



HARRIMAN MONOPOLY CONDEMNED

Rules Transportation From Mississippi to Pacific.

EXTENDS ACROSS OCEAN

Contrary to Public Policy, Laws and Constitutions.

NO LIMIT TO HIS AMBITION

Oregon Neglected That Empire May Be Enlarged.

HOW ALTON WAS WRECKED

Commission Proposes to Forbid Joint Control of Competing Lines and Regulating of Stock Issues.

REPORT ON HARRIMAN. The full text of the Interstate Commerce Commission's report on the Harriman system will be found on pages 1 and 8, section 4, of this issue of The Oregonian.

WASHINGTON, July 13.—A report was made public today by the Interstate Commerce Commission of its inquiry into railroad operations of E. H. Harriman and operations of the so-called Harriman lines of railway, which has been in progress for several months.

It is believed by the Commission that it will be determined by the President and Attorney-General Bonaparte from the report whether the Government will institute any sort of proceedings against Mr. Harriman or the corporations involved in the inquiry.

Only Law Checks Ambition.

The report is an exhaustive summary of the evidence adduced at the several hearings held by the Commission in the course of its inquiry. It enters fully into a discussion of the policy pursued by Mr. Harriman in obtaining and maintaining control of the various lines of railway in the Harriman system and presents a fairly complete history of the operations of the various lines.

ing transcontinental lines, or as many as possible, and to exclude the incoming of all competition became manifestly the Harriman policy, which was inaugurated in 1901 by the issuance of \$100,000,000 of convertible bonds by the Union Pacific, says the report.

Particular stress is laid by the Commission on the elimination of competition in transcontinental business among the Harriman lines, and the Commission indicates that that is the matter of large significance developed in its inquiry.

Special reference is made to the deal by which Mr. Harriman secured control



E. H. Harriman, whose railroad monopoly is declared illegal by the Interstate Commerce Commission.

of the San Pedro road and the manipulation of the Chicago & Alton, a very careful synopsis of the financial operations in both instances being given.

The Commission further says concerning the Alton deal that "it is evident that its history is rich in illustrations of various methods of indefensible business."

"The effect of the control of the Southern Pacific by the Union Pacific has been to unify and amalgamate the management of these two roads and steamship lines and to eliminate competition between them in transcontinental business and in business to and from Oriental ports."

"The joint control of the Alton railway by the Union Pacific and the Chicago, Rock Island & Pacific Railway Company has undoubtedly eliminated competition between the Alton and the Kansas City.

"These are conspicuous illustrations of the 'community of interests' and 'harmony of management' which Mr. Harriman suggested when he demanded representation upon the Santa Fe board.

"If the policy of purchasing and controlling stocks in competing lines is permitted to continue it must mean suppression of competition."

Should Forbid Joint Ownership.

The recommendations of the Commission, which are more general than specific in terms and application, say that the function of the corporation should be confined to the furnishing of transportation, and that railways should not be permitted to invest generally in the securities of other railway and steamship companies, except connecting lines, for the purpose of forming through routes of transportation, including branches and feeders.

"Competition between railways as well as between steamship lines should be maintained."

JAPANESE READY TO FIGHT AMERICA

Hordes of Brown Men in Mexico.

PLAN TO ATTACK FROM SOUTH

Immigration Company Bringing in Mikado's Men.

FORCE IS UNDER VETERANS

Eight Hundred Japanese Landed in Diaz' Country Each Month—Plan to Capture Lower California and Then Fight Northward.

MEXICO CITY, July 13.—(Special.)—

Nine thousand veteran Japanese soldiers are now in Northwestern Mexico. They are stationed at points in the States of Sonora, Sinaloa and Chihuahua. Each group is commanded by skilled commanders, who saw service in the Russo-Japanese war. Thirty thousand Japanese, the vast majority of whom are veterans of the Russian campaigns, are in the southwestern section of the United States and Lower California.

Japanese veterans gather in Mexico, ready to invade United States. Page 1, Section 1.

