VOL. XXVII.-NO 4

PORTLAND, OREGON,

SUNDAY MORNING, JANUARY 26, 1908.

PRICE FIVE CENTS.

FRIED FAT FROM

SILVER MINERS

Figures on Bryan's

1896 Campaign.

BIG COMPANIES ARE GENEROUS

WILL BREAK HARRIMAN

Bonaparte Starts Suit **Under Sherman** Law.

STOCK CONTROL ILLEGAL

Creates Monopoly of Transcontinental Traffic West of Missouri.

CLARK WAS FORCED TO SELL

Southern Pacific Absolutely Ruled by Union Pacific.

HOLD ON OTHER ROADS

Strong Voice in Management of the Santa Fe. Great Northern, North-

ern Pacific and Burlington by Stock Holdings.

**************** GROUNDS OF SUIT AGAINST HAR-RIMAN SYSTEM.

That the bolding of stock of the following competing roads by the Union Pacific Railroad Company is in violation of the Sherman anti-

San Pedro, Los Angeles & Sait Lake. Atchison, Topeka & Santa Fe. Great Northern.

Northern Pacific, Chicago, Burlington & Quincy, which is owned jointly by the two

ast samed roads.

The following individuals are also

to be made defendants: E. H. Harriman, Jacob H. Schiff, Otto H. Kahn, James Stillman, Henry Frick, H. H. Rogers and W. A. Clark

WASHINGTON, Jan. 25 .- Attorney General Bonaparte today directed that a bill in equity be filed to set uside the control by the Union Pacific Railway Company and its subsidiary corporations of the Southern Pacific the San Pedro, Los Angeles & Salt Lake Railroads; also to have declared Illiegal the ownership by the Union Pacific or the Oregon Short Line of stock in the Santa Fe, the Great Northern and Northern Pacific, all of said lines being competitors of

The Attorney-General today issued an official statement to this effect, which, after referring to the extended investigation by the Interstate Comnerce Commission into the relations existing among the various lines of road engaged in transcontinental

"From the evidence so adduced and from independent investigation the department has arrived at the conclusjon that the stockholding of Union Pacific and its subsidiary companies in the corporations mentioned above is in direct violation of the Sherman act.

Violates Sherman Act.

The Department regards the suit as of first importance, as it is sought by means thereof to break up a sub-

tion business of the country betw the Missouri River on the east and the entire Pacific Coast south of Portland

Aside from the railway companies above named, the other defendants in the suit are the Farmers Loan & Trust Company of New York, which is the depository of all the stock of the San Pedro road under a contract by which it is required to give proxies to such persons as may be named by Mr. Harriman and Mr. Clark for a period of years. There are also individual defendants who are alleged to have conceived and carried out the conspiracy complained of, towit: E. H. Harriman, Jacob H. Schiff, Otto H. Kahn, James Stillman, Henry C. Frick, Henry H.

togers and William A. Clark. While naming the individual defendant the statement makes no mention of any intention to prosecute any of these of ficials personally in any criminal proceed ings. The statement continues:

Aimed at Monopoly in West.

"It appears by the testimony in the possession of the Department that a combination was formed about the beginning New York, the president of the Union



Against Harriman.

Pacific, and certain of his associates, for the purpose of obtaining a monopoly of all transcontinental transportation business. The first move was the acquisition of sufficient stock of the Southern Pacific Company to insure its control. That company owned a line of railroad extending from New Orleans and points in Texas on tidewater through California to Portland, Oregon; also a line from Ogden, Utah, to San Francisco.' The Southern Pacific had been for years one of the principal competitors of the Union Pacific. As the result of such control by the stockowners, the management of the two since 1902 a majority of the board of directors of the Southern Pacific have been members of the board of directors of the two companies had been substantially

Clark's Road Absorbed.

