

PLOT IS CHARGED

Prominent Men Indicted For Conspiracy

TO OBTAIN PUBLIC LAND

Three Congressmen and Many Others Are Implicated.

THE GRAND JURY ADJOURNS

Blue Mountain Forest-Reserve Deal Investigated—Plot to Blacken Character of F. J. Heney Also Results in Indictments.

THE BLUE MOUNTAIN INDICTMENT—John H. Mitchell, Senator of Oregon; Eugene Hermann, Representative in Congress; John N. Williamson, Representative in Congress; Franklin P. Mays, State Senator and Portland attorney; W. N. Jones; George Sorenson, ex-District Attorney and timber dealer; H. H. Hittchcock, a Portland attorney; J. H. Hittchcock, a Portland attorney; John Northrop, furor in the Sorenson case; Charles Lord, a Portland attorney. It is alleged that the defendants conspired to defraud the United States of land to be obtained in exchange for school lands fraudulently obtained from the state, and to be included in the proposed Blue Mountain Reserve.

THE CONSPIRACY INDICTMENT—John H. Hall, ex-United States Attorney; Henry Ford, private detective; Harry L. Rees, ex-Major in United States Army; A. P. Gayler, a Portland grain merchant; John Coriano, a Deputy Sheriff; J. H. Hittchcock, a Portland lawyer; John Northrop, furor in the Sorenson case; Charles Lord, a Portland attorney. It is alleged that the defendants conspired together to form a plot which would cause the removal of District Attorney Heney from office by blackening his character before the public and proving him to be a man of lax morals. The conspiracy was to bring witnesses who would testify to the proper relations between Mr. Heney and Marie Ware.

Just before adjournment, the Federal grand jury returned the long-expected indictment dealing with the Blue Mountain reserve and the frauds attempted to be perpetrated by its creation. In the indictment are implicated John H. Mitchell, Eugene Hermann, John N. Williamson, Franklin Pierce Mays, W. N. Jones and George Sorenson. The charge is that the defendants attempted to defraud the Government of the United States of the possession and use of and title to 200,000 acres of land situated in various of the states and territories of the Nation and of the total value of more than \$3,000,000.

Story of the Conspiracy.
The general story of the conspiracy is that the defendants came to the conclusion that it would be of profit to gain a large tract of land which could be sold and relinquished to the Government for certificates in lieu.

In the pursuit of the scheme, therefore, the defendants, or part of them, picked out tracts of school land in Crook, Grant, Harney, Malheur, Baker, Union, Umatilla and Wallowa Counties amounting in all to more than 150,000 acres, upon which it was determined to file. These lands were school sections, arid and worthless, and could be purchased for \$1.25 per acre from the state government in quantities not to exceed 320 acres, provided the purchaser would make affidavit that the lands were being bought by himself personally, and for his own use and benefit. Having picked upon the lands, a man was chosen in Malheur County to circulate the petitions asking for the creation of a forest reserve, under the plea that it was necessary for the conservation of the headwaters of the various streams taking their start in the districts affected by the proposed reserve. This agent was paid \$4 a day, and worked for some time in making up the lists of applicants.

These applications were then sent to Washington to Senator Mitchell, who turned them over to Eugene Hermann, Commissioner of the General Land Office, and the creation of the reserve was urged by the Senator to Commissioner Hermann, and was at last ordered by Secretary Hitchcock. Two days before the order was made public by which the lands were to be withdrawn from settlement the fact that such action would be taken by the department was tipped off to the conspirators at this end of the line by Mr. Hermann, and they immediately sent agents into the territory to make the filings before the order should reach the state.

FAITH NOW GONE

Senators No Longer Believe in Mitchell.

PROOF IS TOO STRONG

He Is Still Determined to Fight to a Finish.

DOES NOT FEAR THAT LETTER

He Says He Expected Its Publication, and Will Not Resign—Fulton Is Too Busy to Act as Counsel.