Ambassador Aoki proposes intermarriage to cement Japanese-American alliance. Page 1, Section 1.

Canada also wrestles with Japanese influx. Page 1, Section 1.

Foreign. Hague conference will adopt nearly all American propositions. Page 2, Section 1.

Stoesel and other defenders of Port Arthur on trial. Page 2, Section 1.

Morgan testifies against woman swindler in London. Page 1, Section 2.

Stensland makes money off victims, even in prison. Page 2, Section 1.

Prohibition law sure to pass in Georgia. Page 2, Section 1.

Rate law prevents railroads coming to relief of farmers. Page 1, Section 2.

Chicago operators warned to be ready for riot between Americans and Greeks at Roanoke, Va. Page 2, Section 2.

Rich Illinois banker accused of murdering his wife. Page 1, Section 1.

Beavers defeat Seals, 6 to 2. Page 2, Section 2.

Peter Pan wins Brighton handicap. Page 2, Section 2.

Jeans' trappers wins golf championship. Page 2, Section 2.

Pacific Coast. Appeal Court refuses to mandamus Judge Dunne in Schmitts case. Page 3, Section 1.

Strong rebuttal evidence in Haywood case, followed by charge of perjury against witness for defence. Page 1, Section 1.

"Enemy" is foiled in night attack on Fort Stevens. Page 1, Section 1.

Monster crowds at Gladstone Park. Page 1, Section 1.

Two desperate men break jail at Enterprise. Page 8, Section 2.

OREGONIAN TELEPHONES TODAY.

Oregonian departments will be connected this morning by the city central operator until 11 A. M., and thereafter by The Oregonian's exchange operator in the usual manner.

Trunk 1—Advertising, including "want" and classified advertisements. Trunk 2—Subscription and circulation. Trunk 3—Business office. Trunk 4—City news. Trunk 5—Telegraph news. Trunk 6—Mailing room. Trunk 7—Engine room. Trunk 8—Composing room. Trunk 9—Managing editor.

CONTENTS TODAY'S PAPER

The Weather. YESTERDAY'S—Maximum temperature, 76 degrees; minimum temperature, 64 degrees. TODAY'S—Showers; southwesterly winds.

National. Interstate Commerce Commission reports declaring Harriman monopoly illegal, and Attorney-General will decide on action. Page 1, Section 1, and Pages 1 and 8, Section 4.

Harriman says report is political document and is being pursued personally. Page 3, Section 1.

The Japanese Question. Japanese veterans gather in Mexico, ready to invade United States. Page 1, Section 1.

Ambassador Aoki proposes intermarriage to cement Japanese-American alliance. Page 1, Section 1.

Canada also wrestles with Japanese influx. Page 1, Section 1.

Foreign. Hague conference will adopt nearly all American propositions. Page 2, Section 1.

Stoesel and other defenders of Port Arthur on trial. Page 2, Section 1.

Morgan testifies against woman swindler in London. Page 1, Section 2.

Stensland makes money off victims, even in prison. Page 2, Section 1.

Prohibition law sure to pass in Georgia. Page 2, Section 1.

Rate law prevents railroads coming to relief of farmers. Page 1, Section 2.

Chicago operators warned to be ready for riot between Americans and Greeks at Roanoke, Va. Page 2, Section 2.

Rich Illinois banker accused of murdering his wife. Page 1, Section 1.

Beavers defeat Seals, 6 to 2. Page 2, Section 2.

Peter Pan wins Brighton handicap. Page 2, Section 2.

Jeans' trappers wins golf championship. Page 2, Section 2.

Pacific Coast. Appeal Court refuses to mandamus Judge Dunne in Schmitts case. Page 3, Section 1.

Strong rebuttal evidence in Haywood case, followed by charge of perjury against witness for defence. Page 1, Section 1.

"Enemy" is foiled in night attack on Fort Stevens. Page 1, Section 1.

Monster crowds at Gladstone Park. Page 1, Section 1.

