



HENEY BEGINS HIS ARGUMENT

Senator Mitchell Does Not Testify.

ONE WITNESS ONLY HEARD

District Attorney Makes Brilliant Address.

ANALYZES THE EVIDENCE

Jurors Are Urged Not to Be Swayed by Sympathy, but to Try Fairly John H. Mitchell, the Man.

With a suddenness almost startling, counsel for defense Senator Mitchell, who is on trial before Judge De Haven, yesterday morning started his case. The determination on the part of the defense to rest was so abrupt that it was akin almost to a collapse, and for the space of half a minute, when Judge Bennett announced his determination, surprise held all present. It was not until late Monday evening that the defense concluded it would not place Senator Mitchell on the witness stand.

HENEY'S OPENING ARGUMENT

District Attorney Analyzes the Testimony Against Mitchell.

The stenographic report of District Attorney Henev's opening argument follows: Gentlemen of the Jury: It now becomes my duty to present to you the facts of this case, as well as to analyze the evidence which has been introduced, and to point out to you the reasons why you should believe that the defendant is guilty of the crime charged against him. I will perform my duty to you as faithfully as I can, and I will do so without favor to any person and without fear of any person. I will do so as a man, and as a citizen, and as a lawyer. I will do so as a man of honor and integrity, and as a man of courage and conviction. I will do so as a man who is not afraid to speak the truth, and as a man who is not afraid to stand up for the law. I will do so as a man who is not afraid to take the consequences of his actions, and as a man who is not afraid to die for his principles. I will do so as a man who is not afraid to be unpopular, and as a man who is not afraid to be hated. I will do so as a man who is not afraid to be persecuted, and as a man who is not afraid to be killed. I will do so as a man who is not afraid to be disgraced, and as a man who is not afraid to be despised. I will do so as a man who is not afraid to be scorned, and as a man who is not afraid to be reviled. I will do so as a man who is not afraid to be blasphemed, and as a man who is not afraid to be blasphemed. I will do so as a man who is not afraid to be blasphemed, and as a man who is not afraid to be blasphemed.

Arguments on Instructions.

Judge De Haven then called for the arguments on instructions, and ex-Senator Thurston, who had previously informed the court that he wished to be heard on this point, presented his argument. He took for his citation the famous Senator Burton case, and forcibly held that, because Senator Mitchell had never seen or received one of the Krebs checks, he was innocent of the charges alleged in the indictment. Ex-Senator Thurston spoke for over an hour, and was answered by Mr. Henev, and he in turn was answered by Judge Bennett. Judge De Haven then announced that it was not his custom to limit the arguments, but he wished to know the desires of the attorneys on this point. It was quickly decided that there should be no limit placed upon the time that should be taken up in argument and his Honor informed the court that he would be ready to hear the arguments at 2 o'clock, and excused the jurors until that time. The news that the defense had rested and that the arguments would be presented to the jury during the afternoon brought out the largest crowd yet present at the trial. Every available seat was taken and every chair in the judge's chambers and the clerk's office was brought into the court and they were occupied by men prominent at the bar and bench of the city. State Senator R. A. Booth was an early arrival. He took a seat to Senator Mitchell's left and listened to the opening argument made by Mr. Henev with considerable interest. Senator Fulton, the defendant's colleague in the upper house of Congress, was also present, as was Mayor Williams, District Attorney Manning, Judge O'Day and many others.

Henev's Lucid Argument.

The preparedness with which Francis J. Henev entered the Mitchell trial was even more apparent yesterday than it has been since the case began. Without attempts at oratory he began his plea in behalf of the Government, and from 2 o'clock until 4:30, when Judge De Haven adjourned the court until 10 o'clock this morning, he held the closest attention of all within reach of his voice. He was a splendid voice and throughout his long argument there was never a resort to tricks of voice or gestures. It was the clean-cut argument of a brilliant lawyer, with the facts and testimony of the witness tripping off the end of his tongue as though every word that had been spoken from the witness stand had been learned by heart. When Mr. Henev began to speak the throng present became motionless, and not even those who were forced to stand seemed to move for fully an hour. He was not through when court adjourned. He seemed capable of going on to the

WANTED TO BE THE WHOLE THING

Panama Engineer Wallace Created a Very Warm Row in Official Circles.

CANAL PLANS ARE UPSET

Secretary Taft Is Expected to Hold Conference With the President at Harvard Today to Facilitate Philippine Trip.

WASHINGTON, June 27.—(Special.)—The precipitate action of John F. Wallace, chief engineer of the Panama Canal, in resigning his position in a huff, has complicated the plans of President Roosevelt and Secretary Taft for the main work on the isthmian canal, and when the President and Secretary meet at Harvard tomorrow they are expected to hold a hurried conference and formulate plans for the future, as well as to issue an official announcement of the resignation of Wallace.