The San Pedro, Los Angeles & Salt Lake Road was projected as an independent line by W. A. Clark and his associates, to run from San Pedro, on tidewater in California, through Los Angeles to Salt Lake City, having connection at that point with the Union Pacific and with the Gould system. After the work of construction was in progress the parties in control of the Union Pacific by means of harassing litigation designed prevent the acquisition of necessary right of way and by threats of parallel ing the line, if consolidated, so as to ren der the same unprofitable and by other means, induced Clark and his associates to abandon the sceheme of an independent road and to join with the Oregon Short Line, taking over certain track owned or controlled by that company in Southern Utah and Eastern Nevada and giving the Oregon Short Line an equal stock interest in the San Pedro, Los Angeles & Salt Lake Road with that held by Clark and his associates. Then addi-tional traffic agreements and contracts were made between the San Pedro and various corporations included in Harriman system, so-called, which deprive the San Pedro of its independence and makes it in effect a part of the sam

"As to the Santa Fe. which is competing line with both the Union Pacific and Southern Pacific, it appears that Mr. Harriman and his associated acquired sufficient interest in the San-(Concluded on Page 1)

WALL STREET IS **FULL OF REMORSE**

Purified by Fire, It Mends Its Ways.

MORGAN STANDS AS COLOSSUS

Made Panic-Stricken Cowards Be Decent.

DISGUST AT GREAT CRIMES

Catalogue of Wrongdoings Which Made Nation Scourge New York With Fury-Money Drained to Gambling Den.

CHICAGO, Jan. 25 .- (Special.) - Wiring from New York to the Record-Herald to night. Walter Wellman says in part: Purification by fire, shrinkage by elimi

nation of dross, regeneration in remorse this is a fair characterization of the new t'ie revolutionized, the minimized Wall

in the form of public opinion, in the moral uplift which the whole country has felt under the leadership of President Roosevelt. It has come from within, in the form of discovery of cancers and tumors, which must be cut out if the patient is to live. How much of the credit for the new and better order of things is due to one influence, how much to the other. I am unable to say.

Adversity Brings Repentance.

Probably Wall street would never have realized how bad it was and how much in need of a surgeon if the country had not first made the discovery. Probably also, Wall street would have paid little heed to the country's condemnatory warning, but for the discovery that New York was losing ground, losing confidence, losing influence, losing power, losing money, through its own wrong-doing. Vice is never repentant in prosperity.

Certain it is that last Autumn's crisis precipitated and effected the revolution. When New York began to look into itself, it was appalled at what it found. As soon as introspection began, remorse and penitence and good resolutions sprang into

Morgan Masters the Storm

It was a lucky thing for New York, for the whole country, that there was a John Pierpont Morgan here the day the storm came. What he did and how he did it all the world knows in part. The full story has never been written, cannot be written. In short, to use the language of one who was an actor in the drama, Mr. Morgan showed himself to be one of the few really great men this country has produced. There was not another man in the country who could have met the crisis as he met it. He took a crowd of panicstricken, selfish, moral-coward financiers by the throat, shook them as a terrier shakes a rat, banged their heads together and made them be decent by the sheer force of his will and his commanding personality.

When a man like Morgan, with his insight, his knowledge, his habit of facing the truth, looks over the recent history of New York financiering, it is not surprising he feels a great disgust at it.

Long Catalogue of Crime. The era of promotion, wind and wa-

ter stocks, victimizing of an innocent investing public.

The insurance scandals, which have exile, still more into oblivion. The traction scandals, which have pulled down from his pedestal and de-

classed the once powerful Thomas F Ryan. trust company scandals, trust The companies doing all the dirty work of the town, managed by incompetents or

sharks. The railroad scandals, like Alton,

which have put even the great Harri-The banking scandals, plungers and

samblers using other people's money, snown to all the leaders, but suffered to go on till the storm came, when they ould have been eliminated long before Scandals which have led a public prose cuting official to declare within a fort ectors in this town he could put in jail

if he wished. The cotton scandal, which has disgusted the South with its unjust speculative

Even Rockefeller Repents.

The railway and Standard Oil rebate andal, upon which President Roosevel and Judge Landis have put a quietus and brought even John D. Rockefeller to th

stool of repentance.
The greatest scandal of all, the drain ng of money from all over the United States to carry on the great gambling game known as the Stock Exchange. The scourged, purged, shrunken Wall Street is not only whipped by public opinion and by adversity, but it shows sign of being a better Wall Street, at least fo

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MacPherson sentences them Section 2, page 3.