Two desperate men break jail at Enterprise. Page 8, Section 2.

COMES TO PROBE LAND MONOPOLY

Object of Secretary Garfield's Visit.

SPENDS BUSY DAY IN CITY

Holds Important Conferences With Oregon Men.

ATTENDS PUBLIC BANQUET

Dinner at Commercial Club Brilliant Affair—Head of Interior Department and Subordinates Are Among the Speakers.

To secure information that will enable him to lift the blight of the Southern Pacific land grants in Oregon is one of the leading objects Secretary of the Interior James R. Garfield had in visiting Portland yesterday.

With a party of high Government officials in the Forestry, Reclamation and Land Departments, Secretary Garfield arrived here yesterday morning. In discussing the needs of this section of the country in relation to his department, Secretary Garfield's attention was brought prominently to the Southern Pacific land monopoly and the complete resistance made to any attempt to force the sale of lands held in trust by that company.

It is believed that the Secretary's visit will result in the loosening of the grip of the railroad corporation on hundreds of thousands of acres in this state that are sought by actual settlers.

Confers With Mr. Bristol.

Long conferences were held yesterday by Secretary Garfield with United States District Attorney Bristol on this subject. Vigorous efforts, it was learned, are to be put forth, with the full co-operation of the Secretary of the Interior, to force the hand of the Southern Pacific and to compel the sale of lands held by that company in defiance of the terms of the compact entered into with the Government when the lands were granted.

So earnest is Secretary Garfield in this work, that after a splendid banquet given him last night at the Commercial Club, which did not end until 1 o'clock, he went into a conference with District Attorney Bristol on the subject of Southern Pacific land grants which lasted nearly until dawn. Data concerning the grants, which has been secured under the direction of the District Attorney, was carefully examined by Secretary Garfield and it is understood that he has his mind fully made up to insist that the Southern Pacific accomplish the sale of these lands to bona fide settlers.

Good News for Settlers.

This is the most significant result of Secretary Garfield's visit to Portland. In this work he will accomplish what hundreds of Oregon people are seeking and with the assurance that he will proceed actively along this line the hopes of many claimants of these lands will rise accordingly.

A fitting climax to the visit of Secretary Garfield and his party to Portland yesterday was the banquet last night. There have been few public dinners given in the city that have called forth a larger attendance, and many brilliant speeches were made. Secretary Garfield was the center of attraction, naturally, but there were many other speakers of prominence, notably Judge Stephen S. Lowell, of Pendleton, who made an eloquent address, in which he pleaded for justice to all, irrespective of their station in

PERJURY CHARGED AGAINST M'GEE

Haywood's Witness Accused of Crime.

STATE'S REBUTTAL EVIDENCE

Case for Defense Riddled at Several Points.

ANOTHER MAN CONFESSES

Dewey Tells of Part in Wardner Riot and Says Davis Distributed Guns—More Arrests for Perjury Likely.

BOISE, Ida., July 13.—(Special.)—It has been known for two weeks that the state intended to prosecute some of the defense's witnesses in the Haywood case for perjury, and it has also been known that Dr. I. L. McGee was on the list, but it was not until tonight that a warrant was issued. This is for the arrest of the doctor. The complaint was sworn to by Sheriff Bailey of Shoshone County and the officers at Wallace have been notified to hold the accused man until a deputy sheriff can get there from Boise.

McGee's testimony has always been regarded as being "away off," either from lapse of memory or from some other cause. The state knows Harry Orchard was not in the Couer d'Alenes in 1904 and knows he was at Wardner when the Bunker Hill & Sullivan mill was blown up. McGee testified he saw Orchard in Wallace in 1904 and he also testified he thought he saw Orchard playing poker at Mullon on the day of the explosion in 1899.

Flynn and McHale in Danger.

Two Mullon men, Dominic Flynn and Pat McHale, testified they saw Orchard playing poker and one of them stated he saw McGee enter the room where the game was in progress. One of these men is placed in an awkward position by testimony given today, and it is possible more will go in. Today's testimony was given by Dan Galney, showing that Flynn about May, 1899, disclaimed having seen Orchard for several months.

