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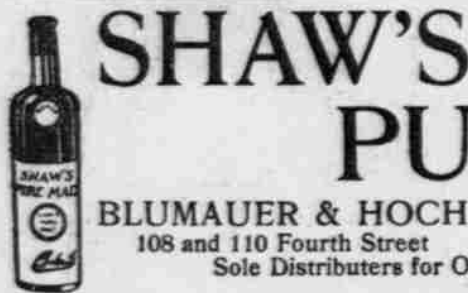
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THE AEOLIAN COMPANY

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FIGHTING NEAR PANAMA.

Revolutionists Defeated in an Engagement at Agua Dulce.

PANAMA, Jan. 24.—A report has reached here that the forces under the Colombian General Castro had an engagement with the troops under the revolutionary leader, General Herrera, in the neighborhood of Agua Dulce, southwest of Panama, in which the revolutionary forces were defeated. Confirmation of this report is awaited. The meeting of the government troops and the revolutionists will explain the delay in the expected attack upon Panama. Nobody is allowed on the streets of Panama, under penalty of arrest, after 10 P. M. Reinforcements are expected momentarily from Buena Ventura. Suspicious lights have been seen off the Pacific coast, northeast of Panama, signaling with the shore. It is surmised that revolutionists are trying to land there.

The latest advices from Buena Ventura and Bogota report that all is quiet in the interior of the republic. News has reached Panama that General Porras, one of the insurgent leaders, was wounded on board the steamer Padilla during the naval battle in Panama Bay. The government is making proposals to a wrecking company at New York to float the Lauro. Her guns have been salvaged.

AFFRONT TO FRANCE.

President Castro Sustains the Action of the La Guayra Officials.

WILLEMSTAD, Island of Curacao, Jan. 24.—In spite of the protests made by the French Consul, President Castro has sustained the action of the Venezuelan authorities at La Guayra, who refused to permit M. Secretan, Jr., of Bordeaux, to land, although the government had previously assured the Consul that the traveler might disembark. It is held by the authorities that while the French line steamer St. Laurent, on which M. Secretan was a passenger, was at Port de France, or at Trinidad, he conferred with General Matos, the revolutionary leader. The Consul made inquiries on the subject, which established the fact that Matos was not at Martinique or Trinidad when the St. Laurent touched at those islands. It is claimed that this incident makes it necessary for the French government to take steps to cause French citizens to be protected, and it is believed that the French cruisers Tige and Suchet, now at Port de France, will receive orders to go to La Guayra.

OFFICERS RE-ELECTED.

Not a Dissenting Vote at the Mineworkers' Convention.

INDIANAPOLIS, Jan. 24.—The executive officers of the United Mineworkers of America were re-elected today, without a dissenting vote among the 346 delegates attending the annual convention of the organization. They are: President, John Mitchell; vice-president, T. L. Lewis; secretary and treasurer, W. B. Wilson. The convention adopted a resolution appropriating \$500 to the National McKinley memorial fund, after a prolonged discussion. The following resolutions, recommended by President Mitchell in his annual address, were adopted: That local throughout the country petition their representatives in congress to favor the limitation of the power of Federal Judges in the issuance of blank injunctions in times of labor troubles; that a National department of statistics be created; providing for the appointment of a committee of five to draw up suitable resolutions favoring Chinese exclusion.

RAILROAD OFFICIALS BLAMED

Coroner's Jury Holds Them Responsible for Tunnel Accident.

NEW YORK, Jan. 24.—The Coroner's investigation into the causes of the recent disaster in the New York Central Railroad tunnel was brought to a close to-night, when the jury, after being out three hours and five minutes, returned a verdict completely exonerating John M. Wierker and E. G. Fyler, the crew of the engine that crashed into the rear end of the train, causing the death of 17 people. The verdict places the blame for the conditions leading to the accident on the officials of the road. Both Wierker and Fyler were immediately discharged from custody.

Accident Caused by Fog.