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Big cash gain about Section 4, page 9. Local builders do a fast job on the Bess Dollar, Section 4, page 8. 2 Vicinity.

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Council refuses to pass appropriation for lab

TO HELP STEIWER

Induced Hall to Drop Criminal Charge.

LETTER TELLS OF SUCCESS

Ex-Senator Writes of Strong Pull He Exerted.

HIS MEMORY IS IMPAIRED

Witness Shows Effect of Long Illtention Not to Prosecute Him on the Pending Indictments.

Franklin Pierce Mays, ex-State Senator, was the principal witness for the Government yesterday in the Hall-Mays conspiracy case in the Federal Court. A treacherous and failing memory prevented the witness from positively associating the dates of the letters that passed between them. Probably the most damagthe witness, was his identification of a

ing evidence against Hall, adduced from letter written by himself to Stelwer in which Mays told of his successful efforts in dissuading Hall from instituting riminal proceedings against the members of the Butte Creek Company for unlawful

Before Mays was called into the court room, Heney announced that he wished the indictment dismissed against Mays, who was a co-defendant with Hall and Edwin Mays In making this request of court. Heney said he did not consider that the Government was in pos L page 5.

Close finish of six-day bleycle race. Section 1. page 5.

Dan Kelly a candidate for Olympic games teum. Section 1. page 5.

Changes is cootball rules. Section 1. page 5.

Changes is cootball rules. Section 1. page 5. cute Mays on any of the other maining indictments against him because of his physical condition. Judge Hunt consented to the dismissal of the indictment and at the same time exonerated the bond Mays had furnished Mays was then sworn as a witness for

the prosecution.

J. W. Renick, the special agent who investigated the fences of the Butte Creek Company in August, 1904, under instructions from Hall, identified the letter of instructions he had received from Hall ordering him to do the work and in which Hall informed Renick that he would be expected only to see that the company had substantially complied with the law In his report, which was submitted to Hall in September, 1904, Renick reported that the fences had not been disturbed This report was also admitted in evidence for the Government.

Steiwer Is Evasive.

W. W. Steiwer, president of the Butte Creek Company, was temporarily excused yesterday as a witness, following a carequestioning by Judge Webster. Stelwer evasively answered many of the questions relating to important details of which he professed to have no recollection. It was evident that the witness was doing all he could to shield both Fulton and Hall from any unpleasant disclosures that Heney sought to elicit in ber of pertinent questions were asked concerning the Senatorial contest of 1900, when Fulton was elected. Hency endear ored to cause the witness to charge that both Hall and Fulton exerted their influence on the closing night of that ses sion to induce Stefwer to vote for Fulton. which he did on the last ballot. But to all such questions, the witness asserte that he did not remember any such in-Charles B. Moores, ex-Register of the

Oregon City Land Office, will undoubtedy be a witness for the Government be fore the prosecution closes its case either will testify can only be conjectured but it will be recalled that aside from being con

City shortly before the date of the land-fraud disclosures, he was a tentative candidate for Congressman to succeed

be a witness for the Government, prob ably tomorrow. Mr. Meldrum reached Portland yesterday from McNell's Isl and, where he is serving a sentence for approving fraudulent surveys of Government land. He will probably testify and applications for surveys were for confession to Brownell that he (Mel drum) forged Brownell's name to the papers. It was these forged signatures that Inspector Greene discovered and on which Hall's insinuations of pos-sible presecution of Brownell for complicity in the land-frauds was based. Because of these indirect threats of indictment and prosecution, Brownell

Franklin Pierce Mays, Who Tes-

withdraw from the contest for appoint-

ment as United States Attorney, a job

Fulton, and finally to indorse Hall for

Among other witnesses that may be

called by Heney before the Govern-

ment concludes its testimony, are a

Portland who attended the legislative

session of 1903. Hency announced Fri-

day that he would subpense a number

of witnesses for the purpose of prov-

ing that Hall attended that session and

was actively working in the nterest

More About Fulton.