It is not known who are the others whom the state contemplates arresting, but it is possible Flynn is one of them and "Big Bill" Davis another. One of the Colorado witnesses is in the meshes deeply, there being half a dozen witnesses to show he perjured himself.

The witness, William Dewey, who told such a remarkably straight story today respecting the riot of 1899 and the part taken in it by Bill Davis, was working at Goldfield, Colo. He became wrought up after reading Orchard's story and the subsequent details of it by witnesses for the defense and made up his mind to come here and tell what he knew. His willingness to testify was communicated to those representing the state, and his appearance followed.

First Voluntary Witness.

His testimony was remarkable as being the only testimony ever given by a man connected with the rioters in 1899 that ever approached the truth. What he told of the part taken by "Big Bill" Davis has been well known to hundreds of people for seven years; also the proceedings at the Gem meeting; but this is the first time anyone implicated in the work of that day has frankly told the facts on the witness stand.

The state made a splendid showing in the rebuttal testimony today, and it is promised that other witnesses will be

Without advocating a policy of confiscation," said he, "I believe the railroads and the wagon road companies should keep faith with the public and that these lands should go back to the people to whom they belong."

"While some of our people have been proved dishonest, there are thousands of people who are honest for every one proved dishonest."

Governor Chamberlain then briefly welcomed the visitors to the state.

Judge Williams then introduced Secretary Garfield, who paid a graceful tribute to Judge Williams. He said: "We have been traveling through the West in order to become better acquainted. Your Governor has said that large parts of your state have been withdrawn from settlement. From what you have done with the parts of it that remain, I do not know who you might not have done with all of it if freely placed at your disposal."

"The West is constantly moving. We in Ohio were but a little while ago the pioneers. We have not been slow to recognize what you are trying to do. The geological and the forestry surveys were created that you people of the West might be best served. We have come out here to shake your hand, to look you in the face, that we might better understand your needs and your best interests."

"It is true we have special agents

(Concluded on Page 3.)

PERJURY CHARGED AGAINST M'GEE

Haywood's Witness Accused of Crime.

STATE'S REBUTTAL EVIDENCE

Case for Defense Riddled at Several Points.

ANOTHER MAN CONFESSES

Dewey Tells of Part in Wardner Riot and Says Davis Distributed Guns—More Arrests for Perjury Likely.

BOISE, Ida., July 13.—(Special.)—It has been known for two weeks that the state intended to prosecute some of the defense's witnesses in the Haywood case for perjury, and it has also been known that Dr. I. L. McGee was on the list, but it was not until tonight that a warrant was issued. This is for the arrest of the doctor. The complaint was sworn to by Sheriff Bailey of Shoshone County and the officers at Wallace have been notified to hold the accused man until a deputy sheriff can get there from Boise.

McGee's testimony has always been regarded as being "away off," either from lapse of memory or from some other cause. The state knows Harry Orchard was not in the Couer d'Alenes in 1904 and knows he was at Wardner when the Bunker Hill & Sullivan mill was blown up. McGee testified he saw Orchard in Wallace in 1904 and he also testified he thought he saw Orchard playing poker at Mullon on the day of the explosion in 1899.

Flynn and McHale in Danger.

Two Mullon men, Dominic Flynn and Pat McHale, testified they saw Orchard playing poker and one of them stated he saw McGee enter the room where the game was in progress. One of these men is placed in an awkward position by testimony given today, and it is possible more will go in. Today's testimony was given by Dan Galney, showing that Flynn about May, 1899, disclaimed having seen Orchard for several months.

It is not known who are the others whom the state contemplates arresting, but it is possible Flynn is one of them and "Big Bill" Davis another. One of the Colorado witnesses is in the meshes deeply, there being half a dozen witnesses to show he perjured himself.

