHIDE LASHED HER UNGLAD BODY

Evelyn Thaw's Charge Read Before Jury.

VICTIM OF THAW'S FRENZY

Case Will Probably Reach Verdict Friday Night.

FINISH EVIDENCE TODAY

Delmas Finally Admits Affidavit Hummel Says Mrs. Thaw Made and Offers Evidence Thaw Was Insane After His Arrest.

NEW YORK, March 18.—When the Thaw trial was adjourned today, there remained but four expert witnesses to be examined before the taking of evidence closes. Three experts were disposed of today in a little more than an hour, so it is generally believed the last word of evidence may be entered in the famous case tomorrow. In that event the summing up for Mr. Delmas for the defense will begin Wednesday morning. District Attorney Jerome will reply on Thursday. Justice Fitzgerald will proceed immediately with his charge to the jury or he may defer it until Friday unless the unexpected happens, there should be a verdict by Friday night.

Beaten Worse Than Supposed.

The case for the people was finally closed today by the introduction of the much discussed Hummel affidavit, which, with the consent of the defense, was read in full to the jury. The affidavit proved a surprise only in the alleged severity of the assaults Harry K. Thaw is said to have made upon Evelyn Nesbit during their trip through Europe, in 1902, when, according to the testimony of Abraham Hummel, Miss Nesbit would not sign statements which Thaw had prepared accusing Stanford White of having drugged her and ruined her. It is said the action contemplated when the affidavit was made was the recovery of certain property which it was alleged, Thaw had wrongfully taken from the girl. Indicating the affidavit, Hummel referred to himself as Miss Nesbit's attorney, she being reported to have said:

"I have received certain letters and cablegrams from Thaw which I have turned over to my attorney, Abraham Hummel."

Thaw Crazy When Arrested.

When Mr. Delmas began introducing testimony in rebuttal he put upon the stand three persons who saw Thaw the night of the tragedy and early in the morning after, and they all declare that he either looked or acted irrationally. To two of them he complained of hearing young girls' voices. The witnesses admitted on cross-examination that there were seven women in the station the night Thaw was there and they were making considerable noise, but could not be heard from Thaw's cell. After this testimony had been presented, Mr. Delmas passed into the final stages by introducing seven alienists for the defense.

TOMORROW'S EXPERTS WILL BE DR. WAGNER AND EVANS, WHO HAVE HERETOFORE TESTIFIED FOR THE DEFENSE AND WHO WILL NOW BE ASKED TO GIVE AN OPINION ON MR. JEROME'S LONG QUESTION, AND DR. CHARLES W. PILGRIM, OF Poughkeepsie, N. Y., PRESIDENT OF THE NEW YORK LUNACY COMMISSION, AND DR. MINOR GREGORY, SUPERINTENDENT OF THE PSYCHOPATHIC HOSPITAL AT BELLEVUE HOSPITAL.

AFFIDAVIT PUT IN EVIDENCE

Delmas Gives Up and Calls New Batch of Alienists.

NEW YORK, March 18.—When the proceedings in the Thaw trial began today District Attorney Jerome offered in evidence the broken piece of a photographic negative of the last page of the famous Hummel affidavit, bearing the signature of Evelyn Nesbit. Mr. Delmas objected to its introduction and began an argument upon the point.

Justice Fitzgerald overruled the objection.

Mr. Jerome then offered in evidence a photographic print from the negative.

Mr. Delmas objected to the introduction



Sylvester R. Rush, Special Assistant to the Attorney-General of the United States.

of the print also, and another long argument ensued.

Mr. Delmas said the photographic copy of the affidavit could not be introduced to contradict Evelyn Thaw, for she was not shown the copy on the witness stand and had no opportunity to affirm or deny her signature.

Mr. Delmas argued that the copy of a paper was not competent evidence on which to contradict the witness.

Mr. Jerome went to some length in explaining that the original of the Hummel affidavit had been traced to Mrs. Thaw's hands, and she had said no such words existed. Under these circumstances, he said, it should not be allowed to introduce secondary evidence. The evidentiary value of photographic copies, he contended, had frequently been sustained by courts.