OREGONIAN NEWS BUREAU, Washington, Feb. 12.—The United States Senate has lost all confidence in John H. Mitchell. The confession of his law partner, corroborated by his own letter, published here this morning, has wrought a complete change in the attitude of the Senate toward Mr. Mitchell and has had the effect of utterly destroying his usefulness as a member of that body. While many Senators continue to sympathize with him, none goes so far as to longer defend him.

In the language of one Senator "he has convicted himself."

Less than a month ago, when Senator Mitchell, in open Senate, defended himself against his former indictment and denied having been in any way involved in the land frauds, the Senate took him at his word. Not a Senator seemed to doubt him and fully half the Senators present went to him to assure him of their confidence. Today it is a different story.

Today there is no longer that confidence, though more sympathy remains. Even Senators who have known Mitchell intimately for years, who have trusted him always, are aghast at the revelations of the last two days; they cannot explain away the tenor of the confession nor the letter written in Senator Mitchell's own hand. Even the most faithful admit that Mitchell faces a very grave situation. They hope, but they very much doubt if he can clear himself.

Facts Shock the Senate.
The Mitchell case was the foremost topic of conversation among Senators today. It even took precedence over the break between the President and the Senate. The Senate is very jealous of its honor; it is loath to believe that one of its members has fallen from grace, but the overwhelming showing against Mitchell, all the more damaging because in his own words, proved a very great shock and the Senate was compelled to admit that it had misjudged the man.

Notwithstanding this prevailing sentiment the Senate will take no step toward depriving Senator Mitchell of his seat. Officially, at least, he will be given the benefit of the doubt until his case is disposed of by the court, and until that time he will be permitted to retain his seat, unless he should voluntarily relinquish it. The Senate will not force him out, but on the other hand, will not welcome him in its midst as it would have done a month ago.

When he returned from Portland early in January, many Senators urged Mitchell to go back into the Senate as if no stain had been cast upon him. The Senate then believed him innocent, but will not again invite him into its chamber.

Mitchell Will "Stick It Out."
Mitchell is aware of the change of sentiment toward him and is apparently depressed at losing the confidence of men who have long been his friends, yet, in spite of his depression, he has lost none of his determination to "stick it out." If others have lost confidence in him, he outwardly has not lost confidence in himself. He is going to adhere to his plan outlined two days ago, to hold on to his seat, go home within a month and fight for acquittal.

It was rumored in Washington today that Mitchell had been urged by his friends at home to resign his seat in the Senate. Asked about the report, he replied: "You can say to the people of Oregon that, as I am not conscious of having done anything that would call for my resignation, I have not the slightest idea of resigning. Such a thought has not entered my mind. No such proposition has been suggested to me by any one in Oregon, but on the contrary, I have

MITCHELL LETTERS SECURED
Government is in Possession of Strong Evidence Against Senator.

It has been learned that the Government is in possession of strong evidence against Senator Mitchell.

SEE THE FANGS

Railroads Balk at the Commission Bill.

TEXT IS MADE PUBLIC

Some Stringent Rules for Government of Roads.

GREAT POWER FOR GOVERNOR

Washington Chief Executive Can Remove Member of Board at Will, With No Recourse to the Courts.

OLYMPIA, Wash., Feb. 12.—(Staff Correspondence)—The railroad commission bill, for which the State of Washington has been waiting with bated breath since the beginning of the session, made its appearance before the joint railroad committee this evening. In size it is much more formidable than the Kennedy bill, containing nearly 5000 words, which are spread through 25 sections.