OMAHA, Jan. 24.—W. L. Stewart, yard foreman, was killed and six others injured in a freight wreck in the Burlington yards in this city early today. The wreck was caused by a heavy fog which prevented the engineer of a switch crew seeing a freight which was just pulling into the yards.

John N. Canfield.

CHICAGO, Jan. 24.—John N. Canfield, a prominent business man of Omaha, dropped dead today in the Illinois Central station, presumably from heart disease.

WAR ON RAILROADS

Governor McBride Gives Out Sensational Statement.

WANTS THE TRUST BROKEN

The Northern Securities Company Must Be Regulated—Corrupt Lobbyists Cannot Be Tolerated.

OLYMPIA, Wash., Jan. 24.—Governor McBride today gave out a statement of his attitude toward the railroads. It is at once a declaration of war on the railroad trust, and a sarcastic and effective arraignment of the Northern Securities Company. It clearly defines the policy of the Governor in the matter of a Railroad Commission, and shows that the fight for a commission, call for now on the last session of the Legislature, is to be renewed. A few vigorous remarks on the subject of corrupt lobbies will also make interesting reading for the railroad corporations that have heretofore maintained their at Olympia. The statement follows:

"Since there has been, and is as yet in this state, no public agency to protect the people in the matter of railroad rates, they have had to rely upon competition alone for protection. Competition between the roads has not proved to be an adequate protection to public interests, but even that partial safeguard has been removed. For some time past there has been no real competition between the great railway systems serving the people of this state. This absence of competition has been brought about by means of the same individuals acquiring a controlling interest in the stock of the formerly competing lines, and the obtaining of this controlling interest has given rise to the so-called community of interest operation of these roads.

"The basis of such a combination of interests is necessarily false, because of the many individual facts in it. It is like a chain of many links, the breaking of any one of which would be disastrous to the whole. One of the individuals might die, or sell his holdings to another. Either event might destroy the combination. For this reason the motives of the community-of-interest idea were not satisfied. So, in order to solidify the chain and make it a bar of steel, thus perpetuating their control, a scheme was contrived to form a gigantic corporation to which a majority of the stock of each competing line should be transferred, the individuals receiving, in return, an amount of the new company, which stock might change hands freely without in any way disturbing the control.

"The Northern Securities Company is that corporation. However the 'community of interest' is created or maintained, the result is the stifling of competition.

"An action has been commenced in the Supreme Court of the United States by the State of Minnesota, against the Northern Securities Company, the object of which is to restrain the latter from carrying out the purpose for which it was called into existence. But no matter what the result of that suit may be, action on the part of the people will be necessary to protect their own interests.

"Suppose the injunction prayed for should be granted, is the danger at all ended? If the same parties own or control a majority of the stock of the Great Northern and the Northern Pacific, what is to prevent them from throttling all competition? True, a corporation, such as the Northern Securities Company, may be the instrument best adapted for accomplishing their purpose, but without such an instrument the same end could be accomplished. The destruction of the Northern Securities Company, if that can be accomplished, would be a step in the right direction, but would not, in my judgment, be a complete cure for the threatened evil.

"The apologists for this combination contend that there is no danger in it to the people, and yet they are compelled to insist that the people should run the road in competition with each other, it is within the power of those controlling them to charge such rates as they may see fit. They contend, however, that there is no danger for the reason that it would be against the interests of the combine to 'squeeze the lemon dry.'

"It is not a comforting thought to know that the security of the people is dependent upon the good will, or favor, of this combination. No self-respecting community can accept as a favor what it is entitled to as a matter of right. Instead of the people being dependent for fair treatment upon the good will, or the whim, or the mere caprice, of this combination, they should be in a position to regulate and control these railroads. In other words, they should adopt such measures as would enable them to readily enable them to enforce their rights.

