TAFT IN MESSAGE LAUDS DIPLOMACY

President Denies Materialistic Aims Alone Govern Foreign Relations.

KNOX'S BILL IS INDORSED

Warning Given to Competitive Nations Who May Retaliate Upon Growing Commerce in Manner Not Equitable.

WASHINGTON, Dec. 3.—A note of warning to European powers which by indirect means continue to discriminate against American trade; a strong appeal to the Congress to uplift the great foreign policies of America above mere questions of partisanship; a triumphant vindication of the diplomacy of the Administration, which is characterized as that of "dollars versus bullets"; a masterful pride in the enormous expansion of American trade as a result of the foreign policies of his Administration; and an earnest appeal for joint action by Congress and the Executive to open new markets for American industries—these are the more striking features of President Taft's fourth annual message sent to Congress today.

The message is the first of a series of such communications which he will send to Congress in the early days of the session, and deals entirely with the foreign relations of the United States. Beginning with the usual reference to the existing good relations with foreign powers, the President adds that these have been strengthened by "a greater insistence upon justice to American citizens, or interests, wherever it may have been denied, and a stronger emphasis of the need of mutuality in commercial and other relations."

Competitive Nations Alarmed.

For the first time in its history, says the President, the State Department has obtained substantially the most-favored-nation treatment from all of the countries of the world. Therefore, he says that it is only natural that competitive countries should view with some concern the expansion of our commerce. Hence the warning: "If in some instances the measures taken by them to meet it are not entirely equitable a remedy should be found."

To this end, the President strongly recommends the enactment of the bill recommended by Secretary Knox last December, permitting the Government, instead of imposing the full maximum rates of duty against discriminating countries, to apply a graduated scale of duties, up to the maximum of 25 per cent.

"Flat tariffs are out of date," says the President. "Nations no longer accord equal tariff treatment to all other nations, irrespective of the treatment from them received. It is very necessary that the American Government should be equipped with weapons of negotiation and adapted to modern economic conditions."

Plea Made for Merit System.

The State Department, "an archaic and inadequate machine" at the beginning of this Administration, the President says, has become a new organization, with highly specialized bureaus and experts dealing with every phase of American trade and diplomacy. Holding that the essence of this reorganized service is found in the merit system, which President Cleveland is credited with having introduced, President Taft makes a strong appeal to Congress to make this machine permanent by giving the force of statutory law to the executive orders governing admission to and promotion in the diplomatic and consular services.

To show that these appointments are already largely non-partisan, the President points to the fact that three of the present Ambassadors are holdovers; that of the 10 he has appointed, five were by promotion from the rank of Minister; that of the 30 Ministers appointed, 11 were promotions; and that in the Consular service no less than 55 per cent of the Consuls appointed by him were from the Southern States.

"The diplomacy of the present Administration has sought to respond to modern ideas of commercial intercourse," says President Taft. "This policy has been characterized as substituting dollars for bullets. It is one that appeals alike to idealistic humanitarian sentiments, to the dictates of sound policy and strategy, and to legitimate commercial aims."

The President adds that "because modern diplomacy is commercial, there has been a disposition in some quarters to attribute to it none but materialistic aims.

Diplomacy Not Wholly Commercial.

"How strikingly erroneous such an impression is, may be seen from a study of the results by which the diplomacy of the United States can be judged," says the President.

He mentions the arbitration treaties with France and Great Britain, which failed of confirmation in the Senate; the successful tripartite mediation of the Argentine Republic, Brazil, and the United States, between Peru and Ecuador; the arbitration of the Panama-Costa Rica boundary dispute; the intervention between Hayti and the Dominican Republic on the verge of war, the suppression of the Nicaraguan war, the halting of internecine strife in Honduras, the adjustment of the celebrated Tacna-Arica dispute between Peru and Chili, and the adjustment of the Peruvian-Ecuadorian boundary issue.

In consequence of these things, says the President, there has been a general easing of international tension on the west coast of South America. He also adds that the diplomacy of the United States is active in seeking to assuage the remaining ill feeling between this country and Colombia.

Taking up some of the details of the year's diplomatic work, the President refers with expressions of pride to China, where "the policy of encouraging financial investment to enable that country to help itself has had the result of giving new life and practical application to the open-door policy." The consistent purpose has been to encourage the use of American capital in China, says the President, to promote the reforms to which that country is pledged by treaty with the United States and other powers. There has been a vigorous assertion, also, he says, of the equal right of the United States to a voice in all questions pertaining to Chinese loans and developments.