The bill does not fix the salaries of the engine wipers or determine the manner in which general superintendents shall be appointed, but a perusal of the title gives the impression that it is intended to take quite a hand in the management of the roads. The title is:

As act to establish a railroad commission for the State of Washington, whereby discrimination and extortion in railroad and express charges may be prevented and reasonable and just freight and passenger service and tariff may be corrected and established; to authorize a commission to make all necessary rules and regulations for its government and the carrying into effect the provisions of this act; to give to said commission the power to regulate the sale of railroad tickets and conduct of empty cars, proper tracking, proper train service, and sufficient freight and passenger rooms and just and reasonable joint rates and demurrage charges; to prescribe penalties for the violation of this act; and to provide means and rules for its enforcement.

Governor Given All Power.
There is so much of the bill, and it covers so many different features of the transportation business, that it will require considerable study to determine what it all means. That it is a strictly one-man power is disclosed, however, in a portion of section 1, which says:

"A Commissioner may be removed by the Governor for any cause which he shall deem sufficient, which power of removal shall be absolute, and there shall be no right to review the same in any court whatsoever."

The term and salaries of the Commissioners are the same as in the old bill, viz., two, four and six-year terms, with an annual salary of \$5000, a secretary at \$2000 and three clerks at \$1200. A bond of \$20,000 of each of the Commissioners is required, the bond to be held by the state.

The rate-regulating powers of the commission are substantially the same as have already been outlined, and only on complaint can the commission be called on to declare and enforce what they decide to be a reasonable rate, such rate to become effective 30 days after notice has been served on the railroad company. From these rulings the roads are to have the right of appeal on filing bonds sufficient to cover any possible damages through delay in enforcing the rate.

Section on Joint Rate.
The joint-rate matter is handled in section 4, in part as follows:

"That when the rate established by the commission as herein provided shall be a joint rate, and the railroad or express company parties thereto fail to agree upon the apportionment, the commission may issue a supplemental order declaring the portion of such joint rate to be received by each railroad or express company therein, which shall take effect on the date of such order, and when the order of the commission prescribes the just relation of rates to or from common points of the lines of the several railroads or express companies parties to the proceedings, and such railroad or express company fails to notify the commission within five days after notice of such order that they have agreed among themselves as to the changes to be made to effect compliance therewith, the commission may issue a supplemental order prescribing the rate to be charged to or from such common points."

Provided, however, that before the commission shall have the power to fix joint rates or compel one road to haul the cars of another or deliver freight or cars to another, the commission must be satisfied that an injustice or injury will result to the shipper seeking the enforcement of said joint rate if the same is not established.

On the refusal of the railroad com-

ALL ONE NATION

President Speaks at Lincoln Banquet.

RAGE PROBLEM HIS TEXT

He Urges North to Help South in Solving It.

EQUAL OPPORTUNITY FOR ALL

He Defends Negro's Right to Legal, but Not Social Equality, and Expresses Sympathy for the South.

NEW YORK, Feb. 12.—As the guest of honor at the Lincoln dinner of the Republican Club in this city tonight, President Roosevelt made a speech on the race problem. He appealed to the North to make its friendship to the South all the greater because of "the embarrassment of conditions for which she is not alone responsible," declared that the heartiest acknowledgments are due to the ministers, law officers, grand jurors, public men and "great daily newspapers in the South who have recently done such effective work in leading the crusade against lynching," and said that the problem was to "so adjust the relations between two races of different ethnic types that the backward race be trained so that it may enter into the possession of true freedom, while the forward race is enabled to preserve unharmed the high civilization wrought out by its forefathers."

Following the President, Senator Doolittle, of Iowa, responded to the toast, "Abraham Lincoln"; George A. Knight, of California, spoke on "The Republican Party"; and James M. Beck, ex-Assistant Attorney General of the United States, on "The Unity of the Republic."

The dinner was held in the main banquet hall of the Waldorf-Astoria, and in the number of guests and elaborateness of decorations it is believed to have exceeded any function of its character ever held in New York. The guests numbered more than 1000 and not only crowded the main banquet hall, but the Astor gallery, the Myrtle room and even the foyer of the second floor, the whole of which was used. Among the guests were 75 women, who dined in the Astor gallery.

