PORTLAND, OREGON, TUESDAY, MARCH 22, 1910.

# GRAFTERS CROWD TO CONFESS SINS

Forty Pittsburg Councilmen Indicted.

## PAST AND PRESENT INVOLVED

Courtroom Swarms With Men Anxious for Immunity.

ALL FORCED TO RESIGN

Judge Is so Busy Receiving Tales of Corruption, Some Are Told to Return Today-Price Ranges From \$81.10 to \$500.

PFITSBURG, March 21.-Forty present and former members of select and common councils are under indictment on a charge of bribery, and ten more, with ing in a pool of \$102,000 to in fluence the votes of the municipal bodies.

This was the result of the first day's ensational confession of Captain John Klein, ex-member of Councils. All day Judge R. S. Frazer sat as a

committing magistrate in the criminal courtroom and his deck became "a throne of grace" to the many Councilmen under suspicion who swarmed before the judge to "be washed of their sins."

On one floor of the court building the grand jury would hear the consciencestricken councilmen, who would then go before Judge Fraser and take the immunity bath, offered last week by the District Attorney. While these proings were going on the corridors of the courthouse were thronged, andszeach councilman put in an appearance there

#### Court Too Busy to Hear All.

"When are they going to get the big Once during the late afternoon a north side councilman rushed into the courtroom and wanted to confess, but he was told to come back tomorrow. "We are too busy," brought a roar of laughter from the crowded benches.

Up to the adjournment of the court at 5 o'clock 10 had confessed. In most instances the amount of money they confessed to accepting as a bribe was not over \$100. One man got \$500 and another \$200, while others got but \$81.10.

#### All Forced to Resign.

As fast as present Councilmen ap-peared after they had relieved their consciences they were ordered immediately to resign from the city government, and in every instance the letter of resignation was written in the District Attorney's office and malled to Mayor W. A. Magee before the guilty one left the building.

The men indicted are from varied professions. Some are professional politicians, one is a private detective. Saloonkeepers, physicians, market men, tailors and a real estate man are on the list. C. C. Schad, who is a market man, is also a member of the Legisla-

ture from Allegheny County.

Among the men to come forward during the afternoon was Dr. W. H. Weber, a member of the select council. There was an uproar glong the crowded corridors when he was seen to come from courtroom, and the expression was

#### Where will it end?" Dealer in Votes Confesses.

Dr. Weber told Judge Prazer how he received \$10,000 to be distributed among Councilmen for their votes and influence in the passage of an ordinance to vacate a certain street. He pleaded no defense to the charge of conspiracy. Dr. Weber said he gave the money to about 30 or 40 Councilmen. He could not remember all the names, but recited a list including some of the most prominetn and active members of both select and combination

To each man as he stepped up today court stated he held in his hand ar nformation entered against the defendant by Henry Muth, Chief of County Detectives, charging him with having re-ceived a specified amount for his vote in the Councils on the ordinance or resolu-

What do you wish to do?" asked the "I will waive a hearing," was the in

variable reply.
"Defendant waives a hearing and he is held for court in \$500 ball," said the court. and the man in question stepped aside for another to take his place. An indictment was returned by the

grand jury, and almost immediately the defendant entered a plea of noile con-

When Judge Frazer adjourned court when Judge Frazer adjourned court
it was decided the grand jury should
hold a night session. Dr. Weber was
therefore taken before the body, where,
it is said, he recited his knowledge
of the graft conspiracy, corroborating
Klein's confession in every detail. At 9:30 it was announced the grand jury was ready to make a presentment,

#### Forty Men Are Indicted.

Judge Frazer came into court, and half an hour later indictments found against 40 present and former members of the two branches of the City Council. There were 41 names in the presentment, but one of the men notified the District Attorney that he would be on hand tomorrow and make

a complete confession.

The men indicted tonight will be allowed until noon tomorrow volunta-rily to appear and then the county detectives will be sent out with war-

gants for their arrests. While before the grand jury Dr. field.

