

## CZAR DECLINES TO YIELD MORE

### Rumored Purport of Reply to Roosevelt.

## WHAT PRESIDENT ADVISED

### Avoid Paying Indemnity by Buying Back Sakhalin.

## JAPAN WILLING TO ACCEPT

### New Plan of Compromise Sent to Czar and Reply Received Last Night—President Sends Message to Witte.

PORTSMOUTH, N. H., Aug. 22.—A long cablegram from St. Petersburg, which is believed to be the Russian reply, arrived about 10 o'clock tonight. Mr. Witte's secretary, Mr. Nabokoff and Mr. Plancon, immediately began deciphering it.

Considerable excitement was apparent in the annex where the Russian headquarters are located. Shown by sheet the translation was taken from Mr. Witte's room.

The rumor is that it is a refusal—a non possumus—a retort of the Russian position that she has given ample proof of her desire for peace in the articles already accepted, and that more she could not yield with dignity and honor.

No confirmation of the report can be obtained, and it must be accepted with all reserve.

The lights in the rooms of Mr. Witte and Baron Rosen were burning long after midnight.

PORTSMOUTH, N. H., Aug. 22.—The Associated Press is now in a position to reveal substantially the suggestion of President Roosevelt for breaking the existing deadlock in the peace negotiations and rescuing the conference from failure.

His solution would ingeniously permit the satisfaction of the Japanese demands for reimbursement for the cost of war and at the same time enable Russia to face the world with the declaration that she had not ceded a foot of territory or paid a kopeck of war tribute to the victor.

The solution is the one which has heretofore been described in the Associated Press dispatches as the natural and logical compromise.

Terms of Proposed Compromise.

Terrestially stated, it consists in an agreement by Russia to relinquish possession of either all or half of the island of Sakhalin, now in the military occupation of Japan, for a sum, the amount of which, if the two countries cannot agree, shall be decided by some method of arbitration hereafter to be determined. The purchase money, together with the sum obtained from the cession of the Chinese Eastern railroad and the maintenance of the Russian prisoners in Japan, would, it is estimated, about equal the amount claimed by Japan as her bill for the cost of the war. Possibly, therefore, the solution offered by the President involves receding by Japan upon article 5 (the cession of Sakhalin), and receding by Russia upon article 9 (indemnity). It seems practically certain, though this cannot be affirmed positively, that the President today was able to give Mr. Witte substantial assurance that Japan would be willing to accept such a compromise.

This is apparently supported by the authoritative statement made to the Associated Press tonight in reply to a question as to whether Japan had not decided to make substantial concessions:

"It all depends upon Russia."

Roosevelt's Message to Witte.

It was the President's message to Mr. Witte which caused the sensation of the day. Early in the morning had come the official announcement that the meeting of the conference which was to have been held today, had been postponed until tomorrow at 9:30 o'clock. The public reason assigned was that the protocols for submission at the sitting had not been completed. But a few hours later the true reason leaked out. J. L. McGrew, one of the stenographers attached to the executive office at Oyster Bay, had arrived with a communication from the President for the Russian plenipotentiaries. Mr. Witte and Baron Rosen had left the hotel, ostensibly for a ride in an auto car to York Beach, but instead had quietly slipped over to the conference building at the Navy-yard to receive the message from Assistant Secretary Peloe. The most elaborate precautions had been taken to insure secrecy, but it leaked out through a "tip" from New York which reached the Associated Press.

Conference at Navy-Yard.

From 12:30 to 1:30 Mr. Witte and Baron Rosen remained at the conference building with Mr. Peloe. All those present declined to make any statement regarding what transpired at the navy-yard, even refusing to admit that any importance attached to the matter. Mr. Witte would only admit that he had gone to the building "to send a message," and Baron Rosen and Mr. Peloe absolutely refused to make any statement. Mr. McGrew took the 2:35 train to Boston, after first inquiring at the intelligence office for the connections to Oyster Bay. He carried

a dress suitcase, which probably contained the reply to the President.

The reply, it is believed, was prepared by Mr. Witte and Baron Rosen after Mr. Peloe had delivered to them the President's message. A suggestion is made that during the stay at the navy-yard the Russian plenipotentiaries were in direct communication with the President by telegraph, but there is nothing to substantiate this, and under the circumstances it appears unlikely.

Mr. Roosevelt's message to Mr. Witte and Baron Rosen is believed to have been the result of his interview yesterday at Oyster Bay with Baron Kaneko, one of Marquis Ito's close friends, who has acted as the President's medium of communication with the Tokyo government.

