

tal invested, while taking for themselves the whole of the profits. And, as now perfected where it fully prevails, the buyers, and the handlers of the goods co-operate. All members, who are the purchasers, and the workers share in the profits. Capital only gets its fixed interest. Prices, if high, bring big dividends. If low give cheap goods and small dividends. The result is about the same. Consumers co-operate for mutual benefit and obtain the profits on their own purchases. That is the principle of real co-operation as carried out in the old country. It has been successful from the beginning.

THE SCANDAL-MONGER.

WE hope the prosecution of the person said to be the author of numerous libels in a blackmailing sheet, published in California, will be pushed to a full end. If the accused is really the writer of the shameful slanders that have appeared in that disreputable paper, he ought to be punished to the extremity of the law.

The false and scurrilous report of the May musical festival which appeared in that paper, emanated from a foul and depraved mind, and it bears the stamp of the same pen that furnished the personal libels now criminally complained of.

If there were any means by which the paper that gave place to these atrocious libels could be reached, its publishers ought to receive the most severe penalties. Such papers are a disgrace to the State or city which tolerates them, and are blotches on the face of civilization.

Personalities may sometimes become necessary when the public acts of individuals have to be shown up for the public benefit. But the assaults upon personal character which are permitted to go unpunished and often unrebuked, are unworthy of any decent publication, and either the papers that publish them should be suppressed or the authors should be heavily punished.

The man now accused ought to have a fair trial, and every opportunity to clear himself of the charge against him. But if he is justly convicted, no mistaken sentiment ought to come between him and the imprisonment which such vile conduct clearly merits.

NEW YORK, June 30.—By the will of Lawyer Charles M. DeCosta, Columbia College will be \$100,000 richer.

A CLEVER SCHEME DETECTED.

THE following statement of a remarkable feat appeared in the *San Francisco Chronicle* of June 24th:

"William Fallon and J. W. Nagle were arrested yesterday morning while in the act of tapping the wires of the Western Union Telegraph Company. It has been known by telegraphic and police officials for months past and by the poolroom conductors that there was a leak somewhere, and although several persons, among them Fallon and Nagle, were suspected, no arrests were made until yesterday. The poolrooms have suffered greatly and consequently there was much satisfaction expressed when the arrests were known.

"William Fallon is a young man who received nearly \$60,000 from the estate of his father, who was a wealthy real estate owner of San Jose. J. W. Nagle is an expert telegraph operator, but was discharged from the Western Union service about two years ago for furnishing information of the contents of messages, received by him, to outside parties. It has been an open secret among Fallon's intimates for a long time past that he was a sure winner on the eastern horse races and many watched him in the pool rooms and bet their money as he did with satisfactory results to themselves.

A few weeks ago Superintendent Jaynes of the telegraph company discovered that the wires connecting the poolrooms with the main office were being tampered with, and through the efforts of employees and the police it was found that the trouble was caused by "tapping" on the roof of the old Academy of Music building on Pine street. The company then put in what is called a "metallic circuit," and through this and by means of the galvanometer the main office was at once notified of any attempt to interfere with the wires. The active brains of the men who had a sure thing were once more set to work, and Nagle evolved a brilliant scheme for getting around the difficulty caused by the introduction of the new devices. This was done by the use of a "compensating resistance" machine, which prevented the galvanometer from betraying the work going on.

There was no doubt in the mind of Superintendent Jaynes and certainly on the part of the owners of the five pool rooms that there was something wrong, although where the trouble lay or who the cause of it was could not be determined. Chief of Police Crowley and Captain Lees were informed of the matter, and for several weeks past Fallon and Nagle have been watched night and day. There was no secret about the matter either, as any number of persons were aware of the fact that these two men, with three others, were not only suspected, but very good proof existed of the business in which they were engaged.

"A few days ago it became known to the police that Fallon and Nagle had rented room 9 in the Benson building, on the corner of Pine and Leidesdoff streets and that they had connected their wires with those leading from the main office to the pool rooms. About 6:30 o'clock yesterday morning Captain Lees and Detectives John and Dan Coffey and Bohan, accompanied by two employees of the telegraph company, burst in the door of the room and arrested the two men. Both showed that they were taken by surprise and attempted to escape, but the door was well guarded and they

failed to get away. Every preparation had been made to tap the wires during the day and they would have been successful in their plans for the invention to offset the galvanometer would have saved them. Superintendent Jaynes said that the work was so cleverly performed that it was almost impossible, after a long examination, to find where the circuit had been tapped. It took the best electrician in the employ of the company over two hours to detect the place where the tapping had been done. There were ten large batteries, two sets of instruments and several switchboards, as well as various other articles, found in the room. The "receiver" was the only instrument lacking to complete the outfit, and that was found later in Fallon's room, on the corner of Montgomery and Bush streets.

"The arrested men were taken in a hack to the private office of Chief Crowley, where Superintendent Jaynes had a long interview with them, but without learning anything which had not already been known. Captain Lees said that the men intended to work a big scheme in connection with others, whose names would no doubt be found out in a short time. The police were looking for the electricians who made and furnished the instruments. In his opinion there were six or more men interested in the job, and they would be run down.

"Superintendent Jaynes said that this was by a long way the cleverest scheme he had ever heard of. After Nagle's discharge he met some men and introduced the scheme for tapping the wires. They were soon discovered and the metallic circuit was introduced to prevent any further annoyance. The company believed that it would be impossible to tamper with the wires without becoming aware of it, but it was wrong. The device would have been satisfactory if the men had not been discovered. The compensation resistance machine was invented, especially for this purpose, and it was the most ingenious that could have been constructed.

"Fallon and Nagle remained in the Chief's private office until late in the afternoon, and no charges against them were entered upon the prison register until the evening. They will be charged with felony and prosecuted under Section 640 of the Penal Code, which makes the punishment not to exceed five years in the State prison, or one year in the county jail and a fine not to exceed \$1000.

THE PLOT OF THE FILIBUSTERS.

NO SMALL degree of interest has been aroused by the recent attempt to seize Lower California and set up therein an independent government. The *San Francisco Chronicle* claims to have obtained information on the subject from Walter G. Smith, editor of the *San Diego Sun*, who was connected to some extent with the plot. In its issue of June 24, of that paper, Mr. Smith is credited with making the following statement:

"The English Colonization Company was alone at the bottom of the so-called raid of filibusters. The scheme was never intended as a filibustering proposition, but was to be a revolution of the residents of Lower California, nothing more nor less. Major Scott came to me, originally, as