# HEAD OF PRIVATE POSTOFFICE JAILED

ELIVERY IS CHEAPER THAN STAMP RATE ALLEGED.

C. F. Neth Accused of Acting as Carrier for Firms on Post Route. Indictment Drawn.

Alleged operating of a postoffice and mail delivery business in opposition to the postal department of the United States caused the indictment of C. F. Neth, with offices in the Worceste Building, by the Federal Grand Jury. Neth was arrested yesterday morning by Deputy United States Marshal Griffith and later gave bond to guarantee his

appearance in court for trial. In conducting the business of Neth & Company, the accused man is said to have entered into contracts with a large number of prominent wholesale house and other firms of the city whereby he delivered bills of account, statements and communications of similar charac ter, addressed to persons and firms or the streets covered by the carriers of the free delivery service.

In some instances, it is alfeged by the postal inspectors, Neth performed the service for three-fourths of the charge et by the Government for carrying the letter or package through the mails. Some firms, it is also alleged, employed the agency of Neth & Company at a stipulated compensation by the month. every instance, it is charged, the price was a reduction on postal rates. Operations of the firm are said to have grown to such proportions as to decrease materially the revenues of the Portland suspended sentences, are held in \$500 postoffice from the sale of stamps. Subonds upon their own confession of shar- perintendent of Carriers Jones and Inspector Clement brought the case to the attention of the Department of Justice. Neth will be prosecuted under a seprobe of the grand jury following the tion of the new Federal Code which pro hibits the establishment of a private con veyance for carrying letters and parcels over an established post route. It has been held by the courts that a street upon which free delivery exists is a post

The business of Neth & Co. was first stablished in the Worcester Building by Ferry Bros., as the National Credit Association. Ferry Bros. sold the mail deivery of their concern to Neth & Co. Neth refused to discuss the case except to say he was operating an agency for

## FACTORIES TO BE SOUGHT

Harriman Line Will Locate Them on

SEATTLE, Wash., March 21 .- (Spe cial.)-To throw open 129 acres of factory area in the heart of the tide-lands district, the Oregon & Washington Rallway is establishing an industrial bureau in connection with its traffic department and, through its ex-tensive acreage holdings, will take

Seattle Tide-Land.

steps to encourage diversified indus-This area extends from and along th east waterway to the city limits and includes a breadth of territory in the vicinity of Argo which is being rapidly

filled. The policy of the establishment of industries in this territory, as outlined by a high official yesterday, will be in favor of the many small diversified industries rather than a few large concerns. It will be the duty of the new industrial bureau, which will work independently of any It will be the other organization, to seek possible in-dustries for the location, subject all projects to a rigid inquiry and then, upon satisfactory assurances, extend the privilege of a long-time lease, the consideration for which shall be based on low interest upon the road's invest-ment in the site desired.

# JAPAN MOVES WESTWARD

Missionary From China Sees No. Danger to Philippines.

VANCOUVER, Wash., March 21 .- (Special.)-"I think there is no danger of Japan's taking the Philippines, for they do not seem to be expanding in that direction," said Rev. Z. C. Beals, of Wuhu, China, while visiting Dr. H. F. Hixon here yesterday. Rev. Mr. Beals has been a missionary in China for the past 18 years, and is returning to the Orient after a visit in Boston, his old home. He will sall from San Francisco for Corea Tues-day, March 29.

In speaking of the Japanese, he added: "They have swallowed up Corea and would like to have Manchuria. The Japanese are expanding westward, and al-though they were stopped by the Russian war, they did not recede to their old The Oriental, when faced by force, will stop and say 'Excuse me,' but will hold his advanced position until he is able to move again. As is the case with all nations, the Japanese are is not able to resist them effectually.

## AX-WIELDER IN HOSPITAL

Octogenarian Assailant of Son Not Insane, Retention Ordered.

ALBANY, Or., March 21 .- (Special.)-J. H. Maine, 85 years old, who struck his son in the neck with an ax Saturday afternoon, was placed in St. Mary's Hospital today. An examination disclosed that though feeble-minded, he is not insane, He was placed in the hospital, where he can receive attention pending further investi-gation of his case.