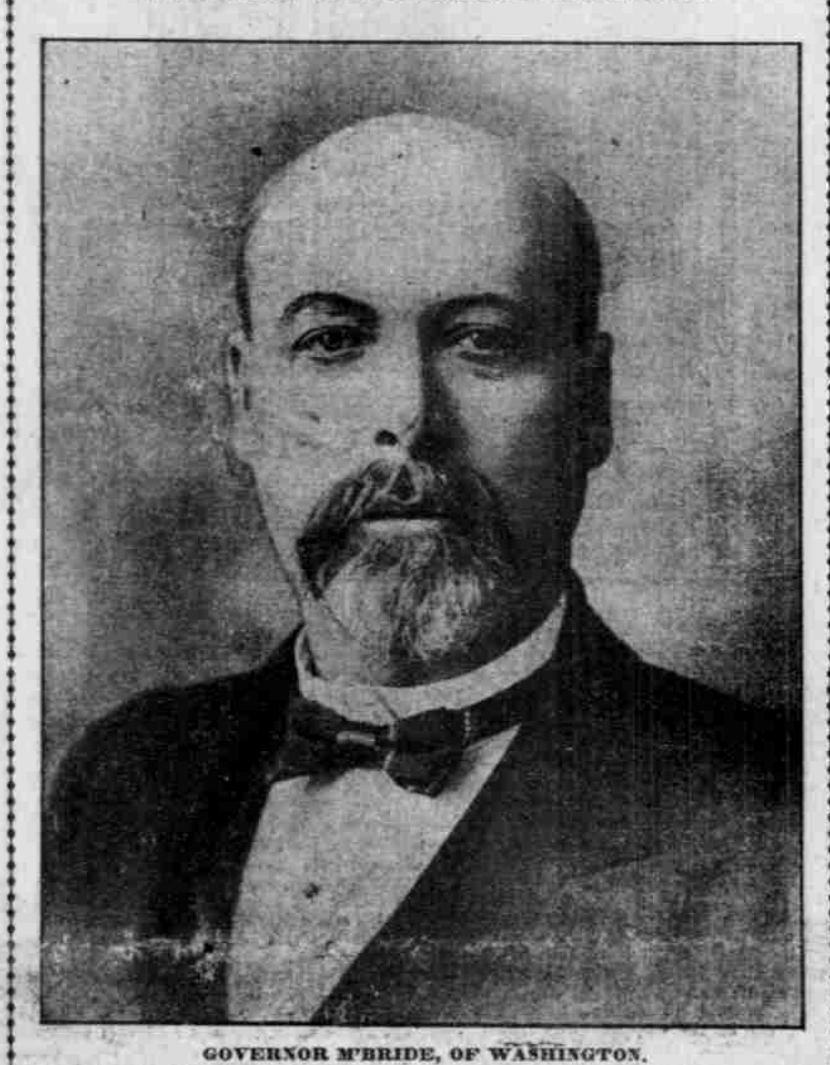
"The remedy for the threatened evil is a simple one, and that remedy is within the power of the people if they see fit to apply it. If each of the states through which these railroads run had a Railway Commission, clothed with ample power to fix rates within the state, and to correct abuses, therein, and if the Interstate Commerce Commission had power to do the same thing as to interstate traffic, there would not, in my judgment, be any great danger in the so-called community-of-interest plan, for the people would then be in a position, through these commissions, to protect their interests and to enforce their rights. The people of this state can compel the passage of a Railway Commission bill, clothing a commission with power to regulate and control passenger and freight rates within the state, and to prevent unjust discrimination, and to remedy such abuses and evils as may be found to exist, including the reduction of rates where extortionate. They can, also, through conventions and Legislatures, instruct their Representatives at the National Capital to use their utmost endeavors to enlarge the powers of the Interstate Commerce Commission.