It has been asserted here that, in addition to the President's communication to Mr. Witte through Baron Rosen last Saturday and by messenger today, messages directly to Emperor Nicholas have been delivered by Ambassador Meyer at St. Petersburg, but no official confirmation is obtainable.

The general disposition was to regard today's swift and kaleidoscopic developments as materially brightening the chances of the success of the President's heroic endeavors to save the peace conference from failure. But it was realized that all, as before, depended upon the attitude of Emperor Nicholas and his advisers. Mr. Witte, it is positively stated, personally favors the solution offered by the President, but he is powerless unless his imperial master gives the word. With the most intense anxiety that word was awaited. It spells peace or war.

Another slight flurry was created today by the arrival of Colonel Michael, the chief clerk of the State Department. He had come in response to summons from Mr. Peloe, but both he and Mr. Peloe were in the visit was only in connection with the routine business of the department.

Peloe Enters Denial.

Mr. Peloe tonight issued the following statement:

"No envoy or representative of the President has any conference with Mr. Witte or Baron Rosen today, nor did I have any conference with either of them, nor was I closeted with them. They had business at the navy-yard and my duties required me to be present at the yard to make suitable arrangements for their comfort. But in no way, shape or manner did I have a conference with them on behalf of the President in relation to their return to Japan."

"Mr. Witte and Baron Rosen had intended to remain longer in the navy-yard, having a luncheon prepared for them, but owing to a derangement of the stomach from which he has been suffering for several days, Mr. Witte, being under the care of a physician at Westworth, deemed it inadvisable to remain for luncheon at the yard, and therefore took his departure at an earlier hour than usual, leaving some of his secretaries, who continued their work in the conference building until 7:30 o'clock."

WITTE BOUND BY INSTRUCTIONS

Cannot Recede on Indemnity and Sakhalin if He Would.

PORTSMOUTH, N. H., Aug. 22.—As the situation now stands, Mr. Witte could not, if he would, recede or compromise on article 5 (Sakhalin), or article 9 (indemnity). The instructions given him by the Emperor before he left St. Petersburg precluded the possibility of either, and it can be stated up to the present hour every message he has received directly or indirectly from his Emperor shows no sign of any change of mind. And from private advices the advisers whom the Emperor is consulting seem

KOMURA ACCEPTS COMPROMISE.

PORTSMOUTH, N. H., Aug. 22.—(2 A. M.)—It is stated that Baron Komura has agreed to offer at the session at 9:30 this morning the President's compromise proposition. A high authority believes it impossible that a final rupture can come today, no matter what the character of the Emperor's final instructions to Mr. Witte may be.

"If the negotiations can be prolonged into next week," he said, "so much pressure will be brought to bear upon the Emperor that he will not be able to resist."

practically unanimous in support of the view that further concessions are inconsistent with Russia's dignity and honor, and that unless Japan is prepared to yield something substantial—not upon articles 10 and 11, but upon articles 5 and 9—it is better to continue the war.

There is a strong intimation that the Japanese are opposed to making a proposition when the conference reassembles. But there is nothing to indicate that they are prepared to recede on either articles 5 or 9. Articles 10 and 11 they might forego, but that would hardly bring peace nearer. Five and nine remain now, as at the beginning, the seemingly insurmountable obstacles to peace.

Article 10 of Japan's demands provides that the Russian warships interned in neutral ports shall be turned over to Japan.

Article 11 calls for the limitation of Russia's naval power in the Far East.

HOLDS RUSSIA RESPONSIBLE

Japanese Paper Says Next Conference Will Be in Tokyo.

TOKIO, Aug. 22.—The Jiji in commenting upon the proceedings at the Portsmouth peace conference today, says:

The cession of the island Sakhalin and the reimbursement of the cost of the war are the vital points of our demands and leave no room for any compromise. The moderation and reasonableness of these demands will be admitted, even by France. Should the attempt to promote peace fail, the responsibility will rest with Russia, not with Japan. If the Russians re-

## TRUST THROTTLES OREGON INDUSTRY

### Flax-Fiber Plants Destroyed by Repeated Attacks of a Secret Enemy.

## BOSSE ONCE IN ITS PAY

### Expert Sent Here to Head Off Belgian Manufacturer—Mrs. W. P. Lord Tells of Cunning Work of Emissaries.

## Expert Sent Here to Head Off Belgian Manufacturer—Mrs. W. P. Lord Tells of Cunning Work of Emissaries.

SALISBURY, O., Aug. 22.—(Special.)—That three flax have been set at the instance of the linen trust to destroy the flax industry in Oregon, is the opinion of Eugene Bosse, the flax expert, who has been developing the industry here. This opinion is shared by Mrs. W. P. Lord.

