PANAMA NEEDS GOLD

Demand So Great That She Now Faces Dire Necessity.

CURRENCY IS BADLY MIXED

Paper Money Is So Worthless That It Is Counted in Bales--Only Hope of Republic Is to Put Canal-Concession Fee at Interest.

MERRILL A. TEAGUE.
(Staff Correspondent of The Oregonian.)
LETTER NO. 12.

PANAMA, R. P., Dec. 22.—Rosy-hued as are her ultimate financial prospects, the present condition of Panama approximates desperation. Her immediate future holds out little hope of improvement. Things will come all right financially in the end, but just now Panama faces direct necessity. She has made one temporary loan, J. P. Morgan & Co., New York, being the lenders. From this loan Morgan is realizing 6 per cent interest, and by reason of making it his firm procured appointment as fiscal agents for the new republic at New York.

The initiatory demands upon this government have been so heavy, however, and the revenues have been so small that since the work of paying the separatist bonuses was completed there has been little left with which to defray current expenses. To add to the difficulty, the sort of government now holding sway here does not invite much financial confidence, so that the establishment of a national credit, under which an issue of bonds might be possible, had to be deferred until after the first president shall have been elected and the government chosen by the people shall have been inducted into office.

Under the old regime the finances of Colombia and of the State of Panama were entirely separate and distinct. This refers to the systems only, for Colombia succeeded in capturing nearly every cent of the actual cash income of this department. In Colombia the only currency is an issue of worthless paper. This money has been printed in endless quantities. Over $600,000,000 is now in circulation, and an additional issue of $80,000,000 has been ordered for a population of only 4,000,000. Being unredeemable, it represents no real value, and exchange has fallen so low that $1 in American gold will buy something more than $30,000 in the paper money of Colombia. It is a literal truth that over in Colombia the man who changes a $10 gold piece needs a mule to carry away the paper money that is given him.

Purse of Worthless Paper.

Nobody ever stops to count this money; it is tossed about in bales supposed to contain $1000 each. In it a simple lunch at a restaurant in any of the Colombian cities costs about $500, while ordinary purchases, like shoes or hats, have to be paid for at the rate of thousands of dollars each. The expenses of the trip I am making through Panama would, if computed in Colombian currency, already amount to more than $14,000,000.

Nor is this the worst feature of the money of Colombia. All sorts of tricks are played with it. The printing and engraving is of so inferior a quality that counterfeiting is made easy, and a counterfeit $20 note having recently appeared the government at Bogota has issued a decree repudiating all notes of that denomination in circulation. It is impossible to distinguish between the genuine and spurious, so the entire issue is repudiated.

It is this currency which has brought Colombia to the lowest level of financial despair, absolutely destroying her credit, eliminating the possibility of her paying her indebtedness, and prompting the enactment of a law requiring all customs dues to be paid in gold after January 1. The folly displayed by Colombia in rejecting the canal treaty, which would have given her $10,000,000 in gold and afforded her an opportunity to retire the worthless paper and establish something like a decent monetary system, is realized when these facts are known.

"Monkey Money" of Panama.

But, interesting as they are, these facts only slightly concern Panama. They explain, in a measure, why Colombia was always so assiduous in attacking the public moneys in the Department of Panama; but, otherwise, the isthmus never suffered because of the worthlessness of the paper money of Colombia. The reason is that Panama years ago demanded (and her commercial requirements, due to transisthmian traffic, were such that Colombia had to grant the demand) the issuance of a silver currency for local use.

This silver now constitutes the money of the new republic. Locally it is known as "tin" or "monkey money." Why? Because it is a mixture of cheap alloy with a very little silver, the portion of silver being so small that the rate of exchange for American gold fluctuates between $2.36 and $2.70 for one. That means that for one dollar of American gold one receives an amount in Colombian silver somewhere between the sums named. Here, again, tricks are played with the money, for there is no fixed rate of exchange, and the two banking houses on the isthmus—Brandon's and Ehrmann's—vary the rate from day to day, and make a comfortable sum by raising or depressing the exchange. The unit of value in this coinage is the 50-cent piece, worth ordinarily about 16 cents in American money, and a more unsatisfactory currency it would be difficult to discover.