It is now conceded in official circles that the President and Secretary will have to do some quick work in selecting a new chief engineer. Secretary Taft has planned to leave for the Philippines by way of the Pacific Coast next Saturday. It is an important mission, and the party includes Senators, Representatives and distinguished friends, and the date of starting cannot very well be postponed.

Resignation After Warm Row.

What official Washington is most anxious to learn is whether the official announcement of the resignation will express the resentment the Administration feels against Mr. Wallace. His retirement ends what has been a warm row as has occurred in official circles in a long time. One official who is in close touch with the officers of the commission says that the whole trouble was brought about by Mr. Wallace desiring to be the "whole thing" in the work of canal construction. He is a man of independent means, and the salary of \$30,000 presented so great attractions. The present moment is a most critical point in the canal programme. Yellow fever is raging on the isthmus. President Roosevelt has called the international consulting board of engineers to meet in Washington September 1. This board will wield great influence in determining whether the waterway shall be a sea-level or a lock canal. For Mr. Wallace to threaten to resign at this vital juncture unless he were given powers far in excess of what were considered necessary, is deemed an unreasonable exaction which neither the President nor Mr. Taft proposed to endure.

Shouts Professed Ignorance.

President Shouts, of the commission, told his colleagues at their last meeting that he knew absolutely nothing about the reported intentions of Mr. Wallace, and that he was completely in the dark on the subject. The possibility of Mr. Wallace's resignation has been discussed informally in the commission for several days, but Secretary Taft is stated to have been really the only person who had an inkling of Mr. Wallace's intentions. That the Secretary held strong views on the subject was known to several of his friends, and it is explained that there may yet be some interesting developments before the official resignation is announced, by the Government. It is understood that Mr. Wallace, when he last conferred with the officials before leaving for the isthmus, expressed himself as deeply gratified at the consideration shown him, and declared his entire satisfaction with the plan for the administration of the canal. The statement was made by a close friend of Secretary Taft tonight that it was not believed the resignation of Mr. Wallace would cause him to postpone his trip to the Philippines.

Takes Job Offered Morton.

John F. Wallace's resignation was handed in because he wishes to become the head of the Metropolitan Railway Company's new subway system in this city, which is destined to yield enormous profits. It is the same position tendered to Paul Morton, who had virtually accepted when he was suddenly selected as the head of the Equitable. Mr. Wallace was deemed the most available substitute for Mr. Morton. He will get a salary of \$60,000 a year. Mr. Wallace declines to discuss canal affairs in any way. Since his return last week he has kept from public view, his presence being known to only a few friends and department officials.

Not Bound to Return the Dead.

WASHINGTON, June 27.—The Controller of the Treasury has rendered a decision in which he holds, in effect, that under the terms of his present contracts of employment between the Isthmian Canal Commission and its employees, the commission is not authorized to pay the expense of transportation of the remains of deceased employees from the isthmus to their homes in the United States. The Controller is of the opinion, however, that the commission has authority, if it so desires, to contract with its employees for the payment of such expense as a part of their compensation in the event of their death.

La Boca Wharf in Quarantine.

COLON, June 27.—A meeting of steamship agents was held here today to consider a fatal case of bubonic plague recently reported to have occurred at La Boca, near Panama. Pending developments, no definite action

LEAPS FROM SIXTH FLOOR

Captain Graham, Confederate Veteran, Commits Suicide.

WASHINGTON, June 27.—Captain Robert G. Graham, a lawyer, 66 years old, who served in the Confederate army throughout the Civil War, and a son of a former Cabinet officer, leaped from the portico of a window on the sixth floor of an apartment-house today, and was so seriously injured that he died a few minutes after being picked up. He had been ill for some time and it is believed he became despondent. The coroner gave a certificate of death from suicide.

The deceased was for three years secretary of the Civil Service Commission during the first administration of President Cleveland.

GIVES LIFE FOR A CHILD

Grand Island Brakeman Climbs Out on Pilot on Engine.

ST. JOSEPH, Mo., June 27.—In saving the life of a 2½-year-old child which had wandered on the railroad track near Powell, Neb., George Poehl, a St. Joseph & Grand Island fireman, was fatally hurt. As the heavy freight train rounded a curve a child was discovered a short distance ahead. Brakes were applied, but too late. Poehl climbed to the pilot and grasped the baby as the spot was reached, throwing it from the track unharmed. The fireman's slight escape caught under the pilot and literally wrenched off. He will die.