The leading spirit in the organization of the Women's Flax Fiber Association, which conducted the first experiments with fiber production at this place.

Mrs. Lord declares that the association suffered frequent damage to its property from hidden enemies, and she is satisfied that there is a persistent and cunning effort to prevent the growth of flax and the manufacture of linen on the Coast.

The trust began its work, the linen trust sent men among the farmers who had agreed to sow flax and induced them to abandon the undertaking, by representing that it would not pay and they would get their fields full of foul seed.

Later, when the association started scutching mills, using water-power, the dam was repeatedly broken, so that it was finally abandoned. Because of the damage suffered, an armed guard was employed to watch the flax mill at night.

Merits of Fiber Shown.

In 1901 the association had demonstrated the merits of the Oregon flax fiber and interested the Diemel, large Belgian manufacturers, in the industry here. As soon as the American linen trust learned Diemel had come to the Coast to invest capital in flax manufacturing, Mr. Bosse was indirectly employed by the trust to come here and embark in the flax industry, so as to shut Diemel out.

Bosse was furnished all the money he needed until harvest time, when Diemel, owing to the death of his wife, ceased his negotiations here, and immediately Bosse was told to discontinue his work. He refused to quit, and when the supply of funds was cut off, he went ahead with his own money and that of James Atherton, of Honolulu.

Bosse was at one time offered a considerable sum of money if he would quit saying that flax fiber cannot be successfully grown in Oregon, but he unhesitatingly refused the offer. Numerous other incidents have convinced Mr. Bosse and Mrs. Lord that heavy Eastern manufacturing interests are fighting the flax industry here, and the three fires which have destroyed the flax of four crops are regarded by them as the work of agents of the linen trust.

Twine at a Third Present Price.

"The reason for the trust's course is plain," said Mrs. Lord tonight, "when it is remembered that twine such as is used for fishnets on the Columbia can be manufactured in Oregon for 35 cents a pound, whereas the trust gets \$1.15 a pound for it."

"I suppose that an effort will be made to burn next year's crop if one should be grown, but I believe the shotgun method should be tried as a preventative. The State of Oregon should do all in its power to discover and punish the incendiaries."

After reviewing all the circumstances, Deputy Sheriff Minto, who has been investigating the fire of last night, expressed the opinion that the fire was set at the instance of some persons determined to kill the flax-fiber industry in Oregon.

Mr. Bosse returned tonight from Chehalis, and is so broken in spirit by the last calamity that has befallen him that he cannot discuss his probable future operations.

## MAKE ROCKEFELLER TELL HIS EVIDENCE WANTED IN SUIT AGAINST STANDARD.

### Widow of Inventor Claims \$50,000, 000 as Royalty on Patent Refining Process.

BORTON, Aug. 22.—A motion was made in the Supreme Court today for the appointment of a commission to take the testimony of John D. Rockefeller and other officers of the Standard Oil Company, in the \$50,000,000 suit brought by Mrs. Elizabeth P. Greenough, of this city, who alleges that the amount due her as royalty on the oil refined by the company since 1874.

The suit is based on an alleged contract made with the late Benjamin F. Greenough, the inventor of a refining process, by the terms of which Greenough was to receive one quarter of a cent on every gallon of oil sold by the Standard Oil Company.

H. H. Rogers, who is made the chief defendant, in his reply to the suit, says an agreement was made, but that Mr. Greenough vacated it on January 1, 1875.

## Ovation to Fairbanks

### Ogdensburg Veterans Cheer Him With Enthusiasm Through Town.

OGDENBURG, N. Y., Aug. 22.—Vice-president and Mrs. Fairbanks, accompanied by Representative and Mrs. David J. Foster, arrived here tonight in Mr. Foster's private car from Manchester, Vt., and was received at the station by thousands of citizens. Battalions of United States troops and the National Guard escorted the Vice-president's party to the residence of State Senator Mailby, where guests were during their stay. A most enthusiastic reception was given to the Vice-president all along the route. Thousands of old veterans stood near the Maltby residence, Mr. Fairbanks standing uncovered as his carriage passed them.

Tonight the Vice-president occupied a box at the campfire of the St. Lawrence County Veterans Association, now in convention here, his presence being the occasion of enthusiastic demonstration. Tomorrow evening the party will go to Alexandria Bay as guests of William B. Ridgely, Comptroller of the city. A reception will be tendered them in the evening at the Thousand Island House.