A Badly Mixed Currency.

When changing a small gold piece, one gets several pounds of silver in return, each piece varying with the date and place of the minting. In this respect there is little uniformity, for the money is coined sometimes in New York, sometimes in Philadelphia, and at other times in European cities, just as the holders of the money-coining concession find it advantageous to place the contract. Some of it is milled and some has the Colombian motto, "Dios*Lei*Libertad"—God, Life and Liberty—sunk in small letters about its edges. Occasionally one receives ponderous pieces—the dollars of Peru, Nicaragua, Guatemala and Costa Rica, all of which are current here, and again one gets the regular Colombian 50-cent pieces defaced with a small stamp, showing that at some time or other that particular piece found its way into Costa Rica and was stamped with the obverse and reverse of the Costa Rican coat-of-arms, a process by which Colombian silver is made current in that country.

As may be imagined, this currency leads to endless complications. It is, in fact, almost necessary for a man to keep a set of books on himself if he would know where he stands. Here is a case in point:

Need for a Fixed Basis.

Just before sailing from New York I changed a sum of money into English gold (sovereigns), as I was advised that English gold only was accepted on the isthmus. It was a foolish thing to do, as American gold and American banknotes are more valuable here, and better liked than is the money of England, but in may ignorance I did the foolish thing, paying $4.88 for each English sovereign.

Upon the arrival at Colon I wished to send a cable to the States. The cable toll was $10.85 Colombian silver. I laid down an English covereign, which was accepted at $11 (Colombian), so that I had 15 cents change due me, and for this amount I got an American five-cent piece and a copper cent. Several people have endeavored to tell me how much the cable cost in American money, but none has succeeded. I leave it with the reader as an example of the intricacies of this monetary system which, most commendably Panama hopes soon to abandon for the gold basis.

Whether Panama will be able to realize upon this expectation is another problem. There are absolutely no statistics available showing the exact or even approximately the amount of this silver money in circulation on the isthmus. Colombia never had any interest in the matter, as the circulation of this silver was confined to this department; nor was the money itself liked by Colombia, which always regretted the fact that the commercial requirements of this particular state prevented Bar from foisting upon it her own worthless paper.

Scheme for Gold Basis.

She never made any effort, therefore, to keep statistics, and while it is believed that there are something like $1,500,000 of the silver in existence, nothing definite is known on this point. It is, however, the purpose of the republic, as explained by Senor Manuel E. Amador, Minister of Finance, and indorsed by the Junta, to retire all of this as soon as possible. For this purpose it is proposed to use as much of the $10,000,000 (gold) to be paid by the United States for the canal concession as may be required.

The plan as far as it has been outlined is to deposit the necessary gold in the public treasury as a guarantee fund, and then issue a paper currency, redeemable in gold, and by proper legislation fix a rate of exchange as between gold or the gold-secured paper and silver. Should this plan be adopted the rate of exchange will probably be fixed at $1 gold for $2 silver, and silver dollars and half-dollars once received at the treasury will not be reissued, except when received in the form of an intrinsically valuable subsidiary currency.

Much difficulty is, however, expected before this plan can be put into operation. All Panama avoids Colombian paper as it would the plague. Nobody on the isthmus will handle the worthless stuff. Silver has been so long in use that no other money, except gold, is known, the ignorance of any other being so extensive that among the natives American nickles and coppers are refused when offered.

The officials all realize that it will be a long and tedious task to educate the people to understand that a paper currency secured by a public deposit of gold is worth its face value. To overcome this national prejudice against paper will be the greatest difficulty in the way of acceptance of the plan, for the Panamans are counting with absolute confidence upon the ratification of the Canal Treaty and the early payment to them of the $10,000,000 in American gold.

Revenues of the Republic.

This matter of converting the currency system from a depreciated and varying silver basis to the gold standard is, however, the smaller horn of the financial dilemma confronting Panama. Under the old regime the revenues for this department are supposed to have aggregated about $500,000 annually. This amount may not be exact, as the statistics are very faulty. Half a million is given, however, as a safe estimate for purposes of calculation.