YAQUI MASSACRE IS DENIED

Fight Occurs on Buenos Ayres Ranch in Which Two Are Killed.

NOGALES, N. M., June 27.—The stories out from this place regarding the attack by Yaqui Indians on the Buenos Ayres ranch, in Sonora, last Thursday, in which over 20 Yaquis and several settlers and cowboys were reported to have been slain, were the greatest exaggerations. The only foundation for the reports was a fight occurring at the ranch, in which two Indians were killed, and Louis Caransa was wounded. There was no attempt at a massacre, and no troops were sent out, as reported.

Forest Fires in Colorado.

DENVER, June 27.—Forest fires are burning fiercely on Government lands in the mountains southwest of Denver. Since Sunday morning a fire has been raging ten miles northwest of Pine Grove, in the State of Colorado. The fire has been sent out from different points to check the progress of the flames. The loss thus far will reach \$60,000.

CONTENTS TODAY'S PAPER

The Weather. YESTERDAY'S maximum temperature, 64 deg.; minimum 51. Precipitation, 0.48 inch. TODAY'S—Fair and warmer. Westerly winds. War in the Far East. Tentative selection of peace plenipotentiaries by the United States will probably be unchanged. Page 2. Report current in St. Petersburg that Kurapatka is slain and many Russians captured. Page 4. The Franco-German Crisis. Germany's reply to the French note is very strong. It is stated that Moroccan question must be regulated by a conference. Page 1. Persia may be used as a basis of compromise. Page 1. Russia. Consulate surprise meeting of Socialists in forest near Lodz and fire on crowd. Page 1. Foreign. Cossacks involved in bloody strike spreading over Russia. Page 3. King Oscar opposed raising of Prince of Wales to the throne. Page 4. Riksdag rejects report of Norway, but seems prepared to accept dissolution of states. Page 4. National. Engineer Wallace wanted to be the "whole thing" in building the Panama Canal. Page 1. General Leonard Wood arrives on a flying visit to the Philippines. Page 2. Secretary Hay's condition continues to improve. Page 4. Domestic. President Roosevelt called to Cambridge to attend Harvard commencement exercises. Page 2. Annual policies to be written hereafter by Mutual Life insurance company, with distribution of dividends. Page 5. Knabenshue's airship makes successful trial flight at Toledo, O. Page 2. Mrs. Mary Baker Eddy says too many prayers have been offered for peace of nations. Page 1. Sport. Americans win all tennis matches of the day in England. Page 7. Yale won the collegiate championship from Harvard by 7 to 2 score. Page 7. Pacific Coast League scores. Tacoma 2, Portland 1; San Francisco 4, Los Angeles 1. Page 7. Pacific Coast. Portland woman saved from drowning at Seaside. Page 6. Eastern Washington stockmen grabbing land. Page 6. Chinese do not fear boycott, though reports are bad. Page 6. Short-change man goes quickly to penitentiary. Page 6. Commercial and Marine. Apple numerous in Willamette Valley wheat. Page 17. Stock market again dull. Page 17. Nonarrival of train causes fair market. Page 17. Realistic sales weaken stock market. Page 17. Imports being made to contract 1906 wool crop. Page 17. Grain futures market at San Francisco. Page 17. Wheat market at Chicago. Page 17. Steamer gamecock sinks in Covilla River. Page 5. Steamer flooded chartered for lumber to China. Page 5. World's Fair. Annual convention of W. C. T. U. in progress. Page 12. Attendance yesterday, 13,000. Page 12. Visitors see the Fair and enjoy reception. Page 12. Portland and Vicinity. President remedies Chinese exclusion difficulty. Page 12. District Attorney Henev makes his opening argument in Mitchell trial. Page 1. Policeman narrowly escapes death in battle with desperado. Page 12. Ordinance raising pay of police and fire department may not be valid. Page 8. Thomas D. Ingham gives sensational testimony in court. Page 16. Woman suffragists gather for convention. Page 12.

GERMAN REPLY IS FRIENDLY IN FORM

Conference for the Regulation of the Moroccan Question Is Insisted Upon.

FRENCH TENSION RELAXES

Diplomats Express the Opinion That Influence in Persia Will Be Used as a Basis of Compromise.