## TRAINS COLLIDE HEAD-ON

### Three Trainmen Killed and Two Trains Demolished in Kansas.

TOPEKA, Kan., Aug. 22.—Three persons were killed shortly after 1 o'clock this morning, in a head-on collision between two Union Pacific freight trains 14 miles east of Topeka, a town on the Union Pacific, 15 miles west of Topeka.

The dead: WILLIAM H. GIBSON, engineer, Kansas City, Kan.; CLARENCE REESE, conductor.

The three men killed were members of a crew of an extra west-bound wheat train, which crashed into the west-bound train of regular west-bound 181 at a sharp curve. The local Union Pacific people refuse to give out any information about the wreck.

Two members of the crew of No. 181 are missing. But the wreckage reveals only three bodies. Both locomotives were demolished.

## CURE FOR LEPROSY PROVED

### No Trace of Disease on Body of Former Sufferer.

MANILA, Aug. 22.—What appears to be a well authenticated instance of the cure of leprosy by the X-ray treatment has been found here. A few weeks ago a patient who had been afflicted with leprosy for many years had been treated for that disease died of liver complaint. After the patient's death every part of the body was subjected to a searching microscopic examination by bacteriologists, but not the slightest trace of leprosy could be found.

Dr. H. B. Wilkinson is the physician who treated the patient for leprosy. He is a graduate of the University of Virginia class of 1894.

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### Washington Delegate's Attack on Chief Engineer Quickly Resented.

## "COWARDLY," SAYS RAKER

### Clash Arises Over Question of the Truth of Mr. Newell's Statement That Washington Hates Red Tape.

## ADDRESS BY MAJOR ALFRED SEARS.

Major Alfred F. Sears, Sr., formerly in charge of the engineering department of the Peruvian government, will give an address this morning at 10 o'clock at the Chapman School before the climatological section of the Irrigation Congress. Major Sears will speak on the subject of Peru's coast deserts.

During two sessions consuming seven hours of hard work yesterday forenoon and last evening only six resolutions were disposed of by the committee on resolutions of the National Irrigation Congress, and the evening session was punctuated with one of the sharpest debates that has yet taken place. G. A. Williams, of Washington, declared the statements made before the committee by Frederick H. Newell, that official Washington is united in an effort to free the Reclamation Service of features of red tape that surround other departments, "were 90 per cent falsehood."

The bitterness with which the Washington man made the statement came as a complete surprise to the committee and formed the subject for a very spirited forensic contest, in which J. E. Raker, of California, defended the chief engineer of the Reclamation Service and pronounced the accusation of the delegate as unfounded for and in very bad form. In view of the fact that Mr. Newell had given every opportunity for the members of the committee or others to ask any questions they might desire, Mr. Newell was present at the early part of the evening session at special invitation of the committee, which had deferred action upon the resolution introduced in the morning favoring the appointment of a disinterested commission to handle the reclamation funds.

Mr. Newell explained in detail the methods of making engineering investigations, approving and the manner of supervision by the engineers. He described the effort made by department officials at Washington to free the work from unnecessary delay, and after making a very thorough exposition of all the points requested that if further information was desired questions be propounded. He then asked permission to retire from the room, which was granted.

Judge Raker, of California, then moved that in view of the existing conditions the resolution be rejected and the resolution be referred to the Reclamation Service engineers be the sense of the committee. It was this suggestion that brought Delegate Williams to his feet and it was then he declared that "90 per cent of what Mr. Newell has told this committee is untrue."

Attack Called Cowardly.

Judge Raker in language that could not be misunderstood pronounced the attack of the Washington man cowardly; made in the heat of passion and in the absence of the one to whom it alluded. He said that in the country he came from men would not do that sort of thing, or if they did one or the other would be obliged to swallow his words very quickly.

Members of the committee, as a whole, did not take any positive position on the subject and the resolution for a disinterested commission was withdrawn by G. A. Williams, of Nebraska, who introduced the resolution.

The following resolution referring to the admission of Oklahoma and Indian Territory was introduced at the morning session of the resolutions committee by Delegate H. S. McCowan, of Oklahoma, and after much debate, was referred to a subcommittee for the purpose of drafting a resolution covering the admission of all the present territories.

Sympathy for Territories.