These revenues were derived from several sources, and were supposed to be of two classes—one for the national and the other for the departmental exchequer. Colombia managed very successfully to gobble all of it, but the fictionary division is still used in the bookkeeping. The national share came from an import tax on alcoholic liquors, from a nominal tax on real estate, and from the sale of certain of the concessions that have proved such a bane to the isthmus.

The departmental revenues were variously derived from a tax on the production of alcoholic liquors, from a nominal license fee assessed against saloons, and from the sale of certain other concessions. The amount named and the sources from which it was derived does not include the sum of $250,000 (gold) annually paid by the canal company for its concession. Of this amount $25,000 (gold) was supposed to go to the Department of Panama, although the whole sum was always taken by the government at Bogota. Upon this amount it is useless to figure, as during one of her bankrupt moments, many years ago, Colombia went to the usurers and discounted this concession fee for a term of years which will not expire until nine years hence; so that until 1912 Panama cannot count upon receiving any revenue from the canal concession by way of rental payments.

The Revenues Must Shrink.

This introduces the most serious difficulty before the new republic. By the terms of the treaty with Panama the United States does not begin to pay the $250,000 annual rental for the canal zone until the year 1912. Under the same agreement Colon and Panama, the only ports at which there is any custom-house business of consequence, are made, to all intents and purposes, free for the entry of merchandise of all classes.

Now Senor Amador, Minister of Finance, who was Department Treasurer during the Colombian dominion, estimates that three-fifths, or $300,000, of all the revenues, national and departmental, were derived from the customs duties. This sum will, by the provisions of the treaty with the United States, cease to be collected, and the revenues of the new republic will, in consequence, be cut down to something like ..00,000 (silver) annually.

Figure as they will—and they are figuring hard and very closely—the officials of the new republic cannot discover how it will be possible for them to conduct the government on a sum under $500,000 (silver) a year. To bring the expenses within that sum the army is to be reduced to mere nothingness; the navy is to be permitted to lapse into an almost visionary state, and official salaries are to be fixed at the lowest limit consistent with good service and the preservation of satisfaction and contentment in official circles.

With all of this, Panama looks a deficit of about $300,000 a year squarely in the face. Under these circumstances it is not difficult to understand the desperation of her immediate financial prospects.

No Relief in Sight.

The situation may be eased slightly by increasing the tax on saloons, and on the production of alcoholic liquors, and by more rigid enforcement of the law in such respects, though it is impossible to hope for much from this source. The saloons here are as poverty-stricken as are the people, while the only liquor produced are what is known as "chica," the native whisky, and a native white rum, fairly good in quality, but by force of circumstances small in quantity and marketed at an extremely low figure. The imposition of a tax on personal property would avail nothing, as, aside from a very few people, the Panamans have no property worth assessing; nor is it possible to add very much to the revenues by increasing the tax on real estate, for to tax it much heavier than at present would be to tax it out of the hands of its owners.

After explaining all of these facts and producing ample proofs for their statements, the officials of the government will very frankly admit that they are in a quandary. It would be possible, of course, for them to pay expenses out of the principal payment for the canal concessions until the payment of the annual rental enriches the public treasury; but this they are loath to do. They are too long-headed in a business way to deplete the only asset they have, or are ever likely to have. It would, too, be possible for them to float a loan, after the establishment of the regular government; but that idea is not looked upon with favor, for a loan would only increase the annual charges against the government, and sooner or later the principal would have to be paid.

Only Hope of the Republic.

Two other reasons present themselves to forbid acceptance of either of these plans, and that is the reluctance of those in authority to have any large sums of ready cash not absolutely needed for current expenses or for reforming the currency system brought into the country. Senor Espanoza, of the junta, explained this reluctance in an interview which I quoted in my first letter. In that interview Senor Espanoza very frankly stated that the Panamans were not to be trusted to protect $10,000,000 in gold from being wasted, misapplied, or from becoming a bone of contention between rival factions and an incentive to revolutions.

At the same time he explained that the only hope of the republic in a financial way was to evolve some scheme by which all except the $2,000,000 needed for reforming the currency shall be held out of Panama as a national interest-bearing asset, so safeguarded that it will be secured in perpetuity to the government, no matter who may be in control. Senor Espanoza stated a simple fact in the latter part of that interview.