Delmas Withdraws Objection.

Mr. Delmas concluded by saying that if Mr. Jerome would put Evelyn Nesbit Thaw upon the stand and let her say whether she knowingly signed the paper, he would offer no objection to the affidavit going in evidence.

For the purpose of argument, Mr. Jerome joined the offer of the carbon copy of the affidavit in evidence with the photographic copy, and Mr. Delmas said his offer to withdraw objection to the affidavit after it had been shown to Mrs. Thaw on the stand referred to the carbon copy also. Mr. Jerome started to reply to Mr. Delmas, when the latter said:

"Oh, well, let the whole thing go. I withdraw all objection." Mr. Jerome then read to the jury the carbon copy of the affidavit. In the affidavit Miss Nesbit said she was 18 years of age. During June, 1902, she went to Europe with her mother at the request of Thaw. They remained in Paris for a time and then went to Boulogne. Miss Nesbit and her mother remained there while Thaw went to London. He returned for them and they went to London. Then Thaw and Miss Nesbit made a trip to Holland and Germany.

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GROW ANXIOUS TO TAKE MEDICINE

Railroads May Agree With President.

EXTRA SESSION IS POSSIBLE

Roosevelt Working for Better Understanding.

HEAD OFF RADICAL ACTION

Transportation Kings Eager to Have Legislation Passed Lest Government Ownership Craze Grow Irresistible.

Confers With Mellen Today.

WASHINGTON, March 18.—President Charles S. Mellen, of the New York New Haven & Hartford Railroad, arrived here tonight and tomorrow will confer with President Roosevelt on the railroad situation. Mr. Mellen went immediately to his hotel apartments and denied himself to interviewers.

WASHINGTON, March 18.—(Special.)—There are unmistakable and multiplying indications that a "better understanding" between the Government, the railroads and the people, of which so much has been heard pro and con for a considerable time, is approaching realization.

Railroad magnates, swallowing with some bitterness, naturally, a certain pride that has characterized them, are beginning to knock at the White House door. Some of them have had audience with President Roosevelt already, and the ice once broken, they find it not so hard to seek admission again. President Mellen, of the New York New Haven & Hartford Railroad, is to have his conference tomorrow afternoon, and after that it is likely that other railroad presidents who previously were scheduled to visit Washington by arrangement of J. P. Morgan, and some more in addition, will trail along during the coming week.

Strong Game of High Politics.

President Roosevelt is playing one of the strongest games in the field of high politics that ever has been carried on by an American President. The depth and importance of it all will unfold a little later.

E. F. Youakum, president of the Rock Island road, paid his second visit within a week to the White House today. The exact nature of his interview with the President is a secret and possibly there will be more or less secrecy regarding the conferences with other notables of the railroad world, for a time at least.

Extra Session for Quick Action.

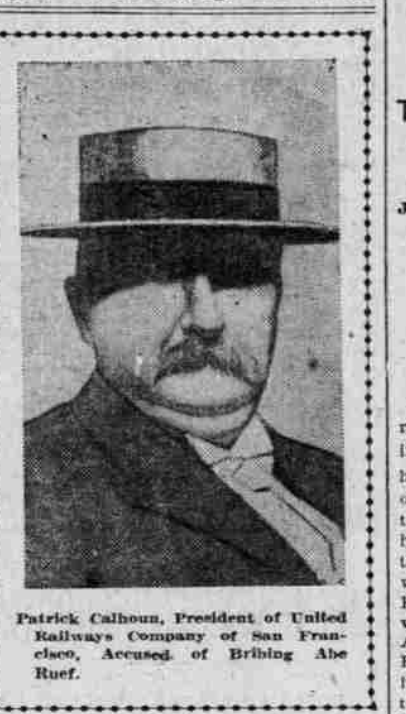
In all seriousness, the suggestion has been made within a day or two that, if further legislation is to be had sooner or later, the quicker it comes the better, so as to restore confidence and let the railroads get the financial aid they require to make improvements. It is believed that men who a year ago sneered at Mr.