"Whereas, it is one of the fundamental principles of the American Government that men shall have the right to govern themselves; and

"Whereas, Better local conditions can be secured through state government than through territorial; therefore, be it resolved, That the sympathy of the Thirtieth Irrigation Congress, assembled at Portland, Oregon, is with Oklahoma and Indian Territory in their endeavor to secure joint statehood for the two territories."

Western Immigration Congress.

J. F. Callbreath, secretary of the American Mining Congress, favored the following resolution upon the organization of a "Western Immigration Congress," to meet in Denver early next year:

"Resolved, That the immigration in the population and commercial prosperity and development of irrigated agricultural lands in our Western States is now possible on account of the remarkable showing of these states during the past ten years in all lines of agricultural, mining and commercial endeavor; and

"Whereas, It is necessary that there should be combined and intelligent effort on the part of the citizens of the Western States in encouraging good citizens of the older states, of Canada and of certain European countries to populate our vast acreage with prosperous homesteads, and

"Whereas, Questions relating to immigration, which closely allied to the work of this congress, can best be handled both by the publicity and legislative stand-

## CZAR READY FOR MORE FIGHTING

### Resumes Dispatch of Troops to Front.

## WITTE'S MISSION IS ENDED

### Returned General Predicts Further Disasters.

## PRICE OF PEACE WILL RISE

### Effect of Czar's Interview With Kaiser Was Withdrawal of Instructions to Make Desired Concessions.

Summary of War to Date.

Japan has driven Russia from Corea, Port Arthur, the whole Liaoting peninsula and Southern Manchuria, to a line about 100 miles north of Mukden, and has occupied the island of Sakhalin.

Cost of war—Russia, \$1,000,000,000; Japan, \$500,000,000.

Dead and wounded, including Japan Sea battle—Russia, 192,000; Japan, 164,000.

Ships lost—Russia, 68; Japan, 24.

Forces sent to front—Russia, 840,000; Japan, 700,000.

Japan's present available naval strength is 235,401 tons. Russia's nominal naval strength is 228,750 tons, but of these ships 102,150 tons are shut up in the Black Sea and 28,000 tons are in the Baltic. The remainder are not available for hostilities. In fact, Russia has been driven from the sea, and her fleet remains in port, either in coast-defense vessels in home ports, or are so scattered that they could not hope to accomplish anything. Japan, on the other hand, has raised a number of the Russian ships sunk at Chemulpo and Port Arthur, and has captured a ship in the battle of the Japan Sea, which will be repaired for use in war.

CHICAGO, Aug. 22.—(Special.)—According to a special cablegram to the Daily News from St. Petersburg, Mr. Witte's mission at Portsmouth is considered ended and a rupture is expected at once. The dispatching of troops and provisions to the scene of war in the Far East has been vigorously resumed, and a special Minister of Siberian Railroads and Waterways has been appointed.

"Nobody," he says, "shares in the optimism of the government." A General recently returned from Manchuria is quoted in an interview today as saying: "The coming campaign will be of short duration. The numerical increase in the armies will only impede the retreat which Linvitch must make, because victory is impossible. The soldiers are demoralized and undisciplined, the chiefs incapable, distrustful and disliked." He continued: "The claim that Japan has reached and passed its climax and is now exhausted is ridiculous. The Japanese are gaining strength in proportion as we are losing. Any delay will only increase the price of peace."

CZAR'S SPINE IS STIFFENED

Takes Back Concessions Authorized After Meeting With Kaiser.

CHICAGO, Aug. 22.—(Special.)—The correspondent of the Daily News in Moscow says: "If Mr. Witte withdraws from the Portsmouth conference rather than admit the principle of indemnity and agree to the cession of Sakhalin, that act will show that his instructions have been modified since he left St. Petersburg. As your correspondent has stated before, an authority hitherto often tried and found trustworthy informed him at the time of the Russian envoy's departure that the Czar had sanctioned the payment of \$500,000,000 and the cession of half of Sakhalin Island."

"It was never supposed for a moment in St. Petersburg, notwithstanding the protestations of Mr. Witte, that Japan would be so self-denying as to refrain from asking for the strip of land lying off the mouth of the Amur River and for reimbursement of its war expenses."

"The inevitable inference from these facts is that after the Czar learned from the Kaiser at their interview off the coast of Finland that William intended to take no action toward France that would require Russia to espouse the case of her ally, the Czar instructed Mr. Witte to yield not an inch of territory and not a kopeck of indemnity."

"From a political point of view, the reformers are glad that the autocracy appears bent on hastening its own destruction by continuing the bloody farce in the Far East."