PARIS, June 27.—Germany's reply to the French note on the subject of Morocco was presented during a conference between Prince Radolin, the German Ambassador, and Premier Rouvier, at the Foreign Office, today. While most friendly in form and entirely lacking a preemptory tone, Germany's response none the less maintains the position that the Moroccan question must be regulated by a conference of the powers, without any agreement in advance limiting the scope of such conference. It was accompanied by the presentation of Germany's general point of view in such an amicable spirit as to disarm the suspicion entertained concerning Germany's ulterior motives. Prince Radolin remained after the presentation of the note for a long conversation, in which Germany's desire for an amicable adjustment of the difficulty was further expressed. It is thought that Premier Rouvier will be prepared to terminate the controversy either by accepting the conference or submitting counter-proposals. However, he informed Prince Radolin that no decision would be taken until the German note had been submitted to the Council of Ministers at the next regular meeting, which will take place Friday, so that final determination remains in abeyance unless the Council should be called in special session. It is the general expectation that an agreement will be reached on the basis of a conference.

Conference May Be Accepted.

Tension in official quarters has notably diminished, and this is only explainable on the theory that a conference will be accepted. Germany's response does not make any notable concession. However, the agreeable tone adopted by Germany and the entire absence of menace appear to create the most favorable impression. This is a most fortunate turn of affairs, for, while France sincerely seeks to avoid a rupture, anything offensive to the national pride, might have inflamed public opinion beyond the point of control. Reports from foreign capitals to the effect that France recognizes Germany's influence in Persia as compensation for the renunciation of that country's claims in Morocco has somewhat annoyed French officials, who in strenuous terms authoritatively deny any such understanding. "France is negotiating with Germany about Morocco, and only about Morocco," the entire absence of menace appear to create the most favorable impression. This is a most fortunate turn of affairs, for, while France sincerely seeks to avoid a rupture, anything offensive to the national pride, might have inflamed public opinion beyond the point of control. Reports from foreign capitals to the effect that France recognizes Germany's influence in Persia as compensation for the renunciation of that country's claims in Morocco has somewhat annoyed French officials, who in strenuous terms authoritatively deny any such understanding.

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In German quarters it is also stated that Persia has not figured in any way in the note. Germans view the Persian rumor as a diplomatic ruse to excite Russia against Germany. However, diplomats are inclined to believe that Persia would be a good basis for compromise, as France possesses considerable interests there, whereas Germany seeks to strengthen her hold on the Bagdad Railroad, thus giving her communication with the Persian Gulf, rivaling the British route to the Orient by way of Suez. The prospects of such a compromise were much discussed by the diplomats attending the reception at the British Embassy last night. The Shah of Persia happens to be sojourning at Centreville, where numerous influences are in operation to induce him to take a friendly view of various foreign railroad projects.

Persia a Basis of Compromise.

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GERMANY SCORES A VICTORY

St. Petersburg Gets Word Agreement Covers More Than Morocco.

ST. PETERSBURG, June 27.—Private advices from Paris say that Germany has achieved a diplomatic victory over France by reaching an agreement with Premier Rouvier for a settlement covering not only Morocco, but other questions, by which it is presumed that Germany, like Great Britain, will secure compensation for quit claiming her interests in Morocco. Germany's gold pro quo, according to report, will be obtained in the Near East, in recognition of her influence in Persia.

INSISTS UPON A CONFERENCE

German Note Said to Be Very Amicable in Tone.

BERLIN, June 27 (1:50 P. M.).—The German answer to the French note on the subject of the proposed Morocco conference was sent to Paris yesterday. A high official near Chancellor von Bulow informs the Associated Press that the German note is perfectly amicable in form, insists upon a conference, and also declines to comply with France's request that Germany outline beforehand the programme of the conference. The Chancellor reiterates the stand that the Moroccan question is an international affair, and Germany, having accepted the Sultan's invitation to a conference on the subject, cannot rightly agree with any special power as to what can be discussed at the conference. Germany insists that France must agree to the conference before any arrangements are made respecting the subject-matter for discussion. After France has agreed to this, Germany

WOMEN ESCAPE CLUTCH OF SEA

Mrs. Arthur Mann and Miss Ella Young Almost Drown at Seaside.

RESCUERS NEARLY LOST

John P. Von Almen and Walter J. Smith, of New Rockford, North Dakota, Heroes of the Hour.

ECHO OF THE BOURGOGNE

Court Orders Payment of Freight and Passage Money.

NEW YORK, June 27.—In the suit brought by the survivors of the La Bourgoigne eight years ago a judgment was handed down today in the United States Circuit Court of Appeals, which ordered the United States District Court, the tribunal below, to modify its opinion in conformity with the decision rendered today. The principal feature of moment in the new opinion is that it orders the Compagnie Generale Transatlantique to pay over to the trustees the sum of \$112,000 francs, with interest from the date of the disaster, this representing the amount of the freight and passage money received by the owners of the vessel for the voyage from New York on which she was lost. As to whether the defendant was responsible for the loss of life, the court holds that the owners were personally without responsibility. As to whether the freight and passage money received by the owners of the vessel for the voyage from New York on which she was lost. As to whether the defendant was responsible for the loss of life, the court holds that the owners were personally without responsibility. As to whether the freight and passage money received by the owners of the vessel for the voyage from New York on which she was lost.