To relieve her condition and extricate herself from this financial dilemma, it is absolutely necessary for Panama to have $8,000,000, or thereabouts, of the canal-concession fee put out at interest. It is her only hope. This sum, if placed at 4 per cent, would, even after the republic goes to a gold basis, afford it revenue ample for all its legitimate requirements. But how can it be done? The government, neither now nor hereafter, can so invest the money that it will be entirely safe from succeeding sets of officials; and here the possibility of the dishonest and unscrupulous obtaining control of affairs is always to be considered. So long, therefore, as this sum is controlled by Panama, it will be liable to waste and dissipation, thereby leading to the destruction of the republic's only asset.

For the desperate financial dilemma confronting Panama there is but one relief. The investment must be with the United States, and so secured by convention that the principal can never be levied upon by the republic. Just now the United States is in the highest favor on the Isthmus. It would materially increase the respect in which she is held, besides strengthening her control and easing her solution of the police and other problems appertaining to dominion over the canal zone, if she should meet Panama half way in this matter. By making herself the custodian of eight-tenths of the canal-concession fee she would ease the financial strain upon the new republic, and, while keeping $8,000,000 in her pocket, incur no obligation except for the annual payment of a reasonable interest. There is no other way out for Panama, and unless something of this sort is done the new republic's plight will soon be a most unenviable one.

Types of Panamain Policemen—The police force of the isthmus is well uniformed and very efficient. The men are paid $60 (silver) a month. In maintaining order they rely entirely upon lignum vitae clubs, as to arm them with revolvers would be too much like inviting a revolution.

Among Panama's Ruins—Having been several times destroyed by fire, Panama boasts many picturesque old ruins, of which the above, formerly a church, is one. Within these ruins and against the solid walls the poorest people build "lean-tos" and there take up their residences. Six or eight families inhabit the ruin shown in this photograph.

United States Consulate staff at Panama. Snapshot was taken on balcony of Consulate. Consul-General Gudger is center. On his left Vice-Consul Felix Ehrman, who, on November 2, notified the State Department that a revolution was about to take place. On Consul Gudger's right is his son, H. O. Gudger, Jr., Consular clerk.

TRANSPORTS TO MAKE READY

Warren and Meade the Latest Additions to Troop-Carrying Fleet.

SAN FRANCISCO, Jan. 5.—Orders have been received to prepare the transports Warren and Meade for sea. This will make five big troop-carrying vesselc that are being got ready for service. They are capable of carrying close onto 8000 soldiers with their equipment for service in the field.

The Sherman and Buford are now ready to sail on 48 hours' notice, and the Crook will be ready to put to sea within a week.

Minister Beaupre at New York.

NEW YORK, Jan. 5.—Arthur M. Beaupre, United States Minister to Colombia, accompanied by Mrs. Beaupre, arrived today on the Yucatan from Colon. Mr. Beaupre would not discuss the situation in Colombia, and said he was going direct to Washington.

CASE AGAINST WOOD

Minority of Senate Committee Completes Protest.

HELD HE ABUSED POWER

As Military Governor of Cuba He Is Said to Have Changed Civil System to Get Around His Instructions.

WASHINGTON, Jan. 5.—The views of the minority of the Senate committee on military affairs, protesting against the confirmation of General Leonard Wood to be Major-General, have been prepared in the form of a brief to be used by the opponents of this nomination when the reports of the committee are presented for the action of the Senate in executive session. The brief follows the testimony introduced before the Senate committee in the investigation, which was begun on November 19, and continued until December 17, directing the attention of Senators to passages in the printed report of the testimony and emphasizing the charges made before the committee.

It is declared most of the important matters brought out in the hearing came to public knowledge subsequent to General Wood's promotion to be Brigadier-General, and no competent investigation has yet been made in regard to the actual facts of General Wood's military career and experience.

These assertions are made for the purpose of meeting the argument of Senator Foraker that objections to General Wood's advancement should have been made when President McKinley had under consideration the matter of promoting him to be Brigadier-General.