#### ONE LESS CANDIDATE OUT

Streetcar Conductor Who Would Be Tacoma's Mayor Is Ill.

TACOMA, Wash., March 21.—(Special.)—Charles H. Dow, streetcar conductor and candidate for Mayor under the commission plan of government, withdraw from the race today.

Mr. Dow is iil in a hospital. This leaves seven candidates still in the

# 45 SLAIN, 40 HURT AS CARS CRUMBLE

Double Train on Rock Island Ditched.

#### ENGINES PLUNGE INTO MUD

Smoker, Pullman Mangled.

WRECKAGE SOON CRIMSON

Bodies of Dead and Dying Horribly Mutilated, Many Being Crushed Beyond Recognition in Tangled Mass of Debris.

MARSHALLTOWN, Ia., March 21. Forty-five persons were killed and 40 were injured, many of them fatally, in a wreck of a Chicago, Rock Island & Pacific train four and a half miles north of Green Mountain, Ia., at 8:16 A. M. today.

The train, which was a consolidation of No. 19, from Chicago, and No. 21, from St. Louis, bound for Minneapolis, was being detoured over, the tracks of the Chicago Great Western road. Running at about 20 miles an hour in

#### cut north of Green Mountain, it struck a spread rail, it is believed. Pullman Car Is Smashed.

The pilot locomotive jumped the track with terrific force, was buried the embankment of soft clay A second locomotive, coupled behind the first, rolled over and the sudden stop

hurled all the rear cars forward. A coach, a smoker and a Pullman car were smashed to splinters, almost all the occupants being killed or injured. The superstructure of the Pullman was literally shaved off and was jammed like a ramrod through the smoker and day

Many passengers were killed outright. Heads were severed from bodies and arms and legs were cut off.

The wreckage was crimson with blood, some of the bodies being crushed beyond recognition in the mass of twisted rails and splintered cars. A few of the passengers were found still living with a rod or splinter impaling them in the wreck. Decapitated bodies were picked up and it was almost impossible to assort correctly the dismembered parts.

## Pasture Is First Morgue.

The wreck occurred at a point difficult of access. Such bodies as could be pulled out were stretched out in an adjoining pasture.

First attention was given to the wounded. Their cries coming from beneath the cars were pitiable. Fortunately, the wreckage dld not take fire.

The rescue party, reinforced later on by wrecking trains carrying nurses and surgeons sent from the nearest available points, worked all day and until long after dark. The injured were rushed to a hospital, several of them dying on the way. Two of the bodies were not taken out until night.

Fatalities occurred only in the first (Concluded on Page 2-)

# COOK'S DEFENDER COMES TO RESCUE

EXPLORER'S ONLY WHITE COM-PANION "TELLS" ON PEARY.

Rudolf Franke Declares Commander Demanded Cook's Valuable Fox-Skins to Save Life.

COPENHAGEN, March 21 .- (Special.)-Dr. Cook's only white companion in the Arctic regions last year, Rudolf Franke arrived in Copenhagen today from Hamburg. He said:

"Dr. Cook is the greatest martyr of modern times, and Peary has filched his glory. I followed Dr. Cook to Anatook Occupants of Day Coach, saw his preparations for the Polar trip were 100 to 1 that he would reach the Pole. I was taken sick and had to return on one of Peary's ships.

> "Commander Peary consented to take me home on the steamer Eric, if I gave him 200 blue Arctic fox skins belonging to Dr. Cook, which I carried with me. was compelled to accept the terms to save my life. The skins were worth 40,000 kroner (\$10,000). "Peary presented them to prominent

Americans, ex-President Roosevelt be-ing one of them. Dr. Cook never men-tioned the loss of the skins during the recent campaign in which he fough with Peary for honors of Arctic discovery. "Dr. Cook is not as strong as Peary

and is utterly broken down as a result of the terrible attacks upon him."

#### INDEX OF TODAY'S 'NEWS

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polar trip declares doctor martyr. Page 1.