Roosevelt and his policies will even go so far as to urge the calling of Congress in extraordinary session to meet the present situation and clear the atmosphere.

Information has come within a day or two from men who abhor the very thought of Government ownership that they fear the result of the agitation now rampant in the states and the grievances that shippers complain of in the matter of being afforded adequate facilities of transportation will make Government ownership a popular issue in the next campaign. United States Senators and other officials have seen the seriousness of the situation. They shrewd persons who manage great railroad properties, no matter how blind they may have been to public sentiment in the past, are beginning to appreciate it also.

Driven to Ownership by Disgust.

It is declared that the spread of the Government ownership idea is not likely to be based on any analysis of what it really means or consideration of its features in any respect, but merely upon disgust over car shortage and various



Patrick Calhoun, President of United Railways Company of San Francisco, accused of bribing Abe Ruef.

other troubles which have confronted the country. The people, it is declared, are growing vindictive and may rush to the Government ownership standard out of pure ill-feeling against the railroads, rather than as a result of reasoning upon the economic questions underlying.

BUYS OUT CLARK STOCK

HARRIMAN ADDS ANOTHER ROAD TO HIS MERGER.

Salt Lake Line Removes Only Competitor Across Nevada—Clark Syndicate Retains Bonds.

SAN FRANCISCO, March 18.—The Call will say tomorrow that Senator W. A. Clark, of Montana, and his associates are out of the San Pedro, Salt Lake & Los Angeles road, and E. H. Harriman is the owner of their stock. The story given out in financial circles today says that Harriman has purchased all the shares in the Salt Lake route held by W. A. Clark, E. C. Kerns, David Keith and Thomas Kearns.

The quartet of millionaires retains possession of \$35,000,000 of the road's bonds, of which Clark holds \$30,000,000, Mr. Kerns \$3,000,000, Mr. Keith \$1,000,000, and Mr. Kearns \$1,000,000.

SAYS MARKET WILL IMPROVE

Harriman Ridicules Idea Union Pacific Has Sold Stock.

NEW YORK, March 18.—E. H. Harriman returned to this city today from Virginia. In reply to the question whether business of an urgent nature had called him back, he said:

"No, I returned here because the muddy roads down in Virginia made employment impossible. When I think of the financial situation? I believe it is going to improve from now on.

"The decline in the stock market was due to a combination of men and circumstances. Some of these men have made a lot of money as a result, but I don't think it will do them much good in the end.

Mr. Harriman laughed at the report that during the recent liquidation of stocks the Union Pacific had disposed of large quantities of its stock holdings in other railroad properties. He said there was no foundation whatever for the story.

SAYS ROOSEVELT DID IT ALL

Ripley Blames Him for Panic—Santa Fe Will Retrench.

LOS ANGELES, Cal., March 18.—In an interview in an afternoon paper, President E. P. Ripley, of the Santa Fe, who is now at Santa Barbara, is quoted as saying that President Roosevelt is responsible for the present uncertain conditions in Wall street, and attributes the recent semi-panic to a "brush fire" which the President started.

Mr. Ripley said that because of the general anti-railroad sentiment, the Santa Fe was prepared to inaugurate a policy of strict conservatism in the matter of expenditures and that many contemplated improvements in the company's property would have to await more favorable conditions. Mr. Ripley is also quoted as saying that he believes it is likely that President Harriman, of the Union Pacific, will retire from active railroad life within a year.

Mr. Ripley is quoted in part as follows: I can see no need to come from a meeting with President Roosevelt such as has been proposed by J. P. Morgan, if the press dispatches on the subject are correct. The President must be held responsible for having started a brush fire that now apparently has become a conflagration, and while I always have felt his motive to be of the best, it appears to be too late to stop the fire that now is pretty nearly burned out. Going back to the subject of the apparent

CAREERS WHICH OUTDO ROMANCE

Pearcy Brothers Rulers of Isle of Pines.

ADVENTURES IN MANY LANDS

Samuel Pearcy's Conflict With Cuban Republic.