Hold He Perverted Instructions.

First submitted in the brief is the argument that it is not denied that the orders to the courts, which were introduced by Major E. G. Rathbone, were actually issued by General Wood as Military Governor. These orders were for the admission of ex parte testimony, and in that connection attention is called by the minority to an order issued by the Secretary of War, in which General Wood's orders are declared to have been a perversion of instructions.

Secretary Root's order was promulgated by General Scott as Adjutant-General on November 14, 1901, and transmitted to the court on November 15, 1901. In this military order the prosecution is instructed that if it has any intention of using as evidence in the trial of the postal cases testimony applied for in the United States, "steps should be taken to immediately inform the proper judicial authorities that this cannot be allowed."

The minority says that to get around this order General Wood used his authority as Military Governor to change the entire judicial system of the island.

The second count in the brief of the minority relates to the pardon of W. H. Reeves and his testimony in the postal cases. In this connection the attention of the Senate is directed to the statement of General Wood in answer to charges filed by Major Rathbone. General Wood tells the circumstances under which Reeves surrendered money received from Neeley in the Cuban postal frauds, and afterward turned state's evidence in the trials. General Wood said that, in pardoning Reeves, he believed he had the right to constitute him a witness for the state, although Reeves had been a defendant, "he had confessed freely and fully concerning the frauds committed in the Post-office Department."

It is charged further that General Wood failed to inform the court that he had promised to pardon Reeves, and in consequence of such failure the court regarded Reeves as a defendant and permitted him to testify without the solemnity of an oath.

Held to Have Violated Promise.

General Wood is charged in the third count with having violated a promise made to Major James E. Runcie not to cause the arrest of Corydon M. Rich, who has been an assistant to Mr. Neeley in the finance bureau of the Department of Posts.

The Runcie magazine article is the subject of the fourth count. With many references to the printed testimonies for the purpose of supporting the argument, this statement is made: "Runcie swears arrangements were made between himself, Ray Stannard Baker and General Wood for Runcie to write an article covering all Cuba, and General Wood understood that the article would be a criticism of General Brooke's administration. He also swears that, after it was written, General Wood asked him if it had been written and sent to Baker.

"Baker states that General Wood was very frank in his expressions of criticism of the Brooke administration, and as a general result of his visit to Cuba he found that General Wood was antagonistic to General Brooke's administration."

The Jai Alai Concession.

The Jai Alai concession forms the fifth count in the minority's brief, and the following summing up is made: "Judge Advocate General Dudley states that the concession to this institution was never completed by the signature of the Spanish Governor-General. The president of the company states that the documents of April 27, 1900, and October 16, 1900, were submitted to General Wood. These documents being approved by General Wood in all their parts. They included the grant of a monopoly for ten years.

"The claim that the gambling was an adjunct, rather than a part of the game, is disproved by the president of the Jai Alai. General Wood did not furnish full information for the action of the War Department. Wallis Clearman, with Tiffany & Co., of New York, testified that an order was cabled to Tiffany by Mr. Zarasqueta for a silver service valued at about $5000, and that he took such a service to Havana, where it was accepted and paid for by Zarasqueta. That this was a gift to General Wood from the Jai Alai Company is admitted."

The sixth count says: "General Brooke testified to the insubordination of General Wood, and that he (Brooke) refrained from a court-martial process because of the feeling that such a step would not be sanctioned by the War Department."

The seventh and last count in the brief refers entirely to testimonies regarding General Wood's veracity. The testimony of Brigadier-General William Ludlow, Commander Lucien Young, Major Runcie, Alexis E. Frye and a number of others is quoted in support of the count.

MINERS TO BE SUPPORTED.

National Federation Considers Steps in the Colorado Strike.

INDIANAPOLIS, Ind., Jan. 5.—At this afternoon's session of the conference between the National Executive Board of the United Mineworkers and President Mitchell, Vice-President Lewis and Secretary Wilson, it was decided that the striking miners of district No. 15, commonly known as the Colorado district, and the miners of West Virginia, who are striking for an increase in pay, should be supported by the National organization.

The executive officers will decide on the method of support. There are 10,000 miners affected by this decision in the Colorado district, and about 1000 in the West Virginia district.