National.

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Railroad activity in Idaho country looks like Harriman-Hill war. Page 6. Rapid rise in Palouse River threatens an other floods at Colfax. Page 8. rmers' demonstration train makes hit on Heppner and Ione visits. Page 8. Commercial and Marine,

cal wheat prices working to lower Page 19. title market shows further advance. Cattle Stock prices helped by successful bond sale. Small gains in wheat at Chicago. Page 19. Shipowners win damage suit against O. R. & N. R. Page 18.

Portland and Vicinity. Man indicted for alleged delivery of bills, letters, packages cheaper than U. S. stamp rates. Page I. Homer Davenport's lecture, "Power of the Cartoon," well received at White Temple.

Page —, ill lines will make through rates on wool shipments in sacks May 1. Page 9. here members of ilcense committee favor closing of all public dancehalls. Page 11. M. C. A. school work in four cities of Northwest to be on unit basis; additional branches taught. Page 13. ecciver Devlin testifies ex-President Moore of Oregon Trust knew of faise entries on bank's books. Page 1.

NEW BOSS OF CONGRESS?

# GROWS PEACEFUI

Democrats Appear to Be Satisfied.

## INSURGENTS ARE DISGRUNTLED

Certain Ones Angry at Speech of Speaker Saturday.

#### REGULARS TRY DIPLOMACY

Democratic Caucus Coming Wednesday, Republican Saturday-Personnel of New Rules Committee Is Cause of Conjecture.

WASHINGTON, March 21 .- The Hous ssed through its first day of business ollowing the great cruption of last week with remarkable quietude. Tonight, when adjournment came, there was an air of almness and amity that, to the observ ers of events last week, was almost unbelievable. Peace appeared near, not withstanding that less than ten days disfant is the election of a new rules com mittee with all its embarrassing complications

Many elements contributed to today's calm. The Democrats, satisfied with the situation as it left them after the four days of fierce strife, were content to let matters drift for awhile.

#### Regulars Most Diplomatic.

The regular Republicans, realizing from the violent outbursts in the press from various insurgents over the Saturday night speech of Speaker Cannon, wher he called them "cowardly members," tha party harmony was to be gained only by the most diplomatic tender of the olive branch, were most adroit in their relations with their insurgent brethren. Those insurgents who voted to ous

Speaker Cannon from the Speakership were eminently satisfied today and, like the Democrats, let things drift. The score or so of insurgents who

voted for the retention of the Speaker in the chalr only to be rewarded with withering blast from the Speaker, sup plied the only discordant note. They reached the Capitol in a decidedly wrath ful frame of mind.

#### Certain Insurgents Angry.

Several of them, like Representatives Norris of Nebraska, Madison of Kansas, Haves of California and two or three others, gave their views fully to the press, sparing no words in voicing their indignation at the situation. Two or three of them talked loudly of continued warfare-of a further fight on the rules of the House, upon Speaker Cannon, on the regulars in the selection of the new rules committee. But notwithstanding their loud cries of renewed rebellion, they were met on all sides by smiles and conelliatory words from the regulars.

Not the least influence in producing s general air of forgiveness was the word that came indirectly from the room of Speaker Cannon to the effect that the Speaker had moderated in his (Concluded on Page 3.)

## PATTEN IN DREAD OF BEING JOSTLED

EXPERIENCE AT MANCHESTER GETS ON HIS NERVES.

Orders All Newspaper Men Banned on Return to Chicago-Friend Offers Explanation.

CHICAGO, March 21 .- (Special.)-James A. Patten has evidently come to the conclusion that he is in dan ger of being "boo'ed," jostled and hit with clods in his home town, if the humor he was in today on his return from Manchester is a sufficient indi

Manchester must have "got on his nerves," for he called in the assistance of his "bouncer" to get rid of the news paper men who went around to greet him on his return to his office.