Nicaragua Horrors Preventable.

President Taft makes the direct charge that the terrible events recorded in Nicaragua recently, the useless loss of life, the devastation of property, the bombardment of the principal cities, the killings and the tortures and suffering, "might have been averted had the Department of State, through approval of the loan convention by the Senate, been permitted to carry out its now well developed policy."

"In Central America the aim has been to help such countries as Nicaragua and Honduras to help themselves," says President Taft.

While they are the immediate beneficiaries, the profit to the United States is two-fold, he adds. The Monroe Doctrine is more vital in the neighborhood of the Panama Canal and such countries should be relieved of the jeopardy of heavy foreign debts likely to provoke international complications.

The financial rehabilitation of these countries by American bankers and the protection of their custom houses from being the prey of would-be dictators, says the President, would remove the menace of foreign creditors and revolutionary disorder. Furthermore, the United States would profit largely in a business way through the development of the great natural resources of Central America.

Commending the successful results of the application of the new neutrality laws to Mexico and other troubled countries, the President suggests that means be found in addition to prevent the professional revolutionists from making American ports "foci" for revolutionary intrigue. He reiterates his determination to adhere in the case of Mexico to the "patient policy of non-intervention, steadfast recognition of constituted authority, and the exertion of every effort to protect American interests."

Exports Hugely Increased.

Other paragraphs of the message point to the increase of American domestic exports by $200,000,000 during the past year, making the greatest total ever known, $2,200,000,000; to the agricultural credit system, which he thoroughly indorses; to the probable necessity of an amendment of the fur-seal act, to permit limiting killing of seals; to a meeting of the arbitrators in Washington next year to adjust the pecuniary claims between Great Britain and America; to negotiations with Mexico for the distribution of the waters of the Colorado River in the Imperial Valley section, and to the financial rehabilitation of Liberia.

There is merely historical reference to the Chinese revolution, to the Santo Domingo troubles, the rebellion in Cuba, and the Balkan war developments, in which it is said the United States is not involved.

The message concludes with an earnest appeal to Congress to co-operate with the executive in its efforts to apply the old principles of diplomacy which have governed the country to the momentous new situation of today, when America finds itself at the threshold of her middle age as a Nation, "too mature to continue in its foreign relations those temporary expedients natural to a people to whom domestic affairs are the sole concern."

SNAPSHOT OF LAWYER ALBERT T. PATRICK LEAVING SING SING PRISON.

—Photo Copyright by American Press.

THIS PHOTOGRAPH WAS TAKEN THURSDAY, NOVEMBER 28.

As Patrick left Sing Sing he stopped for a moment just outside the entrance, and the camera man snapped him. The picture shows that the 12 years behind the bars, four of which he spent in the shadow of the death chair, have not done him any harm physically. He appeared to be in the best of health, and ready for a long fight for the Rice millions.

ACTRESS TAKES STAND

EDITH ST. CLAIR BLAMES ERLANGER CO-RESPONDENT.

Testimony in Suit Which Manager Calls Blackmail Turns on Divorce Proceedings.

NEW YORK, Dec. 3.—(Special.)—Miss Edith St. Clair, the actress who says that Abraham L. Erlanger made a contract to pay her $2500 a year for ten years, to which Mr. Erlanger replies it is blackmail and names as the blackmailer Max D. Steuer, who was her counsel, testified at the trial of the suit today in the Supreme Court that Erlanger discontinued making payments to her because Elfie Snowden, who was named as co-respondent in the divorce obtained by Mrs. Erlanger, objected to her rejoining the Klaw & Erlanger forces.

Edmund L. Mooney, counsel for Miss St. Clair, succeeded today in getting before the jury over the objections of William Travers Jerome, who is appearing for Erlanger, testimony in connection with the Erlanger divorce suit.

Mr. Erlanger this morning testified he was at Young's Hotel in Atlantic City with Miss Snowden in 1909, but that her mother was with them. Mr. Erlanger insisted that there was nothing improper about the trip. His wife was in Europe. He made emphatic denial that he had been put out of the hotel by the manager.

Erlanger said that he paid $500 for a box for the "Gambol of Lambs" at the Metropolitan Opera-House in 1909. He said that he had visited Miss Snowden and her mother, who were in a box.

STEAMSHIP SAILS IN TOW

Passengers Stay by F. A. Kilburn on Voyage to San Francisco.