The witness, William Dewey, who told such a remarkably straight story today respecting the riot of 1899 and the part taken in it by Bill Davis, was working at Goldfield, Colo. He became wrought up after reading Orchard's story and the subsequent details of it by witnesses for the defense and made up his mind to come here and tell what he knew. His willingness to testify was communicated to those representing the state, and his appearance followed.

First Voluntary Witness.

His testimony was remarkable as being the only testimony ever given by a man connected with the rioters in 1899 that ever approached the truth. What he told of the part taken by "Big Bill" Davis has been well known to hundreds of people for seven years; also the proceedings at the Gem meeting; but this is the first time anyone implicated in the work of that day has frankly told the facts on the witness stand.

The state made a splendid showing in the rebuttal testimony today, and it is promised that other witnesses will be

Without advocating a policy of confiscation," said he, "I believe the railroads and the wagon road companies should keep faith with the public and that these lands should go back to the people to whom they belong."

"While some of our people have been proved dishonest, there are thousands of people who are honest for every one proved dishonest."

Governor Chamberlain then briefly welcomed the visitors to the state.

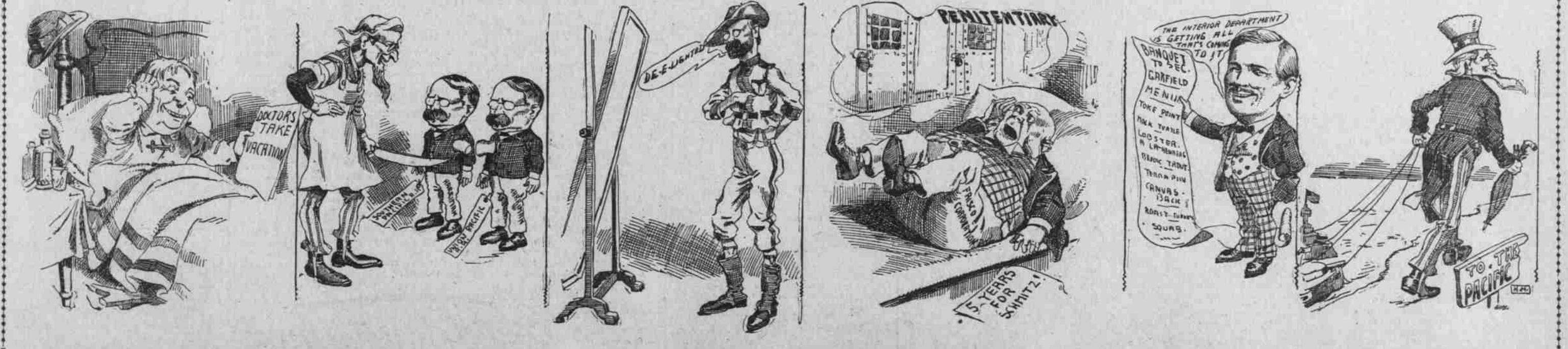
Judge Williams then introduced Secretary Garfield, who paid a graceful tribute to Judge Williams. He said: "We have been traveling through the West in order to become better acquainted. Your Governor has said that large parts of your state have been withdrawn from settlement. From what you have done with the parts of it that remain, I do not know who you might not have done with all of it if freely placed at your disposal."

"The West is constantly moving. We in Ohio were but a little while ago the pioneers. We have not been slow to recognize what you are trying to do. The geological and the forestry surveys were created that you people of the West might be best served. We have come out here to shake your hand, to look you in the face, that we might better understand your needs and your best interests."

"It is true we have special agents

(Concluded on Page 2.)

HARRY MURPHY'S WEEK-END REFLECTIONS ON TOPICS OF THE HOUR



The Patient—"Well, I guess I can get up now." Slamese Twins of Railroad Row must separate. Vice-President Fairbanks says he has adopted Roosevelt's pet phrase. Midsummer night's dream of Frisco's crooked corporations. Secretary Garfield visits Portland; devotes day to business of Interior Department. Uncle Sam visits the Pacific with a few warships.