"True, some of the license-burners at the shrine of the railroads say this would be placing too much power in the hands of a commission. They affect to fear that this power might be used to oppress the railroads. They admit, however, that the railroads now have the power to oppress the people. Is there more danger of a Railway Commission unjustly exercising its power than there is of the railroads doing so? I prefer trusting to the sense of justice on the part of the people, rather than to the so-called enlightened selfishness of the managers of the railroads. Besides, if the commission should seek to oppress the

railroads, or should be guilty of any act of injustice towards them, the courts are open and the railroads could obtain relief. But under the present conditions there is no way of redress open to the people of this state. If the railroads are fit to charge exorbitant rates, the people are helpless. In the absence of legislation the courts of the state can afford them no relief. Of course, it is claimed, in behalf of the managers of these railroads, that they are actuated by the best motives, and that their rule is, in reality, a beneficent rule. But when we reflect upon the methods resorted to through the medium of an insolent and corrupt railroad lobby, to uphold their beneficent away and to suppress all legislation in the interest of the people, we have a right to distrust these pretensions.

"My idea of a commission for this state is this: It should consist of three members, clothed with full and ample power to effect the purpose intended. It should, to as great an extent as possible, be removed from politics. To that end it should be bi-partisan, no more than two of the members being taken from the dominant political party. The men selected for a place on this commission should be men who are absolutely incorruptible.

WILL MAKE WAR ON RAILROAD MERGER.



GOVERNOR M'BRIDE, OF WASHINGTON.

broad-gauged men, too big to attempt to play the part of the demagogue—men who would conscientiously exercise the power given them for the best interests of the people. To say such men cannot be found would be a slander upon the manhood of the state.

"I am not in favor of entering upon a crusade against property or property rights; I have no quarrel with corporations as corporations. I believe the same degree of justice should be meted out to them as is meted out to the individual—neither more nor less.

"In my judgment the people of the state should say to the railroads: We will treat you with absolute fairness, but you shall not, through your political Hessians, control conventions and dominate Legislatures. We desire not to hamper you in your great enterprise, but you must not, through your hired retainers, subordinate every other interest in the state to your own. We would be pleased to see you prosper and earn an adequate return upon capital invested, but we will no longer tolerate your corrupt and corrupting political department.

WELL WISHES FOR PALMA

Resolution Adopted by the Pan-American Conference.

MEXICO CITY, Jan. 24.—At this morning's session of the Pan-American conference, H. C. Pepper, one of the United States delegates, introduced and the conference adopted by acclamation, amid applause, a resolution conveying to the future President of the new Republic of Cuba the conference's earnest wish for the happy discharge of his high office, as well as its good wishes for the prosperity of the future Republic of Cuba. The congress passed unanimously a resolution presented by the Guatemalan delegation, recommending that within one year the governments represented in the conference name delegates to meet in New York, for the purpose of investigating the causes which produce the present crisis in the coffee-raising industry and propose a remedy.

Morgan's Report on Canal Situation.

WASHINGTON, Jan. 24.—Senator Morgan, chairman of the committee on inter-oceanic canals, has prepared a report, which he has sent to each member of the committee, relative to the canal situation since the offer of the Panama Company to sell its property for \$40,000,000 was made. The report takes the ground that the Panama Company cannot give the United States a good and sufficient title, and also criticizes the whole matter as a movement intended to delay canal legislation. The report will be considered at the meeting next Monday.

Oakland's Deep Channel.

WASHINGTON, Jan. 24.—The rivers and harbors committee of the House today heard the California Senators and Representatives Woods, Combs, Metcalf and Needham, also of California, in favor of the proposed deep channel connecting Oakland harbor with the sea. The hearing of the committee will close tomorrow and the work of framing the river and harbor bill then will begin.

COMBINE-ALL RIGHT

So Says Stubbs Before Interstate Commission.

DIVISIONS, BUT NO POOL

No Change as to Rates, Competition or Relation to the Public Since Community Ownership Became the Railroad Policy.

CHICAGO, Ill., Jan. 24.—Aside from the appearance of James J. Hill before the Interstate Commerce Commission today, Traffic Director J. C. Stubbs' testimony

alone the few owners of the one-third—but all of them. The plan met with approval, and then it broadened into the idea of taking in the Northern Pacific also. The roads had worked out a harmony for 20 years and the change in the holders of the securities would make no difference. It can make no difference and will make no difference.