The executive board of the United Mineworkers of America concluded its special meeting tonight. All reductions will be opposed by the organization and the miners directly affected will have the support of the organization in fighting these reductions. The one condition is that the reductions are in strict violation of the contracts signed by the miners and the operators.

The board has given instructions that the strike in Colorado shall be carried on vigorously.

Evidence Shows a Conspiacy.

GEORGETOWN, Colo., Jan. 5.—The trial of the Union miners charged with blowing up the converter building of the Sun and Moon mine at Idaho Springs last July was resumed in the District Court here today. The only sensational testimony presented today was that of A. H. Colburn, an Idaho Springs blacksmith, who stated that J. E. Chandler, secretary of the Idaho Springs Miners' Union, told him before the explosion that if the Sun and Moone mine was reopened with non-union miners he (Chandler) would see to it that it was blown up. It is said that the prosecution expects to finish its evidence by next Thursday.

Enormous Timber Thefts in Idaho.

Seattle Times.

Investigation by Government officials in the timber sections of Idaho have unearthed probably the greatest timber theft from Government land in the history of the Northwest.

The coterie of timber thieves have created a reign of terror in the backwoods of Northern Idaho towns, driving settlers from the sections in order to discourage any settlement. Affidavits made by a number of persons in the vicinity of Harrison, Idaho, were that millions of feet of saw timber, the greater part of it fine white pine, have been stolen from the Government forests and disposed of to mills in that vicinity and along the Coeur d'Alene River.

The principal scenes of depredation are on the north and middle forks and on the Coeur d'Alene River. The outrages were recently brought to the attention of Congressman Jones, of Washington, who in turn called the notice of the agent of the Interior Department, with the result that Special Agent Schwartz was sent to Idaho to investigate the alleged thefts.

At the instigation of Schwartz a number of warrants for the arrest of alleged timber thieves were put in the hands of an officer. But the men were evidently warned and escaped into the Pend d'Oreille Mountains, as no trace of them could be found.

Submarine Boat Blown Ashore.

NORFOLK, Va., Jan. 5.—According to the Weather Bureau dispatches tonight the submarine boat Moccasin, which was floated yesterday, has been blown hard ashore again, and is now fast on the beach.

"And what did the dear little angel child do while mamma was away from the table?" "Oh, mamma, I had such a good time! I got up on the table and put my

PLATT URGES ACTION

Republicans Must Not Give Way to Over-Confidence.

ROOSEVELT A WISE LEADER

People Have Nothing to Complain Of and May Not Vote--Policy of Administration in Panama Is Given Hearty Indorsement.

WASHINGTON, Jan. 5.—A complimentary dinner in honor of Senator Thomas C. Platt was given at the Shoreham Hotel tonight by the New York representative in Congress. Representative Payne, chairman of the ways and means committe, presided, and made a brief speech felicitating the Republican party on the condition of the organization in New York State. The principal speech of the evening was made by Mr. Platt, who spoke in part as follows:

"There is neither factional, nor personal, disturbance in the New York delegation to embarrass or impede its work. The signs of the approach of a great political year are already numerous and some of them indicate the return of the Democratic party to a sane and dangerous condition. Fortunately, we are already assured of courageous, intelligent and popular leadership.

Roosevelt a Wise Leader.

"The Government under President Roosevelt has been strong and wise, but it often happens in politics that a political party, which has had a long lease of power, is never so much in danger as when nobody has anything in particular to complain of, for it is then that many people vote, not with regard to great political principles, but with regard to trivial events. We shall need, therefore, throughout the coming campaign, to keep constantly before the people the often proved incapacity of the Democratic party to conduct public affairs and the menace to business which proceeds from its very constitution.

"The newspapers relate that Mr. Bryan denies he is a Socialist, but the spirit of Socialism is rampant in his party, and its influence will appear at the moment when any Democrat sets foot in the White House. The tariff smashers and the currency debasers in the Democratic party may be for the moment quiescent, but their self-restraint will last no single minute longer than until the the opportunity comes to give effect to their injurious principles.

The Panama Situation.