Fulton with the generally complicated

political situation in this state between

1899 and 1905, not did 'it reflect un-

favorably on the Senator. Honey, how-

ever, says he has further surprising

Fulton that will be sprung before the

11 o'clock yesterday morning and tea-

ified that shortly after he had been

employed as attorney for the Butte

Creek Company, he telephoned Hall to

come to his office in the Chamber of

Commerce building. At that time Mays

said he told Hall that Steiwer had in-

formed him (Mays) that criminal pro-

ceedings were likely to be instituted

by the Government against either the

Butte Creek Company or the individual

members of the company for violating

pointed out to Hall that the alleged

violation was punishable by either of

two procedures-a civil or a criminal

suit-and he said he urged Hall to

institute only a civil suit, contending

Steiwer throughout the state should

not be humiliated by arrest when any

The witness identified the letter h

had written to Stelwer in 1903, follow-

ing this conference with Hall. This

letter was introduced by the Govern-

Offices of Carey & Mays, attorneys-at-

law, Chamber of Commerce building, Portland, Or., October 7, 1963. Hon. W. W. Steiwer, Fossil, Or.,

My Dear Winlock .- I was up to The

(Concluded on Page 10.)

ment and was as follows:

lation of the law.

the fence laws. Mays said that h

Mays was called as a witness shout

Government rests ats case.

None of the testimony offered yes

served further to associate

of the election of Senator Fulton.

number, of prominent residents

Trial.

reappointment.

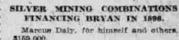
fled Yesterday in Hall - Mays

late Thomas H. Tongue. He may relate further interesting facts in connection with the political history of the state a hat time, particularly as they affected the relations of the different principals that have been dragged either directly or indirectly into the case now on trial. Henry Meldram, ex-United States Surveyor-General for Oregon, will also to the fact that the alleged sugnatures of George C. Brownell to field notes geries, having recently made a written

> Nine-Tenths of Total Came From That Source.

> > MARCUS DALY LEADS ALL

Mining King of Montana Raised \$159,000 of \$288,000 Given by Silver Interests-Jones Destroys Detailed Record.



Clark's personal contribe tions, \$45,000. D. H. Moffatt, \$18,000. W. H. Stration, \$12,000. D. M. Hyman, \$7500.

Dennis Sheedy, \$7500. Smaller donations, \$6000 Utah silver fund, \$18,000. Charles D. Lane, California, \$15,000. Total mining contributions, \$288,000. Total Democratic National Commit-tee's rund, \$321,000.

NEW YORK, Jan. 25,-(Special.)-

Records of the financial backing of Presidency in 1896, when he made the promised him both by Mitchell and lesue of free and unlimited coinage of silver at the ratio of 16 to 1, that Western mine-owners and silver producers financed the canvass to the extent of \$288,000, nearly 90 per cent of all the money received by the I peratic National committee, ex-Senator James K. Jones, o sas, was chairman.

> The figures here presented a uthority of officers of the Democ National committee for 1896, men actually received the money and the books. Some of the principal tributors have aided with their rec

Two Sets of Books.

Two sets of books were kept One was the formal campaign. which was preserved for reference in case of necessity. It tells nothing of inner history, only totals and summaries being carried in it. For example, all the money raised by Marcus Daly is credited to him alone, no record being kept of the National banks and the mining corporations that turned in their contributions through

There was another book which contained the names of actual contributors, so far as known to the committee. This was a journal in which were entered the names of those who made up combination contributions. In it were dozen of names of mining companies, of smelting companies, of corporations interested in the production of silver. The book remained in the possession of Chairman Jones. It is supposed not

to be in existence now. Only Half of What Was Spent.

The total received by the Democratic National committee for the campaign of 1896 was \$321,000. This \$321,000 by no means represents all the expenditures in behalf of Mr. Bryan, being considerably less than one half, according to the best estimates. Many separate elements of free silver or ganizations entered into that campaign, each with its own fund, working independently of the National committee.

Marcus Daly led off with a big contribution out of his own pocket, the exact amount of which cannot be determined. He had the directors of the Anaconda Mining Company vote a

EVENTS OF LAST WEEK, VIEWED BY HARRY MURPHY













Bad Place for a Sensitive Smeller.