Mr. Hill talked vigorously and earnestly. At the close of the session, when Chairman Knapp offered to allow Mr. Hill to leave for New York, the latter felt that staying in Chicago would inconvenience him seriously. Mr. Hill declared that his time belongs to the commission and was not to be used in any way to aid him to the extent of his ability. Chairman Knapp thereupon said that Mr. Hill would be again called to the stand tomorrow morning.

Darius Miller the First Witness.
Darius Miller, first vice-president and traffic manager of the Chicago, Burlington & Quincy, and ex-traffic manager of the Great Northern, was the first witness. In answer to questions by Mr. Day, attorney for the commission, Mr. Miller stated that the Burlington is absolutely independent in "its operations and in the making of rates."

"Have you received instructions from either Mr. Hill or Mr. Harriman in regard to making rates?" Mr. Day asked. "I have received none," the witness answered. Commissioner Prouty asked the witness to what extent the Northern Pacific and Great Northern are competitors, and Mr. Miller put the competitive traffic at about 25 per cent. He declared that the Burlington is not a competitor of the Great Northern and Northern Pacific. He said the two Northern roads have made frequent agreements to maintain rates, but said he knows of no penalty having been imposed for violation of agreements.

Traffic Manager Stubbs Called.
J. C. Stubbs, traffic manager of the Southern Pacific and the Union Pacific, followed Mr. Miller. Mr. Stubbs stated that E. H. Harriman is chairman of the board of directors of both roads, but he is appealed to only in extraordinary cases. Mr. Stubbs said no such case has arisen since his appointment, and that he has acted under general instructions from Mr. Harriman. He said that rates generally have been fairly well maintained, but that there has been demoralization in Colorado and Utah. He declared that the Southern Pacific and Atchafalpa, Topeka & Santa Fe are competitors.

"Is there no agreement between you and the Atchafalpa road as to a division of oil and sugar traffic?" asked Mr. Day. "No," replied the witness. "There is a division of the orange traffic, but this is due to the fact that about 50 per cent of the crop is tributary to each line." The witness averred that the Union Pacific and the Southern Pacific are competitors. Although he admitted that he believed the Union Pacific controls the Southern Pacific, he declared that this control could not have any effect on rates, owing to the existence of competition.

"A look at the map will show you what this competition is," Mr. Stubbs observed parenthetically. Further questioning by Commissioners Prouty and Clements only served to strengthen Mr. Stubbs in his assertion that the joint ownership of his roads has made absolutely no difference in the maintenance or reduction of rates. At 12:45 the commission took a recess until 2 P. M.

President Hill on the Stand.

J. J. Hill took the stand at 2 o'clock. Much time was consumed with preliminary examinations to show his official relations with the Great Northern, Northern Pacific and Burlington Companies. Mr. Hill was questioned in regard to the relation of the Northern Securities Company, the Burlington, the Northern Pacific and the Great Northern to each other. He said that the Northern Securities Company owns no stock in the Chicago, Burlington & Quincy Railway Company (the new company), but owns about half the stock of the Chicago, Burlington & Quincy Railroad Company. He explained that the new company is really a union of the three lines which formed the old company, and operated the latter by virtue of a lease. The stock of the old company not owned by the Northern Securities Company, the witness said, is owned by the Northern Pacific Company. In the new company, he said, the Great Northern and Northern Pacific Companies are the chief stockholders, having issued a joint bond to cover the purchase price of the Chicago, Burlington & Quincy Railroad Company. These two companies are stockholders, elect the directors of the Burlington.

"There were approximately 15,000 stockholders in the old Burlington," said Mr. Hill. "I favor the new company, aggregating about \$100,000,000 in the open market, and another plan was adopted, resulting in the sale of the property, like a piece of real estate. The Northern Pacific and Great Northern issued \$25,000,000 joint bonds to pay for it."