EUREKA, Ca., Dec. 3.—In tow of the tug Relief and rigged with a jury rudder, the steamer F. A. Kilburn, of the North Pacific Steamship Company, put to sea this afternoon for San Francisco, carrying 63 passengers, one more than she carried yesterday, when she bumped the Humboldt bar in passing out. Once at sea the tug Hercules, of the Shipowners' & Merchants' Company of San Francisco, will take her in tow, replacing the Relief.

Sinking between two swells, the Kilburn touched the bar yesterday morning. The shock opened her seams and shattered her rudder. It was soon seen that she was taking water fast and was unmanageable. A wireless call for help was sent out and the Relief towed the vessel back to Eureka.

Necessary repairs will be made at San Francisco.

ARCHBALD HEARS HIMSELF SCORED

Judge Before Bar of Senate When Clayton States Case of His Accusers.

CHARGES VAGUE, IS REPLY

Commerce Court Jurist Will Contend That Facts When Properly Analyzed Will Show No Dishonest Motive.

WASHINGTON, Dec. 3.—Judge Robert W. Archbald, of the United States Commerce Court, sat before the bar of the Senate today and heard himself referred to as one who had "prostituted his high official position to personal profit," who had "commercialized his potentiality as a judge," and who "had degraded his office and destroyed the confidence of the public in his integrity."

To this arraignment by Representative Clayton, of Alabama, representing the House of Representatives in the impeachment proceedings against the jurist, Judge Archbald's chief counsel, A. S. Worthington, made an emphatic reply. He declared the House had brought proceedings against Judge Archbald upon facts that when properly analyzed showed the jurist's motives to be unquestionable.

Defense Calls Charges Vague.

"I do not like to think that any man can be brought into a court of justice anywhere and made to answer charges so vague and indefinite," added Mr. Worthington.

Judge Archbald sat with his attorneys at the right of the bar.

Representative Clayton, making the opening statement for the House, declared the facts produced in the investigation of Judge Archbald's business relations with coal companies and railroads showed that his "sense of morality had been deadened"; and that he had used his official position to induce officials of railroads that were or might be litigants before his court to grant him favors or to consent to business deals.

Witnesses to Appear Today.

Judge Archbald's attorney replied to all of the impeachment charges made by the House, declaring that the witnesses summoned in behalf of the accused jurist would substantiate their contention that Mr. Archbald had been guilty of no wrongdoing, and that his relations to certain coal land deals had been open.

The first witnesses will be summoned before the Senate court of impeachment tomorrow.

The trial is expected to center about the testimony of witnesses as to Judge Archbald's connection with the purchase or attempted purchase of certain refuse coal dumps.

CHICKENS THRIVE ON WINE

Farmer Finds Hens Lay Eggs With More Appetizing Flavor.

PARIS, Dec. 3.—(Special.)—A farmer of the "Midi," whence comes the good red wine, was distressed by the low standard of productivity which his hens seemed to have imposed on themselves. He thought the whole question out one day over a bottle of excellent vintage, and came to a conclusion. "Here am I," he said to himself, "drinking my three litres of wine daily, and feeling all the better and more vigorous for them. Now, a merciful man is merciful to his hens, yet I expect these unhappy creatures to produce their diurnal egg on nothing more invigorating than water. From henceforward they shall have just a trifle of wine with their meals."

Next morning the new regime began with a dozen of his least prolific charges. They took to it very kindly from the first day, and the result was beyond their owner's dreams. Whether the hens saw double or not is uncertain, but certain it is that they laid double, and their eggs had a flavor which endeared them to the gourmets of the countryside. No self-respecting housekeeper would venture on a "tipsy" cake without them, and with their co-operation an ordinary omelette possessed all the flamboyant qualities of an "omelette au rhum."

HARRIMAN LINES CONFER

(Continued From First Page.)

the two lines virtually have been managed as one property, with much the same set of officials down to the minor grades. Enforcement of the Supreme Court's order, in the opinion of impartial outsiders, will call for separate and distinct working forces, from the highest salaried officers down to the most obscure subordinates.

Today's stock market was largely governed by the merger decision. Wall street seemed unable to arrive at a definite conception of the importance of the decree. In a general way the financial community was disposed to believe that in its broader aspects the decision is not without bearing upon other corporations, industrial as well as railroads.

OFFICIALS EN ROUTE WEST

New Plans for Operating Said to Be Object of Conference.