One of Mr. Patten's friends in the pit had a theory to account for the

speculator's excitability. "You see," said this man, "it's like this: I had a dog once that the dog-catchers nipped and threw in the pound, and, do you know, that dog never got over the shock? Whenever he heard a wagon in the street he'd

get nervous. "Now, I think it is the same way with Jim Patten. Jim is all right There isn't a better or kinder man in the world, but he's been through little rough work, and it's kind of got

#### 2 YEARS' MYSTERY CLEARS Body of John Craven Found in

Woods, Death Natural.

OLYMPIA, Wash., March 21.—The remains of John Craven, formerly employed to purchase piling for the Government harbor improvement, have been found and a mystery of two years has been cleared up. Craven, an Eng-lishman, aged about 50 years, had been working under J. M. Clapp, of Seattle, assistant Government engineer, and was engaged in purchasing piling for the Grays Harbor works. Two years ago he left the farm of James Adair, near Little Rock, this county, where he had been making headquarters for some days, starting through the dense timber days, starting through the dense timber for the Sherman place, six miles distant. He had been subject to heart failure, and had been warned against the trip. He disappeared, and for days large searching parties worked in vain to discover his whereabouts. The only traces found were imprints of the creases of his corduroy trousers, where he had apparently fallen, and occas-ional tracks of his rubber boots in soft

ground.

Sunday, John Erickson, a rancher in that vicinity, discovered the body in the woods, and investigation has practically identified it by the cordureys and boots. Craven probably died from heart failure.

## MAYBRAY GANG SENTENCED

Ten to Pay \$10,000 Fine Each, to Serve Two Years.

COUNCIL BLUFFS, In., March 21 -The maximum penalty of two years in the Federal Prison, at Fort Leavenworth, Kan., and a fine of \$10,000 each, was Fagle, in which rumor reports W. Copper meted out to John C. Maybray and nine others by Judge Smith McPherson, in the Federal District Court here today, when they appeared for sentence follow-ing their conviction by a jury Sunday for extensive swindling by fraudulent use of the mails. Four other defendants re-ceived less severe sentences. Aside from Maybray, those given the

full penalty were: Edward Loser, Edward K. Morris, Tom S. Robinson, Edward Leach, Clarence Forbes, Harry Edward McCoy, Clarence Class Bert Shores and William Marsh, who pleaded guilty, were sentenced to 15 months in the penitentiary and to pay a fine of \$100 each. Winfred S. Harris, who also pleaded guilty and Frank Scott, were sentenced to six months in jail and fines of \$100 each.

## Attorneys for the defense at once be-gan preparing motions for a new trial. SCRATCH OF THORN FATAL Pendleton Woman Contracts Blood-

poisoning and Dies. PENDLETON, Or., March 21.-Mrs. E

Crowner, aged 70 years, lies dead tonight as the result of a thorn scratch. It was about two months ago that she first received the superficial wound on the back of her hand. No attention whatever was paid to it at the time, but later .bloodpoisoning developed. The arm was saved, but the poison was diffused through her system and for several weeks she suffered intensely.

#### ORCHARD BRINGS \$40,000 35-Acre Tract Near Medford Bought by New Yorkers.

The deceased woman is survived by

four sons and two daughters.

MEDFORD, Or., March 21 .- (Special.) The Buckeye orchard, owned by W. G. Estep, was sold today to H. P. Houston and L. H. Houston, of Jamestown, N. Y., miles from Medford, contains 35 acres, of which eight acres is planted in pears,

fruit were shipped from it, netting in the bank at the time it closed.

#### SWEDEN LOOKS FOR STORK Prayer in All Churches Offered for

Princess Victoria. STOCKHOLM, March 21 - (Special)-

Prince Gustaf Adolf is expected in the near future. In all churches of Sweden prayers were offered yesterday for the Crown Princess, Margaret Victoria. The royal couple have

two sons, Prince Gustav Adolf, born in

1906, and Prince Sigvard, born in 1907.

An addition to the family of the Crown

# BANK FALSE, MOORE KNEW IT, IS TOLD

Receiver Devlin Gives Details of Wreck.

#### CROOKED BOOK ENTRIES CITED

Accused Surrenders Mutilated Notes of Golden Eagle.