SALARIES ARE RAISED.

Assistant Postmasters in Two Oregon Towns Profit.

OREGONIAN NEWS BUREAU, Washington, June 27.—Postmaster-General Cortelyou has authorized an increase in the salary of the Assistant Postmaster at Chicago, City from \$100 to \$120 and the appointment of one additional clerk in that office at \$60 per annum. The salary of the Assistant Postmaster at Roseburg will be raised from \$80 to \$100.

Contracts on Minidoka Projects.

OREGONIAN NEWS BUREAU, Washington, June 27.—Secretary Hitchcock today awarded the contract for the construction of the telephone system in connection with the Minidoka irrigation project in Idaho to W. H. Crumb & Co., of Chicago, at their bid of \$225,000. Contracts for construction of reservoirs, canals, etc. for the Minidoka project were awarded to Warrman & Cook, Pueblo, Colo.; and to Carlson, Rosen, Monarch & Porter, Des Moines, Ia., and the Volcan Iron Works, Chicago. The aggregate amount of these contracts is \$255,000.

BREAKS ON HEAVY GRADE

Freight on Colorado Southern Runs Into Passenger Southern Hauls.

DENVER, Colo., June 27.—While climbing the steep grade into Castle Rock, Colo., today a heavily laden freight train south broke in two sections and 22 cars, rushing down hill, crashed into the head of Colorado & Southern passenger train No. 12, demolishing the locomotive. Fremont McAdams, of Denver, had both legs cut off and died in an hour. Nearly all the coaches of the passenger train were derailed and many passengers were badly bruised. Among the injured were the following: W. J. Food, Seattle, Wash., right knee injured. C. P. Knight, Boise City, Idaho, cut about head and arms.

HILL'S LINE IS FAVORED

Canadian Parliament Favors Line to Compete With C. R. R.

OTTAWA, Ont., June 27.—The Victoria, Vancouver & Eastern Railway bill was favorably reported to the House today by a vote of 73 to 69. The road, which is to run from the Boundary Creek district in British Columbia, to the Pacific coast, is being promoted by James J. Hill. The bill has been bitterly fought by the Canadian Pacific, and opposition to the measure will be continued in the Commons and Senate.

Durfee Is Held for Murder.

ELGIN, Ill., June 27.—Armed is said to have been discovered in the stomach of Mrs. W. H. Durfee, whose death here has caused suspicion to rest upon her. The internal organs are under chemical and microscopic examination, and the substance of white powder which Durfee gave his wife is being investigated by the Elgin authorities. Meanwhile searches into Durfee's past life are being made. The story has many ramifications, including several previous marriages by Durfee. Durfee was arrested this afternoon and was locked up without bail on a charge of murder.

Raise in Assessment Condemned.

NEW YORK, June 27.—After a prolonged session, the New York Council of the Royal Arcanum, which met here tonight, passed a resolution condemning the action of the supreme council of the order in raising the assessment rates, and called upon State Grand Regent Hoag to present the protest to the council and use his efforts to have the new scale of assessments rescinded.

Fresh Mobilizations Ordered.

ST. PETERSBURG, June 27.—Mobilizations have been ordered to Taurko-Selo, 15 miles from St. Petersburg, and Volmar, in the Government of Tomsk.

TOO MANY PRAYERS MADE

SPECIAL APPEALS FOR PEACE OF NATIONS TO CEASE

Mrs. Eddy Issues Request to Members of Her Church, Saying Blessing Is Sure to Come.

"BIG FRANK" M'COY DEAD

Old-Time Bank Burglar Picked Up Ill and in Great Poverty.

NEW YORK, June 27.—"Big Frank" McCoy, the famous old-time bank burglar and partner of the late "Timothy" Hope of Manhattan Bank fame, died at the Metropolitan Hospital on Blackwell's Island today of a complication of diseases. McCoy for some years past had lived a hand-to-mouth existence on the East Side. He was taken to the hospital June 11. McCoy was implicated in some of the most sensational bank robberies in the country. At different times in his career, he was possessed of considerable means, but his money went as fast as it came.

Commercial Men Elect Officers.

CHICAGO, June 27.—The Secretaries of the United Commercial Travelers today elected B. F. Andrews, of Portland, Me., president, and G. Wait Sheldon, of Denver, Colo., secretary.