OMAHA, Dec. 3.—(Special.)—Officials from the Union Pacific, Southern Pacific, Oregon Short Line and Oregon-Washington Railroad & Navigation Companies are tonight en route to Salt Lake City, where they will hold a conference and discuss the recent merger decision of the Supreme Court. The conference is said to have been called with the intention of permitting the real operating officials of the lines to work out a plan of operation, which will be presented to a reorganization committee soon to meet in New York.

President Mohler, of the Union Pacific, accompanied by his passenger heads, left Omaha last night for the conference. Vice-President Monroe, in charge of traffic, reached Omaha from the East at noon today and started for Salt Lake within an hour. Similar officials of the other lines are en route to the conference, and the heads of the law departments of all the roads will be there.

The main object of the meeting, rumors in Union Pacific headquarters are, is to prepare for the operation of the Central Pacific as a part of the Union Pacific system, giving the Union Pacific entry into California over its own tracks. It is taken for granted in Union Pacific headquarters that the Central Pacific will pass to the control of the Union Pacific, although no official will permit himself to be so quoted.

The Salt Lake conference will have nothing to do with making the plans by which the Central Pacific will pass to the Union Pacific, that point being left to New York officials. The conference will simply deal with the best way in which the Union Pacific, Central Pacific, Short Line and Oregon-Washington can be operated as one system and from one head.

MEXICO REFUSES ARMS

PROPERTY OWNERS MAY NOT PROTECT THEMSELVES.

Rebels Strong in Puebla and Morelos, and Oaxaca Indians Continue Barbarities.

MEXICO CITY, Dec. 3.—Unable itself to give protection to other than the larger towns and occasionally a few haciendas, the Government has refused the request of a group of property owners in the state of Puebla to arm a protective organization whom the owners proposed to pay and direct.

The group, is headed by Manuel Rivero Collada, the Spanish Consul at Puebla.

The rebels are in possession of the greater part of the Chiautla district near the city of Puebla. Yesterday they defeated a small federal force near the town of Chiautla. Other towns in the same state are infested.

In the state of Guerrero, the important town of Ayutla, is in the hands of the rebels, as is a long stretch of the Pacific Coast in that state. A small force of federals has been sent from Ometepec to Acapulco.

The situation in the state of Morelos is acute, especially around Juchitepec, although the government says it has defeated a strong force near Cuernavaca. A thousand irregulars expected from the north will be sent to report to General Blanquest, at Toluca, for service. An energetic campaign is being mapped out in that state, where the rebels are so strong that they are raiding almost on the outskirts of the state capital, cutting the light and power cables.

The Indians in Oaxaca continue their barbarous campaign in the mountains. The State Governor's appeal for reinforcements resulted in the dispatch of two or three hundred men, who were withdrawn from the pursuit of General Aguilar in the state of Puebla.

SAMUEL KRAMER TAKEN

FUGITIVE IN ROSENTHAL MURDER CASE FOUND.

Chicago Police Beat Into Unconsciousness Man Who Associated With "Gyp the Blood."

CHICAGO, Dec. 3.—Samuel Kramer, wanted in New York in connection with the Rosenthal murder, was arrested here today by detectives, after a desperate resistance, in which Kramer was beaten into unconsciousness. Acting on telegraphic information from New York, the detectives found Kramer hiding in a house on the West Side levee.

Kramer is 23 years old and is known under several other names. He was charged with having sheltered "Gyp the Blood" and his two companions in his Brooklyn home after the Rosenthal shooting. Kramer escaped from the house of detention, where he was being held.

On receipt of information from New York that Kramer was hiding here, Captain Halpin, of the detective bureau, sent a squad of detectives in an automobile to surround the house. Detectives Egan and O'Connor entered and found Kramer in bed in an upstairs room. He reached for a revolver, but was overpowered before he could use it.

LIBERTY STATUE FINISHED

Bronze Figure Wil Be Erected at Manila by United States.

BERNE, Switzerland, Dec. 3.—(Special.)—The Statue of Liberty which the United States Government will present to the Philippine Islands and which will be erected at Manila in the near future has been completed by the Swiss sculptor, Herr Kissling, whose design was chosen in an international competition.

The statue, which will have cost $1,200,000 when delivered at Manila, is a huge work in bronze, consisting of a series of life-size figures dominated by the giant figure of the Philippine National hero, Jose Rizal. The monument has been placed in position at the station of Wassen, Canton of Uri, to await inspection from the American commission of experts, after which it will start on its long journey across the seas.