TREATY HELD UP IN SENATE

Josiah L. Pearcy, Explorer of Cu Klux Klan, Father of Ku Klux Klan, Buyer of Canal Route From the Indians.

BY FREDERIC J. HASKIN.

WASHINGTON, March 18.—(Special Correspondence.)—There is as much incident in the life story of Sam H. Pearcy and his brother, Captain Josiah L. Pearcy, as one would find in the most thrilling fiction of adventure. Sam H. Pearcy is the head and front of the revolutionists of the Isle of Pines, that band of Americans which has insisted that President McKinley and Secretary Hay were correct when they decided that the island was American territory and that President Roosevelt and Secretary Root are wrong in their decision that it is Cuban territory. Mr. Pearcy has led the fight against the treaty which gives a quitclaim deed to the island, and for four years has succeeded in preventing its ratification by the Senate.

Sam Pearcy was a youth in Tennessee when the Civil War broke out and he joined the Confederate army. He served with Dr. T. J. Thomas, also a Tennesseean and, when the war was over, they went to Mexico, where both of them learned to speak Spanish. After two years they returned to Nashville and Dr. Pearcy married Dr. Thomas' daughter. Dr. Thomas' wife died and he went to Spain. At Madrid he set up in the practice of dentistry and in a little while became the royal dentist to Queen Isabella, and after her abdication to Alfonso XII. Two years after he went away a message came to Tennessee that Dr. Thomas had died of cholera.

Thomas Returns From Death.

Twenty-five years later an old man came to the door of the warden's house of the Tennessee State Penitentiary. Captain Josiah L. Pearcy, brother of Sam, was then warden. The old man asked: "Joe, don't you know me?"

It was Dr. Thomas, whom they had thought dead for a quarter of a century. The old man asked for his daughter and Sam, and in the course of time took the whole family back to Spain. They visited Balboa, Madrid and other scenes where the doctor had amassed a large fortune. He is now 82 years old.

As soon as the war with Spain ended in 1898, Sam Pearcy went to Havana, and opened a commission house, dealing largely in agricultural implements for the devastated plantations of the island. The Spanish people of Cuba feared they would be despoiled of their property and there was a general exodus to Spain. The Isle of Pines was owned largely by those who wished to go back to Europe, and Pearcy obtained options on 80,000 acres, went to New York, organized a company and got the money in one day to buy the land for the Isle of Pines Company, of which he is now vice-president. The company has since increased its holdings to 160,000 acres, about one-fourth of the total area of the island.

Struggle for Isle of Pines.

Sam Pearcy early came into conflict with the Cuban government. He has been arrested not less than 10 times for trivial violations of Cuban regulations. His yacht was taken away from him and he has been harassed in every possible manner. Nevertheless, he has kept up his fight and is still contending for the little "Treasure Island" to be declared a part of the territory of the United States according to the interpretation originally placed upon the Treaty of Paris by the State Department.

In this work he has been ably assisted by his brother, Captain Josiah L. Pearcy. It was through the latter that Representative James D. Richardson, then leader of the minority in the House, became interested in the Isle of Pines matter and induced Senator Morgan to take up the fight in the Senate. Mr. Morgan has been successful in preventing any action whatever, and the opposition to the treaty says it is increasing in strength all the time.

Captain Pearcy was an artillery officer in the Confederate Army, serving for a while as Captain and Inspector on the staff of General John C. Breckenridge. After the war he went to Pulaski, Tenn., and was one of the nine men who formed the original Ku Klux Klan in the ruins of the old Carter mansion near Pulaski. At that time the political significance attached to the order, it was merely a Greek secret society modeled after the Greek letter fraternities of the colleges.

Origin of Ku Klux Klan.

When the Ku Klux Klan initiated its first new member, it rode through town in a fantastically masked. The negroes were thoroughly frightened and thought the world was coming to an end. That was the cue and the Ku Klux spread all over the South. Captain Pearcy has a copy of the original precept of the organization, showing, among other things, that the members were compelled to take an oath to loyally support the United States



SELECTING A MAN TO BELL THE PRESIDENT

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