The Burlington Purchase.
In explaining his reasons for the purchase of the Burlington, Mr. Hill went back to the time when he found it necessary to offer a low rate to the timbermen of Oregon and Washington in order to get loads of cars which had originated westward with merchandise. He said:

AFTER THE FACTS

Thorough Investigation Into All Philippine Subjects.

DECISION BY SENATE COMMITTEE

Anti-Expansionists Allowed to Talk and Furnish Campaign Material—First Trick Turned in the House.

WASHINGTON, Jan. 24.—The decision reached today by the Senate Philippine committee to investigate thoroughly all subjects relating to the archipelago is for the purpose of putting an end to the constantly reiterated statement in both Senate and House that Congress has not sufficient information upon which to act, and that information is constantly being suppressed. All of the facts necessary for an intelligent opinion on the Philippine situation are at hand in the various reports that have been made. But Senator Hoar, representing the anti-imperialists in the Republican party, and Democrats who are opposing the Philippine policy are always clamoring for more information and declaring that information is withheld because no committee of the Senate or House has made an investigation.

The decision to investigate will be followed by a demand on the part of the anti-expansionists for witnesses like Aguinaldo and other Filipinos who have opposed American sovereignty in the islands to be summoned, so that they may give their side of the story. It is possible that, in order to have a sweeping investigation, the Senate committee may have some of the Filipino leaders brought here during the hearings.

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The entire Washington delegation will call on the President tomorrow morning in the hope of securing from him an order directing the Attorney-General, on the part of the United States, to appeal from the decision of Judge Hanford in the case of the Northern Pacific against settlers within the limits of its overlapping grants in Clark County, Washington. The decision was adverse to the settlers. The General Land Office contends that a similar case has already been decided by the Supreme Court in favor of the company, but the delegation believes the cases are not similar, and will insist upon a further appeal. The members of the delegation positively assert that they will not take up state patronage with the President tomorrow, unless he introduces the subject. They have all about decided to let the matter rest and allow the President to act on the facts, which have now been fully set before him.

SUMMARY OF THE DAY'S NEWS

Congress.
Senate committee decides on a thorough investigation of Philippine questions. Page 1.
The House passed the urgent deficiency bill. Page 2.
Sixteen Democrats voted with the Republicans for an appropriation for an Army post at Manila. Page 2.
Foreign.
China may engage foreigners to reorganize the government. Page 3.
Rouffart denies the stories of peace negotiations with the Boers. Page 3.
Hedmond's amendment was rejected by the House of Commons. Page 3.
Domestic.
J. C. Stubbs and President Hill appeared before the Interstate Commerce Commission. Page 1.
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Twenty-one men were killed by a mine explosion in Iowa. Page 2.
It is believed that J. J. Hill has negotiated for the Pacific Coast transients. Page 3.
Pacific Coast.
Governor McBride will make war to the knife on railroad trust. Page 1.
Sensational charge against American Book Company in connection with Washington text-book fight. Page 4.
Position company will put water on 2,500 acres of arid land and people it. Page 5.
Heavy wind and snow storm did much damage at Seattle. Page 4.
Marion County officials not agree as to which shall receive money under new Oregon tax-sale law. Page 4.
Marine.
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Two more grain ships reach the Columbia River. Page 5.
Relic of the privateer Alabama found on shipwrecking. Page 5.
British steamship magnates reach New York and deny rumors. Page 5.
Portland and Vicinity.
Tax levy for 1902 is a total of 23 mills. Page 10.
First snow of season reaches Portland. Page 8.
Illinois Travelers' Association will come to Portland in 1903. Page 10.
Strange man with shotgun terrorizes Brooklyn. Page 8.
Highwayman Bennett Thompson confesses he held up Oregon City car and was in 30 hold-ups. Page 12.
George Orton is re-elected president Federated Trades Council. Page 7.