#### HUGE LOSSES RECOUNTED

Only 129 Out of 500 Notes Secured, \$80,000 on Paper Held Now Deemed Worthless-Board of Trade Building Deal.

Thomas C. Devlin, receiver of the Oregon Trust & Savings Bank was the main vitness for the prosecution yesterday at the trial of Walter H. Moore, ex-presi-

dent of the wrecked institution Responding to a running fire of questions put by Deputy District Attorney Fitzgerald, Mr. Devlin testified that Moore knew the bank's books contained false entries and that Moore had used the bank's money in the Pacific & East-

ern Railroad deal. Further testimony by Mr. Deviin Intimated that Moore, after trying to conceal his knowledge of the extent to which the Golden Eagle store had used funds from the bank, admitted that he knew of the transactions between the bank and that establishment. After this admission, said Mr. Devlin, Moore produced the notes, mutilated by the names of the makers being torn off, and surrendered them to the receiver a short time after the bank suspended payment.

#### Huge Losses Listed.

Mr. Devlin cited startling figures, made public officially for the first time, to show the extent of Moore's alleged knowladge of the condition of the bank, and the apparent lack of caution exercised in handling its funds. With Habilitles of \$2,500,000 the bank closed with only \$45,000 in cash in its vaults. Including notes, good and bad bonds and stocks, valuable and useless, and all other types of ecurities, taken at their face value, there was only \$2,206,000 in assets.

In notes there was \$625,747.39, outstanding. All of this, with the exception of a small proportion had been loaned without mortgage or collateral. Out of 500 notes only 129 were secure Eagle, in which rumor reports W. Cooper Morris, the cashier, had a personal interest. To the Board of Trade Building Association, of which Moore was virtually sole owner, \$97,735,74 had been advanced. According to the calculations of Mr. Devlin, the losses actually incurred by the bank through the dealings of Moora and Morris, these transactions added to losses incurred through unsecured loans made to others, reached \$150,000.

From the estimate made by Mr. Devlin. the losses incurred by various deals were: Pacific & Eastern Railroad, \$19,000; Board of Trade building, \$50,000; Order of Washington, \$30,000; Lafe Pence, \$9000; Barrett Manufacturing Company, \$18,000; Pullman Auto Car Company, \$11,500; A. J. McCabe, contractor, connected with the Pacific &

#### Eastern Rallroad, \$6500. Big Notes Worthless,

Mr. Devlin testified that he had in his possession now unpaid and uncollectible notes amounting to \$80,000, which had been turned over to him as receiver and listed at their full face value in assembling the bank securities, which he considered

worthless. Deputy District Attorney Fitzgerald, iddressing the court, said he would prove later in the trial that just after the bank closed. Moore employed several men to induce depositors to accept telephone bonds as settlement of their claims that the institution might be reorganized. In this connection, said Attorney Fitzgerald, he would show that Moore was trying to get the bonds disposed of that their value, or rather their lack of value and the extravagant extent in which they had been nvested, would not become known.

Although the Golden Eagle had overdrawn to the extent of \$101,638.04, there was nothing on the books of the bank to show that that store was in debt to the bank when it passed into the hands of a receiver. The officials of the bank apparently had considered the money advanced this concern a dead loss and wrote it off the books by putting The tract, which is seven the amount given to the Golden Eagle against "bonds and warrants." bonds and warrants represented stock of eight acres in apples, and the remaind-er in young orchard.

This is one of the best orchards in Rogue River Valley. Last year 11 cars

#### Moore Surrenders Paper.

Receiver Devin said that when he first made an examination of the books of the bank he had no means of ascertaining whether the Golden Eagle notes , had been paid and that it was not until after he had investigated that he saw that something was wrong about the entries on the books. He then asked both Morris and Moore regarding this account. Moore, he said, had represented to him first that the only indebtedness of the Golden Eagle was a small overdraft and one note for \$7000, making total of about \$8000. Moore, said Mr. Dev-

(Concluded on Page 7.)