"Our entrance into the world of politics has been received by the other nations in a spirit of hearty friendship. The construction of an isthmian canal transcends in importance any other act of legislation or diplomacy to which the Government can commit itself, and the people will look impatiently, in my opinion, at any individual or political party that seeks to embarrass this work with partisan outcries. If this session of Congress accomplishes nothing else than to render possible the immediate construction of the canal across the isthmus, it will have done enough to entitle it to a high place in the memorable session."

After the Cabinet meeting today Senator Platt had a conference with the President. New York's politics and the general situation in the state were under consideration. Senator Platt informed the President that there was not a note of discord among the Republicans of the state regarding the Presidency. He assured the President New York would send to the Chicago convention a delegation enthusiastically for him.

Gets Another Warship.

NEW YORK, Jan. 5.—The warship Captain Prat has been ordered to proceed to drydock and to embark full war equipment, says a Herald dispatch from Valparaiso, Chile. It is presumed the vessel already has been sold to Japan. The Captain Prat is a third-class battleship of 6901 tons, with a maximum speed of 18.3 knots.

Japan Will Keep Orders Secret.

TOKIO, Jan. 5.—3:05 P. M.—An extra edition of the Official Gazette has been issued containing army and navy orders prohibiting the publishing of any reports of the movements of troops or war vessels from this time on. Otherwise the Japanese authorities are not interfering with press messages.

German Ships Will Concentrate.

BERLIN, Jan. 5.—The widely separated German vessels of the far Eastern squadron have been ordered by Rear-Admiral von Pritwitz, to concentrate at Tsin Chou, province of Shan Tung. This movement is considered here as probably relating to possibilities of war between Russia and Japan.

Britain Places Large Coal Order.

CARDIFF, Wales, Jan. 5.—There was excitement on the coal exchange here today on the announcement that the British Admiralty had placed a big coal order for Hong Kong. Quotations for coal vessels advanced from 17s 6d to 20s.

British Freight Market Active.

LIVERPOOL, Jan. 5.—The Liverpool freight market is very active owing to the British government's efforts to secure freights for far Eastern ports.

MRS. E. H. DUNAKIN

WRITES A LETTER ABOUT VINOL.

How Pale Women May Get Strength, Rich, Red Blood and the Bloom of Health in Their Faces.

A pale, bloodless face indicates trouble; it is a sign of weakness, and as we see so many right here in Portland the following letter will interest many of our readers.

Mrs. E. H. Dunakin, state chairman of correspondence, Woman's Literary Union of Pennsylvania, writes: "I suffered for over a year with general debility and weakness; I had severe backaches, headaches and was pale and nervous. My physician prescribed different remedies, but they did not seem to help me at all. A club associate recommended Vinol, as it had cured her of a severe stomach trouble. I tried it, and soon felt greatly improved, and after taking four bottles I can say I am free from all my troubles, and it has made me well once more. Several of my friends are using it with beneficial results for lung and

MRS. E. H. DUNAKIN.

stomach troubles and to restore lost strength."

Woodard, Clarke & Co., our well known druggists, say: "There is absolutely no need for people to drag around weak, pale, nervous, run-down and devitalized, for they guarantee that Vinol will in a natural manner build up the weak, give strength to the aged, restore color to pale faces, cure stomach troubles, nervousness, hard colds, hacking coughs and make rich, red blood. Containing as it does all the vitalizing principles of cod liver oil, without any oil to upset the stomach, Vinol is the most wonderful rebuilder of health and strength known to medicine; it is not a patent medicine, and is absolutely free from all harmful drugs.

If it fails to give satisfaction money is refunded without question, and it will pay every weak or ailing person in Portland to try it on our guarantee. Woodard, Clarke & Co., druggists.

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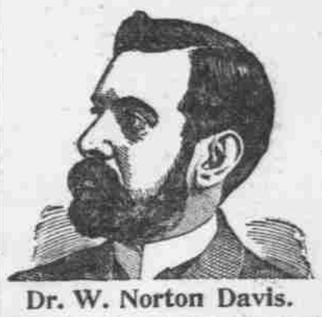

Dr. W. Norton Davis.

IN A WEEK

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