In the main banquet hall the galleries were almost entirely hidden by decorations and the tables were laden with roses. On the walls were festoons of American flags and the coats of arms of the States. Back of the speakers' table was a large oil painting of Lincoln, draped with American flags and surmounted in electric lights with the famous motto, "With malice toward none, with charity for all."

Assembly of Great Men.
Among those who sat at the President's table were: Secretary of War Taft; Elihu Root; Whitelaw Reid; R. B. Odell, Senator Doolittle; John H. Finley, president of the College of the City of New York; Oscar Strauss, Bishop Fowler, Lieutenant-Governor Bruce, George A. Knight, Andrew Carnegie, Lieutenant-General S. M. R. Young, retired; General O. O. Howard, Brigadier-General Frederick D. Grant, Rear-Admiral Joseph B. Coghlan, Surgeon Charles E. Stokes; U. S. N.; James M. Beck, Dr. Nicholas M. Butler, president of Columbia University; Frank S. Black, General G. M. Dodge and Dr. Henry M. McCracken, chancellor of New York University.

The President was introduced by Louis Stein, president of the Republican Club, in a brief speech. As President Roosevelt rose to reply, the banqueters in the adjoining rooms crowded into the main hall and gallery, every inch of which was occupied. The President said:

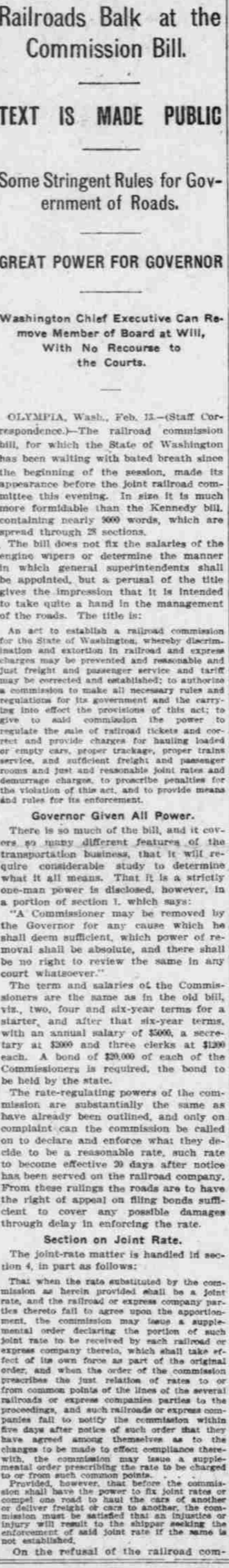
The President's Speech.
In his second inaugural, in a speech which will be read as long as the memory of this Nation endures, Abraham Lincoln closed by saying: "With malice toward none, with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to do all which may achieve and cherish a just and lasting peace among ourselves, and with all nations."

Immediately after his re-election, he had already spoken thus:

"The strife of the election is but human nature practically applied to the facts of the case. What has occurred in this case must ever recur in similar cases. Human nature

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MEMBERS OF THE FEDERAL GRAND JURY, WHO HAVE RETURNED MANY INDICTMENTS, UNITED STATES DISTRICT ATTORNEY HENEY AND W. J. BURNS, WHO HAVE INVESTIGATED LAND FRAUD CASES



READING FROM LEFT TO RIGHT: A. BITTINGHAM, V. W. BOWNEY, CHRISTIAN CHRISTENSEN, A. H. PARSONS, J. W. JORY, J. E. HAYS, JOSEPH ESSLER, I. R. HERREN, WILLIAM SHEPHERD, JOSEPH FRETNER, W. H. H. WADE, FOREMAN; GEORGE D. FIEBLER, JOHN SHAW, POSTER ADAMS, GEORGE GUININ, L. A. VOGAL, W. F. DUTTON, F. G. BUFFUM, L. N. EDWARDS, F. J. HENEY, W. J. BURNS.